

VILLAGE OF ELWOOD, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2022

VILLAGE OF ELWOOD, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2022**

Prepared by Finance Department:

Roberta Day
Finance Director

VILLAGE OF ELWOOD, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Elwood including:

- List of Principal Officials
- Organization Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF ELWOOD, ILLINOIS

Principal Officials

April 30, 2022

May 1, 2021 - April 30, 2022

VILLAGE PRESIDENT

Doug Jenco

VILLAGE BOARD OF TRUSTEES

Kendy Elbersen

Tricia Maas

Jodie Bertucci

Ron Schmidt

Darryl Lab

Michael Varman

VILLAGE CLERK

Julie Friebele

DEPARTMENT HEADS

Village Administrator

Julie Friebele

Chief of Police

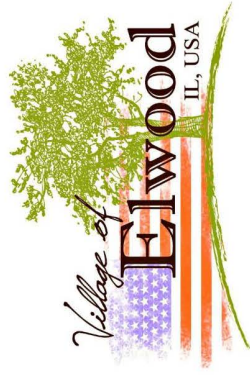
Fred Hayes

Finance Director

Roberta Day

Superintendent of Public Works

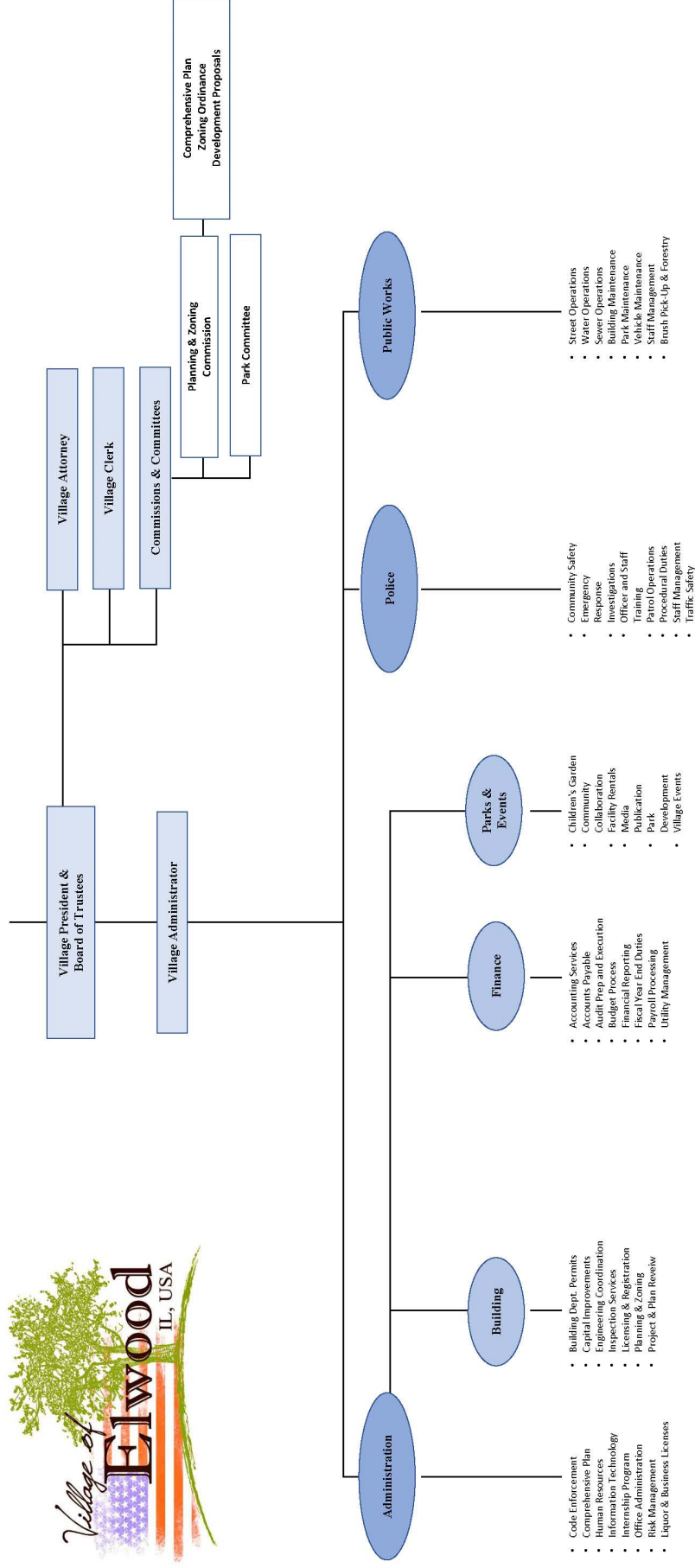
Larry Lohmar



Village of Elwood Organizational Chart

Department Overview and Breakdown

Village of Elwood Residents & Businesses





October 19, 2022

To the Citizens of the Village of Elwood:

We submit the Annual Comprehensive Financial Report of the Village of Elwood for the fiscal year ending April 30, 2022. The responsibility for the data's accuracy and the presentation's completeness and fairness, including disclosures, rests with the Village of Elwood Administrative Department. To the best of our knowledge, the enclosed data is accurate in all material respects and gives an accurate representation of the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to understand funds and account groups of the Village are included. All disclosures required to enable the reader to gain the maximum understanding of the Village's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

The Village provides a full range of services. These services include:

- Administration
- Legal
- Community development
- Police protection
- Construction and maintenance of roads, streets, and infrastructure
- Water distribution
- Wastewater treatment

GOVERNMENTAL STRUCTURE, ECONOMIC CONDITION, AND OUTLOOK

The Village is located in the western portion of Will County, ranked as one of the top growth areas in the nation. It is located approximately thirty-five miles southwest of Chicago, within minutes of I-55 and I-80. The Village is home to the country's largest intermodal/industrial facility. The Village operates under the Village Board-Trustee form of government, consisting of a Village President and a six-member Board of Trustees. Board members are elected to a four-year staggering term, and the Village President is elected to a four-year term. The Village Board sets policies, adopts ordinances and resolutions, adopts the annual operating budget, and approves all expenditures. The Village Administrator is appointed by the Village Board and is responsible for carrying out the policies and ordinances of the Village and oversees the daily operations with the cooperation of the Village's department heads. The Village adopted its general operating budget for the fiscal year 2021 to include revenues and expenditures that would result in a breakeven ending balance. The Village continues to use a conservative and responsible approach in our budgeting process, which has resulted in financial stability.

LONG-TERM FINANCIAL PLANNING

The Village has a 5-year capital improvement plan. The Village reviews its capital improvement needs each budget cycle and adjusts the plan accordingly.

MAJOR INITIATIVES

In the fiscal year 2022, the Village worked with CenterPoint Properties to refinance our 2010B bond; the new 2021 Bond issue was released, saving the taxpayers approximately \$6.7 million. Negotiations began for a new commercial development on the east side of Route 53; Harding Development will sell and lease new and used small to mid-sized construction equipment. The Village added a Planned Unit Development CY5 – Container/Dray Storage Facility. Several grants were received, one from ComEd Openlands for \$10,000, allowing for the expansion of the Children's Garden while also adding a multi-use learning center where activities, classes, and events can be held. Secondly, we received a \$750,000 Capital Improvements grant from the Illinois Department of Commerce and Economic Opportunity. We were able to update our roof, replace the HVAC and install a whole building generator. Finally, the Village has received a grant from the American Recovery Plan Act (ARPA). The funds will be used in a future fiscal year.

FINANCIAL INFORMATION

Management of the Village is responsible for establishing and maintaining an internal control structure. This structure is designed to ensure that the assets of the Village are protected from loss, theft, or misuse. It is also designed to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The Village's accounting records for governmental funds are maintained on a modified accrual basis, which means revenues are recorded when they become measurable and available and expenditures are recorded when the fund liability is incurred. Accounting records for the Village's enterprise funds are maintained on a full accrual basis.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETING CONTROLS

Also, the Village maintains budgetary controls. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Enterprise Funds, and Tax Increment Financing Funds are included in the annual operating budget. Project length financial plans are prepared for the Capital Projects Funds and are published in a separate document. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established at the individual fund level.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

ILLINOIS MUNICIPAL RETIREMENT FUND

The Illinois Municipal Retirement Fund (IMRF) level of funding by the Village has always been 100% of the required employer rate that is adjusted yearly by IMRF. The rate for the calendar year 2021 is 7.26% of payroll for qualifying employees.

INDEPENDENT AUDIT

State statute requires an annual audit by independent certified public accountants. The Village selected the accounting firm of Lauterbach & Amen, LLP. The auditor's report on the general-purpose financial statements and combining individual fund statements and schedules are included in the financial section of this report.

AWARDS


The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governmental entities for their Annual Comprehensive Financial Report for each fiscal year. To be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements and could not be accomplished without the efficient and dedicated services of the Finance Department. The Village has received this award for the past seventeen years.

A Certificate of Achievement is valid for one year only. We believe our current Annual Comprehensive Financial Report meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

ACKNOWLEDGMENTS

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the entire administrative staff. Each member has our sincere appreciation for the contributions made in preparation for this report.

Also, the Village wishes to recognize the staff of the firm of Lauterbach & Amen, LLP, whose professionalism and cooperation are sincerely appreciated. In closing, we would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support, the preparation of this report would not have been possible.

Sincerely,

Julie Friebele
Village Administrator



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Elwood
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



October 19, 2022

The Honorable Village President
Board of Trustees
Village of Elwood, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Elwood, Illinois, as of and for the year ended April 30, 2022, 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 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 of Elwood, Illinois, as of April 30, 2022, 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. 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.

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 generally accepted 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 generally accepted 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, the budgetary comparison schedules, and GASB-required pension reporting 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Elwood, Illinois' basic financial statements. The other supplementary information and supplemental schedules 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, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises of the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

Our discussion and analysis of the Village of Elwood's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2022. Please read it in conjunction with the transmittal letter that is located in the introductory section and the Village's financial statements.

FINANCIAL HIGHLIGHTS

- **Excluding all TIF related activity**, the Village reported an **increase in net position of \$793,889** for the governmental activities.
 - Total liabilities/deferred inflows increased \$464,651 due primarily to an increase of overall accounts payable for the Village.
 - Total assets/deferred outflows increased \$1,258,540, resulting in the overall \$793,889 increase to net position for the governmental activities.
- Net position for the business-type activities increased \$6,481,930.
- The Village reached an agreement with CenterPoint Joliet Terminal Railroad LLC (Centerpoint) that would forgive in full the full principal and interest payable outstanding for the 2010B General Obligation Bonds. In exchange, the Village issued Centerpoint a Special Use Permit to allow for storage and stacking on its property without Centerpoint needing to pay to the Village additional special use payment, impact fees, recapture fees or other charges associated. The total value of the exchange related to the 2010B debt extinguished for the Special Use Permit as recognized in the Water and Sewer fund is \$6,530,000.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village of Elwood as a whole and present a longer-term view of the Village's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Elwood's operation in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Elwood's finances, in a matter similar to a private-sector business.

The Statement of Net Position reports information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. 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. Consideration of other non-financial factors, such as changes in the Village's property tax base and the condition of the Village's roads, is needed to assess the overall health of the Village of Elwood.

The Statement of Activities presents information showing how the government's net position 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 (e.g., uncollected taxes and earned but unused vacation leave).

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that 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, and parks and recreation. The business-type activities of the Village include water, sewer, and garbage operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Elwood, like other 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 two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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 the Village'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 government-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 the comparison between governmental funds and governmental activities.

The Village of Elwood maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Deer Run TIF Fund, and the Capital Construction Bond Fund, all of which are considered major funds. Motor Fuel Tax Fund is the Village's only nonmajor fund.

The Village of Elwood adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

Proprietary Funds

The Village maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water and sewer, and garbage operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund. The Water and Sewer Fund is considered to be a major proprietary fund of the Village, while the Garbage Fund is considered to be a nonmajor fund.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

USING THIS ANNUAL REPORT - Continued

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. employee pension obligation and other postemployment benefit obligation, as well as the budgetary comparison schedule for the General Fund. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on the pension.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Government-Wide Activities Excluding TIF Activity

The repayment of the TIF related long-term liabilities are secured solely by the incremental taxes received within the Tax Increment Financing District of the Village. As such, it is important to remove the TIF related activity from the Village's entity-wide statements to reflect true Village operations. The following table provides the breakdown of net position for the Village excluding all TIF related activities:

	Net Position - Excluding TIF Related Activity					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 19,786,948	16,812,916	(3,864,796)	(4,103,657)	15,922,152	12,709,259
Capital Assets	28,678,957	30,350,267	15,729,062	16,048,189	44,408,019	46,398,456
Total Assets	48,465,905	47,163,183	11,864,266	11,944,532	60,330,171	59,107,715
Deferred Outflows	91,120	135,302	239,962	249,317	331,082	384,619
Total Assets/Deferred Outflows	48,557,025	47,298,485	12,104,228	12,193,849	60,661,253	59,492,334
Long-Term Debt	16,107,183	16,201,436	475,480	6,911,834	16,582,663	23,113,270
Other Liabilities	399,904	475,857	3,687,915	3,907,128	4,087,819	4,382,985
Total Liabilities	16,507,087	16,677,293	4,163,395	10,818,962	20,670,482	27,496,255
Deferred Inflows	1,667,436	1,032,579	74,392	48,991	1,741,828	1,081,570
Total Liabilities/Deferred Inflows	18,174,523	17,709,872	4,237,787	10,867,953	22,412,310	28,577,825
Net Position						
Net Investment in Capital Assets	12,576,960	14,151,293	13,642,179	9,248,619	26,219,139	23,399,912
Restricted	1,923,926	1,815,653	—	—	1,923,926	1,815,653
Unrestricted	15,881,616	13,621,667	(5,775,738)	(7,922,723)	10,105,878	5,698,944
Total Net Position	30,382,502	29,588,613	7,866,441	1,325,896	38,248,943	30,914,509

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Excluding TIF Activity - Continued

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$26.2 million (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Elwood uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Elwood's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Village's net investment in capital assets increased \$2,819,227 primarily as a result of various capital improvements/additions being more than the depreciation expense for the year.

An additional portion or \$1.9 million of the Village of Elwood's net position represents resources that are subject to external restrictions on how they may be used, including restrictions for the use of motor fuel tax allotments and special service area taxes.

In removing all TIF related activity from the entity-wide statements, including capital assets, long-term debt, TIF incremental property taxes, etc. the Village is able to analyze true operational net position and changes in net position. **Excluding the TIF activity, the Village reported an increase to governmental activities net position of \$793,889 primarily as the result of grants received and increases in state shared tax revenues. Furthermore, the Village was able to report positive balances for all categories of net position for the governmental activities for the years ended April 30, 2022 and April 30, 2021.**

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Excluding TIF Activity - Continued

The following table provides the breakdown of changes in net position for the Village excluding all TIF related activities:

	Change in Net Position - Excluding TIF Related Activity					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 3,701,966	4,232,104	1,406,981	1,015,525	5,108,947	5,247,629
Operating Grants/Contrib.	446,891	370,922	—	—	446,891	370,922
Capital Grants/Contrib.	—	1,620,506	—	—	—	1,620,506
General Revenues						
Property Taxes	1,480,505	1,436,993	—	—	1,480,505	1,436,993
Utility Taxes	541,677	393,423	—	—	541,677	393,423
Sales Taxes	229,306	153,526	—	—	229,306	153,526
Income Taxes	457,717	390,948	—	—	457,717	390,948
Other General Revenues	408,699	133,712	1,187	2,030	409,886	135,742
Total Revenues	7,266,761	8,732,134	1,408,168	1,017,555	8,674,929	9,749,689
Expenses						
General Government	4,376,584	3,709,904	—	—	4,376,584	3,709,904
Public Safety	1,633,873	1,628,949	—	—	1,633,873	1,628,949
Public Works	535,189	517,535	—	—	535,189	517,535
Interest on Long-Term Debt	(72,774)	22,513	—	—	(72,774)	22,513
Water and Sewer	—	—	1,456,238	1,690,984	1,456,238	1,690,984
Total Expenses	6,472,872	5,878,901	1,456,238	1,690,984	7,929,110	7,569,885
Change in Net Position						
Before Special Item	793,889	2,853,233	(48,070)	(673,429)	745,819	2,179,804
Special Item - Extinguishment of Debt	—	—	6,530,000	—	6,530,000	—
Change in Net Position	793,889	2,853,233	6,481,930	(673,429)	7,275,819	2,179,804
Net Position - Beginning	29,588,613	26,735,380	1,384,511	1,999,325	30,973,124	28,734,705
Net Position - Ending	30,382,502	29,588,613	7,866,441	1,325,896	38,248,943	30,914,509

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

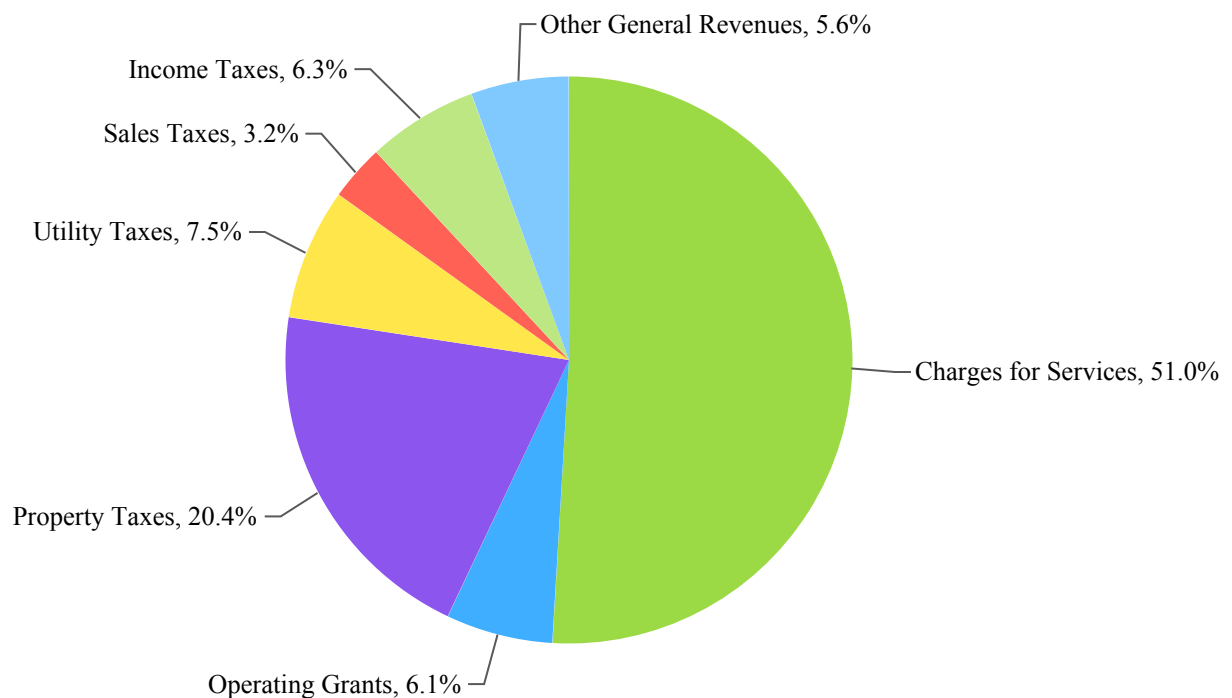
April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Excluding TIF Activity - Continued

Revenues for governmental and business-type activities were \$8.7 million for the year, with the largest portion of revenue coming from charges for services (\$5.1 million). Revenues for the year decreased \$1,074,760, which includes a decrease of \$1,465,373 for governmental activities and an increase of \$390,613 for the business-type activities. In 2022 the business-type activities reported a increase in the net position of \$6,481,930 due to \$6,530,000 in debt extinguishment. Total business-type activities expenses for the year were \$1.5 million, reflecting a 13.9 percent decrease from the prior year, increases in expenses can be associated with rising material costs due to the Covid-19 pandemic. The Village reported a \$7,275,819 increase to total net position for the year. This is in comparison to an increase of \$2,179,804 in the prior year. The following chart shows the diversification of the Village's revenue sources for the year ended April 30, 2022:

Revenues by Source - Governmental Activities at April 30, 2022



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Including TIF Activity

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Elwood, liabilities/deferred inflows exceeded assets/deferred outflows by \$87.2 million due in large part to the current year accretion expense of \$5,653,677 on the capital appreciation bonds and total outstanding accretion of \$10,621,889. The following table represents the activity of the Village including all TIF related activity:

	Net Position					
	Governmental		Business-Type			
	Activities		Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 35,511,325	32,272,410	(3,864,796)	(4,103,657)	31,646,529	28,168,753
Capital Assets	102,882,937	106,802,852	15,729,062	16,048,189	118,611,999	122,851,041
Total Assets	138,394,262	139,075,262	11,864,266	11,944,532	150,258,528	151,019,794
Deferred Outflows	91,120	135,302	239,962	249,317	331,082	384,619
Total Assets/Deferred Outflows	138,485,382	139,210,564	12,104,228	12,193,849	150,589,610	151,404,413
Long-Term Debt	30,592,295	55,946,120	3,687,915	3,907,128	34,280,210	59,853,248
Other Liabilities	190,666,939	170,658,256	475,480	6,911,834	191,142,419	177,570,090
Total Liabilities	221,259,234	226,604,376	4,163,395	10,818,962	225,422,629	237,423,338
Deferred Inflows	12,263,995	11,609,005	74,392	48,991	12,338,387	11,657,996
Total Liabilities/Deferred Inflows	233,523,229	238,213,381	4,237,787	10,867,953	237,761,016	249,081,334
Net Position						
Net Investment in Capital Assets	56,316,755	82,747,613	13,642,179	9,248,619	69,958,934	91,996,232
Restricted	1,923,926	1,815,653	—	—	1,923,926	1,815,653
Unrestricted	(153,278,528)	(183,566,083)	(5,775,738)	(7,922,723)	(159,054,266)	(191,488,806)
Total Net Position	(95,037,847)	(99,002,817)	7,866,441	1,325,896	(87,171,406)	(97,676,921)

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Including TIF Activity - Continued

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$70.0 million (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Elwood uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Elwood's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Village's net investment in capital assets decreased \$22,037,298 as a result of debt retirements of \$23,382,360 on long-term debt, offset by \$736,121 in additions to capital assets and depreciation expense of \$4,889,346. Unrestricted net position decreased \$32,434,540 due primarily to accretion expense, particularly on the TIF related debt.

An additional portion or \$1.9 million of the Village of Elwood's net position represents resources that are subject to external restrictions on how they may be used, including restrictions for the use of motor fuel tax allotments.

Net position of the Village of Elwood's governmental activities increased by \$3,964,970 (negative \$95.0 million compared to negative \$99.0 million). This deficit arose primarily due to the current year accretion on the Capital Appreciation Bonds outstanding amounting to \$5,653,677 and depreciation expense of \$4,315,604, which was offset by long-term debt retirements of \$23,382,360.

Net position of business-type activities increased by \$6,481,930 (\$7.9 million compared to \$1.4 million) due to debt extinguishment of \$6,530,000. The Village of Elwood generally can only use this net position to finance the continuing operations of the utility operations.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Including TIF Activity - Continued

The following table represents the activity of the Village including all TIF related activity:

	Change in Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 3,701,966	4,232,104	1,406,981	1,015,525	5,108,947	5,247,629
Operating Grants/Contrib.	446,891	370,922	—	—	446,891	370,922
Capital Grants/Contrib.	—	1,620,506	—	—	—	1,620,506
General Revenues						
Property Taxes	11,768,426	11,705,367	—	—	11,768,426	11,705,367
Utility Taxes	541,677	393,423	—	—	541,677	393,423
Sales Taxes	229,306	153,526	—	—	229,306	153,526
Income Taxes	458,585	393,427	—	—	458,585	393,427
Other General Revenues	408,699	133,712	1,187	2,030	409,886	135,742
Total Revenues	17,555,550	19,002,987	1,408,168	1,017,555	18,963,718	20,020,542
Expenses						
General Government	5,840,615	5,288,466	—	—	5,840,615	5,288,466
Public Safety	1,633,873	1,628,949	—	—	1,633,873	1,628,949
Public Works	535,189	517,535	—	—	535,189	517,535
Interest on Long-Term Debt	5,580,903	7,707,749	—	—	5,580,903	7,707,749
Water and Sewer	—	—	1,456,238	1,690,984	1,456,238	1,690,984
Total Expenses	13,590,580	15,142,699	1,456,238	1,690,984	15,046,818	16,833,683
Change in Net Position						
Before Special Item	3,964,970	3,860,288	(48,070)	(673,429)	3,916,900	3,186,859
Special Item - Extinguishment of Debt	—	—	6,530,000	—	6,530,000	—
Change in Net Position	3,964,970	3,860,288	6,481,930	(673,429)	10,446,900	3,186,859
Net Position - Beginning	(99,002,817)	(102,863,105)	1,384,511	1,999,325	(97,618,306)	(100,863,780)
Net Position - Ending	(95,037,847)	(99,002,817)	7,866,441	1,325,896	(87,171,406)	(97,676,921)

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities

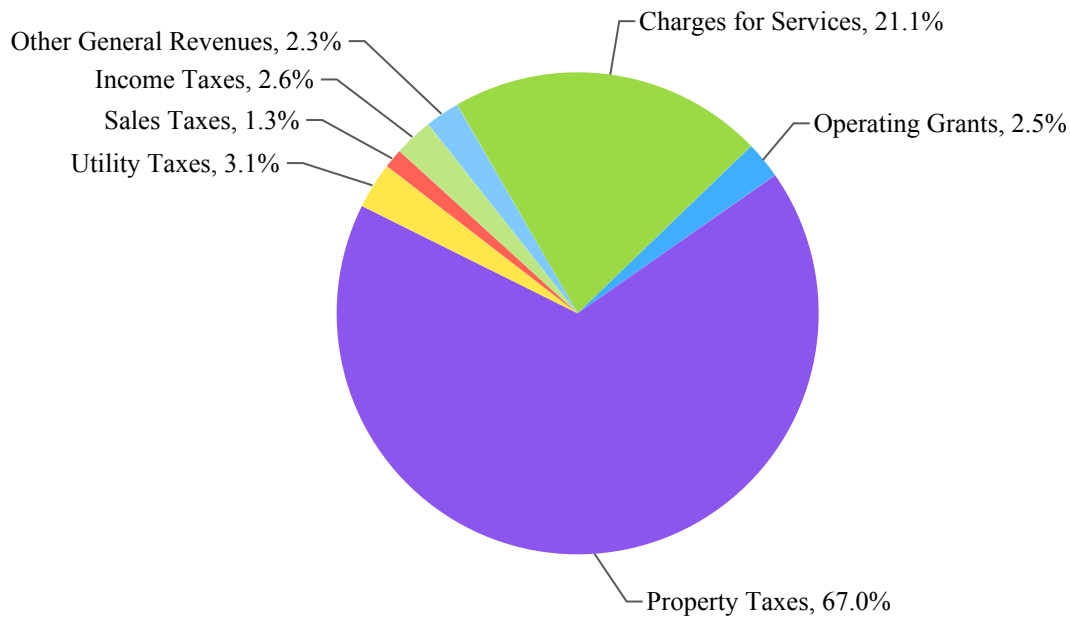
Revenues for governmental activities were \$17.6 million for the year, with the largest portion of revenue coming from property taxes (\$11.8 million), 87.4% of which is collected for the retirement of the TIF bonds. Total expenses for the year were \$13.6 million with the largest portion coming from the interest expense on long-term (TIF) debt (\$5.6 million).

Revenues for governmental activities decreased \$1,447,437, or 7.6%. Major highlights of the changes in revenues include:

- Operating grants totaled \$446,891 at April 30, 2022, an increase of \$75,969.
- Charges for services decreased \$530,138.

Expenses for governmental activities decreased from the prior year. Total expenses in FY2021 were \$15.1 million, while expenses for FY2022 were \$13.6 million, reflecting a \$1,552,119 decrease.

Revenues by Source - Governmental Activities at April 30, 2022



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

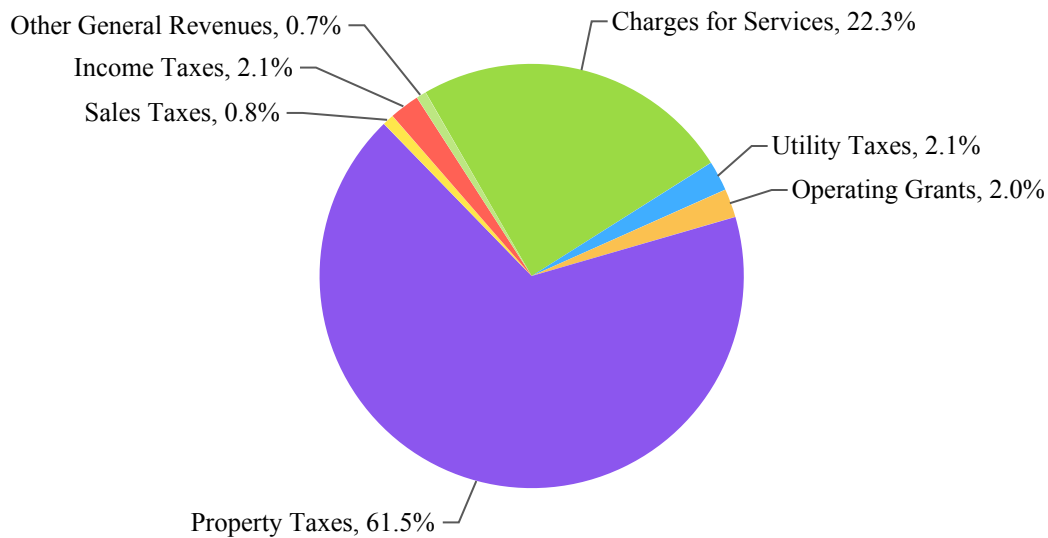
April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Including TIF Activity - Continued

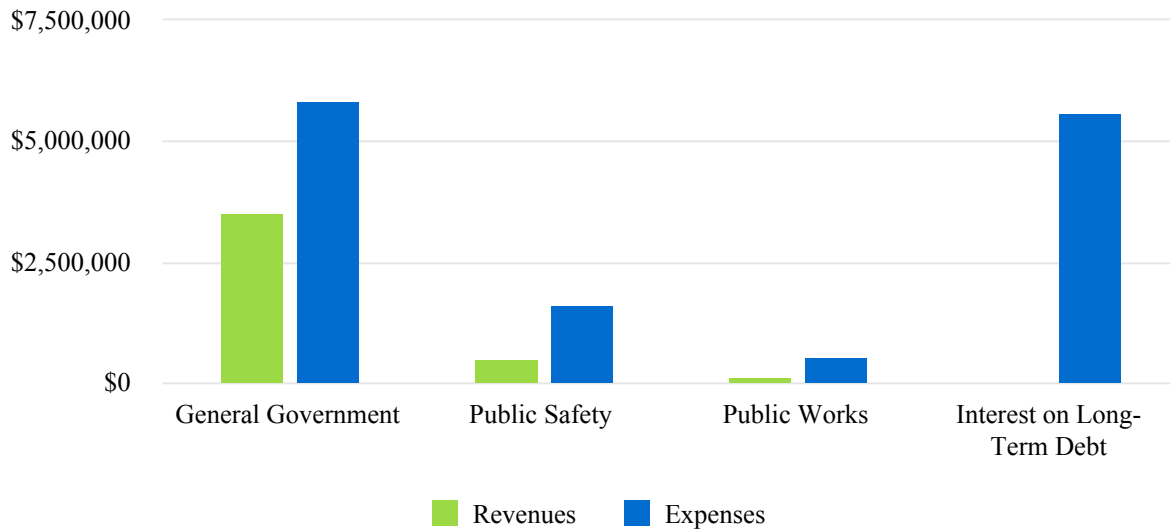
Governmental Activities - Continued

Revenues by Source - Governmental Activities at April 30, 2021



The 'Revenues by Source' Tables graphically depict the major revenue sources of the Village of Elwood for 2022 and 2021. It depicts very clearly the reliance of property taxes "87.4% from the TIF district" to fund governmental activities. It also clearly identifies the minor percentage the Village receives from sales taxes (1%). Under the Board's leadership and the cooperation of the industrial park, there continues to be an effort to develop and expand the TIF District and develop capital infrastructure improvements to assist in that effort.

Expenses and Program Revenues - Governmental Activities at April 30, 2022



VILLAGE OF ELWOOD, ILLINOIS

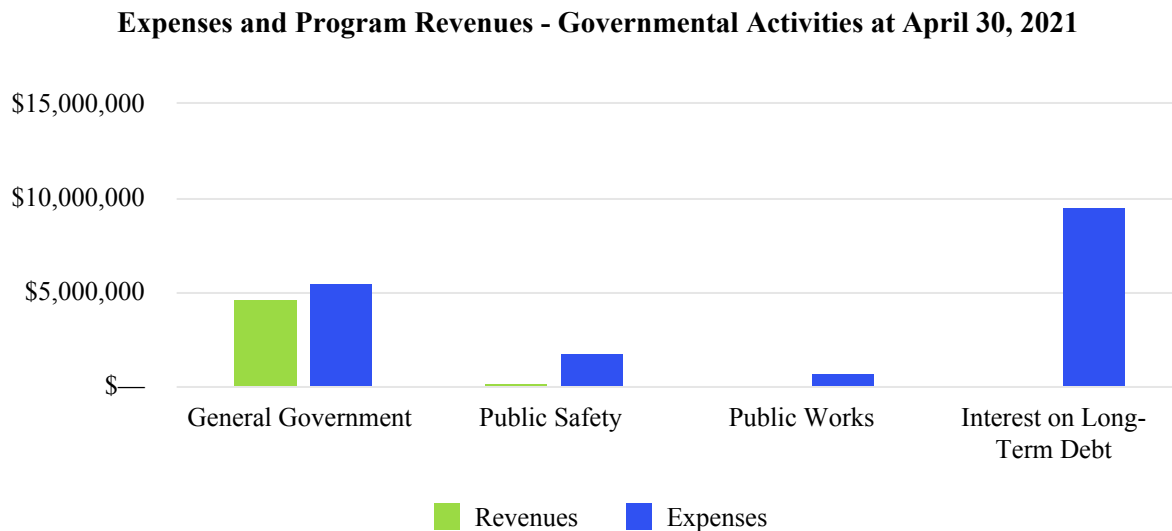
Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Including TIF Activity - Continued

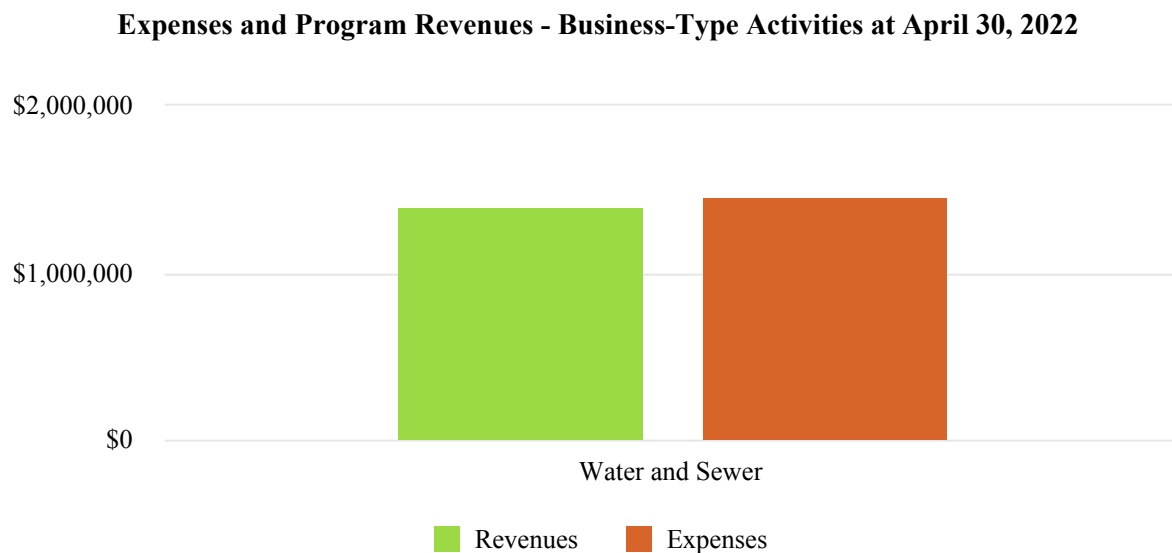
Governmental Activities - Continued



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. From the table, it can be noted that the general government function has enough revenues to meet program expenses.

Business-Type Activities

Total revenues of the Village's business-type activities were \$1,408,168, while expenses were \$1.5 million, resulting in an increase in net position at the end of the year. The table below compares program revenues and expenses for the Water and Sewer Fund.



VILLAGE OF ELWOOD, ILLINOIS

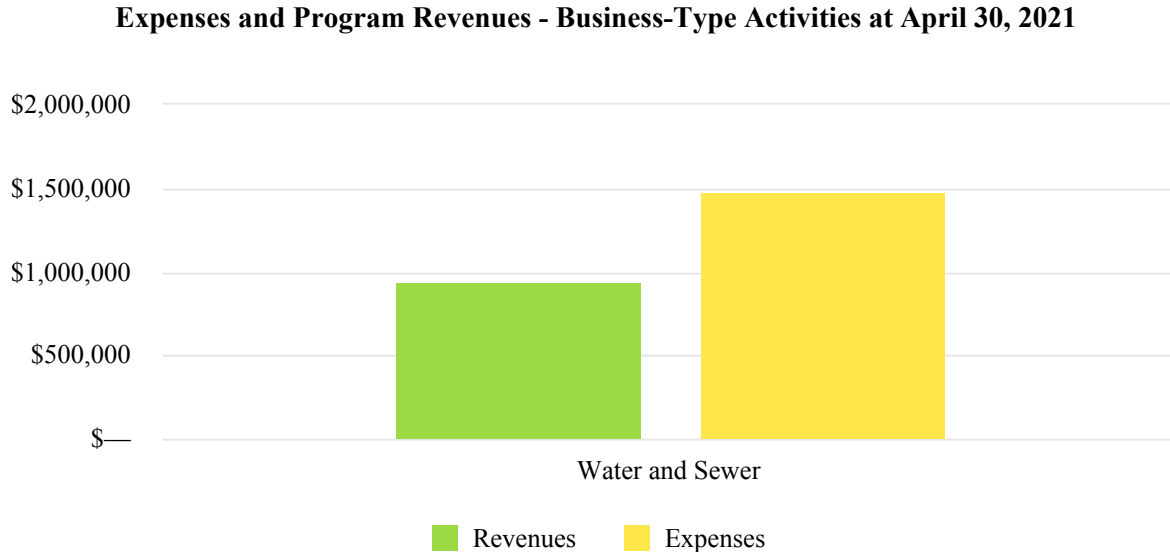
Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Government-Wide Activities Including TIF Activity - Continued

Business-Type Activities - Continued



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village of Elwood uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of a deficit of \$140,806,151, which is \$15,733,709 less than the prior year governmental fund balances deficit of \$125,072,442. **Excluding the Deer Run TIF Fund, the governmental funds would have reported a \$2,250,104 increase to fund balances.** A deficit of \$17,983,813 in the Deer Run TIF Fund due to TIF debt retirements exceeding the incremental property taxes collected during the year contributed to the total decrease in fund balance.

The General fund increased the ending fund balance by \$1,040,357. For a second year the Village received grant funds totaling \$529,846 from the American Recovery Plan Act, FEMA-Covid 19 and DCEO – Capital Projects, some which have yet to be expended. We again saw a greater than expected increase in our building department, projects included 4 new residential builds as well as new and upgrades in our industrial park. We also saw an increase in our portion of state shared revenues. The Village will continue to limit expenditures from the General Fund.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

The Capital Construction Bond Fund increased the ending fund balance by \$1,105,207. This increase was due to a decrease in capital project expenditures, and the Village is building fund balance for future capital needs.

Proprietary Funds

The Village of Elwood's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sewer Fund as a significant proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Water and Sewer fees are charged to all municipal customers at a combined flat rate of \$51.51 for the first 2,000 gallons and \$8.90 per 1,000 gallons after that. The spread between purchase and sale rates are intended to finance the operations of the waterworks and sewerage system, including labor costs, supplies, and infrastructure maintenance.

The Village intends to run the fund at a breakeven rate. For the FY2022 the Water and Sewer Fund reported a surplus of \$6,481,930, which includes \$573,742 in non-cash depreciation and amortization expense and \$8,188 in interest expense on outstanding Water and Sewer Fund debt. The Village recently had debt extinguishments of \$6,530,000 in the Water and Sewer Fund. Prior to the debt extinguishment, the Water and Sewer Fund reported a decrease in net position of \$48,070.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no amendments made to the General Fund budget during the year. The General Fund expenditures were \$250,777 lower than the budgeted amount of \$4,105,052, due to the public safety and public works functions coming in under budget.

The General Fund revenues were \$936,011 higher the budgeted amount of \$3,468,351, due primarily to revenues for intergovernmental coming in over budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Elwood's investment in capital assets for its governmental and business-type activities as of April 30, 2022 was \$118.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, roads, sidewalks, and bridges. The total decrease in the Village's investment in capital assets for the current fiscal year was \$4,239,042, which was the result of \$736,121 in additions to capital assets offset by \$4,889,346 reported for depreciation expense.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Capital Assets - Continued

		Capital Assets - Net of Depreciation					
		Governmental		Business-Type		Totals	
		Activities		Activities			
		2022	2021	2022	2021	2022	2021
Land	\$	3,458,233	3,458,233	1,939,500	1,939,500	5,397,733	5,397,733
Construction in Progress		368,219	448,465	—	—	368,219	448,465
Buildings and Improvements		6,341,533	6,607,796	6,406,035	6,600,067	12,747,568	13,207,863
Machinery and Equipment		974,657	971,181	162,777	58,546	1,137,434	1,029,727
Infrastructure		91,740,295	95,317,177	7,220,750	7,450,076	98,961,045	102,767,253
Total		102,882,937	106,802,852	15,729,062	16,048,189	118,611,999	122,851,041

This year's major additions included:

Buildings and Improvements	\$ 303,012
Machinery and Equipment	352,863
	<u>655,875</u>

Additional information on the Village's capital assets can be found in Note 3 of this report.

Debt Administration

At year-end, the Village had total outstanding bonded debt of \$57.6 million as compared to \$84.9 million the previous year, resulting in a \$27.3 million decrease from the prior year. The following is a comparative statement of outstanding debt:

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Debt Administration - Continued

	Long-Term Debt Outstanding					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Village Supported Debt						
General Obligation Bonds	\$ 935,000	1,850,000	2,105,000	6,820,000	3,040,000	8,670,000
General Obligation Capital						
Appreciation Bonds	6,188,552	6,188,552	—	—	6,188,552	6,188,552
Accretion - General Obligation						
Capital Appreciation Bonds	8,978,445	8,160,422	—	—	8,978,445	8,160,422
Total Village Supported Debt	16,101,997	16,198,974	2,105,000	6,820,000	18,206,997	23,018,974
TIF Supported Debt						
TIF Notes Payable and Accretion	39,442,630	61,909,990	—	—	39,442,630	61,909,990
Totals	55,544,627	78,108,964	2,105,000	6,820,000	57,649,627	84,928,964

The Village of Elwood went through the rating process with Standard & Poor's in July 2019 and received an A+ Stable for general obligation debt. As a home-rule unit, no legal limit exists on the amount of debt that can be outstanding.

Additional information on the Village's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2023 budget; a conservative approach to spending is one of them. We also monitor tax rates, state-shared revenue streams, and fees that will be charged for our governmental and business-type activities. We strive to maintain good fund balances and provide a high level of service to our residents during periods of instability. We can achieve these goals with input from each department and present a balanced budget to our citizens.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Elwood's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Office, Village of Elwood, 401 E. Mississippi Avenue, Elwood, Illinois, 60421.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements

- Fund Financial Statements

 - Governmental Funds

 - Proprietary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position

April 30, 2022

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position

April 30, 2022

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 19,032,775	—	19,032,775
Receivables - Net of Allowances	11,562,714	230,778	11,793,492
Due from Other Governments	7,648	—	7,648
Internal Balances	4,182,149	(4,182,149)	—
Prepays	20,010	2,603	22,613
Total Current Assets	34,805,296	(3,948,768)	30,856,528
Noncurrent Assets			
Capital Assets			
Nondepreciable	3,826,452	1,939,500	5,765,952
Depreciable	160,923,659	24,601,918	185,525,577
Accumulated Depreciation	(61,867,174)	(10,812,356)	(72,679,530)
Total Capital Assets	102,882,937	15,729,062	118,611,999
Other Assets			
Net Pension Asset - IMRF	706,029	83,972	790,001
Total Noncurrent Assets	103,588,966	15,813,034	119,402,000
Total Assets	138,394,262	11,864,266	150,258,528
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	91,120	10,837	101,957
Deferred Items - Asset Retirement Obligation	—	229,125	229,125
Total Deferred Outflows of Resources	91,120	239,962	331,082
Total Assets and Deferred Outflows of Resources	138,485,382	12,104,228	150,589,610

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 163,946,289	161,988	164,108,277
Accrued Payroll	26,643	2,657	29,300
Deposits Payable	—	72,632	72,632
Accrued Interest Payable	3,821	17,581	21,402
Current Portion of Long-Term Debt	26,690,186	220,622	26,910,808
Total Current Liabilities	190,666,939	475,480	191,142,419
Noncurrent Liabilities			
Unearned Tap-On Revenues	—	1,583,546	1,583,546
Compensated Absences Payable	75,528	2,486	78,014
General Obligation Bonds Payable	—	1,866,883	1,866,883
General Obligation Capital Appreciation Bonds Payable	6,188,552	—	6,188,552
Accretion - General Obligation Capital Appreciation Bonds Payable	9,843,103	—	9,843,103
TIF Notes Payable and Accretion	14,485,112	—	14,485,112
Asset Retirement Obligation	—	235,000	235,000
Total Noncurrent Liabilities	30,592,295	3,687,915	34,280,210
Total Liabilities	221,259,234	4,163,395	225,422,629
DEFERRED INFLOWS OF RESOURCES			
Grants	346,950	—	346,950
Property Taxes	11,291,565	—	11,291,565
Deferred Items - IMRF	625,480	74,392	699,872
Total Deferred Inflows of Resources	12,263,995	74,392	12,338,387
Total Liabilities and Deferred Inflows of Resources	233,523,229	4,237,787	237,761,016
NET POSITION			
Net Investment in Capital Assets	56,316,755	13,642,179	69,958,934
Restricted - Highways and Streets	1,911,729	—	1,911,729
Restricted - Debt Service	12,197	—	12,197
Unrestricted (Deficit)	(153,278,528)	(5,775,738)	(159,054,266)
Total Net Position	(95,037,847)	7,866,441	(87,171,406)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2022

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 5,840,615	3,519,242	—	—
Public Safety	1,633,873	182,724	305,974	—
Public Works	535,189	—	140,917	—
Interest on Long-Term Debt	5,580,903	—	—	—
Total Governmental Activities	13,590,580	3,701,966	446,891	—
Business-Type Activities				
Water and Sewer	1,456,238	1,406,981	—	—
Total Primary Government	15,046,818	5,108,947	446,891	—

General Revenues

Taxes

Property Taxes

Utility Taxes

Home-Rule Sales Taxes

Intergovernmental - Unrestricted

Sales Taxes

Income Taxes

Interest Income

Miscellaneous

Special Item - Extinguishment of Debt

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues		
Governmental Activities	Business-Type Activities	Totals
(2,321,373)	—	(2,321,373)
(1,145,175)	—	(1,145,175)
(394,272)	—	(394,272)
(5,580,903)	—	(5,580,903)
(9,441,723)	—	(9,441,723)
—	(49,257)	(49,257)
(9,441,723)	(49,257)	(9,490,980)
11,768,426	—	11,768,426
541,677	—	541,677
196,277	—	196,277
229,306	—	229,306
458,585	—	458,585
20,361	1,187	21,548
192,061	—	192,061
—	6,530,000	6,530,000
13,406,693	6,531,187	19,937,880
3,964,970	6,481,930	10,446,900
(99,002,817)	1,384,511	(97,618,306)
(95,037,847)	7,866,441	(87,171,406)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2022

	General
ASSETS	
Cash and Investments	\$ 5,456,159
Receivables - Net of Allowances	
Property Taxes	695,006
Accounts	271,149
Due from Other Governments	—
Due from Other Funds	—
Prepays	19,953
Total Assets	6,442,267
LIABILITIES	
Accounts Payable	280,056
Accrued Payroll	26,643
Total Liabilities	306,699
DEFERRED INFLOWS OF RESOURCES	
Grants	346,950
Property Taxes	695,006
Total Deferred Inflows of Resources	1,041,956
Total Liabilities and Deferred Inflows of Resources	1,348,655
FUND BALANCES	
Nonspendable	19,953
Restricted	—
Assigned	—
Unassigned	5,073,659
Total Fund Balances	5,093,612
Total Liabilities, Deferred Inflows of Resources and Fund Balances	6,442,267

The notes to the financial statements are integral part this statement.

Debt Service		Capital Projects	Nonmajor	Totals
Debt Service	Deer Run TIF	Capital Construction Bond	Motor Fuel Tax	
16,018	5,127,818	6,528,699	1,904,081	19,032,775
—	10,596,559	—	—	11,291,565
—	—	—	—	271,149
—	—	—	7,648	7,648
—	—	4,182,149	—	4,182,149
—	—	57	—	20,010
16,018	15,724,377	10,710,905	1,911,729	34,805,296
—	163,666,073	160	—	163,946,289
—	—	—	—	26,643
—	163,666,073	160	—	163,972,932
—	—	—	—	346,950
—	10,596,559	—	—	11,291,565
—	10,596,559	—	—	11,638,515
—	174,262,632	160	—	175,611,447
—	—	57	—	20,010
16,018	—	—	1,911,729	1,927,747
—	—	10,710,688	—	10,710,688
—	(158,538,255)	—	—	(153,464,596)
16,018	(158,538,255)	10,710,745	1,911,729	(140,806,151)
16,018	15,724,377	10,710,905	1,911,729	34,805,296

The notes to the financial statements are integral part this statement.

VILLAGE OF ELWOOD, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

April 30, 2022

Total Governmental Fund Balances	\$ (140,806,151)
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	102,882,937
--	-------------

A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds.	
Net Pension Asset - IMRF	706,029

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	(534,360)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(94,410)
General Obligation Bonds Payable	(935,000)
General Obligation Capital Appreciation Bonds Payable	(6,188,552)
Accretion - General Obligation Capital Appreciation Bonds Payable	(8,978,445)
TIF Notes Payable and Accretion	(41,086,074)
Accrued Interest Payable	(3,821)

Net Position of Governmental Activities	<u>(95,037,847)</u>
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VILLAGE OF ELWOOD, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2022**

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2022

	<u>General</u>
Revenues	
Taxes	\$ 2,218,459
Intergovernmental	993,865
Charges for Services	754,355
Licenses and Permits	213,785
Fines and Forfeits	182,724
Interest Income	5,275
Miscellaneous	35,899
Total Revenues	<u>4,404,362</u>
Expenditures	
General Government	1,543,858
Public Safety	1,547,561
Public Works	762,856
Capital Outlay	—
Debt Service	
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>3,854,275</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>550,087</u>
Other Financing Sources (Uses)	
Transfers In	1,070,215
Transfers Out	(579,945)
	<u>490,270</u>
Net Change in Fund Balances	1,040,357
Fund Balances - Beginning	<u>4,053,255</u>
Fund Balances - Ending	<u><u>5,093,612</u></u>

The notes to the financial statements are integral part this statement.

Debt Service		Capital Projects	Nonmajor	Totals
Debt Service	Deer Run TIF	Capital Construction Bond	Motor Fuel Tax	
—	10,287,921	—	—	12,506,380
—	—	—	140,917	1,134,782
—	—	—	—	754,355
—	—	2,551,102	—	2,764,887
—	—	—	—	182,724
5	868	12,157	2,056	20,361
—	—	156,162	—	192,061
5	10,288,789	2,719,421	142,973	17,555,550
—	151,565	67,870	—	1,763,293
—	—	—	—	1,547,561
—	—	—	—	762,856
—	—	103,208	27,229	130,437
915,000	22,467,360	—	—	23,382,360
49,075	5,653,677	—	—	5,702,752
964,075	28,272,602	171,078	27,229	33,289,259
(964,070)	(17,983,813)	2,548,343	115,744	(15,733,709)
952,866	—	—	—	2,023,081
—	—	(1,443,136)	—	(2,023,081)
952,866	—	(1,443,136)	—	—
(11,204)	(17,983,813)	1,105,207	115,744	(15,733,709)
27,222	(140,554,442)	9,605,538	1,795,985	(125,072,442)
16,018	(158,538,255)	10,710,745	1,911,729	(140,806,151)

The notes to the financial statements are integral part this statement.

VILLAGE OF ELWOOD, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended April 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ (15,733,709)
---	------------------------

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

Governmental funds report capital outlays as expenditures. however, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	401,260
Depreciation Expense	(4,315,604)
Disposals - Cost	(13,000)
Disposals - Accumulated Depreciation	7,429

A change to a net pension asset is not considered to be an increase in a
financial asset in the governmental funds.

Change in Net Pension Asset - IMRF	324,454
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The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(206,664)
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The issuance of long-term debt provides current financial resources to
governmental funds, While the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(3,405)
Retirement of Debt	23,382,360
Change in Accretion - General Obligation Capital Appreciation Bonds	118,116

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

3,733

Changes in Net Position of Governmental Activities

3,964,970

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2022

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position - Proprietary Fund

April 30, 2022

	Business-Type Activities Water and Sewer
ASSETS	
Current Assets	
Receivables - Net of Allowances	
Accounts	\$ 230,778
Prepays	2,603
Total Current Assets	<u>233,381</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	1,939,500
Depreciable	24,601,918
Accumulated Depreciation	<u>(10,812,356)</u>
Total Capital Assets	15,729,062
Other Assets	
Net Pension Asset - IMRF	<u>83,972</u>
Total Current Assets	<u>15,813,034</u>
Total Assets	<u>16,046,415</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	10,837
Deferred Items - Asset Retirement Obligation	<u>229,125</u>
Total Deferred Outflows of Resources	<u>239,962</u>
Total Assets and Deferred Outflows of Resources	<u>16,286,377</u>

The notes to the financial statements are integral part this statement.

	Business-Type Activities Water and Sewer
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 161,988
Accrued Payroll	2,657
Deposits Payable	72,632
Due to Other Funds	4,182,149
Accrued Interest Payable	17,581
Compensated Absences Payable	622
General Obligation Bonds Payable	220,000
Total Current Liabilities	<u>4,657,629</u>
Noncurrent Liabilities	
Unearned Tap-On Revenues	1,583,546
Compensated Absences Payable	2,486
General Obligation Bonds Payable - Net	1,866,883
Asset Retirement Obligation	235,000
Total Noncurrent Liabilities	<u>3,687,915</u>
Total Liabilities	<u>8,345,544</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>74,392</u>
Total Liabilities and Deferred Inflows of Resources	<u>8,419,936</u>
NET POSITION	
Net Investment in Capital Assets	13,642,179
Unrestricted	<u>(5,775,738)</u>
Total Net Position	<u><u>7,866,441</u></u>

The notes to the financial statements are integral part this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund For the Fiscal Year Ended April 30, 2022

	Business-Type Activities Water and Sewer
Operating Revenues	
Charges for Services	\$ 1,406,981
Operating Expenses	
Water Operations	407,004
Sewer Operations	353,218
Depreciation and Amortization	581,930
Total Operating Expenses	1,342,152
Operating Income	64,829
Nonoperating Revenues (Expenses)	
Interest Income	1,187
Interest and Fiscal Charges	(114,086)
	(112,899)
(Loss) Before Before Special Item	(48,070)
Special Item - Extinguishment of Debt	6,530,000
Change in Net Position	6,481,930
Net Position - Beginning as Restated	1,384,511
Net Position - Ending	7,866,441

The notes to the financial statements are integral part this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Cash Flows - Proprietary Fund For the Fiscal Year Ended April 30, 2022

	Business-Type Activities Water and Sewer
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,295,800
Payments to Employees	(261,152)
Payments to Suppliers	(452,134)
	<u>582,514</u>
Cash Flows from Capital and Related Financing Activities	
Activities	
Purchase of Capital Assets	(254,615)
Principal Paid	(215,000)
Interest Paid	(114,086)
	<u>(583,701)</u>
Cash Flows from Investing Activities	
Interest Received	<u>1,187</u>
Net Change in Cash and Cash Equivalents	—
Cash and Cash Equivalents - Beginning	<u>—</u>
Cash and Cash Equivalents - Ending	<u><u>—</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income	<u>64,829</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation and Amortization Expense	581,930
(Increase) Decrease in Current Assets	(111,181)
Increase (Decrease) in Current Liabilities	46,936
	<u>517,685</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>582,514</u></u>
Noncash Activity - Special Item - Extinguishment of Debt	<u><u>6,530,000</u></u>

The notes to the financial statements are integral part this statement.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Elwood (Village), Illinois, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, water, sewer and garbage services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Elwood
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water, sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Village:

General 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. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one nonmajor special revenue fund, the Motor Fuel Tax Fund.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Village maintains two debt service funds. The Debt Service Fund, a major fund, is used to account for the accumulation of resources for, and the payment of, the principal and interest on the 2015 general obligation refunding bonds. The Deer Run TIF Fund, also a major fund, is used to account for revenues received from incremental property taxes and expenditures for debt service payments related to tax increment financing bonds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one capital projects funds. The Capital Construction Bond Fund, a major fund, is used to account for revenues received from general obligation bond proceeds and expenditures for road improvements and reconstruction.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the Village:

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one enterprise fund. The Water and Sewer Fund, a major fund, is used to account for revenues and expenses relative to the operation of the water and sewer utilities.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Village's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 - 40 Years
Machinery and Equipment	3 - 10 Years
Infrastructure	25 - 50 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Prior to April 30, the Village Clerk submits to the Village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance.

The Village's management is authorized to transfer budgeted amounts between departments within any fund; however, the Village Board must approve revisions that alter the total expenditures of any fund. Formal budgetary integration is employed at a management control device during the year for the General Fund. Budgeted amounts are as originally adopted by the Board of Trustees. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year there was one supplementary appropriation.

DEFICIT FUND BALANCE

The following fund had a deficit fund balance for the fiscal year:

Fund	Deficit
Deer Run TIF	\$ 158,538,255

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits and Investments. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$10,472,834 and the bank balances totaled \$10,514,584. Also, at year-end, the Village has \$8,559,941 invested in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits interest rate risk by attempting to obtain the highest interest rate available while ensuring the maximum safety of principal and maintaining a portfolio that is sufficiently liquid to meet all operating costs which may be reasonably anticipated. The Village's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village does not have a formal written policy with regards to credit risk. At year-end, the Village's investment in the Illinois Funds is rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that at all times funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent, third party institution in the name of the municipality. At year-end, \$166,075 of the bank balance of deposits were not covered by federal depository or equivalent insurance.

For an investment, 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 investments or collateral. The Village does not have a formal written policy with regards to custodial credit risk for investments. At year-end, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village does not have a formal written policy with regards to concentration credit risk for investments. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

PROPERTY TAXES

Property taxes for 2021 attach as an enforceable lien on January 1, 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 Will County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 3,458,233	—	—	3,458,233
Construction in Progress	448,465	—	80,246	368,219
	<u>3,906,698</u>	<u>—</u>	<u>80,246</u>	<u>3,826,452</u>
Depreciable Capital Assets				
Buildings and Improvements	9,626,401	254,123	—	9,880,524
Machinery and Equipment	2,656,458	227,383	13,000	2,870,841
Infrastructure	148,172,294	—	—	148,172,294
	<u>160,455,153</u>	<u>481,506</u>	<u>13,000</u>	<u>160,923,659</u>
Less Accumulated Depreciation				
Buildings and Improvements	3,018,605	520,386	—	3,538,991
Machinery and Equipment	1,685,277	218,336	7,429	1,896,184
Infrastructure	52,855,117	3,576,882	—	56,431,999
	<u>57,558,999</u>	<u>4,315,604</u>	<u>7,429</u>	<u>61,867,174</u>
Total Net Depreciable Capital Assets	<u>102,896,154</u>	<u>(3,834,098)</u>	<u>5,571</u>	<u>99,056,485</u>
Total Net Capital Assets	<u>106,802,852</u>	<u>(3,834,098)</u>	<u>85,817</u>	<u>102,882,937</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 4,186,136
Public Safety	86,312
Public Works	<u>43,156</u>
	<u>4,315,604</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,939,500	—	—	1,939,500
Depreciable Capital Assets				
Buildings and Improvements	12,731,559	129,135	—	12,860,694
Machinery and Equipment	507,306	125,480	—	632,786
Infrastructure	11,108,438	—	—	11,108,438
	24,347,303	254,615	—	24,601,918
Less Accumulated Depreciation				
Buildings and Improvements	6,131,492	323,167	—	6,454,659
Machinery and Equipment	448,760	21,249	—	470,009
Infrastructure	3,658,362	229,326	—	3,887,688
	10,238,614	573,742	—	10,812,356
Total Net Depreciable Capital Assets	14,108,689	(319,127)	—	13,789,562
Total Net Capital Assets	16,048,189	(319,127)	—	15,729,062

Depreciation expense was charged to business-type activity as follows:

Water and Sewer	\$ 573,742
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INTERFUND BALANCES

Interfund balances at year-end consisted of the following:

Receivable Fund	Payable Fund	Amount
Capital Construction Bond	Water and Sewer	\$ 4,182,149

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Capital Construction Bond	\$ 1,070,215 (2)
Debt Service	Capital Construction Bond	372,921 (1)
Debt Service	General	<u>579,945 (1)</u>
		<u>2,023,081</u>

Transfers are used to (1) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (2) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

LONG-TERM DEBT

General Obligation Capital Appreciation Bonds Payable

Governments issue general obligation capital appreciation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation capital appreciation bonds are direct obligations and pledge the full faith and credit of the government. General obligation capital appreciation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Capital Appreciation Bonds of 2006, due in annual installments of \$729,226 to \$1,052,838 through March 1, 2030.	Debt Service	\$ 6,188,552	—	—	<u>6,188,552</u>

TIF Notes Payable

Tax increment financing notes currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Financing Note of 2003.	Deer Run TIF	\$ 61,909,990	—	22,467,360	<u>39,442,630</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition, construction and maintenance of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Bonds of 2010A, due in annual installments of \$165,000 to \$310,000, plus interest at 2.00% to 5.10% through March 1, 2030.	Water and Sewer	\$ 2,320,000	—	215,000	2,105,000
General Obligation Refunding Bonds of 2010B, due in one installment of \$4,500,000, plus interest at 3.99% on May 24, 2021.	Water and Sewer	4,500,000	—	4,500,000 *	—
General Obligation Refunding Bonds of 2015, due in annual installments of \$655,000 to \$935,000, plus interest at 2.45% through March 1, 2023.	Debt Service	1,850,000	—	915,000	935,000
*Special Item		8,670,000	—	5,630,000	3,040,000

Special Item - Extinguishment of Debt

In September 2021, the Village reached an agreement with CenterPoint Joliet Terminal Railroad LLC (Centerpoint) that would forgive in full the full principal and interest payable outstanding for the 2010B General Obligation Bonds. In exchange, the Village issued Centerpoint a Special Use Permit to allow for storage and stacking on its property without Centerpoint needing to pay to the Village additional special use payment, impact fees, recapture fees or other charges associated. The total value of the exchange related to the 2010B debt extinguished for the Special Use Permit as recognized in the Water and Sewer fund is \$6,530,000.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 91,005	6,810	3,405	94,410	18,882
General Obligation Bonds	1,850,000	—	915,000	935,000	935,000
General Obligation Capital Appreciation Bonds	6,188,552	—	—	6,188,552	—
Accretion - General Obligation Capital Appreciation Bonds	8,160,422	818,023	—	8,978,445	(864,658)
TIF Notes Payable	61,909,990	—	22,467,360	39,442,630	25,556,959
Accretion - TIF Notes Payable	2,579,583	4,717,538	5,653,677	1,643,444	1,044,003
	<u>80,779,552</u>	<u>5,542,371</u>	<u>29,039,442</u>	<u>57,282,481</u>	<u>26,690,186</u>
Business-Type Activities					
Compensated Absences	5,015	2,087	3,994	3,108	622
General Obligation Bonds	6,820,000	—	4,715,000	2,105,000	220,000
Unamortized Bond Discount	(20,430)	—	(2,313)	(18,117)	—
Asset Retirement Obligation	235,000	—	—	235,000	—
	<u>7,039,585</u>	<u>2,087</u>	<u>4,716,681</u>	<u>2,324,991</u>	<u>220,622</u>

For the governmental activities, the compensated absences are liquidated by the General Fund. Payments on the general obligation bonds and the general obligation capital appreciation bonds are made by Debt Service Fund. The Deer Run TIF Fund makes payments on the TIF notes payable.

For business-type activities, payments on the compensated absences, the general obligation bonds, and asset retirement obligation are made by the Water and Sewer Fund.

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the Village's water towers and treatment plants at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the assets are 39 years.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities				Business-Type Activities	
	General Obligation		General Obligation	Tax Increment	General Obligation	
	Bonds		Capital Appreciation	Notes	Bonds	
	Principal	Interest	Principal/Accretion	Principal/Accretion	Principal	Interest
2023	\$ 935,000	22,908	(864,658)	26,600,962	220,000	105,484
2024	—	—	1,925,584	14,485,112	230,000	96,134
2025	—	—	2,037,571	—	245,000	84,404
2026	—	—	2,153,732	—	255,000	71,910
2027	—	—	2,276,514	—	270,000	58,905
2028	—	—	2,406,296	—	280,000	45,136
2029	—	—	2,543,479	—	295,000	30,856
2030	—	—	2,688,479	—	310,000	15,810
Totals	935,000	22,908	15,166,997	41,086,074	2,105,000	508,639

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides that the General Assembly may limit the amount and require referenda for approval of debt payable from ad valorem property taxes in excess of one percent of assessed valuation. However, no such statute has been enacted as of this date. Therefore, as a home rule municipality, the Village of Elwood, Illinois has no debt limit.

FUND BALANCE CLASSIFICATIONS

In the governmental funds' financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees' intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees' itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The Village's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

		Debt Service		Capital Projects	Nonmajor	
	General	Debt Service	Deer Run TIF	Capital Construction Bond	Motor Fuel Tax	Totals
Fund Balances						
Nonspendable						
Prepays	\$ 19,953	—	—	57	—	20,010
Restricted						
Debt Service	—	16,018	—	—	—	16,018
Highways and Streets	—	—	—	—	1,911,729	1,911,729
	—	16,018	—	—	1,911,729	1,927,747
Assigned						
Capital Projects	—	—	—	10,710,688	—	10,710,688
Unassigned	5,073,659	—	(158,538,255)	—	—	(153,464,596)
Total Fund Balances	5,093,612	16,018	(158,538,255)	10,710,745	1,911,729	(140,806,151)

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION RESTATEMENT

Beginning net position was restated due to correction of an error related to the Village's accounting system. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	Increase
Business-Type Activities	\$ 1,325,896	1,384,511	58,615
Water and Sewer	1,325,896	1,384,511	58,615

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2022:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 102,882,937
Less Capital Related Debt:	
General Obligation Bonds of 2015	(935,000)
General Obligation Capital Appreciation Bonds of 2006	(6,188,552)
Tax Increment Financing Note Payable of 2003	<u>(39,442,630)</u>
Net Investment in Capital Assets	<u>56,316,755</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	15,729,062
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2010A	(2,105,000)
Unamortized Bond Discount	<u>18,117</u>
	<u>13,642,179</u>

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through insurance from private insurance companies. The Village currently reports all its risk management activities in the General Fund and Water and Sewer Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

The Village is a defendant in other 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.

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Village's operations and financial position cannot be determined.

Grants

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 although the Village expects such amounts, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Village contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources' measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired *on or after* January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2021, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	11
Active Plan Members	<u>21</u>
Total	<u><u>39</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2022, the Village's contribution was 6.69% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2021. 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 was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	3.25%
Inflation	2.25%

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.

The long-term expected rate of return on pension plan investments 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 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	Long-Term Expected Real Rate of Return
Fixed Income	25.00%	-0.60%
Domestic Equities	39.00%	1.90%
International Equities	15.00%	3.15%
Real Estate	10.00%	3.30%
Blended	10.00%	1.70% - 5.50%
Cash and Cash Equivalents	1.00%	-0.90%

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (254,175)	(790,001)	(1,205,604)

VILLAGE OF ELWOOD, ILLINOIS**Notes to the Financial Statements****April 30, 2022****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension (Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2020	\$ 3,714,738	4,136,688	(421,950)
Changes for the Year:			
Service Cost	150,154	—	150,154
Interest	272,320	—	272,320
Difference Between Expected and Actual Experience of the Total Pension Liability	(69,142)	—	(69,142)
Changes of Assumptions	—	—	—
Contributions - Employer	—	116,811	(116,811)
Contributions - Employees	—	104,627	(104,627)
Net Investment Income	—	661,095	(661,095)
Benefit Payments, Including Refunds of Employee Contributions	(67,362)	(67,362)	—
Other (Net Transfer)	—	(161,150)	161,150
Net Changes	285,970	654,021	(368,051)
Balances at December 31, 2021	4,000,708	4,790,709	(790,001)

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

For the fiscal year ended April 30, 2022, the Village recognized pension revenue of \$28,453. At April 30, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 40,317	(174,096)	(133,779)
Change in Assumptions	32,108	(51,372)	(19,264)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	—	(474,404)	(474,404)
Total Pension Expense to be Recognized in Future Periods	72,425	(699,872)	(627,447)
Pension Contributions Made subsequent to the Measurement Date	29,532	—	29,532
Total Deferred Amounts Related to IMRF	101,957	(699,872)	(597,915)

\$29,532 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2023. 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:

Fiscal Year	Net Deferred (Inflows) of Resources
2023	\$ (151,426)
2024	(199,253)
2025	(145,676)
2026	(107,730)
2027	(23,362)
Thereafter	—
Total	(627,447)

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, there is minimal participation. As the Village provides no explicit benefit, and there is minimal participation, there is no material implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of April 30, 2022.

SUBSEQUENT EVENT

American Rescue Plan Act of 2021

On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law. This act provides \$350 billion in funding for local governments. The Village has been allocated \$302,768 to be received in two installments. On August 13, 2021, the Village received their first installment of \$151,306. On September 16, 2022, the Village received their second installment of \$151,462.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedules
General Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF ELWOOD, ILLINOIS

Illinois Municipal Retirement Fund Schedule of Employer Contributions April 30, 2022

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 124,894	\$ 124,894	\$ —	\$ 1,409,634	8.86%
2017	119,112	119,072	(40)	1,423,079	8.37%
2018	114,496	114,496	—	1,355,136	8.45%
2019	115,894	115,894	—	1,514,217	7.65%
2020	100,186	100,186	—	1,745,988	5.74%
2021	113,787	113,787	—	1,625,788	7.00%
2022	104,053	104,053	—	1,555,683	6.69%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	22 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF ELWOOD, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

April 30, 2022

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 151,367
Interest	163,745
Differences Between Expected and Actual Experience	100,106
Change of Assumptions	3,819
Benefit Payments, Including Refunds of Member Contributions	(46,984)
Net Change in Total Pension Liability	372,053
Total Pension Liability - Beginning	<u>2,131,079</u>
Total Pension Liability - Ending	<u><u>2,503,132</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 124,894
Contributions - Members	71,451
Net Investment Income	11,228
Benefit Payments, Including Refunds of Member Contributions	(46,984)
Other (Net Transfer)	(108,673)
Net Change in Plan Fiduciary Net Position	51,916
Plan Net Position - Beginning	<u>2,171,012</u>
Plan Net Position - Ending	<u><u>2,222,928</u></u>
Employer's Net Pension Liability/(Asset)	<u><u>\$ 280,204</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.81 %
Covered Payroll	\$ 1,409,634
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	19.88%

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2021. Changes in assumptions related to the demographics were made in 2017.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
162,781	157,261	143,628	163,730	170,062	150,154
191,572	206,298	214,404	231,703	260,412	272,320
(92,413)	(55,780)	(54,263)	76,653	(129,132)	(69,142)
(4,025)	(103,041)	113,296	—	(49,694)	—
(53,627)	(70,819)	(108,865)	(71,011)	(87,524)	(67,362)
204,288	133,919	308,200	401,075	164,124	285,970
2,503,132	2,707,420	2,841,339	3,149,539	3,550,614	3,714,738
2,707,420	2,841,339	3,149,539	3,550,614	3,714,738	4,000,708
119,072	116,695	120,699	103,678	111,686	116,811
64,018	61,418	65,995	74,056	72,839	104,627
155,775	420,644	(133,608)	514,431	490,529	661,095
(53,627)	(70,819)	(108,865)	(71,011)	(87,524)	(67,362)
379	(10,842)	(32,429)	(28,751)	19,322	(161,150)
285,617	517,096	(88,208)	592,403	606,852	654,021
2,222,928	2,508,545	3,025,641	2,937,433	3,529,836	4,136,688
2,508,545	3,025,641	2,937,433	3,529,836	4,136,688	4,790,709
198,875	(184,302)	212,106	20,778	(421,950)	(790,001)
92.65%	106.49%	93.27%	99.41%	111.36%	119.75%
1,423,079	1,364,842	1,466,568	1,645,685	1,618,636	1,566,813
13.97%	(13.50%)	14.46%	1.26%	(26.07%)	(50.42%)

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 1,960,902	1,960,902	2,218,459
Intergovernmental	486,630	486,630	993,865
Charges for Services	795,446	795,446	754,355
Licenses and Permits	40,373	40,373	213,785
Fines and Forfeits	152,000	152,000	182,724
Interest Income	10,000	10,000	5,275
Miscellaneous	23,000	23,000	35,899
Total Revenues	3,468,351	3,468,351	4,404,362
Expenditures			
General Government	1,401,610	1,401,610	1,543,858
Public Safety	1,820,844	1,820,844	1,547,561
Public Works	882,598	882,598	762,856
Total Expenditures	4,105,052	4,105,052	3,854,275
Excess (Deficiency) of Revenues Over (Under) Expenditures	(636,701)	(636,701)	550,087
Other Financing Sources (Uses)			
Transfers In	1,216,526	1,216,526	1,070,215
Transfers Out	(579,945)	(579,945)	(579,945)
	636,581	636,581	490,270
Net Change in Fund Balance	(120)	(120)	1,040,357
Fund Balance - Beginning			4,053,255
Fund Balance - Ending			5,093,612

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such schedules include:

Budgetary Comparison Schedules - Major Governmental Funds

Budgetary Comparison Schedules - Nonmajor Governmental Funds

Budgetary Comparison Schedules - Enterprise Fund

Consolidated Year-End Financial Report

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUND

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the revenues received from the Village's allocation of state gasoline taxes and the expenditures for street construction and maintenance, which must be authorized by the Illinois Department of Transportation.

DEBT SERVICE FUNDS

The Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, the principal and interest on the 2015 general obligation bonds.

Deer Run Tax Increment Financing (TIF) Fund

The Deer Run Tax Increment Financing Fund is used to account for revenues received from incremental property taxes and expenditures for debt service payments related to tax increment financing bonds.

CAPITAL PROJECTS FUND

The Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Capital Construction Bond Fund

The Capital Construction Bond Fund is used to account for revenues received from general obligation bond proceeds and expenditures for road improvements and reconstruction.

INDIVIDUAL FUND SCHEDULES

PROPRIETARY FUND

ENTERPRISE FUND

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewer Fund

The Water and Sewer Fund is used to account for revenues and expenses relative to the operation of the water and sewer utilities.

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 315,395	315,395	294,870
Road and Bridge Tax	95,000	95,000	133,296
Utility Tax	450,000	450,000	541,677
Personal Property Replacement Tax	1,000	1,000	2,802
Video Gaming Tax	6,000	6,000	14,315
Cannabis Use Tax	1,823	1,823	3,538
Special Service Area Taxes	1,031,684	1,031,684	1,031,684
Home Rule Sales Tax	60,000	60,000	196,277
	1,960,902	1,960,902	2,218,459
Intergovernmental			
Local Use Tax	117,318	117,318	101,199
Income Tax	239,295	239,295	357,386
Sales Tax	95,000	95,000	229,306
Police/Safety Grants	35,017	35,017	305,974
	486,630	486,630	993,865
Charges for Services			
Center Point Administrative Fees	151,565	151,565	151,565
Nicor Franchise Fees	3,900	3,900	4,387
Cable Franchise Fees	7,000	7,000	10,029
Facility Rental Fee	1,500	1,500	4,250
Activity Registration Fee	1,000	1,000	270
Elwood Days Revenue	25,000	25,000	23,227
Elwood Days Carnival Ticket Sales	12,000	12,000	13,440
Fire Department Impact Fee	692	692	2,075
School District Impact Fee	1,076	1,076	9,984
Park Impact Fee	2,780	2,780	8,422
Village Impact Fee	—	—	2,952
Overweight Truck Fee	300,000	300,000	250,561
Police Reports	1,000	1,000	671
Children's Garden Fees	16,506	16,506	3,197
Garbage User Fee	246,227	246,227	243,160
Lease Agreements	25,200	25,200	26,165
	795,446	795,446	754,355

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Licenses and Permits			
Building Permits	\$ 22,023	22,023	194,435
Liquor Licenses	4,550	4,550	3,550
Business Licenses	1,800	1,800	1,800
Contractor Registration	12,000	12,000	14,000
	40,373	40,373	213,785
Fines and Forfeits			
Police Fines	150,000	150,000	157,625
Code Enforcement Fines	2,000	2,000	25,099
	152,000	152,000	182,724
Interest Income	10,000	10,000	5,275
Miscellaneous	23,000	23,000	35,899
Total Revenues	3,468,351	3,468,351	4,404,362

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
General Government			
Administration			
Personnel Services	\$ 488,785	488,785	447,064
Contractual Services	739,617	739,617	908,469
Commodities	15,350	15,350	8,499
Other	157,858	157,858	179,826
Total General Government	1,401,610	1,401,610	1,543,858
Public Safety			
Police			
Personnel Services	1,375,230	1,375,230	1,142,656
Contractual Services	374,912	374,912	338,957
Commodities	70,702	70,702	65,948
Total Public Safety	1,820,844	1,820,844	1,547,561
Public Works			
Streets			
Personnel Services	465,359	465,359	429,433
Contractual Services	294,105	294,105	238,717
Commodities	123,134	123,134	94,706
Total Public Works	882,598	882,598	762,856
Total Expenditures	4,105,052	4,105,052	3,854,275

VILLAGE OF ELWOOD, ILLINOIS**Debt Service Fund - Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended April 30, 2022**

	Budget		Actual
	Original	Final	
Revenues			
Interest Income	\$ 30	30	5
Expenditures			
Debt Service			
Principal Retirement	915,000	915,000	915,000
Interest and Fiscal Charges	49,075	49,075	49,075
Total Expenditures	964,075	964,075	964,075
Excess (Deficiency) of Revenues Over (Under) Expenditures	(964,045)	(964,045)	(964,070)
Other Financing Sources			
Transfers In	964,045	964,045	952,866
Net Change in Fund Balance	—	—	(11,204)
Fund Balance - Beginning			27,222
Fund Balance - Ending			16,018

VILLAGE OF ELWOOD, ILLINOIS

Capital Construction Bond - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits	\$ 3,200,000	3,200,000	2,551,102
Interest Income	25,000	25,000	12,157
Miscellaneous	13,290	13,290	156,162
Total Revenues	3,238,290	3,238,290	2,719,421
Expenditures			
General Government			
Other	85,000	85,000	67,870
Capital Outlay	437,801	437,801	103,208
Total Expenditures	522,801	522,801	171,078
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,715,489	2,715,489	2,548,343
Other Financing (Uses)			
Transfers Out	(1,792,721)	(1,792,721)	(1,443,136)
Net Change in Fund Balance	922,768	922,768	1,105,207
Fund Balance - Beginning			9,605,538
Fund Balance - Ending			10,710,745

VILLAGE OF ELWOOD, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 80,905	80,905	90,852
Grants	—	—	50,065
Interest Income	3,500	3,500	2,056
Total Revenues	84,405	84,405	142,973
Expenditures			
Public Works			
Contractual Services	55,400	55,400	—
Capital Outlay	20,500	20,500	27,229
Total Expenditures	75,900	75,900	27,229
Net Change in Fund Balance	8,505	8,505	115,744
Fund Balance - Beginning			1,795,985
Fund Balance - Ending			1,911,729

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Water Charges	\$ 547,681	547,681	833,791
Sewer Charges	378,000	378,000	454,016
Water Penalties	5,000	5,000	7,400
Sewer Penalties	5,000	5,000	5,235
Tap On Fee	12,285	12,285	36,855
Meter Sales	2,300	2,300	2,694
Miscellaneous	13,500	13,500	66,990
Total Operating Revenues	963,766	963,766	1,406,981
Operating Expenses			
Water Operations			
Personnel Services	145,855	145,855	123,193
Contractual Services	292,250	292,250	229,996
Commodities	130,100	130,100	53,815
Sewer Operations			
Personnel Services	145,855	145,855	137,959
Contractual Services	404,969	404,969	203,939
Commodities	29,950	29,950	11,320
Depreciation and Amortization	—	—	581,930
Total Operating Expenses	1,148,979	1,148,979	1,342,152
Operating Income (Loss)	(185,213)	(185,213)	64,829
Nonoperating Revenues (Expenses)			
Interest Income	4,000	4,000	1,187
Interest and Fiscal Charges	(439,086)	(439,086)	(114,086)
	(435,086)	(435,086)	(112,899)
(Loss) Before Before Special Item	(620,299)	(620,299)	(48,070)
Special Item - Extinguishment of Debt	—	—	6,530,000
Change in Net Position	(620,299)	(620,299)	6,481,930
Net Position - Beginning as Restated			1,384,511
Net Position - Ending			7,866,441

VILLAGE OF ELWOOD, ILLINOIS

Consolidated Year-End Financial Report April 30, 2022

CSFA #	Program Name	State	Federal	Other	Total
420-00-1771	Construction and/or Renovation to Buildings, Additions, or Structures	\$ 278,559	—	—	278,559
494-00-1488	Motor Fuel Tax Program	27,229	—	—	27,229
494-00-2356	Rebuild Illinois Local Bond Program	—	—	—	—
494-10-0343	State and Community Highway Safety/	—	3,876	—	3,876
494-42-0495	Local Surface Transportation Program	—	11,476	—	11,476
	Other Grant Programs and Activities	—	4,508	7,555	12,063
	All Other Costs Not Allocated	—	—	14,713,615	14,713,615
		305,788	19,860	14,721,170	15,046,818

SUPPLEMENTAL SCHEDULES

VILLAGE OF ELWOOD, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010A

April 30, 2022

Date of Issue	August 4, 2010
Date of Maturity	March 1, 2030
Authorized Issue	\$3,805,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% - 5.10%
Interest Dates	September 1 and March 1
Principal Maturity Date	March 1
Payable at	Bond Trust Services Corp, Roseville, MN

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Sep. 1	Amount	Mar. 1	Amount
2023	\$ 220,000	105,484	325,484	2022	\$ 52,742	2023	\$ 52,742
2024	230,000	96,134	326,134	2023	48,067	2024	48,067
2025	245,000	84,404	329,404	2024	42,202	2025	42,202
2026	255,000	71,910	326,910	2025	35,955	2026	35,955
2027	270,000	58,905	328,905	2026	29,452	2027	29,453
2028	280,000	45,136	325,136	2027	22,568	2028	22,568
2029	295,000	30,856	325,856	2028	15,428	2029	15,428
2030	310,000	15,810	325,810	2029	7,905	2030	7,905
	<u>2,105,000</u>	<u>508,639</u>	<u>2,613,639</u>		<u>254,319</u>		<u>254,320</u>

VILLAGE OF ELWOOD, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2015

April 30, 2022

Date of Issue	June 19, 2015
Date of Maturity	March 1, 2023
Authorized Issue	\$6,470,000
Denomination of Bonds	\$5,000
Interest Rate	2.45%
Interest Dates	September 1 and March 1
Principal Maturity Date	March 1
Payable at	Amalgamanted Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Sep. 1	Amount	Mar. 1	Amount
2023	\$ 935,000	22,908	957,908	2022	\$ 11,454	2023	\$ 11,454

STATISTICAL SECTION (Unaudited)

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF ELWOOD, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
April 30, 2022 (Unaudited)

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Net Position by Component - Last Ten Fiscal Years April 30, 2022 (Unaudited)

	2013	2014	2015	2016
Governmental Activities				
Net Investment in Capital Assets	\$ 3,913,127	5,827,985	9,784,755	18,324,386
Restricted	1,934,012	1,969,900	1,996,603	2,047,412
Unrestricted	(73,276,070)	(84,399,079)	(97,725,202)	(113,769,701)
Total Governmental Activities				
Net Position	(67,428,931)	(76,601,194)	(85,943,844)	(93,397,903)
Business-Type Activities				
Net Investment in Capital Assets	11,748,272	11,475,448	11,208,917	10,855,695
Unrestricted	(4,124,143)	(5,141,641)	(5,789,966)	(6,315,287)
Total Business-Type Activities				
Net Position	7,624,129	6,333,807	5,418,951	4,540,408
Primary Government				
Net Investment in Capital Assets	15,661,399	17,303,433	20,993,672	29,180,081
Restricted	1,934,012	1,969,900	1,996,603	2,047,412
Unrestricted	(77,400,213)	(89,540,720)	(103,515,168)	(120,084,988)
Total Primary Government				
Net Position	(59,804,802)	(70,267,387)	(80,524,893)	(88,857,495)

Data Source: Village Records

2017	2018	2019	2020	2021	2022
26,476,702	36,544,352	48,878,874	63,655,607	82,747,613	56,316,755
2,102,206	2,163,827	2,152,162	2,170,096	1,815,653	1,923,926
(125,512,718)	(139,477,600)	(153,744,145)	(168,688,808)	(183,566,083)	(153,278,528)
(96,933,810)	(100,769,421)	(102,713,109)	(102,863,105)	(99,002,817)	(95,037,847)
10,460,228	10,039,043	9,687,958	9,581,967	13,642,179	13,642,179
(6,694,224)	(6,643,243)	(7,311,173)	(7,582,642)	(5,775,738)	(5,775,738)
3,766,004	3,395,800	2,376,785	1,999,325	7,866,441	7,866,441
36,936,930	46,583,395	58,566,832	73,237,574	96,389,792	69,958,934
2,102,206	2,163,827	2,152,162	2,170,096	1,815,653	1,923,926
(132,206,942)	(146,120,843)	(161,055,318)	(176,271,450)	(189,341,821)	(159,054,266)
(93,167,806)	(97,373,621)	(100,336,324)	(100,863,780)	(91,136,376)	(87,171,406)

VILLAGE OF ELWOOD, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years April 30, 2022 (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
General Government	\$ 1,232,453	1,128,996	2,194,352	5,306,224	5,052,898	5,879,660	5,753,887	5,538,750	5,288,466	5,840,615
Public Safety	1,319,274	1,621,037	1,618,937	1,650,714	1,659,873	1,383,656	1,620,641	1,795,745	1,628,949	1,633,873
Public Works	4,329,154	4,300,726	4,557,730	740,654	636,749	610,417	746,377	755,994	517,535	535,189
Parks and Recreation	177,647	144,163	138,880	184,749	134,796	4,927	—	—	—	—
Interest on Long-Term Debt	16,415,928	16,176,010	15,670,296	14,999,722	13,797,864	12,592,386	11,204,592	9,564,590	7,707,749	5,580,903
Total Governmental Activities Expenses	23,474,456	23,370,932	24,180,195	22,882,063	21,282,180	20,471,046	19,325,497	17,655,079	15,142,699	13,590,580
Business-Type Activities										
Water and Sewer	1,665,068	1,809,632	1,696,473	1,704,404	1,664,995	1,777,168	2,099,267	1,488,641	1,690,984	1,456,238
Garbage	173,592	176,382	183,494	187,187	223,258	201,433	—	—	—	—
Total Business-Type Activities Net Position	1,838,660	1,986,014	1,879,967	1,891,591	1,888,253	1,978,601	2,099,267	1,488,641	1,690,984	1,456,238
Total Primary Government Expenses	25,313,116	25,356,946	26,060,162	24,773,654	23,170,433	22,449,647	21,424,764	19,143,720	16,833,683	15,046,818
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	720,534	309,675	292,152	407,961	639,376	1,033,012	4,613,560	4,715,129	4,034,841	3,519,242
Public Safety	297,009	146,709	224,971	280,546	183,395	247,386	206,552	210,975	197,263	182,724
Parks and Recreation	17,522	18,375	17,215	9,911	17,143	(1,550)	—	—	—	—
Operating Grants/Contributions	61,304	70,334	62,887	66,664	65,949	66,933	87,549	121,746	370,922	446,891
Capital Grants/Contributions	51,118	79,824	—	—	—	—	174,175	—	1,620,506	—
Total Governmental Activities Program Revenues	1,147,487	624,917	597,225	765,082	905,863	1,345,781	5,081,836	5,047,850	6,223,532	4,148,857
Business-Type Activities										
Charges for Services										
Water and Sewer	855,098	770,900	768,299	786,140	862,299	1,075,415	1,073,747	950,661	1,015,525	1,406,981
Garbage	173,141	174,659	181,314	190,177	204,644	222,762	—	—	—	—
Operating Grants/Contributions	—	—	—	—	—	—	—	—	—	—
Capital Grants/Contributions	—	—	—	—	30,000	—	—	—	—	—
Total Business-Type Activities Program Revenues	1,028,239	945,559	949,613	976,317	1,096,943	1,298,177	1,073,747	950,661	1,015,525	1,406,981
Total Primary Government Program Revenues	2,175,726	1,570,476	1,546,838	1,741,399	2,002,806	2,643,958	6,155,583	5,998,511	7,239,057	5,555,838

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense) Revenue										
Governmental Activities	\$ (22,326,969)	(22,746,015)	(23,582,970)	(22,116,981)	(20,376,317)	(19,125,265)	(14,243,661)	(12,607,229)	(8,919,167)	(9,441,723)
Business-Type Activities	(810,421)	(1,040,455)	(930,354)	(915,274)	(791,310)	(680,424)	(1,025,520)	(537,980)	(675,459)	(49,257)
Total Primary Government										
Net Revenue (Expense)	(23,137,390)	(23,786,470)	(24,513,324)	(23,032,255)	(21,167,627)	(19,805,689)	(15,269,181)	(13,145,209)	(9,594,626)	(9,490,980)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	8,952,040	9,939,894	10,926,895	10,656,245	11,899,162	11,322,646	11,260,050	11,304,489	11,705,367	11,768,426
Utility Taxes	566,718	597,230	608,208	600,516	479,043	355,757	415,854	368,319	393,423	541,677
Home-Rule Sales Tax	—	—	—	—	—	—	35,930	50,890	87,240	196,277
Intergovernmental - Unrestricted										
Sales Taxes	232,728	206,567	148,733	266,404	98,271	94,621	66,232	89,196	153,526	229,306
Income Taxes	265,223	266,484	295,594	296,548	280,531	278,723	306,280	321,371	393,427	458,585
Reimbursements	12,500	—	—	—	—	—	—	—	—	—
Investment Income	24,058	16,040	14,147	19,346	22,349	69,616	177,942	210,774	32,503	20,361
Miscellaneous	1,947,315	2,281,607	2,246,743	2,679,568	4,061,054	3,472,916	37,685	112,194	13,969	192,061
Transfers	—	265,930	—	—	—	(304,625)	—	—	—	—
Total Governmental Activities	12,000,582	13,573,752	14,240,320	14,518,627	16,840,410	15,289,654	12,299,973	12,457,233	12,779,455	13,406,693
Business-Type Activities										
Investment Income	4,598	16,063	15,498	16,199	16,906	5,595	6,515	8,437	2,030	1,187
Miscellaneous	—	—	—	—	—	—	—	—	—	—
Transfers	—	(265,930)	—	—	—	304,625	—	—	—	—
Special Item - Extinguishment of Debt	—	—	—	—	—	—	—	—	—	6,530,000
Total Business-Type Activities	4,598	(249,867)	15,498	16,199	16,906	310,220	6,515	8,437	2,030	6,531,187
General Revenues	12,005,180	13,323,885	14,255,818	14,534,826	16,857,316	15,599,874	12,306,488	12,465,670	12,781,485	19,937,880
Total Primary Government										
General Revenues	(10,326,387)	(9,172,263)	(9,342,650)	(7,598,354)	(3,535,907)	(3,835,611)	(1,943,688)	(149,996)	3,860,288	3,964,970
Changes in Net Position	(805,823)	(1,290,322)	(914,856)	(899,075)	(774,404)	(370,204)	(1,019,005)	(529,543)	(673,429)	6,481,930
Governmental Activities										
Business-Type Activities	(11,132,210)	(10,462,585)	(10,257,506)	(8,497,429)	(4,310,311)	(4,205,815)	(2,962,693)	(679,539)	3,186,859	10,446,900
Total Primary Government										
Change in Net Position										

Data Source: Village Records

VILLAGE OF ELWOOD, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years April 30, 2022 (Unaudited)

	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 28,389	11,078	12,581	15,333
Unassigned	1,151,306	1,226,766	1,226,692	1,398,987
Total General Fund	1,179,695	1,237,844	1,239,273	1,414,320
All Other				
Governmental Funds				
Nonspendable	15,614	7,854	5,523	5,691
Restricted	1,934,012	1,969,900	1,996,603	2,047,412
Assigned	6,223,169	5,962,828	4,758,997	2,543,516
Unassigned	(25,177,776)	(35,701,543)	(47,504,451)	(61,287,193)
Total all Other				
Governmental Funds	(17,004,981)	(27,760,961)	(40,743,328)	(56,690,574)
Total Governmental Funds	(15,825,286)	(26,523,117)	(39,504,055)	(55,276,254)

Data Source: Village Records

2017	2018	2019	2020	2021	2022
13,157	19,016	24,392	18,077	20,138	19,953
1,728,956	1,873,997	2,282,338	3,211,927	4,033,117	5,073,659
1,742,113	1,893,013	2,306,730	3,230,004	4,053,255	5,093,612
5,915	57	57	57	56	57
2,102,206	2,181,855	2,166,923	2,174,630	1,823,207	1,927,747
4,688,663	5,808,868	7,338,848	8,284,174	9,605,482	10,710,688
(75,300,946)	(90,455,385)	(106,577,738)	(123,344,158)	(140,554,442)	(158,538,255)
(68,504,162)	(82,464,605)	(97,071,910)	(112,885,297)	(129,125,697)	(145,899,763)
(66,762,049)	(80,571,592)	(94,765,180)	(109,655,293)	(125,072,442)	(140,806,151)

VILLAGE OF ELWOOD, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years April 30, 2022 (Unaudited)

	2013	2014	2015	2016
Revenues				
Taxes	\$ 9,518,758	10,537,124	11,535,103	11,256,761
Intergovernmental	1,022,873	623,209	507,214	629,616
Charges for Services	288,647	269,344	271,566	340,471
Licenses and Permits	49,409	58,706	37,801	77,401
Fines and Forfeits	297,009	146,709	224,971	280,546
Interest Income	24,058	16,040	14,147	19,346
Miscellaneous	1,947,315	2,281,607	2,246,743	2,679,568
Total Revenues	13,148,069	13,932,739	14,837,545	15,283,709
Expenditures				
Current				
General Government	2,667,008	2,368,069	3,341,821	4,636,317
Public Safety	1,290,514	1,550,804	1,556,089	1,589,039
Public Works	950,051	857,973	850,116	850,149
Parks and Recreation	177,647	144,163	138,880	184,749
Capital Outlay	9,782	495,616	418,703	—
Debt Service				
Principal Retirement	16,729,349	19,198,015	6,145,894	9,248,001
Interest and Fiscal Charges	286,960	281,860	15,366,980	14,688,008
Total Expenditures	22,111,311	24,896,500	27,818,483	31,196,263
Excess (Deficiency) of Revenues over Expenditures	(8,963,242)	(10,963,761)	(12,980,938)	(15,912,554)
Other Financing Sources (Uses)				
Debt Issuance	—	—	—	6,470,000
Sale of Capital Asset	—	—	—	—
Payment to Escrow Agent	—	—	—	(6,329,645)
Transfers In	582,819	565,015	544,348	942,061
Transfers Out	(582,819)	(299,085)	(544,348)	(942,061)
	—	265,930	—	140,355
Net Change in Fund Balances	(8,963,242)	(10,697,831)	(12,980,938)	(15,772,199)
Debt Service as a Percentage of Noncapital Expenditures	83.65%	84.97%	82.11%	85.90%

Data Source: Village Records

2017	2018	2019	2020	2021	2022
12,378,205	11,678,403	11,711,834	11,723,698	12,186,030	12,506,380
444,751	440,277	634,236	532,313	917,875	1,134,782
434,232	915,859	916,332	941,278	738,634	754,355
222,287	115,603	3,697,228	3,773,851	3,296,207	2,764,887
183,395	247,386	206,552	210,975	197,263	182,724
22,349	69,616	177,942	210,774	32,503	20,361
4,061,054	3,472,916	37,685	112,194	13,969	192,061
17,746,273	16,940,060	17,381,809	17,505,083	17,382,481	17,555,550
1,565,951	2,451,028	1,594,468	1,458,322	1,470,629	1,763,293
1,596,855	1,304,949	1,541,084	1,715,643	1,547,405	1,547,561
587,109	571,063	706,599	715,943	666,939	762,856
134,796	4,927	—	—	—	—
—	—	871,722	942,067	821,233	130,437
11,711,959	13,635,423	15,724,486	18,013,132	20,537,308	23,382,360
13,640,898	12,477,588	11,137,038	9,550,089	7,756,116	5,702,752
29,237,568	30,444,978	31,575,397	32,395,196	32,799,630	33,289,259
(11,491,295)	(13,504,918)	(14,193,588)	(14,890,113)	(15,417,149)	(15,733,709)
—	—	—	—	—	—
5,500	—	—	—	—	—
—	—	—	—	—	—
927,969	1,433,483	1,922,696	2,158,168	2,039,139	2,023,081
(927,969)	(1,738,108)	(1,922,696)	(2,158,168)	(2,039,139)	(2,023,081)
5,500	(304,625)	—	—	—	—
(11,485,795)	(13,809,543)	(14,193,588)	(14,890,113)	(15,417,149)	(15,733,709)
87.85%	86.98%	86.68%	87.15%	89.01%	88.44%

VILLAGE OF ELWOOD, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2022 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
2012	\$ 40,262,651	\$ 2,400,666	\$ 2,640,159	\$ 6,396,455	\$ 51,699,931	\$ 92,216	\$ 51,792,147	0.357
2013	36,542,364	2,431,639	2,624,559	6,331,261	47,929,823	113,956	48,043,779	0.404
2014	36,760,701	2,445,737	2,207,158	6,381,261	47,794,857	118,833	47,913,690	0.425
2015	36,651,997	2,583,264	2,235,433	6,325,081	47,795,775	142,716	47,938,491	0.444
2016	38,623,085	2,687,788	2,194,934	6,325,081	49,830,888	145,215	49,976,103	0.448
2017	39,285,319	2,890,446	2,822,299	13,166,364	58,164,428	148,159	58,312,587	0.467
2018	43,068,065	3,044,041	2,906,440	13,172,544	62,191,090	159,211	62,350,301	0.459
2019	44,706,995	8,703,826	2,926,943	16,472,944	72,810,708	173,827	72,984,535	0.412
2020	46,463,333	55,335,117	2,683,057	24,600,257	129,081,764	181,232	129,262,996	0.244
2021	49,563,514	817,883	2,723,489	104,117,123	157,222,009	197,252	157,419,261	0.343

Data Source: Will County Tax Extension Office

VILLAGE OF ELWOOD, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
April 30, 2022 (Unaudited)**

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years April 30, 2022 (Unaudited)

	2012	2013	2014
Village of Elwood Corporate	0.357	0.404	0.425
Overlapping Rates			
Will County	0.570	0.599	0.643
Will County Forest Preserve District	0.186	0.197	0.198
Will County Public Building Commission	0.021	0.022	0.022
Jackson Township	0.244	0.264	0.107
Jackson Township Road & Bridge	0.127	0.137	0.146
Village of Elwood Road and Bridge	0.127	0.137	0.329
Manhattan-Elwood Public Library	0.196	0.210	0.219
Elwood Fire Protection District	0.588	0.624	0.649
School District 203	2.832	3.078	3.166
High School District 204	2.486	2.703	2.875
Community College District 525	0.277	0.296	0.309
Total Tax Rate Per \$100 EAV	8.011	8.671	9.088
Village's Share of Total Tax Rate	4.46 %	4.66 %	4.68 %

Data Source: Office of the Will County Clerk

2015	2016	2017	2018	2019	2020	2021
0.444	0.448	0.467	0.459	0.412	0.244	0.343
0.614	0.612	0.599	0.593	0.584	0.579	0.576
0.194	0.194	0.190	0.150	0.146	0.144	0.134
0.022	0.003	0.000	0.000	0.000	0.000	0.000
0.102	0.102	0.101	0.101	0.093	0.077	0.069
0.148	0.184	0.180	0.179	0.166	0.137	0.122
0.148	0.148	0.145	0.144	0.134	0.110	0.099
0.220	0.214	0.212	0.210	0.202	0.202	0.203
0.658	0.669	0.685	0.701	0.724	0.755	0.791
2.781	2.742	2.804	2.701	2.591	2.550	2.490
2.868	2.803	2.651	2.602	2.540	2.482	2.485
0.307	0.310	0.299	0.292	0.294	0.289	0.285
8.506	8.429	8.333	8.132	7.886	7.569	7.597
5.22 %	5.31 %	5.60 %	5.64 %	5.22 %	3.22 %	4.51 %

VILLAGE OF ELWOOD, ILLINOIS

Principal Property Tax Payers - Prior Calendar Year and Ten Calendar Years Ago April 30, 2022 (Unaudited)

Taxpayer	2022			2012		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Jackson Generation	\$ 76,486,290	1	19.72%			
Wal-Mart Stores	18,559,075	2	4.79%	\$ 21,568,215	1	13.88%
Wal-Mart Stores	16,775,157	3	4.33%	20,234,674	2	13.02%
Centerpoint Intermodal LLC	12,710,440	4	3.28%	9,071,235	5	5.84%
Liberty Property LP	11,948,125	5	3.08%	10,017,534	4	6.45%
Georgia-Pacific LLC	11,564,011	6	2.98%	10,840,915	3	6.98%
Jackson Generation	11,157,889	7	2.88%			
Centerpoint Properties Trust	8,589,786	8	2.22%			
Bissell Midwest DC Leasing LLC	7,141,565	9	1.84%			
Centerpont Properties Trust	6,509,945	10	1.68%			
RB-3 Associates Et Al				7,799,220	6	5.02%
RB-93 LLC				6,867,350	7	4.42%
Elwood Energy				4,020,797	8	2.59%
Liberty Property				2,304,728	9	1.48%
Elwood Energy				2,275,070	10	1.46%
	<u>181,442,283</u>		<u>46.80%</u>	<u>94,999,738</u>		<u>61.14%</u>

Data Source: Office of the County Clerk of Will County

VILLAGE OF ELWOOD, ILLINOIS

Property Tax Levies and Collections - Last Ten Tax Levy Years April 30, 2022 (Unaudited)

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the		Collections in Subsequent Years	Total Collections to Date	
			Fiscal Year of the Levy			Amount	Percentage of Levy
			Amount	Percentage of Levy			
2013*	2011	\$ 8,023,307	\$ 8,017,406	99.93%	\$ N/A	\$ 8,017,406	99.93%
2014*	2012	8,911,304	8,911,368	100.00%	N/A	8,911,368	100.00%
2015*	2013	9,898,660	9,898,395	100.00%	N/A	9,898,395	100.00%
2016*	2014	9,562,100	9,561,421	99.99%	N/A	9,561,421	99.99%
2017*	2015	10,785,227	10,784,956	100.00%	N/A	10,784,956	100.00%
2018*	2016	10,509,393	10,212,628	97.18%	N/A	10,212,628	97.18%
2019*	2017	10,219,964	10,220,013	100.00%	N/A	10,220,013	100.00%
2020*	2018	10,259,602	10,264,392	100.05%	N/A	10,264,392	100.05%
2021*	2019	10,666,358	10,666,360	100.00%	N/A	10,666,360	100.00%
2022*	2020	10,287,709	10,716,661	104.17%	N/A	10,716,661	104.17%

N/A - Not Available

Data Source: Office of the County Clerk of Will County

* Includes incremental taxes for the Deer Run TIF Fund.

VILLAGE OF ELWOOD, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years

April 30, 2022 (Unaudited)

Fiscal Year	Governmental Activities		
	General Obligation Bonds	General Obligation Capital Appreciation	Capital Leases Payable
2013	\$ 6,480,000	\$ 9,208,539	—
2014	6,355,000	9,733,510	—
2015	6,225,000	10,288,409	—
2016	5,815,000	10,874,944	—
2017	5,150,000	11,494,917	—
2018	4,415,000	12,150,232	—
2019	3,615,000	12,842,907	—
2020	2,740,000	13,575,070	—
2021	1,850,000	14,348,974	—
2022	935,000	15,166,997	—

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Data Source: Village's Records

Tax Increment Notes Payable	Business-Type Activities General Obligation Bond	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
\$ 162,219,816	\$ 8,251,066	\$ 186,159,421	855.00%	\$ 81,684.70
158,516,866	8,088,379	182,693,755	390.63%	80,164.00
137,412,340	7,920,692	161,846,441	346.05%	71,016.43
143,299,268	7,748,005	167,737,217	326.81%	73,601.24
131,792,018	7,570,318	156,007,253	289.50%	68,454.26
118,354,079	7,387,631	142,306,942	219.34%	62,442.71
102,807,739	7,199,944	126,465,590	173.94%	55,491.70
84,955,518	7,002,257	108,272,845	130.63%	47,950.77
16,016,687	6,799,570	39,015,231	49.35%	17,278.67
39,442,630	2,086,883	57,631,510	70.93%	25,855.32

VILLAGE OF ELWOOD, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Fiscal Year	General Obligation Bonds	Less Amounts Available for Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2013	\$ 23,939,605	\$ —	\$ 23,939,605	46.22%	\$ 10,504.43
2014	24,176,889	—	24,176,889	50.32%	10,608.55
2015	24,434,101	—	24,434,101	51.00%	10,721.41
2016	24,437,949	—	24,437,949	50.98%	10,723.10
2017	24,215,235	—	24,215,235	48.45%	10,625.38
2018	23,952,863	36,089	23,916,774	41.01%	10,494.42
2019	23,657,851	32,122	23,625,729	37.89%	10,366.71
2020	23,317,327	—	23,317,327	31.95%	10,326.54
2021	22,998,544	19,668	22,978,876	17.78%	10,176.65
2022	18,188,880	12,197	18,176,683	11.55%	8,154.64

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Assessed Value and Actual Value of Taxable Property for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt April 30, 2022 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village of Elwood	\$ 55,544,627	100.00%	\$ 55,544,627
Will County	316,457,488	0.48%	1,518,996
Will County Forest Preserve District	94,175,000	0.15%	141,263
High School District 204	76,575,000	0.26%	199,095
Community College District 525	135,055,000	0.11%	148,561
Total Overlapping Debt	622,262,488		2,007,915
Total Direct and Overlapping Debt	677,807,115		57,552,542

(1) Determined by the ratio of assessed value of property in the Village of Elwood subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

Data Source: Will County Clerk's Office

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Legal Debt Margin

April 30, 2022 (Unaudited)

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides that the General Assembly may limit the amount and require referenda for approval of debt payable from ad valorem property taxes in excess of one percent of assessed valuation. However, no such statute has been enacted as of this date. Therefore, as a home rule municipality, the Village of Elwood, Illinois has no debt limit.

VILLAGE OF ELWOOD, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Fiscal Year	Population	Median Household Income	(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
2013	2,279	21,773	13,440	40	379	5.7
2014	2,279	46,769	28,870	40	409	9.4
2015	2,279	46,769	28,870	40	380	7.5
2016	2,279	51,325	31,682	42	380	6.2
2017	2,279	53,889	28,374	41	342	6.3
2018	2,279	64,881	30,223	43	367	4.5
2019	2,279	72,708	30,223	43	350	4.2
2020	2,258	82,884	32,152	40	297	4.3
2021	2,258	79,054	31,713	40	284	4.3
2022	2,229	81,250	31,713	41	299	4.8

Data Source:

(1) U.S. Census Bureau

(2) Annual School Census

(3) Illinois Department of Employment Security

VILLAGE OF ELWOOD, ILLINOIS

Principal Employers - Prior Fiscal Year and Ten Fiscal Years Ago April 30, 2022 (Unaudited)

Employer	2022			2012		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Wal-Mart	1,875	1	N/A	1,792	1	N/A
BNSF	885	2	N/A	801	2	N/A
Stepan Chemical	430	3	N/A			
Clearwater Paper	245	4	N/A			
DCS Logistics	181	5	N/A	269	3	N/A
NFI Logistics	130	6	N/A			
Saddle Creek	118	7	N/A			
Damco Distribution-Bissell	112	8	N/A			
Elwood School District	50	9	N/A	42	7	N/A
Village of Elwood	39	10	N/A	24	6	N/A
Potlach				170	4	N/A
Georgia Pacific				100	5	N/A
Bridge Terminal Transport				13	8	N/A
	<u>4,065</u>		<u>N/A</u>	<u>3,211</u>		<u>N/A</u>

N/A - Not Available

Information that is presented above, is all that is available for the fiscal years.

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

VILLAGE OF ELWOOD, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2022 (Unaudited)**

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years April 30, 2022 (Unaudited)

Function	2013	2014	2015	2016
General Government Administration	2	2	2	3
Public Works	4	4	4	4
Police	9	11	11	13
Water and Sewer	2	2	2	3
Totals	17	19	19	23

2017	2018	2019	2020	2021	2022
3	3	3	3	3	2
4	4	5	5	5	5
11	11	11	12	11	12
2	1	1	1	1	1
20	19	20	21	20	20

VILLAGE OF ELWOOD, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years

April 30, 2022 (Unaudited)

Function/Program	2013	2014	2015
Public Works			
Forestry			
Number of Parkway Trees Planted	37	N/A	N/A
Number of Parkway Trees Trimmed	150	N/A	N/A
Brush Pickup Program (Cubic Yds. Collected)	82	N/A	N/A
Fleet Services			
Number of Vehicles Maintained	22	N/A	N/A
Preventative Maintenance Services	118	N/A	N/A
Public Safety			
Police			
Criminal	41	22	29
Quasi Criminal	77	166	103
Calls for Service	5,921	7,125	6,766
State Tickets Issued	2,274	2,626	4,250
Community Development			
Number of Building Permits Issued	58	N/A	N/A
Number of Building Inspections	83	N/A	N/A
Highways and Streets			
Sidewalk Replaced (Sq. Ft.)	14,544	N/A	N/A
Water and Sewer			
Water Main Breaks	2	N/A	N/A
Hydrants Flushed	700	N/A	N/A
Water Meters Read	905	N/A	N/A
Water Meter Service Requests	1	N/A	N/A
Water Meters Replaced	4	N/A	N/A
Total Distribution Pumpage (1,000 Gallons)	72,437	N/A	N/A
Average Daily Pumpage (1,000 Gallons)*	199	N/A	N/A
Sanitary Sewer Televising (Feet)	—	N/A	N/A
Sanitary Sewer Repairs	1	N/A	N/A

N/A - Not Available

Data Source: Village Records

*This indicator saw a significant increase in FY22 due to the addition of Jackson Generation Power Plant.

2016	2017	2018	2019	2020	2021	2022
8	20	8	7	4	—	—
175	60	135	96	105	149	230
98	140	56	135	95	152	190
21	24	26	24	14	24	24
98	72	121	24	106	24	24
N/A	28	27	16	26	38	23
N/A	N/A	160	155	118	88	1
N/A	5,041	6,036	5,794	7,655	3,487	4,950
N/A	2,516	4,152	3,494	4,040	1,177	1,162
N/A	N/A	64	95	104	95	93
N/A	N/A	284	207	306	207	213
998	175	—	365	35	150	75
2	3	3	4	4	3	5
460	557	557	700	706	711	711
955	N/A	959	1,030	969	1,030	1,030
125	N/A	20	7	8	9	9
13	15	21	2	8	4	9
75,228	74,360	120,300	89,054	97,058	93,154	98,700
203	204	275	279	265	325	500,000
—	—	—	—	—	—	—
1	2	1	2	—	—	—

VILLAGE OF ELWOOD, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years

April 30, 2022 (Unaudited)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	10	10	10	10	10	10	10	10	9	8
Fire Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (Miles)	50.70	50.70	50.70	50.70	52.00	52.00	52.00	52.00	52.00	52.00
Sidewalks (Miles)	16.00	16.00	16.00	16.00	19.50	19.50	19.50	26.00	20.50	20.50
Streetlights	165	165	165	165	168	167	209	209	216	216
Water and Sewer										
Water Mains (Miles)	28.00	28.00	28.00	28.00	28.00	28.00	28.00	31.00	32.50	32.50
Fire Hydrants	557	557	557	557	557	559	561	706	572	572
Sanitary Sewers (Miles)	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	32.00	32.00
Manholes	391	391	391	391	391	396	401	422	408	408

Data Source: Village Records