

VILLAGE OF BOLINGBROOK, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended
April 30, 2023

VILLAGE OF BOLINGBROOK, ILLINOIS
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Members of the Board of Trustees
Village of Bolingbrook, Illinois
Bolingbrook, Illinois

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bolingbrook, Illinois ("Village"), as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.


Crowe LLP

Oak Brook, Illinois
October 17, 2024

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
April 30, 2023

As management of the Village of Bolingbrook ("Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2023. This narrative is intended to provide the reader a better understanding of the accompanying financial statements. It also highlights several important aspects of the Village's financial condition and reviews the relationship between the types of financial statements presented.

Financial Highlights

- The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at April 30, 2023, resulting in a total net position of \$202,618,670.
- The Village's total net position increased by \$12,205,586 during the fiscal year. Governmental net position increased by \$17,006,505 and business-type net position decreased by \$4,800,919.
- The Village's governmental funds reported combined ending fund balances of \$174,491,769, an increase of \$30,857,388, or 21.5,9%, as compared to prior fiscal year.
- As of April 30, 2023, unassigned fund balance in the General Fund was \$113,503,393 or 147.0% of total General Fund expenditures. General Fund cash and investments totaled \$113,543,902, or 147.1%, of total General Fund expenditures.

REPORT STRUCTURE

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a comprehensive overview of the Village's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Village's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates the Village's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information showing how the Village's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The Statement of Activities also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
April 30, 2023

Both of the government-wide financial statements differentiate functions of the Village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, sanitation, culture and recreation and economic development. The business-type activities of the Village include water and sewer services, airport and the westside regional stormwater activities.

Excluded from the government-wide financial statements are fiduciary funds, such as the Village's Police and Firefighters' Pension Funds and custodial funds. Fiduciary funds are used to report net assets held in a trustee or agency capacity for others and therefore cannot be used to support Village services.

The government-wide financial statements can be found on pages 15 through 16 of this report.

Fund Financial Statements

A *fund* is a group of accounts used to maintain control over resources that have been segregated for specific purposes. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the Village-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the village-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds account for those activities primarily supported by user fees. The Village maintains two types of proprietary funds (*enterprise funds and internal service funds*). Proprietary funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements and use the economic measurement focus and accrual basis of accounting. The Village's proprietary funds are the Waterworks and Sewage Fund, Airport and Westside Regional Stormwater Fund. The internal service fund accounts for the Village's Medical Insurance, Workers' Compensation, and Retiree funds activity.

Fiduciary funds account for financial resources held for the benefit of parties outside the Village, such as the Village's Police and Firefighters' Pension funds and custodial fund. The accounting used for fiduciary funds is similar to that used by proprietary funds.

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
April 30, 2023

The fund financial statements begin on page 17.

Notes to the Financial Statements.

The notes to the financial statements provide information necessary for the full understanding of the statements and being on page 26.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also includes certain *required supplementary information* and can be found starting on page 74. Other supplemental information may also be found beginning on page 87.

CONDENSED FINANCIAL INFORMATION AND ANALYSIS

Government-Wide Financial Analysis

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term liabilities.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in the investment in capital assets and an increase in related net debt which will not change the net investment in capital assets (net of debt).

Spending on Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) reduce unrestricted net position and increase the net investment in capital assets.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term liabilities and (b) reduce unrestricted net position and increase the net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and the net investment in capital assets.

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
April 30, 2023

Current Year Impacts

The Village's assets and deferred outflows exceeded its liabilities and deferred inflows by \$202.6 million as of April 30, 2023. The Village's net investment in capital assets was \$251.0 million, which includes related debt and depreciation. Restricted net position totaled \$17.4 million and includes amounts that are subject to external constraints. Unrestricted net position was negative \$65.8 million due to the inclusion of \$455.2 million in noncurrent liabilities.

The following table represents a condensed summary of Changes in Net Position as of April 30, 2023 and 2022:

Village of Bolingbrook's Statement of Net Position
April 30, 2023 and 2022
(in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current Assets	\$ 202.1	\$ 166.2	9.8	9.5	211.9	175.7
Other Assets		8.9		5.4		14.3
Capital Assets	277.8	281.8	166.0	166.7	443.8	448.5
Total Assets	479.9	456.9	175.8	181.6	655.7	638.5
Deferred Outflows of Resources	69.0	57.7	1.1	0.2	70.1	57.9
Total Assets and Outflows of Resources	548.9	514.6	176.9	181.8	725.8	696.4
Current Liabilities	33.3	28.6	2.8	2.5	36.1	31.1
Noncurrent Liabilities	454.1	430.6	1.2	0.2	455.3	430.8
Total Liabilities	487.4	459.2	4.0	2.7	491.4	461.9
Deferred Inflows of Resources	31.9	42.8		1.4	31.9	44.2
Total Liabilities and Deferred Inflows of Resources	519.3	502.0	4.0	4.1	523.3	506.1
Net Position						
Net Investment in Capital Assets	88.5	90.4	162.5	166.7	251.0	257.1
Restricted	17.4	26.0		1.3	17.4	27.3
Unrestricted	(76.3)	(103.8)	10.4	9.7	(65.9)	(94.1)
Total Net Position	\$ 29.6	\$ 12.6	\$ 172.9	177.7	\$ 202.5	190.3

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
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Normal Impacts

There are eight basic impacts on revenues and expenses as reflected below that affect the comparability of the Statement of Changes in Net Position summary presentation:

Village of Bolingbrook's Change in Net Position
For the Year Ended April 30, 2023
(in Millions)

	Governmental		Business-Type		Total	
	Activities		Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues						
Charges for Services	\$ 22.0	\$ 21.9	14.1	13.6	36.1	35.5
Operating grants and contributions	3.4	7.3			3.4	7.3
Capital Grants and Contributions	0.8	2.5	1.5	4.6	2.3	7.1
General Revenues						
Property Taxes	21.9	20.8			21.9	20.8
Other Taxes	77.3	76.4			77.3	76.4
Others	7.1	(1.6)		(0.3)	7.1	(1.9)
Total revenues	<u>132.5</u>	<u>127.3</u>	<u>15.6</u>	<u>17.9</u>	<u>148.1</u>	<u>145.2</u>
Expenses:						
General Government	11.4	10.1			11.4	10.1
Public Safety	68.5	58.2			68.5	58.2
Public Works	15.8	16.5			15.8	16.5
Sanitation	5.5	5.9			5.5	5.9
Capital Projects						
Culture and Recreation	3.1	3.0			3.1	3.0
Economic Development	1.0	0.3			1.0	0.3
Interest on Long-Term Debt	10.2	10.1			10.2	10.1
Water and Sewer			9.1	8.2	9.1	8.2
Westside Regional Stormwater			10.1	8.3	10.1	8.3
Airport			1.2	1.1	1.2	1.1
Total expenses	<u>115.5</u>	<u>104.1</u>	<u>20.4</u>	<u>17.6</u>	<u>135.9</u>	<u>121.7</u>
Increase (Decrease) in Net Position Before Transfers	17.0	23.2	(4.8)	0.3	12.2	23.5
Transfers						
Increase (Decrease) in Net Position	17.0	23.2	(4.8)	0.3	12.2	23.5
Net Position						
Net Position, Beginning of Year	<u>12.7</u>	<u>(10.5)</u>	<u>177.7</u>	<u>177.4</u>	<u>190.4</u>	<u>166.9</u>
Ending	<u>\$ 29.7</u>	<u>\$ 12.7</u>	<u>\$ 172.9</u>	<u>\$ 177.7</u>	<u>\$ 202.6</u>	<u>\$ 190.4</u>

Village of Bolingbrook, Illinois
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Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales, and utility tax revenue, as well as public spending habits for building permits, elective user fees, and volumes of consumption.

Increase/Decrease in Village Board Approved Rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, etc.).

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and nonrecurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while nonrecurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment Income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (general government, public safety, highways and streets, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent a significant portion of the Village's operating costs.

Salary Increases (cost of living and merit) – the ability to attract and retain intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation continues to be modest, the Village is a major consumer of certain commodities such as fuel and supplies that may experience unusual commodity specific increases.

Current Year Impacts

Governmental Activities – Revenues

Governmental Revenues increased by \$5.2 million, or 4.1%, over prior fiscal year, an increase of \$.1 million in charges for services, a decrease of \$3.9 million in operating grants and contributions, a decrease of \$1.7 million in capital grants and contributions, and an increase of \$.9 million in other taxes. The Village received a total of \$4.6 million in ARPA Funds to reimburse for public safety salaries.

The Village received \$58.3 million from the State for intergovernmental taxes (\$56.4 million in prior fiscal year); this represents 44.0% of the total governmental revenues. The largest intergovernmental tax is the state sales tax. In the current year, the state sales tax revenue was \$43.5 million (\$41.5 million in prior fiscal year). The second largest intergovernmental tax revenue source was derived from the state income tax and the revenue was \$14.4 million (\$14.5 million in prior fiscal year).

Village of Bolingbrook, Illinois
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Charges for services amounted to \$22.1 million or 16.7% of total governmental revenues and an increased \$213 thousand from the prior fiscal year, when it was 17.2% of total governmental revenues. The leading revenue source, \$5.8 million, was for ambulance fees.

Property taxes are 16.5% of the Village's governmental activities' revenue. In the current year, we received \$21.9 million in property taxes (\$20.8 million prior fiscal year). There was a 4.9% increase from prior fiscal year. The Village's equalized assessed valuation increased 2.9%, from \$2,372,865,677 to \$2,441,738,087.

Governmental Activities – Expenses

Total expense increased by \$11.4 million, or 10.8%, to \$115.5 million. The largest part of this expense, 59.2%, or \$68.5 million, relates to public safety. This includes required contributions to the Police and Firefighters' Pensions, as well as salaries for all Fire and Police personnel and associated benefits. Public Works made up 13.7%, or \$15.8 million of total governmental activities' expenditures. This includes salaries and associated benefits.

Business-Type Activities – Revenues. The total business-type revenues were \$15.6 million. Tap-on fees are obtained through new connections to the Village's water reclamation facilities. During the year we received \$1.8 million in tap-on fees. We also received \$3.6 million in revenue from our wastewater service charge. This is a fee charged to residents, apartment units, commercial and industrial users for each gallon of treatment and collection.

There was an increase of \$771 thousand to the Westside Regional Stormwater Fund revenues for a total of \$9.9 million.

Business-Type Activities – Expenses. The total expenses were \$20.4 million. Of this amount, \$4.5 million relates to depreciation expense, and the remaining balance relates to the water sewer fund for salaries and utilities, westside regional stormwater and airport expenses.

Fund Financial Statement Analysis

Governmental Funds

The focus of the Village's governmental funds, which includes the General Corporate Fund and Debt Service Fund and 14 other nonmajor funds, is to provide information on near-term inflows, outflows, and balances of spendable resources. These nonmajor funds are included on the combined balance sheet found on page 87. Governmental funds utilize the modified accrual basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balances) are found on page 89. At the end of the current fiscal year, the governmental funds reported combined total fund balances of \$174.5 million, which is a 21.5% increase from the beginning of the year's total of \$143.6 million.

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The General Corporate Fund is used to account for most of the Village's governmental operating activity. This includes administration, finance, building, public safety, and public services. The General Corporate fund balance increased by \$29.7 million. Revenues were up 4.8% (\$110.9 million compared to \$105.8 million), expenditures increased by 9% (\$77.2 million compared to \$70.7 million). The increase in revenues can be attributed to an increase in real estate transfer tax, state income tax, other charges for services. General Corporate Fund expenditures finished the year \$16.2 or 17.3% under budget. The General Corporate Fund budget was amended during the year from \$89.2 to \$93.4 million.

The Debt Service Fund paid schedule debt service obligations and received property tax revenue. There was a decrease of fund balance of \$21 thousand for an ending deficit balance of \$1.2 million.

Proprietary Funds

The Village of Bolingbrook's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The financial statements for the proprietary funds begin on page 21.

At April 30, 2023, the business-type activities reported combined total net assets of \$173.0 million, which is a 2.7% decrease from the beginning of the year's total of \$177.8 million. Of the total net position balance, \$162.5 million is invested in capital assets, net of related debt.

The Village reports the Wastewater/Sewer, Airport, and Westside Regional Stormwater funds as proprietary funds. Wastewater and sewer treatment service is provided at a rate of \$2.91 per thousand gallons of usage. The Wastewater/Sewer Fund recorded an Operating loss before depreciation of \$2.2 million, depreciation expense was \$3.1 million.

In December 2018, the Village executed a 10-year management contract with Kemper Management Inc. in December 2018 to provide operating services at the Village owned Golf Course. For an annual fee, the firm employs and trains the proper staffing levels, maintains the course and clubhouse, operates the half way houses and develops and markets the golf course activities and promotions. All revenues are the Village's, and operating expenses are incurred in accordance with the contract and an annual budget approved by the Village. This is the sixth consecutive year lots were sold. The Westside Regional Stormwater fund recorded operating income before depreciation of \$.5 million, depreciation expense was \$0.7 million. Included in the activity of the fund for the current year was the sale of thirteen lots sold for \$1.1 million compared to eleven lots sold in fiscal year 2022 for \$1.1 million. In addition, the Westside Regional Stormwater fund collected \$395 thousand for the regional stormwater management facility fee.

In April 2004, the Village purchased Clow International Airport. In December 2022, the Village executed a management agreement with Clow International Airport, LLC effective May 1, 2023 through April 30, 2026. They will supervise, manage, direct and operate the Airport on behalf of the Village. This includes general daily operations, service work, repairs, and marketing. The Airport Fund ended fiscal year 2023 with a fund balance of \$16.1 million, down \$0.8 million from the prior year.

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Fiduciary Funds

The financial statements for the Village's fiduciary funds, the Police and Firefighter's Pension Funds, begin on page 91. The change in net position for the Police Pension fund was an increase of \$.7 million and for the Firefighters' Pension fund an increase of \$.4 million.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2023, equals \$440.6 million (net of accumulated depreciation). The governmental activities net capital assets decreased by \$4.0 million, or 1.4% as depreciation exceeded new capital outlay. Major governmental capital expenditures included:

- One vehicle to the Police Department; one wheel loader, two dump trucks with plows, one compact truck loader, one backhoe, one trailer, and ten vehicles assigned to Public Works; two vehicles assigned to the Fire Department. (Governmental Activities)
- Cardiac Monitors for the Fire Department (Governmental Activities)
- New electronic sign for Village Hall (Governmental Activities)
- Improvements for the Fire Stations such as new flooring and windows. (Governmental Activities)
- Two new vehicles for the Waste Water department. (Business type activities)
- New pumps for Waste Water pumps and controller setups. (Business type activities)

	Change in Capital Assets					
	(in millions)					
	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2023	2022	2023	2022	2023	2022
Non-Depreciable Assets:						
Land	\$ 186.1	\$ 186.1	\$ 47.4	\$ 47.4	\$ 233.5	\$ 233.5
CIP	1.8	1.6	17.5	17.5	19.3	19.1
Other Capital Assets:						
Land Improvements	17.0	17.0	11.3	11.3	28.3	28.3
Infrastructure	169.1	168.8	138.0	137.9	307.1	306.7
Buildings	47.2	47.0	43.5	43.5	90.7	90.5
Leased - Machinery and Equipment	2.3	-	-	-	2.3	-
Machinery and Equipment	25.7	24.2	18.2	17.8	43.9	42.0
Accumulated Depreciation on						
Capital Assets	<u>(171.4)</u>	<u>(162.9)</u>	<u>(113.1)</u>	<u>(108.7)</u>	<u>(284.5)</u>	<u>(271.6)</u>
	\$ 277.8	\$ 281.8	\$ 162.8	\$ 166.7	\$ 440.6	\$ 448.5

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
April 30, 2023

In accordance with the Village's projected road replacement program, street improvements include resurfacing of 77,117 linear feet of road (30.09 of lane miles).

In the past, various developers had continued to install and dedicate linear feet of storm sewer and sanitary sewer lines to the Village. In 2023, there were no linear feet of storm sewer and no linear feet of sanitary sewer lines were dedicated to the Village. See Note 4 for additional information on capital assets.

Debt Administration

At April 30, 2023, the Village had outstanding debt as follows:

	Obligations Outstanding May 1, 2022	Debt Additions	Interest Accretion	Debt Reductions	Obligations Outstanding April 30, 2023	Due Within One Year
Governmental Activities:						
1999C Capital Appreciation Bonds	\$ 27,720,161	\$ -	\$ 1,407,735	\$ 3,895,000	\$ 25,232,896	\$ 4,385,000
2002B Capital Appreciation Bonds	37,204,946	-	2,269,252	1,765,000	37,709,198	2,045,000
2005 Sales Tax Revenue Bonds	22,835,000	-	-	3,475,000	19,360,000	4,510,000
2014A General Obligation Current Interest Bonds	42,505,000	-	-	265,000	42,240,000	280,000
2018A General Obligation Refunding Bonds	32,560,000	-	-	460,000	32,100,000	485,000
2019A General Obligation Refunding Bonds	21,455,000	-	-	1,290,000	20,165,000	1,470,000
2020A General Obligation Refunding Bonds	44,950,000	-	-	-	44,950,000	-
Bond Premium	5,846,743	-	-	698,380	5,148,363	-
Leases	-	2,288,989	-	410,655	1,878,334	235,557
Compensated Absences	5,706,728	2,637,369	-	2,957,268	5,386,829	2,826,051
Net Pension Liability - police	90,638,344	10,213,100	-	-	100,851,444	-
Net Pension Liability - firefighters'	74,655,130	8,134,184	-	-	82,789,314	-
Net pension liability (asset) - IMRF	(8,937,720)	14,240,143	-	-	5,302,423	-
Net pension liability - IMRF SLEP	143,677	222,142	-	-	365,819	-
Total OPEB liability	<u>40,715,798</u>	<u>7,593,711</u>	<u>-</u>	<u>-</u>	<u>48,309,509</u>	<u>1,492,665</u>
Total Governmental Activities	<u>\$ 437,998,807</u>	<u>\$ 45,329,638</u>	<u>\$ 3,676,987</u>	<u>\$ 15,216,303</u>	<u>\$ 471,789,129</u>	<u>\$ 17,729,273</u>
Business-Type Activities:						
Compensated Absences	\$ 206,016	\$ 69,345	\$ -	\$ 118,302	\$ 157,059	\$ 85,980
Net pension liability (asset) - IMRF	(1,335,521)	2,127,837	-	-	792,316	-
Total OPEB liability	<u>126,611</u>	<u>186,855</u>	<u>-</u>	<u>-</u>	<u>313,466</u>	<u>9,685</u>
Total Business-type Activities	<u>\$ (1,002,894)</u>	<u>\$ 2,384,037</u>	<u>\$ -</u>	<u>\$ 118,302</u>	<u>\$ 1,262,841</u>	<u>\$ 95,665</u>

Village of Bolingbrook, Illinois
Management's Discussion and Analysis
April 30, 2023

As a Home Rule community under the Illinois Constitution, the Village has no legal debt limit. However, the Village has no intention of exceeding a fiscally responsible amount of debt; the Village's credit opinion from Moody's Investors Service on February 28, 2024, was A2. See more information on the 2005 Sales Tax Revenue Bond can be found in Note 5: Long-Term Obligations and Note 6: Commitments, Development Agreements, Tax Abatements, Pledge Revenues and Contingent Liability.

ECONOMIC FACTORS

The Village is located at the interchange of Interstate Route 55 on the south and the north/south extension of the Illinois Tollway system, I-355 on the east. Presently the Village consists of 25.6 square miles. In fiscal year 2023 the EAV increased by 2.9%.

The extension of North/South Tollway (I-355) from Route 55 at the southeast edge of Bolingbrook south of I-80 has made Bolingbrook one of the most centralized suburbs in the southwest Chicago area.

The Village has experienced rapid growth in commercial and residential real estate development over the past ten years. Much of this growth can be attributed to the pro-growth sentiments of the Village; the proximity of the Village to the City of Chicago; the provision of necessary infrastructure improvements including roads, water and sewer services, and relatively low property taxes.

In fiscal year 2023, the Village issued 3,183 housing permits versus 3,854 from a year ago. There were 20 industrial new/buildout constructions in fiscal year 2023 versus 26 from a year ago. There were 20 new/buildout commercial construction permits in 2023, compared to a year ago of 41. There were no subdivisions that was accepted in the 2023 fiscal year.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Finance Director, Village of Bolingbrook, 375 West Briarcliff Road, Bolingbrook, Illinois, 60440.

Village of Bolingbrook, Illinois
Statement of Net Position
April 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets			
Cash, cash equivalents and investments	\$ 136,306,522	\$ 19,795,460	\$ 156,101,982
Property tax receivable	23,399,629	-	23,399,629
Other taxes receivable	1,135,046	-	1,135,046
Accounts receivable	4,490,539	323,691	4,814,230
Accrued interest receivable	195,130	20,790	215,920
Intergovernmental receivable	13,551,214	-	13,551,214
Internal balances	10,801,357	(10,801,357)	-
Prepaid items	-	23,639	23,639
Inventories	33,637	485,238	518,875
Restricted cash	12,200,652	-	12,200,652
Total current assets	<u>202,113,726</u>	<u>9,847,461</u>	<u>211,961,187</u>
Noncurrent assets			
Land held for resale	-	3,214,568	3,214,568
Capital assets			
Capital assets not being depreciated/amortized	187,918,484	64,946,957	252,865,441
Capital assets being depreciated/amortized, net	89,866,658	97,841,819	187,708,477
Total noncurrent assets	<u>277,785,142</u>	<u>166,003,344</u>	<u>443,788,486</u>
Total assets	<u>479,898,868</u>	<u>175,850,805</u>	<u>655,749,673</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	49,701,369	1,035,773	50,737,142
Deferred outflows related to OPEB	10,979,388	71,242	11,050,630
Unamortized loss on refunding	8,352,625	-	8,352,625
Total deferred outflows of resources	<u>69,033,382</u>	<u>1,107,015</u>	<u>70,140,397</u>
LIABILITIES			
Current liabilities			
Accounts payable	6,687,192	1,152,350	7,839,542
Accrued payroll	1,051,631	155,629	1,207,260
Claims payable	1,228,842	-	1,228,842
Deposits payable	3,017,182	853,663	3,870,845
Interest payable	2,155,912	-	2,155,912
Other payables	498,414	168,436	666,850
Due to pension funds	723,626	-	723,626
Unearned revenue	216,929	351,686	568,615
Long-term obligations due within one year			
Compensated absences	2,826,051	85,980	2,912,031
Bonds payable	13,175,000	-	13,175,000
Lease payable	235,557	-	235,557
Total OPEB liability	1,492,665	9,685	1,502,350
Total current liabilities	<u>33,309,001</u>	<u>2,777,429</u>	<u>36,086,430</u>
Noncurrent liabilities			
Compensated absences	2,560,778	71,079	2,631,857
Bonds payable	213,730,457	-	213,730,457
Lease payable	1,642,777	-	1,642,777
Total OPEB liability	46,816,844	303,781	47,120,625
Net pension liability	189,309,000	792,316	190,101,316
Total noncurrent liabilities	<u>454,059,856</u>	<u>1,167,176</u>	<u>455,227,032</u>
Total liabilities	<u>487,368,857</u>	<u>3,944,605</u>	<u>491,313,462</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	1,962,560	16,854	1,979,414
Deferred inflows related to OPEB	6,276,700	40,728	6,317,428
Deferred property taxes	23,391,979	-	23,391,979
Unamortized gain on refunding	269,117	-	269,117
Total deferred inflows of resources	<u>31,900,356</u>	<u>57,582</u>	<u>31,957,938</u>
NET POSITION			
Net investment in capital assets	88,503,468	162,509,577	251,013,045
Restricted for streets	13,383,374	-	13,383,374
Restricted for public safety	312,234	-	312,234
Restricted for debt service	2,343,862	-	2,343,862
Restricted for capital projects	1,378,782	-	1,378,782
Unrestricted (deficit)	(76,258,683)	10,446,056	(65,812,627)
Total net position	<u>\$ 29,663,037</u>	<u>\$ 172,955,633</u>	<u>\$ 202,618,670</u>

Village of Bolingbrook, Illinois
Statement of Activities
Year Ended April 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General government	\$ 11,430,770	\$ 4,228,733	\$ -	\$ 805,851	(6,396,186)	\$ -	\$ (6,396,186)
Public safety	68,523,409	8,679,315	448,231	-	(59,395,863)	-	(59,395,863)
Public works	15,795,860	3,128,625	3,029,901	-	(9,637,334)	-	(9,637,334)
Sanitation	5,518,974	6,048,401	-	-	529,427	-	529,427
Culture and recreation	3,104,699	-	-	-	(3,104,699)	-	(3,104,699)
Economic development	959,545	-	-	-	(959,545)	-	(959,545)
Interest on long-term debt and bond issue costs	10,251,926	-	-	-	-	-	-
Total governmental activities	115,585,183	22,085,074	-	805,851	(89,216,126)	-	-
					(10,251,926)		(10,251,926)
BUSINESS-TYPE ACTIVITIES							
Waterworks and sewerage	9,139,929	3,792,991	-	1,474,884	-	(3,872,054)	(89,216,126)
Westside regional stormwater	10,147,770	9,976,732	-	-	-	(171,038)	(3,872,054)
Airport	1,370,414	-	-	-	-	-	-
Total business-type activities	20,658,113	14,160,283	-	-	-	(5,022,946)	-
		3,478,132	-	-	-	-	-
Total primary government	\$ 136,243,296	\$ -	\$ -	\$ 1,474,884	(979,854)	(5,022,946)	(94,239,072)
GENERAL REVENUES							
Taxes	-	-	-	-	-	(979,854)	-
Property taxes levied for general purpose	390,560	-	-	-	10,352,995	(5,022,946)	10,352,995
Property taxes levied for debt service	-	-	-	-	11,511,820	-	11,511,820
Telecommunication	-	-	2,280,735	(89,216,126)	984,802	-	984,802
Intergovernmental	-	3,478,132	-	-	17,975,563	-	17,975,563
Sales tax	-	-	-	-	43,465,959	-	43,465,959
Income tax	-	-	-	-	14,407,184	-	14,407,184
Personal property replacement tax	-	-	-	-	439,340	-	439,340
Coronavirus state and local fiscal recovery funds	-	-	-	-	4,570,070	-	4,570,070
Unrestricted investment gain	-	-	-	-	2,203,222	54,688	2,257,910
Miscellaneous revenues	-	-	-	-	257,394	167,339	424,733
Gain on sale of capital assets	-	-	-	-	54,282	-	54,282
Total general revenues	-	-	-	-	106,222,631	-	-
Change in net position	-	-	-	-	17,006,505	(4,800,919)	12,205,586
						54,282	
Net position, beginning of year	-	-	-	-	12,656,532	177,756,552	190,413,084
						106,444,658	
Net position, end of year	-	-	-	-	\$ 29,663,037	\$ -	\$ -
					222,027		

See Notes to Financial Statements

Village of Bolingbrook, Illinois
Balance Sheet - Governmental Funds
April 30, 2023

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
ASSETS				
Cash, cash equivalents and investments	\$ 113,543,902	\$ -	\$ 16,913,564	\$ 130,457,466
Property tax receivable	10,854,530	12,537,449	7,650	23,399,629
Other taxes receivable	1,135,046	-	-	1,135,046
Accounts receivable	2,656,384	-	1,715,847	4,372,231
Accrued interest receivable	187,387	-	7,743	195,130
Intergovernmental receivable	13,021,607	-	529,607	13,551,214
Advances to other funds	35,330,889	2,289,221	1,408,348	39,028,458
Inventories	33,637	-	-	33,637
Restricted cash	-	-	12,200,652	12,200,652
Total assets	<u>\$ 176,763,382</u>	<u>\$ 14,826,670</u>	<u>\$ 32,783,411</u>	<u>\$ 224,373,463</u>
LIABILITIES				
Accounts payable	\$ 4,231,043	\$ -	\$ 1,060,073	\$ 5,291,116
Accrued payroll	1,043,654	-	7,977	1,051,631
Deposits payable	3,017,182	-	-	3,017,182
Other payables	353,639	-	144,775	498,414
Due to pension funds	723,626	-	-	723,626
Unearned revenue	216,929	-	-	216,929
Advances from other funds	1,479,286	3,495,989	7,021,729	11,997,004
Total liabilities	<u>11,065,359</u>	<u>3,495,989</u>	<u>8,234,554</u>	<u>22,795,902</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred property taxes	10,854,530	12,537,449	-	23,391,979
Unavailable other taxes	3,693,813	-	-	3,693,813
Total deferred inflows of resources	<u>14,548,343</u>	<u>12,537,449</u>	<u>-</u>	<u>27,085,792</u>
FUND BALANCES				
Nonspendable				
Advances	35,330,889	-	-	35,330,889
Inventories	33,637	-	-	33,637
Restricted for				
Streets	-	-	13,383,374	13,383,374
Public safety	312,234	-	-	312,234
Debt service	1,969,527	-	-	1,969,527
Capital projects	-	-	13,579,434	13,579,434
Unassigned	113,503,393	(1,206,768)	(2,413,951)	109,882,674
Total fund balances (deficit)	<u>151,149,680</u>	<u>(1,206,768)</u>	<u>24,548,857</u>	<u>174,491,769</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)				
	<u>\$ 176,763,382</u>	<u>\$ 14,826,670</u>	<u>\$ 32,783,411</u>	<u>\$ 224,373,463</u>

Village of Bolingbrook, Illinois
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 April 30, 2023

Total Fund Balances - Governmental Funds		\$ 174,491,769
<p>Amounts reported for governmental activities in the statement of the net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Capital assets, at cost	\$ 449,218,551	
Accumulated depreciation/amortization	<u>(171,433,409)</u>	
Net capital assets		277,785,142
<p>Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as a liability in governmental funds. These liabilities consist of:</p>		
Compensated absences	(5,386,829)	
Bonds payable	(226,905,457)	
Leases payable	(1,878,334)	
Total OPEB liability	(48,309,509)	
Net pension liability	(189,309,000)	
Interest payable	<u>(2,155,912)</u>	
Total long-term liabilities		(473,945,041)
<p>Deferred outflows and inflows of resources related to pensions are recorded on the statement of net position.</p>		
		47,738,809
<p>Deferred outflows and inflows of resources related to OPEB are recorded on the statement of net position.</p>		
		4,702,688
<p>Losses on refunding are not recognized in the governmental funds, but are capitalized and amortized over the life of the refunded bonds in the statement of net position.</p>		
		8,352,625
<p>Gains on refunding are not recognized in the governmental funds, but are capitalized and amortized over the life of the refunded bonds in the statement of net position.</p>		
		(269,117)
<p>Some of the tax revenues due from the state will be collected after year end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.</p>		
		3,693,813
<p>A portion of the claims liability is not due and payable in the current period and, therefore, is not reported in governmental funds.</p>		
		(376,831)
<p>Internal service funds are used to manage the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.</p>		
		<u>(12,510,820)</u>
Net Position of Governmental Activities		<u>\$ 29,663,037</u>

Village of Bolingbrook, Illinois
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended April 30, 2023

	General Fund	Debt Service Fund	Nonmajor Governmental Funds	Total
REVENUES				
Taxes	\$ 29,438,619	\$ 11,511,820	\$ 11,601	\$ 40,962,040
Licenses and permits	2,154,430	-	-	2,154,430
Charges for services	11,448,401	-	6,048,401	17,496,802
Fines and forfeitures	1,302,919	-	-	1,302,919
Contributions	631,932	-	-	631,932
Intergovernmental	63,841,039	-	3,835,752	67,676,791
Investment income	1,793,207	1,622	408,393	2,203,222
Miscellaneous	246,130	-	-	246,130
Total revenues	<u>110,856,677</u>	<u>11,513,442</u>	<u>10,304,147</u>	<u>132,674,266</u>
EXPENDITURES				
Current				
General government	11,630,234	-	-	11,630,234
Public safety	53,803,365	-	-	53,803,365
Highways and streets	7,256,324	-	3,565,260	10,821,584
Sanitation	-	-	5,512,046	5,512,046
Culture and recreation	3,105,055	-	-	3,105,055
Economic development	959,545	-	-	959,545
Debt service				
Principal	410,655	11,150,000	-	11,560,655
Interest	39,773	6,727,892	-	6,767,665
Total expenditures	<u>77,204,951</u>	<u>17,877,892</u>	<u>9,077,306</u>	<u>104,160,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>33,651,726</u>	<u>(6,364,450)</u>	<u>1,226,841</u>	<u>28,514,117</u>
Other financing sources (uses)				
Proceeds from sale of assets	54,282	-	-	54,282
Issuance of leases	2,288,989	-	-	2,288,989
Transfers in	-	6,343,216	-	6,343,216
Transfers out	(6,343,216)	-	-	(6,343,216)
Total other financing sources (uses)	<u>(3,999,945)</u>	<u>6,343,216</u>	<u>-</u>	<u>2,343,271</u>
Net change in fund balances	<u>29,651,781</u>	<u>(21,234)</u>	<u>1,226,841</u>	<u>30,857,388</u>
Fund balances (deficit), beginning of year	<u>121,497,899</u>	<u>(1,185,534)</u>	<u>23,322,016</u>	<u>143,634,381</u>
Fund balances (deficit), end of year	<u>\$ 151,149,680</u>	<u>\$ (1,206,768)</u>	<u>\$ 24,548,857</u>	<u>\$ 174,491,769</u>

Village of Bolingbrook, Illinois
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of
Activities
Year Ended April 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 30,857,388

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities capitalize them and report depreciation/amortization expense to allocate those expenditures over the life of the assets.

Capital outlay	\$ 4,761,436	
Depreciation/Amortization	<u>(8,700,619)</u>	
Depreciation/amortization in excess of capital outlay		(3,939,183)

The net effect of disposals of capital assets is not recognized in the governmental fund statements. (48,438)

Assets financed by leases is reported in the governmental funds as a source of financing but is long-term liabilities in the statement of net position. (2,288,989)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 11,560,655

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. (136,860)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not recorded in the governmental funds.

Change in compensated absences	319,899	
Amortization of bond premiums	698,380	
Amortization of deferred loss on refunding	(828,866)	
Amortization of deferred gain on refunding	31,865	
Change in total OPEB liability and deferred items	(1,785,252)	
Change in net pension liabilities/assets and deferred items	(14,122,242)	
Change in accrued interest on debt	<u>291,347</u>	
		(15,394,869)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. (203,773)

The change in the claims payable liability represents expenditures in the governmental funds in excess of the expenses in the statement of activities. 277,561

The accretion of interest on long-term debt is not reported in the governmental funds; however, it results in an increase in debt principal payable in the statement of net position. (3,676,987)

Change in Net Position of Governmental Activities \$ 17,006,505

Village of Bolingbrook, Illinois
Statement of Net Position - Proprietary Funds
April 30, 2023

	Major Enterprise Funds				Internal Service Fund
	Waterworks and Sewerage Fund	Westside Regional Stormwater Fund	Airport Fund	Total	
ASSETS					
Current assets					
Cash, cash equivalents and investments	\$ 7,643,479	\$ 11,457,647	\$ 694,334	\$ 19,795,460	\$ 5,849,056
Accounts receivable	10,873	261,226	51,592	323,691	118,308
Accrued interest receivable	20,790	-	-	20,790	-
Advances to other funds	-	385,926	-	385,926	-
Prepaid items	-	23,639	-	23,639	-
Inventories	-	485,238	-	485,238	-
Total current assets	<u>7,675,142</u>	<u>12,613,676</u>	<u>745,926</u>	<u>21,034,744</u>	<u>5,967,364</u>
Noncurrent assets					
Land held for resale	-	3,214,568	-	3,214,568	-
Capital assets					
Capital assets not being depreciated/amortized	37,027,706	17,465,987	10,453,264	64,946,957	-
Capital assets being depreciated/amortized, net	<u>72,652,360</u>	<u>16,097,218</u>	<u>9,092,241</u>	<u>97,841,819</u>	<u>-</u>
Total noncurrent assets	<u>109,680,066</u>	<u>36,777,773</u>	<u>19,545,505</u>	<u>166,003,344</u>	<u>-</u>
Total assets	<u>117,355,208</u>	<u>49,391,449</u>	<u>20,291,431</u>	<u>187,038,088</u>	<u>5,967,364</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	1,035,773	-	-	1,035,773	-
Deferred outflows related to OPEB	<u>71,242</u>	<u>-</u>	<u>-</u>	<u>71,242</u>	<u>-</u>
Total deferred outflows of resources	<u>1,107,015</u>	<u>-</u>	<u>-</u>	<u>1,107,015</u>	<u>-</u>
LIABILITIES					
Current liabilities					
Accounts payable	687,075	465,177	98	1,152,350	1,396,076
Accrued payroll	30,809	124,820	-	155,629	-
Claims payable	-	-	-	-	852,011
Deposits payable	-	843,109	10,554	853,663	-
Other payables	375	168,061	-	168,436	-
Unearned revenue	-	351,686	-	351,686	-
Long-term obligations due within one year					
Compensated absences	85,980	-	-	85,980	-
Total OPEB liability	<u>9,685</u>	<u>-</u>	<u>-</u>	<u>9,685</u>	<u>-</u>
Total current liabilities	<u>813,924</u>	<u>1,952,853</u>	<u>10,652</u>	<u>2,777,429</u>	<u>2,248,087</u>
Noncurrent liabilities					
Advances from other funds	1,307,193	5,776,919	4,103,171	11,187,283	16,230,097
Compensated absences	71,079	-	-	71,079	-
Total OPEB liability	<u>303,781</u>	<u>-</u>	<u>-</u>	<u>303,781</u>	<u>-</u>
Net pension liability	<u>792,316</u>	<u>-</u>	<u>-</u>	<u>792,316</u>	<u>-</u>
Total noncurrent liabilities	<u>2,474,369</u>	<u>5,776,919</u>	<u>4,103,171</u>	<u>12,354,459</u>	<u>16,230,097</u>
Total liabilities	<u>3,288,293</u>	<u>7,729,772</u>	<u>4,113,823</u>	<u>15,131,888</u>	<u>18,478,184</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	16,854	-	-	16,854	-
Deferred inflows related to OPEB	<u>40,728</u>	<u>-</u>	<u>-</u>	<u>40,728</u>	<u>-</u>
Total deferred inflows of resources	<u>57,582</u>	<u>-</u>	<u>-</u>	<u>57,582</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	109,400,867	33,563,205	19,545,505	162,509,577	-
Unrestricted (deficit)	<u>5,715,481</u>	<u>8,098,472</u>	<u>(3,367,897)</u>	<u>10,446,056</u>	<u>(12,510,820)</u>
Total net position	<u>\$ 115,116,348</u>	<u>\$ 41,661,677</u>	<u>\$ 16,177,608</u>	<u>\$ 172,955,633</u>	<u>\$ (12,510,820)</u>

Village of Bolingbrook, Illinois
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
Year Ended April 30, 2023

	Major Enterprise Funds				Internal Service Fund
	Waterworks and Sewerage Fund	Westside Regional Stormwater Fund	Airport Fund	Total	
OPERATING REVENUES					
Charges for services	\$ 3,792,991	\$ 9,701,097	\$ 390,560	\$ 13,884,648	\$ 11,407,251
Reimbursements	-	-	167,339	167,339	-
Sale of land	-	275,635	-	275,635	-
Total operating revenues	<u>3,792,991</u>	<u>9,976,732</u>	<u>557,899</u>	<u>14,327,622</u>	<u>11,407,251</u>
OPERATING EXPENSES, EXCLUDING DEPRECIATION					
Administrative division	2,687,692	-	-	2,687,692	-
Sewer division	942,442	-	-	942,442	-
Reclamation division	2,362,316	-	-	2,362,316	-
Golf course	-	9,426,858	-	9,426,858	-
Airport	-	-	747,254	747,254	-
Americana estates	-	7,921	-	7,921	-
Claim expenses	-	-	-	-	11,623,485
Total operating expenses, excluding depreciation	<u>5,992,450</u>	<u>9,434,779</u>	<u>747,254</u>	<u>16,174,483</u>	<u>11,623,485</u>
Operating income (loss) before depreciation	<u>(2,199,459)</u>	<u>541,953</u>	<u>(189,355)</u>	<u>(1,846,861)</u>	<u>(216,234)</u>
Depreciation	<u>3,147,479</u>	<u>712,991</u>	<u>623,160</u>	<u>4,483,630</u>	<u>-</u>
Operating income (loss)	<u>(5,346,938)</u>	<u>(171,038)</u>	<u>(812,515)</u>	<u>(6,330,491)</u>	<u>(216,234)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	53,838	810	40	54,688	12,461
Connection fees	1,474,884	-	-	1,474,884	-
Total nonoperating revenues (expenses)	<u>1,528,722</u>	<u>810</u>	<u>40</u>	<u>1,529,572</u>	<u>12,461</u>
Changes in net position	<u>(3,818,216)</u>	<u>(170,228)</u>	<u>(812,475)</u>	<u>(4,800,919)</u>	<u>(203,773)</u>
Net position (deficit), beginning of year	<u>118,934,564</u>	<u>41,831,905</u>	<u>16,990,083</u>	<u>177,756,552</u>	<u>(12,307,047)</u>
Net position (deficit), end of year	<u>\$ 115,116,348</u>	<u>\$ 41,661,677</u>	<u>\$ 16,177,608</u>	<u>\$ 172,955,633</u>	<u>\$ (12,510,820)</u>

Village of Bolingbrook, Illinois
Statement of Cash Flows - Proprietary Funds
Year Ended April 30, 2023

	Major Enterprise Funds				
	Waterworks and Sewerage Fund	Westside Regional Stormwater Fund	Airport Fund	Total	Internal Service Fund
Cash Flows From Operating Activities					
Receipts from customers and others	\$ 3,782,544	\$ 9,824,026	\$ 754,608	\$ 14,361,178	\$ 11,425,225
Payments to suppliers	(3,828,573)	(3,419,934)	(747,294)	(7,995,801)	(12,023,422)
Payment to employees	(1,895,215)	(5,198,780)	-	(7,093,995)	-
Net cash provided by (used in) operating activities	<u>(1,941,244)</u>	<u>1,205,312</u>	<u>7,314</u>	<u>(728,618)</u>	<u>(598,197)</u>
Cash Flows From Noncapital Financing Activities					
Interfund borrowings, net	<u>(3,565,254)</u>	<u>191,954</u>	<u>19,035</u>	<u>(3,354,265)</u>	<u>6,434,792</u>
Cash Flows From Capital and Related Financing Activities					
Purchase of capital assets	(489,617)	(71,885)	-	(561,502)	-
Connection fees	<u>1,474,884</u>	<u>-</u>	<u>-</u>	<u>1,474,884</u>	<u>-</u>
Net cash provided by (used in) capital and related financing activities	<u>985,267</u>	<u>(71,885)</u>	<u>-</u>	<u>913,382</u>	<u>-</u>
Cash Flows From Investing Activities					
Interest	<u>49,416</u>	<u>810</u>	<u>40</u>	<u>50,266</u>	<u>12,461</u>
Net cash provided by (used in) investing activities	<u>49,416</u>	<u>810</u>	<u>40</u>	<u>50,266</u>	<u>12,461</u>
Net Change in Cash and Cash Equivalents	(4,471,815)	1,326,191	26,389	(3,119,235)	5,849,056
Cash and Cash Equivalents					
Beginning of Year	<u>12,115,294</u>	<u>10,131,456</u>	<u>500,606</u>	<u>22,747,356</u>	<u>-</u>
End of Year	<u>\$ 7,643,479</u>	<u>\$ 11,457,647</u>	<u>\$ 526,995</u>	<u>\$ 19,628,121</u>	<u>\$ 5,849,056</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ (5,346,938)	\$ (171,038)	\$ (812,515)	\$ (6,330,491)	\$ (216,234)
Items not requiring (providing) cash					
Depreciation	3,147,479	712,991	623,160	4,483,630	-
Pension related items					
Deferred outflows of resources - pensions	(808,857)	-	-	(808,857)	-
Net pension liability	2,127,837	-	-	2,127,837	-
Deferred inflows of resources - pensions	(1,376,391)	-	-	(1,376,391)	-
OPEB related items					
Total OPEB liability	186,855	-	-	186,855	-
Deferred outflows of resources - OPEB	(51,760)	-	-	(51,760)	-
Deferred inflows of resources - OPEB	17,807	-	-	17,807	-
Changes in					
Receivables, net	(10,447)	(103,284)	364,048	250,317	17,974
Inventory	-	(124,321)	-	(124,321)	-
Prepaid and other assets	-	1,060	-	1,060	-
Deferred revenue	-	(50,482)	-	(50,482)	-
Payables and other liabilities	208,071	223,765	(40)	431,796	(399,937)
Payroll related liabilities	(34,900)	40,081	-	5,181	-
Deposits payable	-	(143,552)	-	(143,552)	-
Land held for resale	-	820,092	-	820,092	-
Net cash provided by (used in) operating activities	<u>\$ (1,941,244)</u>	<u>\$ 1,205,312</u>	<u>\$ 174,653</u>	<u>\$ (561,279)</u>	<u>\$ (598,197)</u>

Village of Bolingbrook, Illinois
Statement of Fiduciary Net Position - Fiduciary Funds
April 30, 2023

	<u>Pension Trust Funds</u>	<u>Custodial Funds</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 3,005,940	\$ 116,670	\$ 3,122,610
Investments			
Pooled investments	154,084,771	-	154,084,771
Due from Village	723,626	-	723,626
Prepaid items	9,183	-	9,183
Total assets	<u>157,823,520</u>	<u>116,670</u>	<u>157,940,190</u>
LIABILITIES			
Other payables	<u>41,919</u>	-	<u>41,919</u>
Total liabilities	<u>41,919</u>	-	<u>41,919</u>
NET POSITION			
Restricted for debt service	-	116,670	116,670
Restricted for pensions	<u>157,781,601</u>	-	<u>157,781,601</u>
Total net position	<u>\$ 157,781,601</u>	<u>\$ 116,670</u>	<u>\$ 157,898,271</u>

Village of Bolingbrook, Illinois
Statement of Changes in Fiduciary Net Position - Fiduciary Funds
Year Ended April 30, 2023

	Pension Trust Funds	Custodial Funds	Total
ADDITIONS			
Contributions			
Employer	\$ 11,065,020	\$ -	\$ 11,065,020
Plan members	2,499,384	-	2,499,384
Total contributions	<u>13,564,404</u>	<u>-</u>	<u>13,564,404</u>
Investment earnings			
Investment income	1,075,334	-	1,075,334
Investment fees	(297,087)	-	(297,087)
Net investment earnings	<u>778,247</u>	<u>-</u>	<u>778,247</u>
Property taxes	<u>-</u>	<u>4,523,098</u>	<u>4,523,098</u>
Total additions	<u>14,342,651</u>	<u>4,523,098</u>	<u>18,865,749</u>
DEDUCTIONS			
Benefits and refunds	12,950,234	-	12,950,234
Administration	249,557	-	249,557
Principal payments	-	2,287,356	2,287,356
Interest payments	-	2,224,969	2,224,969
Other expenses	<u>-</u>	<u>93,406</u>	<u>93,406</u>
Total deductions	<u>13,199,791</u>	<u>4,605,731</u>	<u>17,805,522</u>
Changes in net position	<u>1,142,860</u>	<u>(82,633)</u>	<u>1,060,227</u>
Net position, beginning of year	<u>156,638,741</u>	<u>199,303</u>	<u>156,838,044</u>
Net position, end of year	<u>\$ 157,781,601</u>	<u>\$ 116,670</u>	<u>\$ 157,898,271</u>

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Bolingbrook, Illinois (Village) have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

Financial Reporting Entity:

The Village's basic financial statements include all organizations, activities, functions, funds and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's Board, and either: (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

The Village has no component units other than the following fiduciary component units:

Police and Firefighters' Pension Employees Retirement Systems

The Village's police and firefighter employees participate in the Police Pension Employees Retirement System (PPERS) (Police Pension Plan) and the Firefighters' Pension Employees Retirement System (FPERS) (Firefighters' Pension Plan). PPERS functions for the benefit of employees and is governed by a five-member Pension Board. Two members are appointed by the Mayor, two are elected from the active members and one from the retired members. FPERS is governed by a nine-member Board. The following comprise the FPERS Board: the Mayor, Village Clerk, Village Attorney, Fire Chief, Village Treasurer and four elected officers (three active members and one retired member). The Village, PPERS and FPERS are obligated to fund all PPERS and FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Because of the nature of the relationship of the Village to the PPERS and FPERS, the Village has included both as fiduciary component units within the Village's financial statements. Each is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS and FPERS. Neither the PPERS nor the FPERS issue a separate financial report.

Government-Wide and Fund Financial Statements:

Government-Wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. Interfund services provided and used are not eliminated in the process of consolidation. The financial activities of the Village consist of governmental activities which are primarily supported by taxes and intergovernmental revenues, and business-type activities which rely to a significant extent on fees and charges for services.

The Statement of Net Position presents the Village's nonfiduciary assets and liabilities with the differences reported in three categories:

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Net Position results when constraints placed on net position's use is either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position consists of net position that does not meet the criteria of the two preceding categories.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general government, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees) and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary Funds are excluded from the government-wide financial statements.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The Village administers the following major governmental funds:

- General Fund: This fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund: This fund is a debt service fund used to account for the accumulation of resources for, and the payment of principal, interest, and related costs of general obligation bonds.

The Village administers the following major proprietary (enterprise) funds:

- Waterworks and Sewerage Fund: This fund accounts for the provision of wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing, and billing and collections.
- Westside Regional Stormwater Fund: This fund takes in the applicable stormwater management facility fee and maintains components of the Village's stormwater detention system for the tributary area west of Weber Road. The Golf Course and Americana Estates accounts are consolidated into this fund since the Americana Estates and the Golf Course were by-products of the development of the Regional Stormwater system. Activities include, but are not limited to, real estate development, marketing, administration of a municipal golf course and the maintenance of the Regional Stormwater system.
- Airport Fund: This fund accounts for the operational activities of the municipal airport. Activities include, but are not limited to, administration, operations, construction, and maintenance.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and, therefore, cannot be used to support the Village's own programs. The Village reports the following fiduciary fund types:

- Pension Trust Funds: The Village has two pension trust funds. These funds account for the activities of the Police Pension Employees Retirement System and the Firefighters' Pension Employees Retirement System, both of which accumulate resources for pension benefit payments to qualified public safety employees.
- Custodial Funds: The Village reports two custodial funds for the five Special Service Area Special Tax Refunding Bonds which is used to account for the collection of property taxes and other financial resources received and to pay the debt service obligation of said Special Service Area Special Tax Refunding Bonds.

In addition to the fund types mentioned above, the Village uses the following governmental fund types to report nonmajor funds:

- Special Revenue Funds: These funds account for the proceeds of specific revenue sources (other than debt service or major capital expenditures) that are legally restricted to expenditures for specified purposes.
- Capital Projects Funds: These funds account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Village also has the following internal service fund for which major fund requirements do not apply.

- Internal Service Fund: This fund accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the government, on a cost-reimbursement basis. This fund reports the Village's activity for employee/retiree health care and workers' compensation.

Measurement Focus and Basis of Accounting and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State-shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State-shared revenues, and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recognized when the liability is incurred as under accrual accounting. However, compensated absences are recognized only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first; the unrestricted resources are used as they are needed.

Cash and Cash Equivalents:

For purposes of the Statement of Cash Flows, the Village's proprietary fund types consider as cash equivalents all highly liquid investments with an original maturity of three months or less when purchased.

Receivables:

The recognition of receivables associated with nonexchange transactions in governmental and proprietary funds is as follows:

- Derived tax receivables (such as sales, income, and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government-mandated or voluntary nonexchange transaction receivables (such as mandates or grants) are recognized when all eligibility requirements have been met.

Investments:

Investments are reported at fair value. Fair value is based on quoted market prices.

Inventories and Prepaid Expenses:

Inventories are accounted for at cost using the first-in, first-out method. Inventories are accounted for under the consumption method whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses under the consumption method.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets:

Capital assets which include property, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Village defines capital assets as assets with an estimated useful life in excess of one year and an initial individual cost of more than:

\$75,000 Sanitary sewer network	\$25,000 Building improvements
\$50,000 Roadway network	\$20,000 Land improvements
\$50,000 Storm sewer network	\$20,000 Site improvements
\$25,000 Software	\$15,000 Buildings
\$25,000 Land	\$5,000 Equipment

All purchased capital assets are recorded at cost where historical records are available or at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Under GASB 89, interest incurred during the construction phase of capital assets is expensed in financial statements using the economic resources measurement focus and recognized as an expenditure in financial statements using the current financial resources measurement focus.

All reported capital assets except land, site improvements and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. The following estimated useful lives are used to compute depreciation on a straight-line basis:

Land improvements	50 years
Infrastructure	40 years
Buildings	50 years
Machinery and equipment	5 - 20 years

Losses from sales or retirements of governmental activities capital assets are included in expenses on the Statement of Activities.

Land Held for Resale:

Land held for resale is reported as an asset at the lower of cost or estimated realizable value.

Vacation and Sick Leave:

Vacation and sick leave are recognized in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recognized as an expense and liability of those funds as the benefits accrue to employees. No liability is recognized for nonvesting accumulating rights to receive sick pay benefits. However, an expenditure/expense is reported, and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations:

In the government-wide financial statements and proprietary fund financial statements, long-term debt, and other long-term obligations, including compensated absences, pension, and other obligations, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, at the time of issuance. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

Leases – The Village recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of the lease, the Village initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the Village determines (a) the discount rate it uses to discount the expected lease payments to present value, (b) lease term, and (c) lease payments. The Village uses the interest rate charge by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Village generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term obligations on the Statement of Net Position.

Westside Regional Stormwater Fund Deposits Payable/Unearned Revenue:

The Westside Regional Stormwater Fund liabilities include deposits held for future outings or events totaling \$843,109 at April 30, 2023, and unearned revenues related to annual passes, gift certificates, and the training facility totaling \$176,440; \$98,937; and \$76,309, respectively.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources:

The Village reports deferred outflows of resources on its Statement of Net Position. Deferred outflows of resources represent a consumption of net assets that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure/reduction of a liability) until then. The Village has three items that qualify for reporting in this category: the deferred outflows related to pensions, which represents pension items that will be recognized as pension expense or a reduction of the net pension liability in a future reporting period; unamortized loss on refunding; and deferred outflows related to the defined other postemployment benefit (OPEB) plans. The deferred outflows of resources related to pensions and the OPEB plan are reported in the government-wide financial statements and the applicable proprietary funds. The deferred outflows of resources for pension and OPEB items result from (1) the variance between expected and actual experience, (2) changes of assumptions and (3) the net difference between projected and actual earnings on pension plan investments.

The Village reports deferred inflows of resources on its Statement of Net Position and Governmental Funds Balance Sheet. Deferred inflows of resources represent an acquisition of net assets that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue or reduction of expense) until that time. The Village has four types of items that qualify for reporting in this category: deferred inflows related to property taxes levied at the end of calendar year 2022 but will not be used until fiscal year 2024, deferred inflows related to pensions and OPEB which represents pension and OPEB items that will be recognized as reductions in pension and OPEB expense in future periods, and unamortized gain on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price.

The Governmental Funds Balance Sheet also reports deferred inflows of resources for unavailable revenue.

Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Village's Police, Firefighters', Illinois Municipal Retirement Fund (IMRF) and Sheriff's Law Enforcement Personnel Fund (SLEP) pension plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits:

The Village offers healthcare and dental benefits to retirees. For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Fund Balance/Net Position:

The Village reports its fund balance for governmental funds in the following classifications:

- Nonspendable – amounts that are not in spendable form (such as inventory or noncurrent advances to other funds) or are required to be maintained intact.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.
- Unassigned – amounts that are available for any purpose. Positive amounts are only reported in the General Fund.
- The Village has no committed or assigned fund balance.

Fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances for any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restriction imposed by creditors, grantors, laws, or regulations of other governments.

The following funds had a deficit in fund balance/net position as of April 30, 2023:

<u>Fund</u>	<u>Deficit Balance</u>
Debt Service Fund	\$ 1,206,768
Internal Service Fund	12,510,820
Refuse and Recycling Fund	912,398
Community Development Block Grant Fund	301
Road and Bridge Fund	245,464
2002 Bond Fund	1,255,788

Accounting Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

Interfund Transactions:

The Village has the following types of transactions between funds:

- Loans are amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Position, except for amounts between similar activities, which have been eliminated.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Services provided and used are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund Balance Sheets or as internal balances in the government-wide Statement of Net Position.
- Reimbursements are repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.
- Transfers are flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after nonoperating revenues and expenses.

NOTE 2 – DEPOSITS AND INVESTMENTS

State statutes authorize the Village to make deposits and investments in obligations of the United States Treasury and certain of its agencies, federally insured commercial banks, insured credit unions located within the State, repurchase agreements, short-term obligations (180 days) of corporations organized in the U.S. with assets exceeding \$500 million and rated within the three highest classifications by at least two standard rating services at the time of purchase, a Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act, a fund managed, operated and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company, obligations of the State of Illinois and its political subdivisions and money market mutual funds registered under the Investment Company Act of 1940, provided the portfolio of such funds is limited to obligations described above. Pension funds may also invest in certain non-U.S. obligations and Illinois life insurance company general and separate accounts and domestic equities.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Illinois State Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940 and has an affirmed AAAM Standard & Poor's credit quality rating. The fair value of the positions in the pool is the same as the value of the pool shares. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

The Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold. IMET issues a publicly available financial report. That report may be obtained at www.investimet.com or by writing IMET, 1220 Oak Brook Road, Oak Brook, Illinois 60523.

Deposits:

The carrying amount of cash deposits at financial institutions, excluding the Pension Trust Funds and Custodial Funds was \$32,515,251 at April 30, 2023, while the bank balances were \$36,016,332. The Village does not have any deposits exposed to custodial credit risk at April 30, 2023. Cash on hand at April 30, 2023, was \$13,916.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Restricted cash consists of deposits that are externally restricted to purchase or construct capital assets.

Investments (Excluding Pension Trust Funds):

Statutes authorize the Village to make deposits or invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or by agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporation's tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivision, stocks, mutual funds, and Illinois insurance companies' general and separate accounts.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2023. See Notes related to defined benefit pension plan footnotes for the pension plan investments.

Investment Type	Carrying Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
IMET	\$ 6,858,631	\$ 6,858,631	\$ -	\$ -	\$ -
U.S. Treasury securities	12,426,783	6,183,593	6,243,190	-	-
Federal National Mortgage Association	413,009	-	413,009	-	-
Federal Home Loan Bank	2,655,119	9,895	2,616,319	28,905	-
Federal Farm Credit Bank	2,634,244	29,397	2,561,997	42,850	-
Federal Home Loan Mortgage Corporation	1,958,527	201,484	1,706,973	-	50,070
Government National Mortgage Association	11,156,683	-	-	-	11,156,683
Tennessee Valley Authority	21,000	-	10,570	-	10,430
Uniform Mortgaged Back Securities	267,750	-	-	-	267,750
Commercial paper	755,492	755,492	-	-	-
Municipal bonds	5,524,167	2,405,726	3,095,214	23,227	-
Corporate obligations	1,318,467	799,363	491,448	27,656	-
Negotiable CDs	6,185,280	3,004,274	3,181,006	-	-
Total investments	52,175,152	<u>\$ 20,247,855</u>	<u>\$ 20,319,726</u>	<u>\$ 122,638</u>	<u>\$ 11,484,933</u>

Investments not sensitive to interest rate risk

Equity mutual funds	428,192
Certificates of deposit	4,239,893
Illinois funds	51,809,466
IPRIME investment shares class	11,653,066
Money market funds	15,467,698
	<u>\$ 135,773,467</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village’s investment policy does not specifically address interest rate risk. However, the Village structures its investment portfolio so that securities mature to meet cash requirements for ongoing operations and special projects, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term securities, money market mutual funds or similar investment pools.

Credit Risk – Generally, credit risk is the risk that an issuer of a debt type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

The Village’s general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments.

Credit ratings for the Village’s investments in debt securities as rated by Standard & Poor’s and Moody’s at April 30, 2023, are as follows:

Investment Type	Standard and Poor's Rating	Moody's Rating
Federal Farm Credit Bank	AAA	Aaa
Federal National Mortgage Association	AAA	Aaa
Federal Home Loan Bank	AAA	Aaa
Federal Home Loan Mortgage Corporation	AAA	Aaa
Government National Mortgage Association	AAA	Aaa
Uniform Mortgaged Back Securities	AAA	Aaa
Corporate obligations	A+ to BBB+	A1 to Baa1
Municipal bonds	AA to A+	Aa2 to A1

Investment Valuation – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Unobservable inputs for an asset or liability.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2023:

Investment Type	Total	Quoted Prices		
		in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. Treasuries	\$ 12,426,783	\$ 12,426,783	\$ -	\$ -
U.S. Agencies	19,106,332	-	19,106,332	-
Municipal bonds	5,524,167	-	5,524,167	-
Commercial paper	755,492	-	755,492	-
Corporate obligations	1,318,467	-	1,318,467	-
Negotiable CDs	6,185,280	-	6,185,280	-
	<u>45,316,521</u>	<u>12,426,783</u>	<u>32,889,738</u>	<u>-</u>
Equity securities				
Equity mutual funds	428,192	428,192	-	-
Money market funds	15,467,698	15,467,698	-	-
	<u>15,895,890</u>	<u>15,895,890</u>	<u>-</u>	<u>-</u>
	<u>\$ 61,212,411</u>	<u>\$ 28,322,673</u>	<u>\$ 32,889,738</u>	<u>\$ -</u>

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying Statement of Net Position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended April 30, 2023.

Investments – Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

Custodial Credit Risk – For investments, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Village’s investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment. The market value of the pledged securities shall equal or exceed the portion of the deposits requiring collateralization.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)

Village cash deposits	\$ 32,515,251
Village cash on hand	13,916
Village certificates of deposits	10,425,173
Village investments	51,212,499
Village money market funds	15,467,698
Village IMET	6,858,631
Village Illinois funds	51,809,466
Police pension cash deposits	1,376,719
Firefighters' pension cash deposits	1,629,221
Custodial bond and interest cash deposits	116,670
Police Pension Fund investments	87,955,352
Firefighters' Pension Fund investments	<u>66,129,419</u>
Total cash, cash equivalents and investments	<u>\$ 325,510,015</u>
Cash, cash equivalents and investments per statement of net position	\$ 156,101,982
Restricted cash per statement of net position	12,200,652
Pension trust cash and investments	157,090,711
Custodial fund cash	<u>116,670</u>
	<u>\$ 325,510,015</u>

NOTE 3 – PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, 2022, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2023, and are payable in two installments on or about June 1, 2023 and September 1, 2023. The County collects such taxes and remits them periodically. The property tax revenue in the current year financial statements represents collection of the 2021 property tax levy.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 4 – CAPITAL ASSETS

Governmental Activities:

A summary of changes in capital assets for governmental activities of the Village is as follows:

	Balances Beginning of Year	Additions/ Transfers	Deletions/ Transfers	Balances End of Year
Capital assets not being depreciated/amortized				
Land	\$ 186,133,584	\$ -	\$ -	\$ 186,133,584
Construction in progress	1,569,679	215,221	-	1,784,900
Total capital assets not being depreciated/amortized	<u>187,703,263</u>	<u>215,221</u>	<u>-</u>	<u>187,918,484</u>
Capital assets being depreciated/amortized				
Land improvements	16,908,519	-	-	16,908,519
Infrastructure	168,870,096	242,766	-	169,112,862
Buildings	47,063,639	172,697	-	47,236,336
Leased - machinery and equipment	-	2,288,989	-	2,288,989
Machinery and equipment	24,210,849	1,841,763	(299,251)	25,753,361
Total capital assets being depreciated/amortized	<u>257,053,103</u>	<u>4,546,215</u>	<u>(299,251)</u>	<u>261,300,067</u>
Accumulated depreciation/amortization				
Land improvements	(10,923,818)	(845,426)	-	(11,769,244)
Infrastructure	(112,930,084)	(5,124,842)	-	(118,054,926)
Buildings	(20,434,188)	(1,098,633)	-	(21,532,821)
Leased - machinery and equipment	-	(358,994)	-	(358,994)
Machinery and equipment	(18,695,513)	(1,272,724)	250,813	(19,717,424)
Total accumulated depreciation/amortization	<u>(162,983,603)</u>	<u>(8,700,619)</u>	<u>250,813</u>	<u>(171,433,409)</u>
Capital assets being depreciated/amortized, net	<u>94,069,500</u>	<u>(4,154,404)</u>	<u>(48,438)</u>	<u>89,866,658</u>
Total governmental activities capital assets, net	<u>\$ 281,772,763</u>	<u>\$ (3,939,183)</u>	<u>\$ (48,438)</u>	<u>\$ 277,785,142</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 4 – CAPITAL ASSETS (Continued)

Business-Type Activities:

A summary of changes in capital assets for business-type activities of the Village is as follows:

	Balances Beginning of Year	Additions/ Transfers	Deletions/ Transfers	Balances End of Year
Capital assets not being depreciated				
Land	\$ 47,414,769	\$ -	\$ -	\$ 47,414,769
Construction in progress	17,532,188	-	-	17,532,188
Total capital assets not being depreciated	<u>64,946,957</u>	<u>-</u>	<u>-</u>	<u>64,946,957</u>
Capital assets being depreciated				
Land improvements	11,312,201	-	-	11,312,201
Infrastructure	137,938,073	55,155	-	137,993,228
Buildings	43,470,938	5,845	-	43,476,783
Machinery and equipment	17,764,767	500,502	(77,296)	18,187,973
Total capital assets being depreciated, at cost	<u>210,485,979</u>	<u>561,502</u>	<u>(77,296)</u>	<u>210,970,185</u>
Accumulated depreciation				
Land improvements	(4,499,544)	(545,150)	-	(5,044,694)
Infrastructure	(68,549,697)	(2,752,147)	-	(71,301,844)
Buildings	(19,861,515)	(830,713)	-	(20,692,228)
Machinery and equipment	(15,811,276)	(355,620)	77,296	(16,089,600)
Total accumulated depreciation	<u>(108,722,032)</u>	<u>(4,483,630)</u>	<u>77,296</u>	<u>(113,128,366)</u>
Capital assets being depreciated, net	<u>101,763,947</u>	<u>(3,922,128)</u>	<u>-</u>	<u>97,841,819</u>
Total business-type activities capital assets, net	<u>\$166,710,904</u>	<u>\$ (3,922,128)</u>	<u>\$ -</u>	<u>\$162,788,776</u>

Depreciation/Amortization Charged to Functions/Activities:

Depreciation/Amortization was charged to functions/activities as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 233,523	\$ -
Public safety	1,506,572	-
Public works	6,960,524	-
Waterworks and sewerage	-	3,147,479
Westside regional stormwater	-	712,991
Airport	-	623,160
	<u>\$ 8,700,619</u>	<u>\$ 4,483,630</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 5 – LONG-TERM OBLIGATIONS

The following is a summary of changes to the Village's long-term obligations for the fiscal year:

	Obligation Outstanding Beginning of Year	Additions	Interest Accretion	Reductions	Obligation Outstanding End of Year	Due Within One Year
Governmental Activities						
1999C Capital Appreciation Bonds	\$ 27,720,161	\$ -	\$ 1,407,735	\$ 3,895,000	\$ 25,232,896	\$ 4,385,000
2002B Capital Appreciation Bonds	37,204,946	-	2,269,252	1,765,000	37,709,198	2,045,000
2005 Sales Tax Revenue Bonds	22,835,000	-	-	3,475,000	19,360,000	4,510,000
2014A General Obligation Current Interest Bonds	42,505,000	-	-	265,000	42,240,000	280,000
2018A General Obligation Refunding Bonds	32,560,000	-	-	460,000	32,100,000	485,000
2019A General Obligation Refunding Bonds	21,455,000	-	-	1,290,000	20,165,000	1,470,000
2020A General Obligation Refunding Bonds	44,950,000	-	-	-	44,950,000	-
Bond premium	5,846,743	-	-	698,380	5,148,363	-
Leases	-	2,288,989	-	410,655	1,878,334	235,557
Compensated absences	5,706,728	2,637,369	-	2,957,268	5,386,829	2,826,051
Net pension liability - police	90,638,344	10,213,100	-	-	100,851,444	-
Net pension liability - firefighters'	74,655,130	8,134,184	-	-	82,789,314	-
Net pension liability (asset) - IMRF	(8,937,720)	14,240,143	-	-	5,302,423	-
Net pension liability - IMRF SLEP	143,677	222,142	-	-	365,819	-
Total OPEB liability	40,715,798	7,593,711	-	-	48,309,509	1,492,665
	<u>\$ 437,998,807</u>	<u>\$ 45,329,638</u>	<u>\$ 3,676,987</u>	<u>\$ 15,216,303</u>	<u>\$ 471,789,129</u>	<u>\$ 17,729,273</u>
Business-Type Activities						
Compensated absences	\$ 206,016	\$ 69,345	\$ -	\$ 118,302	\$ 157,059	\$ 85,980
Net pension liability (asset) - IMRF	(1,335,521)	2,127,837	-	-	792,316	-
Total OPEB liability	126,611	186,855	-	-	313,466	9,685
	<u>\$ (1,002,894)</u>	<u>\$ 2,384,037</u>	<u>\$ -</u>	<u>\$ 118,302</u>	<u>\$ 1,262,841</u>	<u>\$ 95,665</u>

On May 1, 1999, the Village issued \$14,345,924 of Capital Appreciation Bonds, Series 1999C. The bonds, totaling \$25,232,896 at April 30, 2023, are to be retired in annual installments ranging from \$935,000 to \$6,730,000, beginning January 1, 2015 through January 1, 2029. Interest accrues semiannually and is added to the principal balance due at rates ranging from 5.1% to 5.4%. The bonds are payable from the Debt Service Fund.

On April 1, 2002, the Village issued \$60,719,292 of General Obligation Corporate Purpose Capital Appreciation Bonds. On June 15, 2006, a portion of these bonds totaling \$35,385,000 was refunded with proceeds from the General Obligation Bonds, Series 2006A. On March 3, 2010, a portion of the bonds totaling \$3,405,000 was refunded with proceeds from the General Obligation Refunding Bonds Series 2010A. On June 6, 2013, a portion of the bonds totaling \$12,485,730 was refunded with proceeds from the General Obligation Refunding Bonds, Series 2013A. On August 13, 2020, bonds with carrying value \$1,645,180 (\$557,564 principal) were refunded. The remaining outstanding bonds totaling \$37,709,198 at April 30, 2023, are to be retired in annual installments ranging from \$1,040,000 to \$15,085,000, beginning January 1, 2022, and continuing through January 1, 2034. Interest accrues and is added to the principal balance due semiannually at rates ranging from 5.42% to 6.03%. The bonds are payable from the Debt Service Fund.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

In fiscal year 2006, the Village issued \$47,715,937 Sales Tax Revenue Bonds, Series 2005. These bonds were issued to acquire the site and finance the construction of the Bass Pro Project pursuant to the terms of a lease between the developers and Bass Pro. The bonds are payable solely from Pledged Home Rule Sales Taxes (defined below) and the property, rights, moneys, securities, and other amounts pledged and assigned to the Trustee pursuant to the Trust Indenture. These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds.

The Pledged Home Rule Sales Tax is the 1.25% sales tax imposed on all taxable sales in the Sales Tax Area occurring on or after December 1, 2005, through the Termination Date, as collected by the Illinois Department of Revenue and distributed to the Village with respect to taxable sales in the Sales Tax Area, as defined in the Limited Offering Memorandum (LOM). The Sales Tax Area includes approximately 424 acres generally located at the intersection of Interstate 355 and Boughton Road in the Village. All home rule sales tax collected for such period in the Sales Tax Area in excess of 1.25% of all taxable sales in the Sales Tax Area shall not be deemed Pledged Home Rule Sales Taxes. The security on the bonds, the Pledged Home Rule Sales Tax, and the Sales Tax Area are more fully described and depicted in the LOM for the bonds.

At April 30, 2023, the outstanding balance of the bonds is \$19,360,000, with principal and interest due semi-annually at 5.75% - 6.25% through January 1, 2026. Total principal and interest remaining is approximately \$22,585,394. Principal and interest paid during fiscal year 2023 was \$4,814,038 and pledged sales tax revenues collected were \$4,814,399.

On December 29, 2014, the Village issued \$57,045,000 of General Obligation Refunding Bonds, Series 2014A. The outstanding bonds totaling \$42,240,000 at April 30, 2023, are to be retired in annual installments ranging from \$405,000 to \$19,210,000, beginning January 1, 2016 through January 1, 2038. Interest is payable semiannually at rates ranging from 2.00% to 5.00%. Proceeds from the bonds were used to currently refund the 2006A General Obligation Series Bonds and 2006B General Obligation Series Bonds with principal balance of \$42,820,000 and \$10,078,856, respectively at the time of refunding. The bonds are payable from the Debt Service Fund.

On March 28, 2018, the Village issued \$34,615,000 General Obligation Refunding Bonds, Series 2018A. Bonds outstanding totaling \$32,100,000 at April 30, 2023, are to be retired in annual installments ranging from \$790,000 to \$5,190,000 beginning January 1, 2019 through January 2038. Interest is payable semiannually at rates ranging from 4.00% to 5.00%. Proceeds from the bonds were used to currently refund the 2007 General Obligation Series Bonds which had a principal balance of \$33,420,000 at the time of refunding. The bonds are payable from the Debt Service Fund.

On October 29, 2019, the Village issued \$21,455,000 in General Obligation Refunding Bonds, Series 2019A. Bonds outstanding totaling \$20,165,000 at April 30, 2023, are to be retired in annual installments ranging from \$680,000 to \$3,420,000 commencing January 1, 2023, and continuing through January 1, 2035. Interest is payable semiannually at rates ranging from 2.50% to 4.00%. Proceeds from the bonds were used to currently refund the 2010A General Obligation Series Bonds which had a principal balance of \$23,200,000 at the time of refunding. The bonds are payable from the Debt Service Fund.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

On August 13, 2020, the Village issued \$44,950,000 in General Obligation Refunding Bonds, Series 2020A. Bonds outstanding totaling \$44,950,000 at April 30, 2023, are to be retired in annual installments ranging from \$575,000 to \$17,360,000 commencing January 1, 2029, and continuing through January 1, 2036. Interest is payable semiannually at semiannually at rates ranging from 5.00% to 6.00%. The bonds are payable from the Debt Service Fund. Further details on this refunding can be found later in this note.

Debt Service Requirements to Maturity – General Obligation Bonds:

Annual debt service requirements to maturity for all governmental bond issues, excluding capital appreciation bonds, are as follows:

<u>Due in Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2024	\$ 2,235,000	\$ 5,282,448	\$ 7,517,448
2025	3,400,000	5,185,398	8,585,398
2026	3,735,000	5,032,198	8,767,198
2027	2,840,000	4,865,248	7,705,248
2028	3,215,000	4,746,045	7,961,045
2029-2033	48,950,000	18,769,838	67,719,838
2034-2038	75,080,000	9,591,291	84,671,291
	<u>\$ 139,455,000</u>	<u>\$ 53,472,466</u>	<u>\$ 192,927,466</u>

Future payments and annual accretions for the Capital Appreciation Bonds for each of the next five fiscal years and in five-year increments thereafter are as follows:

Fiscal Year Ending April 30,	Series 1999C		Series 2002B		Total Capital Appreciation Bonds	
	Accretion	Principal	Accretion	Principal	Accretion	Principal
2024	\$ 1,259,854	\$ 4,385,000	\$ 2,301,130	\$ 2,045,000	\$ 3,560,984	\$ 6,430,000
2025	1,075,711	4,915,000	2,317,871	2,340,000	3,393,582	7,255,000
2026	851,278	5,480,000	2,317,649	2,660,000	3,168,927	8,140,000
2027	582,076	6,090,000	2,297,817	4,275,000	2,879,893	10,365,000
2028	263,388	6,730,000	2,178,226	4,640,000	2,441,614	11,370,000
2029-2033	44,973	1,710,000	8,708,007	27,655,000	8,752,980	29,365,000
2034-2037	-	-	870,102	15,085,000	870,102	15,085,000
	<u>\$ 4,077,280</u>	<u>\$ 29,310,000</u>	<u>\$ 20,990,802</u>	<u>\$ 58,700,000</u>	<u>\$ 25,068,082</u>	<u>\$ 88,010,000</u>
Accreted value at April 30, 2023		<u>\$ 25,232,896</u>		<u>\$ 37,709,198</u>		<u>\$ 62,942,094</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

In fiscal year 2020, the Village started to be deficient in paying the scheduled principal and interest payments related to the Sales Tax Revenue Bonds, Series 2005. The deficiency is driven by sales tax generated by the sales tax area being lower than what was forecasted when the sales tax area was established. The Village incurred the following principal payment deficiencies in fiscal year 2020 \$1,115,000; fiscal year 2021 \$1,880,000; fiscal year 2022 \$1,210,000; and fiscal year 2023 \$760,000. Future debt service requirements related to the Sales Tax Revenue Bonds, Series 2005 for the year ended April 30, 2023, are as follows:

Fiscal Year Ending April 30,	Scheduled Principal Payment	Principal in Deficiency	Interest	Total Projected Commitments
2024	\$ 4,510,000	\$ -	\$ 1,119,194	\$ 5,629,194
2025	4,795,000	-	1,053,100	5,848,100
2026	5,090,000	4,965,000	1,053,100	11,108,100
	<u>\$ 14,395,000</u>	<u>\$ 4,965,000</u>	<u>\$ 3,225,394</u>	<u>\$ 22,585,394</u>

Advance Refunding – General Obligation Bonds:

In August 2020, the Village defeased the following bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds.

- Partial refunding of 2002B Capital Appreciation Bonds with carrying value of \$1,645,180. 2002B Capital appreciation bonds has coupon interest ranging from 5.92% to 6.00%.
- 2013A General Obligation Current Interest Bonds with principal balance of \$6,980,000, with interest ranging from 3.00% to 5.00%.
- 2013A General Obligation Capital Appreciation Bonds with carrying value of \$32,814,440, with interest ranging from 4.90% to 5.35%.
- Partial refunding of 2014A General Obligation Current Interest Bonds with principal balance of \$3,720,000, with interest rate of 5.00%.

Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Village's financial statements. At April 30, 2023, a total of \$48,505,411 of bonds outstanding are considered defeased.

Special Service Area Bonds:

The following debt obligation for which the Village has no obligations have been issued and are outstanding at April 30, 2023, and are not recorded on the Village's financial statements.

In fiscal year 2003, the Village issued \$4,530,000 Special Tax Bonds, Series 2003A and \$11,000,000 Special Tax Bonds, Series 2002. These bonds were issued to finance the Bloomfield West Project (Special Service Area No. 2001-2) and the Augusta Village Project (Special Service Area No. 2002-1). These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 5 – LONG-TERM OBLIGATIONS (Continued)

On July 2018, the Village issued a Special Taxes Refunding Bonds Series 2018 with face value of \$35,795,000 and a premium of \$1,514,278. Proceeds from the issuance were used to fund and pay the 2007 Special Service Area (SSA) Refunding bonds with a remaining principal balance of \$39,130,000 as of April 30, 2018. Additional funds were provided by the cash balance of the 2007 SSA Refunding Bonds currently held by the trustee to satisfy the escrow funding requirements. The issuance affects the following Special Service Area Numbers: 2001-1, 2001-2, 2001-3 and 2002-1. These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds. At April 30, 2023, the bonds have a balance of \$25,188,000.

In fiscal year 2006, the Village issued \$21,550,000 Special Tax Bonds, Series 2005. These bonds were issued to finance the Forest City Project (Illinois Special Service Area No. 2005-1) and provide special services benefiting that Area, including the construction and installation of public improvements. In November 2018, the Village established Special Service Area No. 2018-1. The boundaries of the Area are the same as the boundaries of Area 2005-1, though its duration was extended 14 years to 2041. Special Service Area No. 2005-1 was dissolved after the extension of the 2018 levy related to those bonds. In February 2019, in connection with Special Service Area No. 2018-1, the Village issued \$22,415,000 Special Tax Refunding Bonds, Series 2019 to refund all of the outstanding Special Tax Bonds, Series 2005, to pay related expenses and to fund certain reserves. These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds. At April 30, 2023, the bonds have a balance of \$17,452,644.

Leases

The Village has entered into various lease agreements as lessee for financing the acquisition of copiers, cardiac monitors and fire engines. The future principal and interest payments as of April 30, 2023 are as follows:

Fiscal Year Ending April 30,	Principal	Interest	Total
2024	\$ 235,557	\$ 61,118	\$ 296,675
2025	243,201	53,473	296,674
2026	221,880	46,127	268,007
2027	228,802	39,205	268,007
2028	235,965	32,041	268,007
2029-2032	712,929	52,066	764,995
	<u>\$ 1,878,334</u>	<u>\$ 284,030</u>	<u>\$2,162,364</u>

Compensated Absences:

Compensated absences will be paid as they come due. These represent amounts outstanding for sick and vacation time at April 30, 2023, and will be paid from the fund where the employee's salary is paid.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 6 – COMMITMENTS, DEVELOPMENT AGREEMENTS, TAX ABATEMENTS, PLEDGE REVENUES AND CONTINGENT LIABILITIES

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

The Village has one sales tax incentive agreement, under which the Village has agreed to reimburse local businesses and developers a portion of the Village's home rule sales tax revenues generated by the business. According to 65 ILCS 5/8-11-20, the Village may enter into an economic incentive agreement relating to the development or redevelopment of land within the corporate limits of the municipality. The agreement is made to rebate any portion of the retailer's occupational taxes received by the Village that were generated by the development or redevelopment over a finite period of time. Each incentive agreement was negotiated on an individual basis and approved by Board Resolution.

The Village has pledged specific revenues to secure the repayment of outstanding debt issues from the redevelopment agreements entered into by the Village. The table below lists the revenues and corresponding debt issue along with the purpose of the debt, the amount of pledge remaining, the term of the pledge commitment, the current fiscal year principal and interest on debt and the amount of pledge revenue recognized and payable during the current fiscal year.

Revenue Bond Issue	2005 Sales Tax Revenue Bonds
Purpose of Debt	Fund the purchase of land and properties in the sales tax area and the construction of various establishment and retail stores in the sales tax area
Term of Commitment	Through 2026
Pledge Revenue	1.25% home rule sales tax revenue generated by the sales tax area
Principal and Interest Due for Fiscal Year Ended April 30, 2023	\$5,574,038
Principal in Deficiency as of April 30, 2023	\$4,965,000
Pledged Revenue Collection for Fiscal Year Ended April 30, 2023	\$4,814,399
Remaining Commitments (Principal and Interest) as of April 30, 2023	\$22,585,394

There is an approximately eight months' time lag in getting the sales tax information from the State of Illinois to properly calculate and remit the sales tax generated by the Sales Tax Area to the escrow agent. This time lag resulted to restricted fund balance/net position for debt service of \$1,969,527 and \$2,343,862 on the Village's general fund and governmental activities, respectively. The difference in the general fund balance debt service restriction and the governmental activities net position debt service restriction is related to a one-month sales tax of the Sales Tax Area that was collected beyond the 60-day availability period and is part of the Deferred Inflows of Resources in the general fund.

(Continued)

NOTE 6 – COMMITMENTS, DEVELOPMENT AGREEMENTS, TAX ABATEMENTS, PLEDGE REVENUES AND CONTINGENT LIABILITIES (Continued)

The Village has another sales incentive agreement that is effective through fiscal year 2032. For the year ended April 30, 2023, the Village paid and incurred approximately \$203,000 related to the agreement.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. However, the Village expects such amounts, if any, to be immaterial.

The Village enters into contractual commitments for various construction projects throughout the year as budgeted for annually.

NOTE 7 – LEASE AGREEMENT

The Village is the lessor in an agreement to lease a Village-owned building to American Sports, Ltd. for the operation of the Rocket Ice Arena. Under the agreement, the Village receives 1% of gross revenues of the Arena. During the current fiscal year, the Village received approximately \$33,000 from the agreement. The agreement extends through June 1, 2024. Subsequent to June 1, 2024, the lease payment will increase to 3% of gross revenues.

NOTE 8 – RISK MANAGEMENT

The Village is exposed to various risks related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees or natural disasters. The Village has purchased general liability insurance and workers' compensation insurance from private insurance companies. Premiums for these coverages have been reported as expenditures or expenses in the appropriate funds. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There was no significant reduction in insurance coverage during the fiscal years ended April 30, 2023, 2022 and 2021. In fiscal years 2023, 2022 and 2021, the Village has self-insurance retention of \$200,000 for its workers' compensation insurance. The Village also carries a stop loss insurance for medical claims which covers medical claims over \$95,000 individual per year.

The Village has established a Self-Insurance Fund (internal service fund): one sub-fund is for workers' compensation claims prior to May 1, 1998, and one sub-fund is for medical risks. The Village has also purchased excess coverage policies.

Liabilities of the funds are reported when it is probable that a loss has occurred and that the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts and other economic and social factors.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 8 – RISK MANAGEMENT (Continued)

Changes in the balances of claims liabilities during the past three fiscal years are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Claims payable, beginning of year	\$ 1,402,242	\$ 255,119	\$ 215,455
Incurred claims (including IBNR)	7,760,583	11,342,882	7,479,741
Claim payments	<u>(8,310,814)</u>	<u>(10,195,759)</u>	<u>(7,440,077)</u>
Claims payable, end of year	<u>\$ 852,011</u>	<u>\$ 1,402,242</u>	<u>\$ 255,119</u>

The Village has also established a limited self-insurance program for general liability claims. The Village is self-insured for the first \$95,000 for liability claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current year. The Village's self-insurance activities for general liability are reported in the general fund, with claims liabilities reported in governmental activities since the claims are not due and payable within one year.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported.

A reconciliation of general claims liability for the past three fiscal years follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Claims payable, beginning of year	\$ 654,392	\$ 1,198,223	\$ 553,714
Claims incurred	131,106	257,202	833,053
Claim payments	<u>(408,667)</u>	<u>(801,033)</u>	<u>(188,544)</u>
Claims payable, end of year	<u>\$ 376,831</u>	<u>\$ 654,392</u>	<u>\$ 1,198,223</u>

Pursuant to State Statute, the Village is required to pay 100% of the health insurance premium for disabled pensioners for life. See Notes related to Other Postemployment Benefits.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 9 – INTERFUND TRANSACTIONS

Advances From/To Other Funds:

Receivable Fund	Payable Fund	Advance
General	Waterworks and Sewerage	\$ 1,307,193
General	Westside Regional Stormwater	5,756,168
General	Airport	1,519,713
General	Internal Service	16,230,097
General	Debt Service	3,495,989
General	Nonmajor Governmental	7,021,729
Total General Fund		35,330,889
Debt Service	Airport	2,289,221
Nonmajor Governmental	Westside Regional Stormwater	20,751
Nonmajor Governmental	General	1,093,360
Nonmajor Governmental	Airport	294,237
Total Nonmajor Governmental		1,408,348
Westside Regional Stormwater	General	385,926
		\$ 39,414,384

Significant advance balances include the Health Insurance Sub-Fund of \$16,230,097. The Village is self-insured and pays all medical and dental claims after a stop loss per employee. The stop loss for the calendar year 2023 was at \$95,000. Although employees contribute via monthly premiums, the actual claims have exceeded the employee and employer premiums and the \$12,510,820 fund deficit is a cumulative balance since inception of the self-insured plan.

Other advances are due to the timing of reimbursements to or from the General Corporate Fund not made as of April 30, 2023, or advances that are longer term.

Transfers:

Fund	Transfer In	Transfer Out
General	\$ -	\$ 6,343,216
Debt Service	6,343,216	-
	\$ 6,343,216	\$ 6,343,216

The transfer from the general fund to the debt service fund is related to the recognition and transfer of principal and interest for the 2005 Sales Tax Revenue Bonds initially recorded and paid by the general fund.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS

The Village provides retirement benefits to its employees under four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer defined benefit pension plan; the IMRF-Sheriff's Law Enforcement Personnel Fund (SLEP), an agent multiple- employer defined benefit pension plan; the Police Pension Plan, a single-employer defined benefit pension plan and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all four plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans do not issue separate reports on the pension plans. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained online at www.imrf.org.

The aggregate totals for all pension items for the four plans are as follows. The SLEP plan has been combined with IMRF Regular Plan in the table, except for net pension liability, due to the small size of the pension items. Allocations to the governmental and business-type activities are based on covered payroll.

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities*</u>	<u>Total</u> <u>Village</u>
Net pension liability			
IMRF - Regular	\$ 5,302,423	\$ 792,316	\$ 6,094,739
IMRF - SLEP	365,819	-	365,819
Police	100,851,444	-	100,851,444
Firefighters'	<u>82,789,314</u>	<u>-</u>	<u>82,789,314</u>
	<u>\$ 189,309,000</u>	<u>\$ 792,316</u>	<u>\$ 190,101,316</u>
Deferred outflows of resources			
IMRF	\$ 7,008,040	\$ 1,035,773	\$ 8,043,813
Police	23,960,882	-	23,960,882
Firefighters'	<u>18,732,447</u>	<u>-</u>	<u>18,732,447</u>
	<u>\$ 49,701,369</u>	<u>\$ 1,035,773</u>	<u>\$ 50,737,142</u>
Deferred inflows of resources			
IMRF	\$ 112,789	\$ 16,854	\$ 129,643
Police	1,023,431	-	1,023,431
Firefighters'	<u>826,340</u>	<u>-</u>	<u>826,340</u>
	<u>\$ 1,962,560</u>	<u>\$ 16,854</u>	<u>\$ 1,979,414</u>
Pension expense			
IMRF	\$ 290,713	\$ 39,112	\$ 329,825
Police	14,029,153	-	14,029,153
Firefighters'	<u>11,533,112</u>	<u>-</u>	<u>11,533,112</u>
	<u>\$ 25,852,978</u>	<u>\$ 39,112</u>	<u>\$ 25,892,090</u>

*Same amounts are also reported in the proprietary fund statements.

(Continued)

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Illinois Municipal Retirement Fund:

Plan Description

The Village's defined benefit pension plan for Regular employees (other than those covered by the Police or Firefighters' Pension Plans), provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Village also maintains accounts for Regular employees and SLEP personnel. A summary of IMRF's pension benefits is provided in the *Benefits Provided* described below. Details of all benefits are available from IMRF. The Illinois Pension Code establishes the benefit provisions of the plan which can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at www.imrf.org/pubs/ or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Benefits Provided

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after 8 years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with 8 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Members receive an annual 3% increase based upon the original amount of the annuity.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. Members receive an annual increase based upon the original amount of the annuity of 3% or one-half of the increase in the consumer price index, whichever is less. These benefit provisions and all other requirements are established by state statute.

The Sheriff's Law Enforcement Personnel Fund (SLEP) members, having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after July 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earnings rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. Members receive an annual increase based upon the original amount of the annuity of 3% or one-half of the increase in the consumer price index, whichever is less. These benefit provisions and all other requirements are established by State statutes. For the SLEP plan, members are required to contribute 7.50% of their annual covered salary.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Employees Covered by Benefit Terms

At December 31, 2022, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

	Regular	SLEP
Retirees and beneficiaries currently receiving benefits	179	2
Terminated employees entitled to but not yet receiving benefits	82	-
Current employees	121	-
	382	2

Contributions

As set by statute, employees participating in the IMRF regular plan are required to contribute 4.50% of their annual covered salary. The member rate is also established by State statute. The Village is required to contribute at an actuarially determined rate. The employer annual required contribution rate for calendar years 2023 and 2022 was 6.60% and 7.94%, respectively. For the year ended April 30, 2023, the Village contributed \$736,316 to the plan. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. For the SLEP plan, members are required to contribute 7.50% of their annual covered salary. The employer rate for calendar year 2023 and 2022 was 12.49% and 12.43%, respectively. For the year ended April 30, 2023, the Village contributed \$19,639 to the SLEP Plan.

Net Pension Liability

The Village's net pension liability as of April 30, 2023, was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The following are the methods and assumptions used to determine the total pension liability as of April 30, 2023:

Actuarial valuation date	December 31, 2022
Measurement date	December 31, 2022
Actuarial cost method	Entry-age normal
Price inflation	2.25%
Salary increases	2.85% - 13.75%, including inflation
Investment rate of return	7.25% (Regular and SLEP)
Asset valuation method	Market value of assets

(Continued)

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Retirement age is based on experience-based table of rates that are specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study of the period 2017 to 2019.

Mortality - For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount- Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Assumption Changes

There were no changes from the prior year to the methods and assumptions used to determine the total pension liability.

The long-term expected rate of return on pension plan investments of 7.25% (same as last year) was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The long-term expected rate of return on pension plan investments of 7.25% was determined using a target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	35.5%	6.50%
International Equities	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternatives	9.5%	6.25-9.25%
Cash Equivalents	1.0%	4.00%
	100.0%	

Discount Rate

A single discount rate of 7.25% (same as last year) for the Regular Plan and 7.25% (same as last year) for the SLEP Fund was used to measure the total pension liability. The projection of cash flows used to determine the single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Regular and SLEP Plans' fiduciary net position were all projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the expected rate of return on plan investments for the plans of 7.25% was used as the discount rate.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Changes in Net Pension Liability (Asset) – Regular Plan

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability (a)	Net Position (b)	Liability (Asset) (a) - (b)
Balances at January 1, 2022	\$ 78,322,110	\$ 88,595,351	\$ (10,273,241)
Changes for the year:			
Service cost	971,380	-	971,380
Interest	5,548,156	-	5,548,156
Actuarial experience	937,485	-	937,485
Assumption changes	-	-	-
Contributions - Employer	-	782,207	(782,207)
Contributions - Employee	-	486,124	(486,124)
Net investment income	-	(11,171,587)	11,171,587
Benefit payments, including refunds	(4,563,020)	(4,563,020)	-
Other (net transfer)	-	992,297	(992,297)
Net changes	<u>2,894,001</u>	<u>(13,473,979)</u>	<u>16,367,980</u>
Balances at December 31, 2022	<u>\$ 81,216,111</u>	<u>\$ 75,121,372</u>	<u>\$ 6,094,739</u>

Changes in Net Pension Liability (Asset) – SLEP

	Increase (Decrease)		
	Total Pension	Plan Fiduciary	Net Pension
	Liability (a)	Net Position (b)	Liability (Asset) (a) - (b)
Balances at January 1, 2022	\$ 1,198,286	\$ 1,054,609	\$ 143,677
Changes for the year:			
Service cost	-	-	-
Interest	82,544	-	82,544
Actuarial experience	9,782	-	9,782
Assumption changes	-	-	-
Contributions - Employer	-	18,854	(18,854)
Contributions - Employee	-	-	-
Net investment income	-	(153,441)	153,441
Benefit payments, including refunds	(119,496)	(119,496)	-
Other (net transfer)	-	4,771	(4,771)
Net changes	<u>(27,170)</u>	<u>(249,312)</u>	<u>222,142</u>
Balances at December 31, 2022	<u>\$ 1,171,116</u>	<u>\$ 805,297</u>	<u>\$ 365,819</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate Sensitivity

The following is an analysis of the sensitivity of the Village’s net pension liability (asset) to changes in the discount rate. The table below represents the net pension liability (asset) of the Village’s Regular Plan and SLEP Fund calculated using the discount rate of 7.25%, respectively, as well as what the Village’s net pension liability would be if it were calculated using discount rates that are one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

Regular Plan

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Village's net pension liability (asset)	\$ 15,903,977	\$ 6,094,739	\$ (1,654,181)

SLEP

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Village's net pension liability (asset)	\$ 457,092	\$ 365,819	\$ 285,820

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued IMRF financial report.

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2023, the Village recognized pension expense of \$300,864 and \$28,961 for the Regular Plan and SLEP, respectively. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Regular Plan	SLEP	Total
<u>Deferred Outflows of Resources</u>			
Differences between expected and actual experience	\$ 1,478,977	\$ -	\$ 1,478,977
Net difference between projected and actual earnings on pension plan investments	6,259,444	69,257	6,328,701
Contributions made subsequent to the measurement date	229,066	7,069	236,135
	<u>\$ 7,967,487</u>	<u>\$ 76,326</u>	<u>\$ 8,043,813</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

<u>Deferred Inflows of Resources</u>	<u>Regular Plan</u>	<u>SLEP</u>	<u>Total</u>
Differences between expected and actual experience	\$ 74,481	\$ -	\$ 74,481
Assumption changes	55,162	-	55,162
	<u>\$ 129,643</u>	<u>\$ -</u>	<u>\$ 129,643</u>

At April 30, 2023, the Village reported \$229,066 for the Regular Plan and \$7,069 for SLEP of deferred outflows of resources related to pensions resulting from Village contributions made subsequent to the measurement date that will be recognized as a reduction of net pension liability in the year ended April 30, 2024. Other amounts reported as deferred outflows (inflows) of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year-Ending April 30</u>	<u>Regular Plan</u>	<u>SLEP</u>	<u>Total</u>
2024	\$ 488,816	\$ (10,821)	\$ 477,995
2025	1,511,013	10,257	1,521,270
2026	2,106,693	24,536	2,131,229
2027	<u>3,502,256</u>	<u>45,285</u>	<u>3,547,541</u>
Total	<u>\$ 7,608,778</u>	<u>\$ 69,257</u>	<u>\$ 7,678,035</u>

Police Pension:

Plan Description and Provisions

Police sworn personnel are covered by the Police Pension Plan, which is a single-employer defined benefit pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a standalone financial statement.

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

(Continued)

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the preceding calendar year.

Employees Covered by Benefit Terms

At April 30, 2023, the Police Pension membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	85
Inactive plan members entitled to but not yet receiving benefits	18
Active plan members	<u>115</u>
Total	<u><u>218</u></u>

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded. Administrative expenses are generally paid from plan assets. For the year ended April 30, 2023, the Village contributed \$5,907,892 to the Police Pension Plan.

Investment Policy

The deposits and investments of the pension funds are held separately from those of other Village funds.

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of IPOPIF are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at www.ipopif.org.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code. IPOPIF's investment policy establishes the following target allocation across asset classes:

Asset Class	Short-Term Asset Allocation	Long-Term Asset Allocation
US Large	18.00%	23.00%
US Small	5.00%	5.00%
International Developed	15.00%	18.00%
International Developed Small	5.00%	5.00%
Emerging Markets	7.00%	7.00%
Private Equity	0.00%	7.00%
Bank Loans	0.00%	3.00%
High Yield Corporate Credit	10.00%	3.00%
Emerging Market Debt	6.00%	3.00%
Private Credit	0.00%	5.00%
US TIPS	3.00%	3.00%
REITS	4.00%	0.00%
Real Estate / Infrastructure	2.00%	8.00%
Cash	3.00%	1.00%
Short-term Gov/Credit	15.00%	3.00%
US Treasury	0.00%	3.00%
Core Fixed Income	7.00%	0.00%
Core Plus Fixed Income	0.00%	3.00%
	100.00%	100.00%

The long-term expected rate of return of the Police Pension Fund's investments of 6.75% was determined using an asset allocation study conducted by the Police Pension Fund's investment manager consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Valuation of Investments

Investments in IPOPIF are measured at net asset value (NAV). The NAV of the plan's pooled investment in IPOPIF was \$87,955,352 at April 30, 2023. There are no unfunded commitments at December 31, 2022. The Police Pension Plan may request withdrawals at any time and multiple transactions can be entered up to 13 months in advance. Cash withdrawal requests are to be submitted at least seven calendar days prior to the requested transfer date to ensure availability, although IPOPIF may, in its sole discretion, process a cash withdrawal request with fewer than seven calendar days' notice.

(Continued)

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Investment Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on the Police Pension Plan investments, net of pension plan investment expense, was 0.32%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits With Financial Institutions

None of the Police Pension Fund's deposits of \$1,376,719 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Plan's name.

Interest Rate Risk

As of April 30, 2023, the Police Pension Fund did not have any investments sensitive to interest rate risk. The Police Pension Fund's investment policy does not limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. The objective is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk.

Credit Risk

The Police Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Police Pension Fund's agency separate from where the investment was purchased.

Net Pension Liability

The Village's net pension liability was measured as of April 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2023, using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2023
Measurement date	April 30, 2023
Actuarial cost method	Entry-age normal

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	6.75%
Asset valuation method	Market value of assets

Mortality rates are based on PubS-2010 base rates projected to 2023 with scale MP2021.

Assumption Change

The assumption below was changed from the prior year in determining the total pension liability.

- The long-term municipal bond rate was changed from 3.42% in 2022 to 3.77% in 2023.

Discount Rate

The discount rate used to measure the total pension liability was 6.75% (no change from the prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at May 1, 2022	\$ 179,609,585	\$ 88,971,241	\$ 90,638,344
Changes for the year:			
Service cost	3,432,418	-	3,432,418
Interest	11,872,192	-	11,872,192
Actuarial experience	958,785	-	958,785
Assumptions changes	1,702,755	-	1,702,755
Changes of benefit terms	-	-	-
Contributions - employer	-	5,907,892	(5,907,892)
Contributions - employee	-	1,563,633	(1,563,633)
Contributions - other	-	-	-
Net investment income	-	281,525	(281,525)
Benefit payments, including refunds	(6,877,362)	(6,877,362)	-
Administrative expense	(166,548)	(166,548)	-
Net changes	<u>10,922,240</u>	<u>709,140</u>	<u>10,213,100</u>
Balances at April 30, 2023	<u>\$ 190,531,825</u>	<u>\$ 89,680,381</u>	<u>\$ 100,851,444</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate Sensitivity

The following is an analysis of the sensitivity of the Village’s net pension liability to changes in the discount rate. The table below represents the net pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Village's net pension liability for the police pension	\$ 129,665,674	\$ 100,851,444	\$ 77,497,786

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2023, the Village recognized pension expense of \$14,029,153. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,946,436	\$ 609,044
Changes of assumptions	8,036,154	414,387
Net difference between projected and actual earnings on investments	8,978,292	-
Total	\$ 23,960,882	\$ 1,023,431

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year-Ended April 30		
2024	\$	6,166,240
2025		5,361,702
2026		7,800,551
2027		3,220,103
2028		388,855
Total	\$	22,937,451

Firefighters’ Pension:

Plan Description and Provisions

Fire sworn personnel are covered by the Firefighters’ Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial statement.

(Continued)

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement, and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the preceding calendar year.

Employees Covered by Benefit Terms

At April 30, 2023, the Firefighters' Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	87
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>91</u>
Total	<u><u>182</u></u>

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded. Administrative expenses are generally paid from plan assets. For the year ended April 30, 2023, the Village contributed \$5,157,128 to the Firefighters' Pension Plan.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Investment Policy

Investments of the Firefighters' Pension Plan are combined in a commingled external investment pool and held by the Illinois Firefighters' Pension Investment Fund (IFPIF). IFPIF is an investment trust fund established by Illinois Public Act 101-0610, which was effective as of January 1, 2020. Participation in IFPIF is mandatory for Illinois firefighter pension funds. IFPIF consolidates the assets of the state's firefighter pension fund assets under its management for the purpose of obtaining a total return on investments to provide pension benefits to the beneficiaries of the participating pension funds.

IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

For additional information on IFPIF's investments, please refer to their annual reports as of June 30, 2022 and 2023. A copy of the reports can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

On June 18, 2021, the IFPIF Board adopted its Investment Policy, which included interim and long-term asset allocations. The Board amended its long-term asset allocation at its meeting held June 17, 2022.

Asset Class	Interim Asset Allocation	Long-Term Asset Allocation	Interim Ranges
US Equity	36.00%	25.00%	+/- 5.00%
Developed Market Equity (non-US)	19.00%	13.00%	+/- 4.00%
Emerging Market Equity	10.00%	7.00%	+/- 3.00%
Private Equity	0.00%	10.00%	+/- 10.00%
Public Credit	3.00%	3.00%	+/- 1.00%
Private Credit	0.00%	7.00%	+/- 7.00%
Core Fixed Income	12.00%	9.00%	+/- 3.00%
Core Plus Fixed Income	12.00%	9.00%	+/- 3.00%
Short-Term Treasuries	3.00%	3.00%	+/- 1.00%
Real Estate	5.00%	10.00%	+/- 2.00%
Infrastructure	0.00%	4.00%	+/- 4.00%
	100.00%	100.00%	

The long-term expected rate of return of the Firefighters' Pension Fund's investments of 6.75% was determined using best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

(Continued)

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Valuation of Investments

The valuation method for the pooled investment in IFPIF is measured at the Net Asset Value (NAV) per share (or its equivalent). The NAV of the plan's pooled investment in IFPIF was \$66,129,419 at April 30, 2023. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2023. The Plan may redeem shares by giving notice by 5:00 p.m. central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Investment Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on the Firefighters' Pension Plan investments, net of pension plan investment expense, was 0.73%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits With Financial Institutions

None of the Firefighters' Pension Fund's deposits of \$1,629,221 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Plan's name.

Net Pension Liability

The Village's net pension liability was measured as of April 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2023, using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2023
Measurement date	April 30, 2023
Actuarial cost method	Entry-age normal
Inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	6.75%
Asset valuation method	Market value of assets

Mortality rates are based on PubS-2010 base rates projected to 2023 with scale MP2021.

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Assumption Change

The assumption below was changed from the prior year in determining the total pension liability.

- The long-term municipal bond rate was changed from 3.42% in 2022 to 3.77% in 2023.

Discount Rate

The discount rate used to measure the total pension liability was 6.75% (no change from the prior year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances at May 1, 2022	\$ 142,322,630	\$ 67,667,500	\$ 74,655,130
Changes for the year:			
Service cost	2,760,057	-	2,760,057
Interest	9,384,738	-	9,384,738
Actuarial experience	40,220	-	40,220
Assumptions changes	2,538,770	-	2,538,770
Changes of benefit terms	-	-	-
Contributions - employer	-	5,157,128	(5,157,128)
Contributions - employee	-	935,751	(935,751)
Contributions - other	-	-	-
Net investment income	-	496,722	(496,722)
Benefit payments, including refunds	(6,072,872)	(6,072,872)	-
Administrative expense	(83,009)	(83,009)	-
Net changes	8,567,904	433,720	8,134,184
Balances at April 30, 2023	\$ 150,890,534	\$ 68,101,220	\$ 82,789,314

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 10 – DEFINED BENEFIT PENSION PLANS (Continued)

Discount Rate Sensitivity

The following is an analysis of the sensitivity of the Village's net pension liability to changes in the discount rate. The table below represents the net pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Village's net pension liability for the firefighters' pension	\$ 105,154,030	\$ 82,789,314	\$ 64,646,665

Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2023, the Village recognized pension expense of \$11,533,112. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,311,890	\$ 441,274
Changes of assumptions	6,846,625	385,066
Net difference between projected and actual earnings on investments	5,573,932	-
Total	\$ 18,732,447	\$ 826,340

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year-Ended April 30		
2024	\$	4,692,418
2025		3,462,866
2026		5,333,307
2027		3,278,133
2028		1,084,689
Thereafter		54,694
Total	\$	17,906,107

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 11 – PENSION TRUST FUNDS – FINANCIAL DATA

Schedule of Fiduciary Net Position as of April 30, 2023:

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,376,719	\$ 1,629,221	\$ 3,005,940
Investments			
Pooled investments	87,955,352	66,129,419	154,084,771
Due from Village	379,791	343,835	723,626
Prepaid items	<u>7,634</u>	<u>1,549</u>	<u>9,183</u>
Total assets	<u>89,719,496</u>	<u>68,104,024</u>	<u>157,823,520</u>
LIABILITIES			
Other payables	<u>39,115</u>	<u>2,804</u>	<u>41,919</u>
Total liabilities	<u>39,115</u>	<u>2,804</u>	<u>41,919</u>
NET POSITION			
Restricted for pensions	<u>89,680,381</u>	<u>68,101,220</u>	<u>157,781,601</u>
Total net position	<u>\$ 89,680,381</u>	<u>\$ 68,101,220</u>	<u>\$ 157,781,601</u>

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 11 – PENSION TRUST FUNDS – FINANCIAL DATA (Continued)

Schedule of Changes in Fiduciary Net Position for the Year Ended April 30, 2023:

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ADDITIONS			
Contributions			
Employer	\$ 5,907,892	\$ 5,157,128	\$ 11,065,020
Plan members	<u>1,563,633</u>	<u>935,751</u>	<u>2,499,384</u>
Total contributions	<u>7,471,525</u>	<u>6,092,879</u>	<u>13,564,404</u>
Investment earnings			
Investment income	526,541	548,793	1,075,334
Investment fees	<u>(245,016)</u>	<u>(52,071)</u>	<u>(297,087)</u>
Net investment earnings	<u>281,525</u>	<u>496,722</u>	<u>778,247</u>
Total additions	<u>7,753,050</u>	<u>6,589,601</u>	<u>14,342,651</u>
DEDUCTIONS			
Benefits and refunds	6,877,362	6,072,872	12,950,234
Administration	<u>166,548</u>	<u>83,009</u>	<u>249,557</u>
Total deductions	<u>7,043,910</u>	<u>6,155,881</u>	<u>13,199,791</u>
Changes in net position	<u>709,140</u>	<u>433,720</u>	<u>1,142,860</u>
Net position, beginning of year	<u>88,971,241</u>	<u>67,667,500</u>	<u>156,638,741</u>
Net position, end of year	<u>\$ 89,680,381</u>	<u>\$ 68,101,220</u>	<u>\$ 157,781,601</u>

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

Health Insurance Plan for Retired Employees and Benefits:

The Village's Retiree Health Employee Benefits Plan is a single-employer defined benefit OPEB healthcare plan administered by the Village. This plan provides the continuation of health care benefits to employees who retire from the Village. The Village provides postemployment health insurance benefits to its full-time employees under local ordinance. Individuals become eligible for these benefits upon retirement and a minimum of six to eight years' service to the Village, depending on retirement age. Premium equivalents are developed using blended claim experience for both the active and retired populations, trend data and administrative costs. The plan does not issue a separate report.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2023

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

The Village does not have an actuarially determined contribution as the current total OPEB liability is an unfunded obligation. The Village does not have a trust dedicated to the payment of OPEB benefits. The Village did make contributions from other Village resources for the year-ended April 30, 2023 of \$1,502,350.

Eligibility

Police and Fire

Tier 1	Age 50 and 20 years of service or age 60 and 8 years of service
Tier 2	Normal retirement: Age 55 and 10 years of service Early retirement: Age 50 and 10 years of service

PSEBA Disability Benefits

Police officers who become disabled in the line of duty are eligible for PSEBA disability benefits after one year of service.

IMRF

Tier 1	Normal retirement Age 55 and 35 years of service or Age 60 and 8 years of service
	Early retirement Age 55 and 8 years of service
Tier 2	Normal retirement Age 62 and 35 years of service or Age 67 and 10 years of service
	Early retirement Age 62 and 10 years of service

Employees Covered by Benefit Terms

At April 30, 2023, (the most recent actuarial valuation date), the following Village employees were covered by the benefit terms:

Active participants	237
Disabled participants	33
Retired participants	58
Total	328

Total OPEB Liability

The Village's total OPEB liability of \$48,622,975 was measured as of April 30, 2023.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in Total OPEB Liability

	Increase (Decrease)		
	Governmental Activities	Business-Type Activities	Total
Balance at May 1, 2022	\$ 40,715,798	\$ 126,611	\$ 40,842,409
Changes for the year:			
Service cost	1,216,867	7,896	1,224,763
Interest	1,362,281	8,839	1,371,120
Change of Benefit Terms	-	-	-
Actuarial experience	(77,060)	(500)	(77,560)
Assumptions changes	6,584,288	180,305	6,764,593
Contributions - employer	-	-	-
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds	(1,492,665)	(9,685)	(1,502,350)
Administrative expense	-	-	-
Net changes	7,593,711	186,855	7,780,566
Balance at April 30, 2023	\$ 48,309,509	\$ 313,466	\$ 48,622,975

Changes in assumptions reflect a change in the discount rate from 3.42% in 2022 to 3.77% in 2023.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2023, the Village recognized OPEB expense of \$3,440,504 (Governmental Activities \$3,418,324 and Business-Type Activities \$22,180). At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,116,182
Changes of assumptions	11,050,630	4,201,246
Total	\$ 11,050,630	\$ 6,317,428

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2023

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Amounts reported as deferred outflows (inflows) of resources related to OPEB will be recognized in OPEB expense as follows:

Year-Ended April 30	
2024	\$ 844,621
2025	844,621
2026	844,621
2027	783,192
2028	337,114
Thereafter	<u>1,079,033</u>
Total	<u>\$4,733,202</u>

Actuarial Assumption and Other Inputs

The total OPEB liability was measured at April 30, 2023, based on an actuarial valuation performed at April 30, 2023, using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	April 30, 2023
Actuarial cost method	Entry-age normal
Discount rate	3.42% used as of April 30, 2022 3.77% used as of April 30, 2023
Salary increase	3.50% per annum
Mortality	<p>IMRF - PubG-2010 base rates projected Fully Generationally using mortality improvement scale MP2021. Base rates are based on participation status.</p> <p>Police and Fire – PubS-2010 base rates projected Fully Generationally using mortality improvement scale MP2021. Base rates are based on participation status with adjustments made to retiree, disability and surviving spouse tables.</p>
Healthcare cost trend rates	Starting at 7.00% decreasing in 0.25% increments annually to an ultimate rate of 4.00% for 2035 and after

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 April 30, 2023

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

Assumption Changes

The assumptions below were changed from the prior year in determining the total OPEB liability.

- The long-term municipal bond rate and discount rate changed from 3.42% in 2022 to 3.77% in 2023.
- Mortality tables were updated.
- Healthcare cost trend rates changed from a table starting at 7.00% decreasing to an ultimate rate of 4.00% for 2033 and after to a table starting at 7.00% decreasing to an ultimate rate of 4.00% for 2035 and after.
- Retirement, withdrawal, disability rates, and duty-disability rates for Police and Firefighters were updated to reflect the rates recommended from the recent actuarial experience studies completed for the Illinois Police Officers' and Illinois Firefighters' Pension Investment Funds.
- The payroll growth assumption was changed from 3.00% per year to 3.50% per year for consistency with the Police and Firefighter funding assumptions.

Discount Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.77% as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.77%) or 1 percentage point higher (4.77%) than the current rate:

	1% Decrease 2.77%	Current Rate 3.77%	1% Increase 4.77%
Total OPEB Liability	\$ 54,666,284	\$ 48,622,975	\$ 43,603,679

The table below illustrates the sensitivity of the total OPEB liability to the healthcare cost trend rates assumption for a 1% decrease and a 1% increase in the rates.

	1% Decrease (Varies)	Current Healthcare Cost Trend Rate (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 42,970,823	\$ 48,622,975	\$ 55,544,129

NOTE 13 – ASSET SWAP WITH ILLINOIS-AMERICAN WATER COMPANY

During fiscal year 2003, the Village completed an asset swap agreement with Illinois-American Water Company. Under the terms of the agreement, the Village relinquished its rights to its water capital assets in exchange for the rights to Illinois-American Water Company's sewer capital assets. This activity was represented as both additions to and deletions from capital assets. In addition to the sewer assets, the Village received scheduled cash payments from Illinois-American Water Company through fiscal year 2014. These payments have been made in full in prior fiscal years.

(Continued)

VILLAGE OF BOLINGBROOK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
April 30, 2023

NOTE 13 – ASSET SWAP WITH ILLINOIS-AMERICAN WATER COMPANY (Continued)

In further consideration for the conveyance of the water system, Illinois-American Water Company will pay the Village \$550 for each new water customer who connects to the system and resides in the Village. The total number of payments will not exceed 8,000 connections. Illinois-American Water Company made a minimum payment to the Village equal to 500 new customers each year until fiscal year 2008. If the actual number of connections is less than 500, the excess can be used to reduce payments after fiscal year 2008.

Village of Bolingbrook, Illinois
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
REVENUES				
Taxes	\$ 26,212,522	\$ 26,212,522	\$ 29,438,619	\$ 3,226,097
Licenses and permits	2,334,500	2,334,500	2,154,430	(180,070)
Charges for services	6,286,842	6,286,842	11,448,401	5,161,559
Fines and forfeitures	793,100	793,100	1,302,919	509,819
Contributions	675,000	675,000	631,932	(43,068)
Intergovernmental	52,640,210	52,644,210	63,841,039	11,196,829
Investment income (loss)	100,000	100,000	1,793,207	1,693,207
Miscellaneous	86,000	86,000	246,130	160,130
Total revenues	<u>89,128,174</u>	<u>89,132,174</u>	<u>110,856,677</u>	<u>21,724,503</u>
EXPENDITURES				
Current				
General government	13,595,057	13,589,620	11,630,234	(1,959,386)
Public safety	51,369,794	51,969,311	53,803,365	1,834,054
Highways and streets	14,443,861	18,064,492	7,256,324	(10,808,168)
Culture and recreation	4,174,375	4,185,954	3,105,055	(1,080,899)
Economic development	5,595,087	5,595,087	959,545	(4,635,542)
Total expenditures	<u>89,178,174</u>	<u>93,404,464</u>	<u>77,204,951</u>	<u>(16,199,513)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(50,000)</u>	<u>(4,272,290)</u>	<u>33,651,726</u>	<u>37,924,016</u>
Other financing sources (uses)				
Proceeds from sale of assets	50,000	50,000	54,282	4,282
Issuance of leases	-	-	2,288,989	2,288,989
Transfers in	-	-	-	-
Transfers out	-	-	(6,343,216)	(6,343,216)
Total other financing sources (uses)	<u>50,000</u>	<u>50,000</u>	<u>(3,999,945)</u>	<u>(4,049,945)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (4,222,290)</u>	<u>29,651,781</u>	<u>\$ 33,874,071</u>
Fund balance, beginning of year			<u>121,497,899</u>	
Fund balance, end of year			<u>\$ 151,149,680</u>	

NOTE 1 - LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets:

All departments of the Village submit requests for appropriation to the Village's Budget Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service (except the Westside Storm Sewer Management Fund), Waterworks and Sewerage, Westside Regional Stormwater and Pension Trust Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. The Budget Officer is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that alter the total expenditures of any fund.

The budget may be amended by the Village Board of Trustees.

During the year, supplementary appropriations were approved in various funds.

Village of Bolingbrook, Illinois
 Illinois Municipal Retirement Fund - Regular Plan
 Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios
 Year Ended April 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability								
Service cost	\$ 971,380	\$ 889,776	\$ 968,940	\$ 986,736	\$ 847,136	\$ 885,295	\$ 957,523	\$ 926,187
Interest	5,548,156	5,242,112	5,169,487	5,091,667	4,650,482	4,628,103	4,445,702	4,186,240
Differences between expected and actual experience	937,485	2,128,871	(998,544)	(1,923,073)	3,413,351	(477,373)	(505,680)	465,086
Change of assumptions	-	-	(739,555)	-	2,127,071	(2,063,744)	(161,684)	158,428
Benefit payments, including refunds of member contributions	<u>(4,563,020)</u>	<u>(3,597,517)</u>	<u>(3,120,507)</u>	<u>(3,025,603)</u>	<u>(2,743,150)</u>	<u>(2,566,487)</u>	<u>(2,285,963)</u>	<u>(1,981,297)</u>
Net change in total pension liability	2,894,001	4,663,242	1,279,821	1,129,727	8,294,890	405,794	2,449,898	3,754,644
Total pension liability, beginning of year	<u>78,322,110</u>	<u>73,658,868</u>	<u>72,379,047</u>	<u>71,249,320</u>	<u>62,954,430</u>	<u>62,548,636</u>	<u>60,098,738</u>	<u>56,344,094</u>
Total pension liability, end of year	<u>\$ 81,216,111</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Plan fiduciary net position								
Contributions - Village	\$ 782,207	\$ 1,158,198	\$ 1,210,754	\$ 760,495	\$ 1,135,103	\$ 1,047,275	\$ 990,084	\$ 1,036,926
Contributions - Members	486,124	491,657	408,075	446,922	428,019	397,701	374,003	415,725
Net investment income (loss)	(11,171,587)	12,982,843	9,802,602	11,151,568	(3,315,160)	9,789,552	3,616,677	269,684
Benefit payments, including refunds of member contributions	78,322,110	73,658,868	72,379,047	71,249,320	62,954,430	62,548,636	60,098,738	(1,981,297)
Other	<u>992,297</u>	<u>(312,719)</u>	<u>47,279</u>	<u>214,350</u>	<u>453,683</u>	<u>(1,043,181)</u>	<u>678,324</u>	<u>(921,785)</u>
Net change in plan fiduciary net position	(13,473,979)	10,722,462	8,348,203	9,547,732	(4,041,505)	7,624,860	3,373,125	(1,180,747)
Plan net position, beginning of year	<u>88,595,351</u>	<u>77,872,889</u>	<u>69,524,686</u>	<u>59,976,954</u>	<u>64,018,459</u>	<u>56,393,599</u>	<u>53,020,474</u>	<u>54,201,221</u>
Plan net position, end of year	<u>\$ 75,121,372</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Village's net pension liability (asset)	<u>\$ 6,094,739</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Plan fiduciary net position as a percentage of the total pension liability	92.50%	113.12%	105.72%	96.06%	84.18%	101.69%	90.16%	88.22%
	88,595,351	77,872,889	69,524,686	59,976,954	64,018,459	56,393,599	53,020,474	54,201,221
Covered payroll	\$ 9,851,484	\$ 10,153,612	\$ 9,048,979	\$ 9,151,573	\$ 9,511,530	\$ 8,308,979	\$ 8,311,178	\$ 8,725,464
	(10,273,241)	(4,214,021)	2,854,361	11,272,366	(1,064,029)	6,155,037	7,078,264	8,725,464
Village's net pension liability (asset) as a percentage of covered payroll	61.87%	-101.18%	-46.57%	31.19%	118.51%	-12.81%	74.06%	81.12%

Notes to the Required Supplementary Information

Changes in Assumptions

Municipal bond rate used in the calculation of discount rate changed from 1.84% in 2022 to 4.05% in 2023.
 Salary increase changes from 3.35% - 14.25% in 2019 to 2.85% to 13.75% in 2020, 2021, 2022, and 2023.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016.

This information is presented as of the measurement date, which is December 31 of the fiscal year.

Village of Bolingbrook, Illinois
 Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Fund
 Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios
 Year Ended April 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability								
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	82,544	77,295	77,458	77,699	79,047	81,277	82,495	81,322
Differences between expected and actual experience	9,782	105,571	17,398	17,878	15,548	14,646	(65,205)	25,103
Change of assumptions	-	-	3,481	-	20,348	(30,152)	(87,753)	(7,721)
Benefit payments, including refunds of member contributions	<u>(119,496)</u>	<u>(101,423)</u>	<u>(99,751)</u>	<u>(98,053)</u>	<u>(96,344)</u>	<u>(94,663)</u>	<u>(93,074)</u>	<u>(91,410)</u>
Net change in total pension liability	(27,170)	81,443	(1,414)	(2,476)	18,599	(28,892)	(163,537)	7,294
Total pension liability, beginning of year	<u>1,198,286</u>	<u>1,116,843</u>	<u>1,118,257</u>	<u>1,120,733</u>	<u>1,102,134</u>	<u>1,131,026</u>	<u>1,294,563</u>	<u>1,287,269</u>
Total pension liability, end of year	<u>\$ 1,171,116</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position								
Contributions - Village	\$ 18,854	\$ 21,627	\$ 22,927	\$ 21,001	\$ 23,578	\$ 45,360	\$ 49,097	\$ 49,607
Net investment income (loss)	(153,441)	170,373	132,958	159,776	(61,344)	153,897	53,819	3,639
Benefit payments, including refunds of member contributions	<u>1(199,296)</u>	<u>1(106,823)</u>	<u>1,199,251)</u>	<u>1,198,053)</u>	<u>1,198,344)</u>	<u>1,194,688)</u>	<u>1,293,573)</u>	<u>(91,410)</u>
Other	<u>4,771</u>	<u>10,261</u>	<u>19,940</u>	<u>12,744</u>	<u>34,517</u>	<u>(23,266)</u>	<u>12,020</u>	<u>68,013</u>
Net change in plan fiduciary net position	(249,312)	100,838	76,074	95,468	(99,593)	81,328	21,862	29,849
Plan net position, beginning of year	<u>1,054,609</u>	<u>953,771</u>	<u>877,697</u>	<u>782,229</u>	<u>881,822</u>	<u>800,494</u>	<u>778,632</u>	<u>748,783</u>
Plan net position, end of year	<u>\$ 805,297</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's net pension liability	<u>\$ 365,819</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position as a percentage of the total pension liability	68.76% <u>1,054,609</u>	88.01%	85.40%	78.49%	69.80%	80.01%	70.78%	60.15%
Covered payroll	\$ -	\$ 953,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's net pension liability as a percentage of covered payroll	143,677	163,072	240,560	338,504	220,312	330,532	515,931	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes to the Required Supplementary Information

Changes in Assumptions

Municipal bond rate used in the calculation of discount rate changed from 1.84% in 2022 to 4.05% in 2023.
 Salary increase changes from 2.85% to 13.75% in 2021, 2022, and 2023.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016.

This information is presented as of the measurement date, which is December 31 of the fiscal year.

Village of Bolingbrook, Illinois
Police Pension Fund
Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios
Year Ended April 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 3,432,418	\$ 3,120,174	\$ 3,096,070	\$ 2,889,064	\$ 3,329,172	\$ 2,913,901	\$ 1,731,360	\$ 2,472,355	\$ 2,066,132
Interest	11,872,192	10,608,355	10,010,356	9,596,899	8,984,706	8,287,462	8,807,742	7,938,566	7,019,569
Changes in benefit terms	-	-	-	52,094	-	-	-	-	-
Differences between expected and actual experience	958,785	7,802,988	2,237,013	(1,199,430)	(1,864,920)	2,968,111	(11,055,526)	(1,945,748)	1,416,533
Change of assumptions	1,702,755	9,595,924	(651,459)	(374,138)	3,310,579	214,463	5,915,062	7,172,613	5,423,146
Benefit payments, including refunds of member contributions	(6,877,362)	(6,472,565)	(5,520,248)	(4,870,394)	(4,508,127)	(4,234,907)	(3,960,102)	(3,807,438)	(3,536,744)
Refunds	-	-	-	(5,539)	-	-	-	-	-
Administrative expense	(166,548)	(99,192)	(113,050)	(96,462)	-	(83,533)	(333,932)	-	-
Net change in total pension liability	10,922,240	24,555,684	9,058,682	5,992,094	9,251,410	10,065,497	1,104,604	11,830,348	12,388,636
Total pension liability, beginning of year	179,609,585	155,053,901	145,995,219	140,003,125	130,751,715	120,686,218	119,581,614	107,751,266	95,362,630
Total pension liability, end of year	\$ 190,531,825	\$ 179,609,585	\$ 155,053,901	\$ 145,995,219	\$ 140,003,125	\$ 130,751,715	\$ 120,686,218	\$ 119,581,614	\$ 107,751,266
Plan fiduciary net position									-
Contributions - Village	\$ 5,907,892	\$ 5,773,943	\$ 5,843,019	\$ 5,208,793	\$ 5,177,824	\$ 5,419,514	\$ 5,624,946	\$ 3,631,064	\$ 2,976,417
Contributions - Members	1,563,633	1,591,536	1,408,028	1,135,458	1,168,499	1,199,674	1,045,144	1,055,143	1,158,171
Net investment income (loss)	281,525	(7,434,274)	17,382,236	2,232,565	4,722,578	2,791,190	3,593,994	622,537	3,566,179
Benefit payments, including refunds of member contributions	(6,877,362)	(6,472,565)	(5,520,248)	(4,875,933)	(4,508,127)	(4,234,907)	(3,960,102)	(3,807,438)	(3,536,744)
Administrative expense	(166,548)	(99,192)	(113,050)	(96,073)	(76,263)	(83,533)	(94,377)	(118,265)	(84,670)
Net change in plan fiduciary net position	709,140	(6,640,552)	18,999,985	3,604,810	6,484,511	5,091,938	6,209,605	1,383,041	4,079,353
Plan net position, beginning of year	88,971,241	95,611,793	78,835,412	75,230,602	68,746,091	63,654,153	57,444,548	56,061,507	51,982,154
Plan net position, end of year	\$ 89,680,381	\$ 88,971,241	\$ 97,835,397	\$ 78,835,412	\$ 75,230,602	\$ 68,746,091	\$ 63,654,153	\$ 57,444,548	\$ 56,061,507
Village's net pension liability	\$ 100,851,444	\$ 90,638,344	\$ 57,218,504	\$ 67,159,807	\$ 64,772,523	\$ 62,005,624	\$ 57,032,065	\$ 62,137,066	\$ 51,689,759
Plan fiduciary net position as a percentage of the total pension liability	47.07%	49.54%	63.10%	54.00%	53.73%	52.58%	52.74%	48.04%	52.03%
Covered payroll	\$ 13,129,218	\$ 12,139,653	\$ 12,398,527	\$ 11,506,869	\$ 11,689,218	\$ 11,326,087	\$ 10,604,216	\$ 10,809,204	\$ 10,650,577
Village's net pension liability as a percentage of covered payroll	768.15%	746.63%	461.49%	583.65%	554.12%	547.46%	537.82%	574.85%	485.32%

Notes to the Required Supplementary Information

Changes in Assumptions

The long-term municipal bond rate changed from 3.42% in 2022 to 3.77% in 2023.

GASB Statement No. 67 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the pension plan in fiscal year 2015.

Note: There was an actuarial adjustment to the beginning balances of 2022 which results in the net position not matching 2021.

Village of Bolingbrook, Illinois
Firefighters' Pension Fund
Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios
Year Ended April 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability									
Service cost	\$ 2,760,057	\$ 2,628,963	\$ 2,606,073	\$ 2,367,998	\$ 2,809,252	\$ 2,474,659	\$ 2,314,733	\$ 1,922,614	\$ 1,879,783
Interest	9,384,738	8,476,335	8,019,567	7,520,343	7,054,718	6,667,888	6,875,864	6,232,214	5,647,964
Changes in benefit terms	-	-	-	25,602	-	-	-	-	-
Differences between expected and actual experience	40,220	6,841,909	1,841,043	2,225,782	(2,912,059)	589,019	(2,303,247)	(2,199,757)	534,324
Change of assumptions	2,538,770	5,930,934	(582,155)	(297,297)	4,390,314	(83,474)	760,973	6,278,286	3,122,475
Benefit payments, including refunds of member contributions	(6,072,872)	(5,521,850)	(4,940,739)	(4,443,754)	(4,129,242)	(3,912,345)	(3,583,028)	(3,421,119)	(3,367,964)
Administrative expense	(83,009)	(115,169)	(103,751)	(122,310)	(236,914)	(121,435)	(309,558)	-	-
Net change in total pension liability	8,567,904	18,241,122	6,840,038	7,276,364	6,976,069	5,614,312	3,755,737	8,812,238	7,816,582
Total pension liability, beginning of year	142,322,630	124,081,508	117,241,470	109,965,106	102,989,037	97,374,725	93,618,988	84,806,750	76,990,168
Total pension liability, end of year	<u>\$ 150,890,534</u>	<u>\$ 142,322,630</u>	<u>\$ 124,081,508</u>	<u>\$ 117,241,470</u>	<u>\$ 109,965,106</u>	<u>\$ 102,989,037</u>	<u>\$ 97,374,725</u>	<u>\$ 93,618,988</u>	<u>\$ 84,806,750</u>
Plan fiduciary net position									-
Contributions - Village	\$ 5,157,128	\$ 4,988,318	\$ 4,806,535	\$ 4,201,936	\$ 4,272,124	\$ 4,420,022	\$ 4,451,055	\$ 3,140,863	\$ 2,548,066
Contributions - Members	935,751	900,811	870,709	831,451	801,332	846,012	725,348	747,357	757,675
Net investment income (loss)	496,722	(4,343,755)	14,568,610	(369,974)	3,238,090	2,554,222	2,724,733	(918,990)	1,967,762
Benefit payments, including refunds of member contributions	(6,072,872)	(5,521,850)	(4,940,739)	(4,443,754)	(4,129,242)	(3,912,345)	(3,583,028)	(3,421,119)	(3,367,963)
Administrative expense	(83,009)	(115,169)	(71,911)	(94,073)	(109,436)	(121,435)	(78,323)	(61,145)	(53,816)
Net change in plan fiduciary net position	433,720	(4,091,645)	15,233,204	125,586	4,072,868	3,786,476	4,239,785	(513,034)	1,851,724
Plan net position, beginning of year	67,667,500	71,759,145	58,430,972	58,305,386	54,232,518	50,446,042	46,206,257	46,719,291	44,867,567
Plan net position, end of year	<u>\$ 68,101,220</u>	<u>\$ 67,667,500</u>	<u>\$ 73,664,176</u>	<u>\$ 58,430,972</u>	<u>\$ 58,305,386</u>	<u>\$ 54,232,518</u>	<u>\$ 50,446,042</u>	<u>\$ 46,206,257</u>	<u>\$ 46,719,291</u>
Village's net pension liability	<u>\$ 82,789,314</u>	<u>\$ 74,655,130</u>	<u>\$ 50,417,332</u>	<u>\$ 58,810,498</u>	<u>\$ 51,659,720</u>	<u>\$ 48,756,519</u>	<u>\$ 46,928,683</u>	<u>\$ 47,412,731</u>	<u>\$ 38,087,459</u>
Plan fiduciary net position as a percentage of the total pension liability	45.13%	47.55%	59.37%	49.84%	53.02%	52.66%	51.81%	49.36%	55.09%
Covered payroll	\$ 9,926,560	\$ 9,335,316	\$ 9,219,473	\$ 8,824,032	\$ 8,436,387	\$ 8,143,725	\$ 7,696,943	\$ 7,797,589	\$ 7,685,026
Village's net pension liability as a percentage of covered payroll	834.02%	799.71%	546.86%	666.48%	612.34%	598.70%	609.71%	608.04%	495.61%

Notes to the Required Supplementary Information

Changes in Assumptions

The long-term municipal bond rate changed from 3.42% in 2022 to 3.77% in 2023.

GASB Statement No. 67 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the pension plan in fiscal year 2015.

Note: There was an actuarial adjustment to the beginning balances of 2022 which results in the net position not matching 2021.

Village of Bolingbrook, Illinois
Schedule of Changes in the Village's Total OPEB Liability and Related Ratios
Year Ended April 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability					
Service cost	\$ 1,224,763	\$ 1,649,526	\$ 1,541,452	\$ 1,252,511	\$ 1,307,963
Interest	1,371,120	946,427	1,251,774	1,436,896	1,533,752
Benefit changes	-	-	(3,320,043)	(1,178,196)	(2,915,440)
Differences between expected and actual experience	(77,560)	-	-	-	-
Assumption changes	6,764,593	(5,642,026)	3,609,308	5,017,457	749,561
Benefit payments	(1,502,350)	(1,508,616)	(1,403,364)	(1,447,045)	(1,346,088)
Net change in total OPEB liability	<u>7,780,566</u>	<u>(4,554,689)</u>	<u>1,679,127</u>	<u>5,081,623</u>	<u>(670,252)</u>
Total OPEB liability, beginning of year	<u>40,842,409</u>	<u>45,397,098</u>	<u>43,717,971</u>	<u>38,636,348</u>	<u>39,306,600</u>
Total OPEB liability, end of year	<u>\$ 48,622,975</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Covered employee payroll	\$ 26,197,852	\$ 25,529,462	\$ 24,785,886	\$ 24,519,072	\$ 23,804,924
Total OPEB liability as a percentage of covered-employee payroll	185.60%	159.98%	183.16%	178.30%	162.30%
Notes to the Required Supplementary Information	40,842,409	45,397,098	43,717,971	38,636,348	

Changes in Assumptions

The long-term municipal bond rate and discount rate changed from 3.42% in 2022 to 3.77% in 2023.

Mortality tables were updated from previous valuation.

Retirement, withdrawal, and disability rates for IMRF participants have been updated to reflect the rates recommended from the 2017-2019 experience study.

Retirement, withdrawal, disability rates, and duty-disability rates for Police and Firefighters have been updated to reflect the rates recommended from the recent actuarial experience studies completed for the Illinois Police Officers' and Illinois Firefighters' Pension Investment Funds.

Healthcare trend rates were reset to the same schedule assumed for the April 30, 2021 valuation.

The payroll growth assumption was changed from 3.00% per year to 3.50% per year for consistency with the Police and Firefighters funding assumptions.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, information is presented for those years for which information is available.

Village of Bolingbrook, Illinois
 Illinois Municipal Retirement Fund - Regular Plan
 Schedule of Village Contributions
 April 30, 2023

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
April 30, 2023	\$ 736,316	\$ 736,316	\$ -	\$ 9,858,238	7.47%
April 30, 2022	1,014,966	1,014,966	-	10,176,166	9.97%
April 30, 2021	1,199,150	1,199,150	-	9,655,988	12.42%
April 30, 2020	902,694	902,694	-	9,140,048	9.88%
April 30, 2019	954,738	954,738	-	8,888,489	10.74%
April 30, 2018	1,103,626	1,103,626	-	9,245,932	11.94%
April 30, 2017	970,193	970,193	-	8,229,307	11.79%
April 30, 2016	982,142	982,142	-	8,323,747	11.80%

Notes to the Required Supplementary Information

Valuation date

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar year in which contributions are reported.

Methods and Assumptions Used to Determine 2022 Contribution Rates

Actuarial cost method	Aggregate entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21-years closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

Mortality

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other

There were no benefit changes during the year.

Information above is based on valuation assumptions used in the December 31, 2020 actuarial valuation.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016.

Village of Bolingbrook, Illinois
 Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Fund
 Schedule of Village Contributions
 April 30, 2023

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
April 30, 2023	\$ 19,639	\$ 19,639	\$ -	\$ -	0.00%
April 30, 2022	20,595	20,595	-	-	0.00%
April 30, 2021	22,494	22,494	-	-	0.00%
April 30, 2020	21,643	21,643	-	-	0.00%
April 30, 2019	22,719	22,719	-	-	0.00%
April 30, 2018	38,099	38,099	-	-	0.00%
April 30, 2017	47,851	47,851	-	-	0.00%
April 30, 2016	49,437	49,437	-	-	0.00%

Notes to the Required Supplementary Information

Valuation date Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the calendar year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments - one in the current year, and one in the subsequent fiscal year.

Methods and Assumptions Used to Determine 2022 Contribution Rates

Actuarial cost method	Aggregate entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21-years closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other	There were no benefit changes during the year.

Information above is based on valuation assumptions used in the December 31, 2020 actuarial valuation.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016.

Village of Bolingbrook, Illinois
Police Pension Fund
Schedule of Village Contributions
April 30, 2023

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
April 30, 2023	\$ 5,668,986	\$ 5,907,892	\$ 238,906	\$ 13,129,218	45.00%
April 30, 2022	5,609,360	6,416,340	806,980	12,139,653	52.85%
April 30, 2021	5,288,600	5,843,019	554,419	12,398,527	47.13%
April 30, 2020	6,104,799	5,208,793	(896,006)	11,506,869	45.27%
April 30, 2019	5,588,536	5,177,824	(410,712)	11,689,218	44.30%
April 30, 2018	5,104,578	5,419,514	314,936	11,326,087	47.85%
April 30, 2017	4,694,038	5,624,946	930,908	10,604,216	53.04%
April 30, 2016	3,215,658	3,631,064	415,406	10,809,204	33.59%
April 30, 2015	3,090,537	2,976,417	(114,120)	10,650,577	27.95%

Notes to the Required Supplementary Information

Valuation date Actuarially determined contribution rates are calculated as of April 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments - one in the current year, and one in the subsequent fiscal year.

Methods and Assumptions Used to Determine 2023 Contribution Rates

Valuation date Actuarially determined contribution rates are calculated as of April 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	17 years
Asset valuation method	Market value
Price inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	6.75%
Retirement age	Graded by age
	Tier 1 - 20% at 50 to 100% at age 65
	Tier 2 - 5% at 50 to 100% at age 65
Mortality	PubS-2010 base rates projected to 2023 with scale MP2021

GASB Statement No. 67 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the pension plan in fiscal year 2015.

Village of Bolingbrook, Illinois
 Firefighters' Pension Fund
 Schedule of Village Contributions
 April 30, 2023

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
April 30, 2023	\$ 4,952,692	\$ 5,157,128	\$ 204,436	\$ 9,926,560	51.95%
April 30, 2022	4,848,202	5,578,703	730,501	9,335,316	59.76%
April 30, 2021	4,258,169	4,806,534	548,365	9,219,473	52.13%
April 30, 2020	4,888,874	4,201,936	(686,938)	8,824,032	47.62%
April 30, 2019	4,507,545	4,272,124	(235,421)	8,436,387	50.64%
April 30, 2018	4,281,564	4,420,022	138,458	8,143,725	54.28%
April 30, 2017	3,637,712	4,451,055	813,343	7,696,943	57.83%
April 30, 2016	2,622,349	3,140,863	518,514	7,797,589	40.28%
April 30, 2015	2,622,349	2,548,067	(74,282)	7,685,026	33.16%

Notes to the Required Supplementary Information

Valuation date Actuarially determined contribution rates are calculated as of April 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments - one in the current year, and one in the subsequent fiscal year.

Methods and Assumptions Used to Determine 2023 Contribution Rates

Valuation date Actuarially determined contribution rates are calculated as of April 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	17 years
Asset valuation method	Market value
Price inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	6.75%
Retirement age	Graded by age
	Tier 1 - 12% at 50 to 100% at age 65
	Tier 2 - 3% at 50 to 100% at age 65
Mortality	PubS-2010 base rates projected to 2023 with scale MP2021

GASB Statement No. 67 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the pension plan in fiscal year 2015.

Village of Bolingbrook, Illinois
Police Pension Fund
Schedule of Investment Returns
April 30, 2023

<u>Fiscal Year Ended</u>	<u>Annual Money-Weighted Rate of Return Net of Investment Expense</u>
April 30, 2023	0.32%
April 30, 2022	-7.70%
April 30, 2021	22.30%
April 30, 2020	2.92%
April 30, 2019	6.68%
April 30, 2018	4.26%
April 30, 2017	6.16%
April 30, 2016	1.11%
April 30, 2015	6.51%

GASB Statement No. 67 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the pension plan in fiscal year 2015.

Village of Bolingbrook, Illinois
Firefighters' Pension Fund
Schedule of Investment Returns
April 30, 2023

<u>Fiscal Year Ended</u>	<u>Annual Money-Weighted Rate of Return Net of Investment Expense</u>
April 30, 2023	0.73%
April 30, 2022	-7.42%
April 30, 2021	26.06%
April 30, 2020	-0.27%
April 30, 2019	6.20%
April 30, 2018	5.00%
April 30, 2017	6.37%
April 30, 2016	-5.23%
April 30, 2015	4.59%

GASB Statement No. 67 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the pension plan in fiscal year 2015.

Village of Bolingbrook, Illinois
 Nonmajor Governmental Funds - Combining Balance Sheet
 April 30, 2023

	Special Revenue Funds				Capital Projects Funds		
	Refuse and Recycling Fund	Motor Fuel Tax Fund	Community Development Block Grant Fund	Road and Bridge Fund	2007 Bond Fund	1988 Bond Fund	2002 Bond Fund
ASSETS							
Cash, cash equivalents and investments	\$ 588,618	\$ 13,737,039	\$ -	\$ -	\$ -	\$ 625,760	\$ -
Property tax receivable	-	-	-	7,650	-	-	-
Accounts receivable	1,602,378	113,469	-	-	-	-	-
Accrued interest receivable	-	7,742	-	-	-	-	1
Intergovernmental receivable	-	529,607	-	-	-	-	-
Advances to other funds	-	46,651	-	-	1,067,440	-	-
Restricted cash	-	-	-	-	-	-	-
Total assets	<u>\$ 2,190,996</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES							
Accounts payable	\$ 16,916	\$ 1,043,157	\$ -	\$ -	\$ 5,785,727	\$ -	\$ 2,056,542
Accrued payroll	-	7,977	-	-	-	-	-
Other payables	-	-	7,650	6,853,167	-	144,775	-
Advances from other funds	3,054,588	-	-	-	-	2,056,543	-
Total liabilities	<u>3,103,394</u>	<u>-</u>	<u>301</u>	<u>253,114</u>	<u>625,760</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Restricted for		-				369,505	
Streets	-	13,383,374	301	253,114	-	514,280	-
Capital projects	-	-	-	-	6,853,167	3,312,331	-
Unassigned	(912,398)	-	-	-	-	1,114,800	-
Total fund balances (deficit)	<u>(912,398)</u>	<u>-</u>	<u>(301)</u>	<u>(245,464)</u>	<u>-</u>	<u>111,480</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,190,996</u>	<u>\$ 14,434,508</u>	<u>\$ -</u>	<u>\$ 7,650</u>	<u>\$ 6,853,167</u>	<u>\$ (1,255,788)</u>	<u>\$ -</u>
			(301)	(245,464)			
	13,383,374			6,853,167	-	(1,255,788)	
	-			-		2,056,543	
					625,760		

(Continued)

Village of Bolingbrook, Illinois
 Nonmajor Governmental Funds - Combining Balance Sheet
 April 30, 2023

Capital Projects Funds								
	East Side Special Service Area Fund	Mortgage Revenue Capital Improvement Fund	Westside Storm Sewer Management Fund	1997 Bond Fund	2004 Bond Fund	2006 A & B Bond Fund	Capital Improvement Fund	Total
ASSETS								
Cash, cash equivalents and investments	\$ 789,537	\$ 1,025,033	\$ 147,577	\$ -	\$ -	\$ -	\$ -	\$ -
Property tax receivable	-	-	-	-	-	-	-	7,650
Accounts receivable	-	-	-	-	-	-	-	1,715,847
Accrued interest receivable	-	-	-	-	-	-	-	16,913,564
Intergovernmental receivable	-	-	-	-	-	-	-	7,743
Advances to other funds	-	-	-	-	294,237	-	-	529,607
Restricted cash	-	-	-	-	-	-	-	-
Total assets	\$ 789,537	\$ 1,025,033	\$ 147,577	\$ -	\$ 1,950,260	\$ -	\$ -	\$ -
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ 29,271	\$ -	\$ -	\$ -	\$ -	1,408,046
Accrued payroll	-	-	-	1,656,023	-	-	20	32,783,411
Other payables	-	-	-	-	2,673,089	-	-	-
Advances from other funds	1,025,033	-	-	-	2,673,089	-	-	1,060,073
Total liabilities	-	147,577	29,271	-	2,673,089	-	20	7,077,529
FUND BALANCES								
Restricted for	-	-	-	-	-	-	-	8,234,554
Streets	-	-	-	-	-	-	-	13,383,374
Capital projects	789,537	1,025,033	147,577	29,271	1,950,260	2,673,089	20	13,579,434
Unassigned	-	-	-	-	-	-	-	-
Total fund balances (deficit)	789,537	-	-	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 789,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(2,413,951)
								24,548,857
	1,025,033	-	-	1,950,260	-	-	-	32,783,411
		147,577	29,271		2,673,089			
	1,025,033			1,950,260				
		147,577	29,271		2,673,089	20		
						20		

Village of Bolingbrook, Illinois
 Nonmajor Governmental Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Year Ended April 30, 2023

	Special Revenue Funds				Capital Projects Funds		
	Refuse and Recycling Fund	Motor Fuel Tax Fund	Community Development Block Grant Fund	Road and Bridge Fund	2007 Bond Fund	1988 Bond Fund	2002 Bond Fund
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	6,048,401	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Investment income	-	339,804	-	-	-	-	-
Total revenues	<u>6,048,401</u>	<u>4,175,556</u>	<u>11,601</u>	<u>-</u>	<u>-</u>	<u>137</u>	<u>-</u>
	3,835,752						
EXPENDITURES							
Current							
Highways and streets	-	3,565,260	11,601	-	137	51,231	-
Sanitation	<u>5,512,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,231</u>	<u>-</u>
Total expenditures	<u>5,512,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,231</u>	<u>-</u>
Net change in fund balances	<u>536,355</u>	<u>610,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,231</u>
Fund balances (deficit), beginning of year	<u>(1,448,753)</u>	<u>12,773,078</u>	<u>(301)</u>	<u>(257,065)</u>	<u>6,853,167</u>	<u>111,343</u>	<u>(1,307,019)</u>
Fund balances (deficit), end of year	<u>\$ 3,913,388</u>	<u>\$ -</u>	<u>\$ 11,601</u>	<u>(245,464)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	-	-	-	-	137	-	-
	13,383,374	-	-	6,853,167	-	(1,255,788)	-
		(301)			111,480		

Village of Bolingbrook, Illinois
 Nonmajor Governmental Funds - Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Year Ended April 30, 2023

Capital Projects Funds

	East Side Special Service Area Fund	Mortgage Revenue Capital Improvement Fund	Westside Storm Sewer Management Fund	1997 Bond Fund	2004 Bond Fund	2006 A & B Bond Fund	Capital Improvement Fund	Total
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,601
Charges for services	-		-		-		-	
Intergovernmental	-		-		-		-	
Investment income	-						-	
Total revenues	<u>-</u>	<u>163</u>			<u>646</u>	<u>16,412</u>	<u>6,048,401</u>	<u>3,835,752</u>
EXPENDITURES								
Current	-		-		-		-	408,000
Highways and streets	163	-	-	646	16,412	-	-	3,565,260
Sanitation	-		-				-	
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>				<u>-</u>	<u>408,000</u>
Net change in fund balances	<u>-</u>	<u>-</u>				<u>16,412</u>	<u>5,512,046</u>	<u>9,077,306</u>
Fund balances (deficit), beginning of year	<u>789,537</u>	<u>1,024,870</u>	<u>147,577</u>	<u>29,271</u>	<u>1,949,614</u>	<u>2,656,677</u>	<u>20</u>	<u>23,322,016</u>
Fund balances (deficit), end of year	<u>\$ 789,537</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,226,841</u>
	163			646				
		-	-				-	24,548,857
	1,025,033			1,950,260				
		147,577	29,271		2,673,089			

Village of Bolingbrook, Illinois
Combining Statement of Fiduciary Net Position - Pension Trust Funds
April 30, 2023

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,376,719	\$ 1,629,221	\$ 3,005,940
Investments			
Pooled investments	87,955,352	66,129,419	154,084,771
Due from Village	379,791	343,835	723,626
Prepaid items	7,634	1,549	9,183
Total assets	<u>89,719,496</u>	<u>68,104,024</u>	<u>157,823,520</u>
LIABILITIES			
Other payables	<u>39,115</u>	<u>2,804</u>	<u>41,919</u>
Total liabilities	<u>39,115</u>	<u>2,804</u>	<u>41,919</u>
NET POSITION			
Restricted for pensions	<u>89,680,381</u>	<u>68,101,220</u>	<u>157,781,601</u>
Total net position	<u>\$ 89,680,381</u>	<u>\$ 68,101,220</u>	<u>\$ 157,781,601</u>

Village of Bolingbrook, Illinois
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds
Year Ended April 30, 2023

	Police Pension Fund	Firefighters' Pension Fund	Total
ADDITIONS			
Contributions			
Employer	\$ 5,907,892	\$ 5,157,128	\$ 11,065,020
Plan members	1,563,633	935,751	2,499,384
Total contributions	<u>7,471,525</u>	<u>6,092,879</u>	<u>13,564,404</u>
Investment earnings			
Investment income	526,541	548,793	1,075,334
Investment fees	<u>(245,016)</u>	<u>(52,071)</u>	<u>(297,087)</u>
Net investment earnings	<u>281,525</u>	<u>496,722</u>	<u>778,247</u>
Total additions	<u>7,753,050</u>	<u>6,589,601</u>	<u>14,342,651</u>
DEDUCTIONS			
Benefits and refunds	6,877,362	6,072,872	12,950,234
Administration	<u>166,548</u>	<u>83,009</u>	<u>249,557</u>
Total deductions	<u>7,043,910</u>	<u>6,155,881</u>	<u>13,199,791</u>
Changes in net position	<u>709,140</u>	<u>433,720</u>	<u>1,142,860</u>
Net position, beginning of year	<u>88,971,241</u>	<u>67,667,500</u>	<u>156,638,741</u>
Net position, end of year	<u>\$ 89,680,381</u>	<u>\$ 68,101,220</u>	<u>\$ 157,781,601</u>

Village of Bolingbrook, Illinois
Combining Statement of Fiduciary Net Position - Custodial Funds
April 30, 2023

	SSA 2001-1, 2001-2, 2001-3, 2002-1 and Special Taxes Refunding Bond, Series 2018	SSA 2018-1 Special Taxes Refunding Bond, Series 2019	Total
ASSETS			
Cash and cash equivalents	\$ 66,521	\$ 50,149	\$ 116,670
Total assets	66,521	50,149	116,670
NET POSITION			
Restricted for debt service	66,521	50,149	116,670
Total net position	\$ 66,521	\$ 50,149	\$ 116,670

Village of Bolingbrook, Illinois
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
Year Ended April 30, 2023

	SSA 2001-1, 2001-2, 2001-3, 2002-1 and Special Taxes Refunding Bond, Series 2018	SSA 2018-1 Special Taxes Refunding Bond, Series 2019	Total
ADDITIONS			
Property taxes	\$ 3,353,104	\$ 1,169,994	\$ 4,523,098
Total additions	3,353,104	1,169,994	4,523,098
DEDUCTIONS			
Principal payments	2,260,000	27,356	2,287,356
Interest payments	1,060,519	1,164,450	2,224,969
Other expenses	93,406	-	93,406
Total deductions	3,413,925	1,191,806	4,605,731
Changes in net position	(60,821)	(21,812)	(82,633)
Net position, beginning of year	127,342	71,961	199,303
Net position, end of year	\$ 66,521	\$ 50,149	\$ 116,670