

VILLAGE OF ALGONQUIN, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2023



VILLAGE OF ALGONQUIN, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
April 30, 2023

Issued by the Finance Department

Michael Kumbera
Deputy Village Manager/Chief Financial Officer

Amanda Lichtenberger
Deputy Chief Financial Officer

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INTRODUCTORY SECTION

Village of Algonquin, Illinois
Principal Officials

April 30, 2023

Legislative

Village Board of Trustees

Debby Sosine, Village President

Maggie Auger

Jerry Glogowski

Laura Brehmer

John Spella

Brian Dianis

Bob Smith

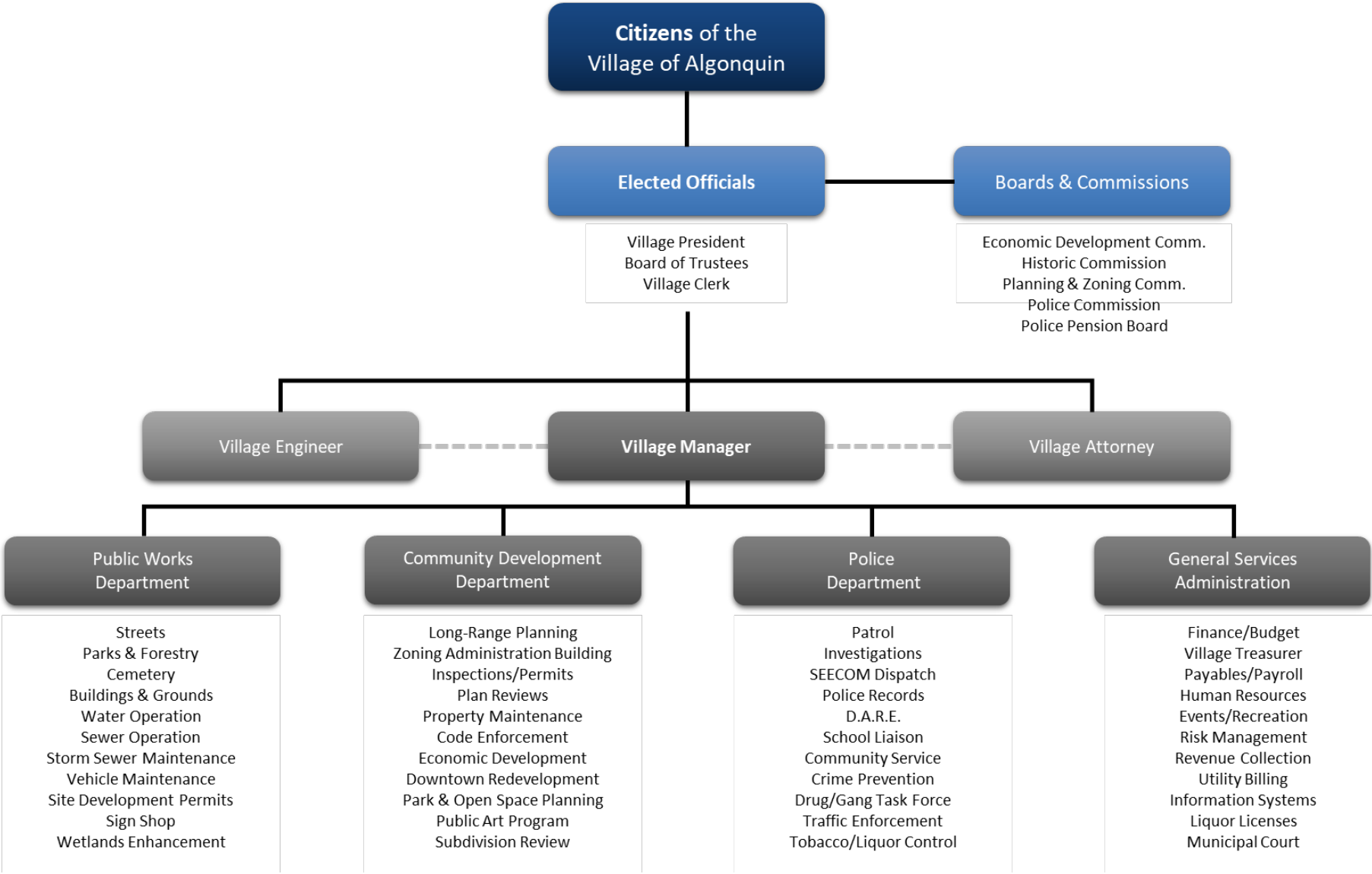
Fred Martin, Clerk

Appointed Officials

Tim Schloneger, Village Manager

Michael Kumbera, Deputy Village
Manager/Chief Financial Officer

Village of Algonquin 2022 – 2023 Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Algonquin
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2022

Christopher P. Morill

Executive Director/CEO



Village of Algonquin

The Gem of the Fox River Valley

November 21, 2023

The Honorable Village President
Members of the Board of Trustees and Village Manager
Village of Algonquin
Algonquin, Illinois 60102

The Village of Algonquin is required to prepare the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended April 30, 2023, in accordance with local ordinances and state statutes. These regulations require an annual report that adheres to generally accepted accounting principles (GAAP) in the United States and is audited by an independent firm of certified public accountants following generally accepted auditing standards (GAAS).

This report represents management's assessment of the Village's financial state. The Village takes responsibility for the accuracy and fairness of the financial statements and related information presented herein. The data within this report is deemed materially accurate, encompassing all necessary statements and disclosures for a comprehensive understanding of the Village's financial activities. To ensure these representations, the Village's management has implemented a robust internal control framework designed to safeguard assets and compile reliable financial information in accordance with GAAP. However, this framework aims to provide reasonable, not absolute, assurance regarding the absence of material misstatement, considering the balance between control costs and benefits. **As management, we affirm that, to the best of our knowledge, this financial report is complete and reliable in all material respects.**

Sikich LLP, a licensed firm of certified public accountants, conducted an independent audit of the Village's financial statements for the fiscal year ending April 30, 2023. The objective of this audit was to reasonably ensure the absence of material misstatement in the financial statements. This process involved examining evidence, assessing accounting principles and management's estimates, and evaluating the overall financial presentation.

The independent auditor's assessment concluded that the Village's financial statements for the fiscal year ended April 30, 2023, are fairly presented in accordance with GAAP. This auditor's report is the first component of the financial section in this report.

According to GAAP, management must provide a Management's Discussion and Analysis (MD&A) alongside the basic financial statements. This letter of transmittal aims to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found following the report by the independent auditors.

Copies of this financial report are available for public review at the Ganek Municipal Center and on the Village's website at www.algonquin.org/transparency for broader accessibility.

Profile of the Village of Algonquin

The Village of Algonquin, recognized as a home rule community under the Illinois Constitution, was established in 1890 and is situated approximately 45 miles northwest of Chicago, spanning McHenry and Kane Counties. Covering an area of 12 square miles, the Village boasts a population of 29,700, as officially documented in the 2020 Decennial Census. The Village has the authority to expand its corporate limits through annexation (per state statute), a process overseen periodically by the Village Board as considered appropriate.

Policy making and legislative authority are vested in the Village Board, which consists of the President and six trustees. The Village Board's responsibilities encompass the enactment of ordinances, budget adoption, committee appointments, and the recruitment of the Village Manager. The Village Manager, in turn, is tasked with executing the Board's policies and ordinances, managing day-to-day operations, and appointing department heads. Board elections are non-partisan, with members serving four-year staggered terms, whereby three Board members are elected every two years. The President, elected to a four-year term, along with the Village Trustees, are elected at large.

The Village is a full-service municipal organization providing general government, police and public safety, planning and zoning, building inspection, code enforcement, parks and recreation, special events, street maintenance, storm water management, forestry, water and sanitary sewer utility services. The ACFR also includes the activities of the Algonquin Police Pension Fund, although control of this fund rests with an independent board.

Fundamentally guiding the Village's financial planning and control, the annual budget acts as its cornerstone. All Village departments are required to submit their budget requests to the Village Manager before January 31 each year. These submissions form the basis for the proposed budget, aligning anticipated revenues with expenses. The Village Manager presents the Manager's Proposed Budget to the Village Board across January, February, and March annually. A public hearing on the proposed budget is required, and the final budget must be adopted no later than April 30 each year, marking the conclusion of the Village's preceding fiscal year.

Local Economy

The Village's financial status remains robust and diversified, supported by current policies that facilitate ongoing investment in programs and services contributing to Algonquin's excellence. The Village has experienced consistent revenue growth in sync with the expansion of the national, regional, and local economies.

Algonquin's major industry sectors include retail trade, professional services, healthcare, accommodations, and food services. The unemployment rate for calendar year 2022 stood at 3.7 percent, a decline from the 4.7 percent recorded in 2021. This rate compares favorably to both the State of Illinois (4.6 percent) and the Chicago metropolitan area (4.6 percent).

Notably, calendar year 2022 saw an increase in sales tax receipts, attributed to rising sales from both traditional and online retailers. Sectors witnessing the most significant growth include agriculture, food and beverage, general merchandise, and automotive services/filling stations. Sales tax revenues in the General Fund increased by \$315,618 (or 3.5 percent), amounting to \$9.27 million, representing 36 percent of total General Fund revenues for the year.

State-shared income and use tax revenue also increased by \$570,390 (or 10.4 percent) to \$6.07 million compared to the previous year, utilizing the 2020 Census counts in the distribution formula for state-shared revenues.

Property values in Algonquin increased by 7.7 percent in 2022 to \$1,124,395,592, following a 2.5 percent rise in 2021 and a 3.6 percent increase in 2020. New construction in residential and commercial sectors significantly contributed to this increase. As a home rule unit of government, the Village's tax levy remains unaffected by the Property Tax Extension Limitation Law (PTELL).

Building permit revenues also grew by \$275,296 from the preceding year due to an increased volume of residential housing starts and major developments in the village. Throughout the fiscal year ending April 30, 2023, a total of 3,269 permits were issued, marking a 17.0 percent decrease from the prior year's count of 3,934.

The General Fund showcased positive operating results, with actual revenues surpassing the budget by 14.1 percent, driven primarily by income tax, building permits, and sales tax. Expenditures were 5.7 percent lower than the budgeted amount (as amended). The Village remains vigilant, closely monitoring economic and legislative trends to gauge their potential impact on its financial position. Cost-saving measures such as expenditure evaluations, reductions, privatization, and shared services are actively considered to maintain a consistent service level while optimizing costs.

Long-Term Financial Planning

The Village utilizes its 1.00 percent Home Rule Sales Tax specifically for infrastructure and capital improvements. Coupled with other dedicated revenues, these funds reinforce the Village's adherence to a "pay as you go" philosophy for financing capital projects. The comprehensive capital improvement program for street and infrastructure enhancements is managed across five distinct funds: Motor Fuel Tax, Street Improvement, Park Improvement, Water & Sewer Improvement and Construction, Village Expansion, and Natural Area and Drainage Improvement. Except for bonds used to finance the Wastewater Treatment Plant Expansion in 2005 and the Village's participation in the Illinois Environmental Protection Agency's (IEPA) Low Interest Loan Program, the Village has diligently followed the "pay as you go" financial approach for the past two decades. Annually, the Village abates debt service for the General Obligation Bonds, continuing this practice for the coming year, and funds existing bond debt service via water and sewer user fees.

The Village invests surplus cash in local government investment pools and fixed income securities for alternative investments. Investment returns from local government investment pools are linked to the short-term federal funds rate, which stood between 475 and 500 basis points as of April 30, 2023. The Village's investment policy approves investment-grade fixed income securities with an average life of under three years, including corporate bonds. The maturity range for investments varies from immediate accessibility (Illinois Funds, Illinois Trust, and IMET Convenience Fund) to up to three years (Fixed Income Investments). Investment income includes market appreciation in the fair value of investments.

The Police Pension Fund is authorized to invest in equities and longer-term fixed income bonds, generating market value yields of 0.34 percent for the year ended April 30, 2023.

For its police officers, the Village sponsors a single-employer defined benefit pension plan, fulfilling the annual required contributions as determined by an independent actuary. Through this conservative funding policy, the Village has successfully funded 81.57 percent of the actuarial accrued liabilities by May 1, 2023, as per the actuarial valuation in this report. The remaining unfunded portion is systematically being funded over a 15-year layered amortization period based on the actuary's calculated annual required contributions. The actuarial valuation as stated in this report, determined that the net contribution due from the Village is \$2,050,508.

The Village also offers pension benefits for non-public safety employees through the statewide plan managed by the Illinois Municipal Retirement Plan (IMRF). The Village holds no additional obligations in connection with employee benefits offered through this plan beyond its contractual payments to IMRF. For more details on the Village's pension arrangements, consult Note 11 in the financial statements.

As of April 30, 2023, the Village had one outstanding debt issue, specifically a general obligation bond. The outstanding principal at year-end amounted to \$1.65 million for general obligation bonds. Maintaining its practice, the Village abated \$866,426 of the 2022 Tax Levy for debt service. Under current state statutes, the Village faces no legal debt limit on general obligation debt.

Further, the Village is financing three projects through the Illinois Environmental Protection Agency (IEPA) low-interest loan program. These projects encompass improvements to the Wastewater Treatment Facility

and sanitary sewer upgrades between specific lift stations, with an approximate note amount totaling \$24,471,204, and an annual loan service amount of approximately \$1,584,838.

Relevant Financial Policies

As of April 30, 2023, the cash and investments in the General Fund (Operating) total \$16.3 million, constituting 63.8 percent of the 2023 general fund operating revenues, surpassing the Village's policy target established by the Village Board. These reserves play a crucial role in ensuring the Village's capacity to navigate fluctuations in national and state economic conditions, meet pension funding obligations, and sustain services in case of unforeseen revenue shortages.

Regarding outstanding debt as of April 30, 2023, the singular active general obligation bond issue accounts for \$1.65 million. The Bond Series 2013 is slated for retirement by 2025. Pursuant to the Village's Capital Improvement Plan, the consideration of debt issuance for specific large-scale expenditures is possible, provided that policy guidelines are adhered to. Considering the Village's present debt structure, ample capacity remains available in the foreseeable future should the Village Board opt for this financing approach.

Major Initiatives

Throughout the year, the Village staff, aligned with the specific goals set by the Village Board and the Village Manager, has engaged in a range of projects. These initiatives exemplify the Village's dedication to providing its citizens with cost-effective and high-quality services.

In the upcoming fiscal year, work will continue on the development of a comprehensive land use plan. The Village's current plan, last revised in 2008, will be enhanced to better reflect contemporary market conditions and integrate various Village priorities and objectives from other program and infrastructure planning documents.

Several notable projects were completed, including the rehabilitation of Bunker Hill Drive from Sherman Drive to Greens View Drive. This involved enhancements like a new asphalt pavement surface, pedestrian safety features at crosswalks, drainage repairs, and the replacement of bike paths. The Village also constructed its first-ever roundabout on Main Street, which encompassed a new bike path, reconstruction of Main Street with curb and gutter, and Streetscape improvements to North Harrison Street. Moreover, the Village expanded its green infrastructure network through the Dixie Creek restoration project, which involved stabilizing eroded streambanks and restoring acres with native plant species, effectively reducing erosion, flooding, and water quality issues. Funding from various sources such as the Illinois Department of Commerce and Economic Opportunity, McHenry County Council of Mayors, Illinois Transportation Enhancement Program, and the McHenry County Department of Transportation made these projects possible.

Continued progress is underway at two of the Village's most popular community parks, Towne Park and Presidential Park. Presidential Park secured an Open Space Land Acquisition and Development (OSLAD) grant from the Illinois Department of Natural Resources amounting to \$400,000. Additionally, the Village has received a second OSLAD grant for Towne Park totaling \$600,000. Both park sites are presently undergoing design engineering and are scheduled for construction in 2024.

The NorthPoint Development project, situated at the southwest corner of Randall Road and Longmeadow Parkway in the Algonquin Corporate Campus, is in full swing. Phase I includes over 700,000 square feet of the planned 1.6 million square-foot campus and the establishment of key infrastructure, including a new traffic signal at Broadmore Drive on Randall Road and the addition of a third lane to Randall Road. Buildings 1 and 2 of the intended 5-building campus have received final occupancy approvals, and the center has secured its first tenant, LX Hausys, a premium interior finishing company.

At a regional level, the construction of Longmeadow Parkway, a four-lane Fox River Bridge crossing and a four-lane arterial roadway corridor with a median, continues. Four sections have already been constructed, with three sections open to traffic. The final section's completion is anticipated by late 2024.

Awards & Acknowledgments

The Village of Algonquin was honored with the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2022. This prestigious recognition marks the nineteenth consecutive year that the Village has received this esteemed award. The Certificate of Achievement acknowledges the Village's production of an easily accessible, well-organized ACFR that fulfills both generally accepted accounting principles and relevant legal requirements.



Additionally, the Village received the GFOA Outstanding Achievement in Popular Annual Financial Reporting (PAFR) award for the fifth consecutive year, recognizing the Village's ability to present the comprehensive information from its ACFR in a reader-friendly format tailored to those without a background in public finance.



The Village also attained the GFOA's Award for Distinguished Budget Presentation for its 2023 budget document. This remarkable recognition, earned for the nineteenth consecutive year, signifies that the Village produced a budget document that fulfilled criteria as a policy document, an operations guide, a financial plan, and a communication tool.

Organizations that receive all three of these recognitions are further awarded a Triple Crown Award from the GFOA. The Village of Algonquin was one of 330 entities nationwide to receive this distinction.

While a Certificate of Achievement is valid for one year, the Village believes that the 2023 ACFR aligns with the Certificate of Achievement Program requirements and has submitted the report to the GFOA for evaluation to potentially receive another award.

In conclusion, we would like to thank the Village President, Board of Trustees, and Village Manager for their steadfast support in upholding the highest standards of professionalism in managing the finances of the Village of Algonquin. The preparation of this report would not have been possible without the efficient and dedicated services of the entire Finance team. The Village expresses appreciation to all team members who contributed to the creation of this report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Michael J. Kumbera'.

Michael J. Kumbera
Deputy Village Manager/Chief Financial Officer

A handwritten signature in black ink, appearing to read 'Amanda Lichtenberger'.

Amanda Lichtenberger
Deputy Chief Financial Officer

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Algonquin, Illinois

Report on the Audit of the Financial Statements

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 Algonquin, Illinois (the Village), as of and for the year ended April 30, 2023, and the related notes to 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 Village of Algonquin, Illinois as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

The Village adopted new accounting guidance, GASB Statement No. 87, *Leases*, during the year ended April 30, 2023. The implementation of this guidance resulted in changes to the assets, liabilities, deferred inflows of resources, revenues, expenses/expenditures and notes to the financial statements (see note 13 for additional information). Our opinion is not modified with respect to this matter.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Southeast Emergency Communications (SEECOM) were not audited in accordance with *Government Auditing Standards*. Our responsibilities under these 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 these 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 12 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and 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 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2023 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
November 15, 2023

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable President
Members of the Board of Trustees
Village of Algonquin, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Algonquin, Illinois (the Village), as of and for the year ended April 30, 2023, and the related notes to financial statements, which collectively comprise the Village’s basic financial statements and have issued our report thereon dated November 15, 2023. The financial statements of SEECOM, a joint venture, were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance with SEECOM.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Village’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village’s financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
November 15, 2023

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

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

The Village of Algonquin's (the "Village") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page iv) and the Village's financial statements (beginning on page 7).

Financial Highlights

- The Village's net position increased by \$12.3 million (or 4.4%) from FY22 to \$292.7 million.
- The governmental activities net position increased by \$5.9 million (or 2.8%) from FY22 to \$219.7 million.
- The business type activities net position increased by \$6.4 million (or 9.6%) from FY22 to \$73.0 million.
- The total revenues of all governmental activity programs increased by \$0.4 million and expenses increased \$2.7 million from FY22.
- The total revenues of business-type activity programs increased by \$4.0 million and expenses increased \$0.1 million from FY22.
- Total Village expenses increased by \$2.8 million (or 6.9%).
- The Village's combined general fund balance decreased by \$1.5 million from FY22.
- The Village's combined general fund actual revenues were over the budgeted amounts by \$3.2 million and actual expenditures were under the budgeted amounts by \$1.3 million.
- The Village's capital assets increased by \$2.16 million to \$282.03 million from FY22.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

The financial statement's focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government), and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 7-10) are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities (see pages 9-10) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

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The Governmental Activities reflect the Village's basic services, including public safety, public works, and general government. Shared state sales tax, home rule sales tax, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental Major Funds (see pages 11-15) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police Pension, see pages 21 and 22). The Police Pension Fund (a pension trust fund) represents trust responsibilities of the Village. These assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, the assets in this fund are not presented as part of the Government-Wide Financial Statements.

While the Business-type Activities column on the Business-type Fund Financial Statements (see pages 16-20) is the same as the Business-type column on the Government-Wide Financial Statement, the Governmental Major Funds Total column requires a reconciliation. This is because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 13 and 15). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column (in the Government-wide statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure assets – i.e., land, streets, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. This statement requires that these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The Village has chosen to depreciate assets over their useful lives. If a street project is considered maintenance – a recurring cost that does not extend the street's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a street will be considered maintenance whereas a "rebuild" of a street will be capitalized.

GOVERNMENT-WIDE STATEMENTS

Statement of Net Position

The Village's combined net position increased by \$12.3 million from FY22 – increasing from \$280.4 million to \$292.7 million. The following analysis will look at net position and net expenses of the governmental and business-type activities separately. The total net position for the governmental activities increased \$5.9 million from \$213.8 million to \$219.7 million. The business-type activities net position increased by \$6.4 million from \$66.6 million to \$73.0 million. Table 1 reflects the condensed Statement of Net Position compared to FY22. Table 2 will focus on the changes in net position of the governmental and business-type activities. A detailed analysis of the changes can be found in the section for Current Year Impacts on page MD&A 4.

	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 39.9	\$ 40.5	\$ 27.0	\$ 22.1	\$ 66.9	\$ 62.6
Capital Assets	207.5	201.8	74.5	78.0	282.0	279.8
Total Assets	247.4	242.3	101.5	100.1	348.9	342.4
Deferred Outflows of Resources	8.3	2.9	2.1	0.9	10.4	3.8
Total Assets & Deferred Outflows	255.7	245.2	103.6	101.0	359.3	346.2
Long-Term Liabilities	19.9	13.5	26.9	27.5	46.8	41.0
Other Liabilities	4.6	3.7	2.7	5.1	7.3	8.8
Total Liabilities	24.5	17.2	29.6	32.6	54.1	49.8
Deferred Inflows of Resources	11.5	14.2	1.0	1.8	12.5	16.0
Total Liabilities & Deferred Inflows	36.0	31.4	30.6	34.4	66.6	65.8
Net Position:						
Net Investment in Capital Assets	207.5	201.8	48.4	50.3	255.9	252.1
Restricted	4.8	4.6	0.8	0.8	5.6	5.4
Unrestricted	7.4	7.4	23.8	15.5	31.2	22.9
Total Net Position	\$ 219.7	\$ 213.8	\$ 73.0	\$ 66.6	\$ 292.7	\$ 280.4

For more detailed information see the Statement of Net Position (pages 7-8)

Normal Impacts

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

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

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

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

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

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

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

Current Year Impacts

The Village's \$12.3 million increase of combined net position (which is the Village's bottom line) was the result of the governmental activities net position increasing by \$5.9 million and the business-type activities increasing by \$6.4 million.

The governmental activities total assets increased by \$5.1 million and the governmental activities total liabilities increased by \$7.3 million. The total assets increase of \$5.1 million was a result of an increase of \$5.7 million in capital assets offset by a decrease of \$0.6 million in current and other assets. The increase in capital assets was due to increases of \$10.2 million in construction in progress and offset by a decrease of \$3.1 million in streets storm sewers and bridges, \$1.0 million in Improvements other than buildings, \$0.3 million in buildings and \$0.1 million in vehicles and equipment. The decrease in current and other assets was due to a \$2.0 million decrease in grants receivable attributed to the one-time distribution of the American Rescue Plan Act grant from the prior year being collected, offset by slight increases to property and other tax receivables and the implementation of GASB 87, *Leases* creating a Lease Receivable in the current year.

The governmental activities overall deferred outflows of resources increased by \$5.4 million. Changes within the category included an increase of \$3.0 million in police pension fund-pension items, \$2.2 million in IMRF-pension items and \$0.2 million in OPEB-pension items. (See Note 11 - 12 in the Notes to Financial Statements for additional information).

The governmental activities total liabilities increased by \$7.3 million. This is due to the IMRF fund reverting to a net pension liability of \$3.6 million as opposed to the net pension asset presented in the prior fiscal year, an increase to the police pension fund net pension liability of \$2.6 million accompanied by slight increases to compensated absences and the total OPEB liability and the lease liability implemented with GASB 87, *Leases*.

The governmental activities deferred inflows of resources decreased \$2.7 million mainly due to the decrease of \$3.0 million in IMRF-pension items, offset by the slight increases in deferred property tax revenue and a lease item implemented with GASB 87, *Leases*. (See Note 11 - 12).

The net position of the business-type activities increased by \$6.4 million from \$66.6 million to \$73.0 million. Total assets of the business-type activities increased by \$1.4 million from \$100.1 to \$101.5 million. The total assets increase of \$1.4 million was a result of an increase in current and other assets of \$4.9 million offset by a decrease in capital assets of \$3.5 million. The current and other asset increase occurred as a result of an increase in investments which can be attributed to a \$3.3 million DCEO grant received for the Waste Water Treatment Plant Phase 6B project which freed up additional funds to be invested and an increase in returns due to higher market yields and new investment strategies.

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The decrease in capital assets was due mainly to depreciation recognized in the current fiscal year. Revenues exceeded expenses during FY23, which resulted in a positive change in net position of \$6.4 million.

Total liabilities of the business-type activities decreased by \$3.0 million from \$32.6 million to \$29.6 million. Other Liabilities decreased by \$2.4 million due to a decrease in accounts payable, which can be contributed to the timing of invoices received in the current year. The noncurrent liabilities decreased slightly by \$0.6 million due to principal payments being made on the GO Bond Series 2013 and the three (3) IEPA loans held by the Village, decreasing their liability balances. The business-type activities deferred inflows of resources decreased \$0.8 million mainly due to the decrease of \$1.5 million in IMRF fund-pension items offset by \$0.7 million addition of lease items due to GASB 87, Leases. (See Note 11 - 12).

Changes in Net Position

The following chart compares the revenue and expenses for the current fiscal year.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Service	\$ 2.2	\$ 1.8	\$ 14.5	\$ 13.9	\$ 16.7	\$ 15.7
Operating Grants & Contributions	1.6	2.0	-	-	1.6	2.0
Capital Grants & Contributions	1.4	1.0	3.4	-	4.8	1.0
General Revenues						
Property Taxes	7.2	7.0	-	-	7.2	7.0
Other Taxes	23.4	21.0	-	-	23.4	21.0
Other	1.4	5.0	0.5	0.2	1.9	5.2
Transfers	-	-	-	0.3	-	0.3
Total Revenue	37.2	37.8	18.4	14.4	55.6	52.2
Expenses						
Governmental Activities						
General Government	5.7	5.9	-	-	5.7	5.9
Public Safety	10.5	8.7	-	-	10.5	8.7
Public Works	15.1	13.7	-	-	15.1	13.7
Interest	-	-	-	-	-	-
Transfers	-	0.3	-	-	-	0.3
Business Type						
Water and Sewer	-	-	12.0	11.9	12.0	11.9
Total Expenses	31.3	28.6	12.0	11.9	43.3	40.5
Change in Net Position	5.9	9.2	6.4	2.5	12.3	11.7
Net position - beginning	213.8	204.6	66.6	64.1	280.4	268.7
Net position - ending	\$ 219.7	\$ 213.8	\$ 73.0	\$ 66.6	\$ 292.7	\$ 280.4

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There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

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

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

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

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

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Changes in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 40.91% of the Village's operating costs.

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

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Governmental Activities

Revenue:

Total revenues for Governmental Activities decreased \$0.6 million from \$37.5 million to \$37.2 million. Increases of \$2.4 million in other taxes offset by a decrease of \$3.6 million in other revenues were the main cause to this change. The increase in other taxes was due to a \$1.4 million increase in home rule sales tax, which can be attributed to the increase in rate from .75% to 1% for calendar year 2022. In addition, sales and income taxes increase \$0.3 million and \$0.6 million, respectively. The decrease in other revenues was due to the one-time award of a \$4.2 million American Rescue Plan Act distribution in the prior fiscal year.

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The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. The Village attempts to maintain its property tax level and capture new revenues from growth. Due to recent upturns in the housing market values, the Village's EAV increased by approximately 7.7% from levy year 2021 (\$1,044,040,074) to levy year 2022 (\$1,124,395,592). The Village's property tax rate was 0.5651 in 2021 and 0.5452 in 2022.

In the general government, state shared income tax increased 10.4% from FY22 to FY23. There were large increases in sales/use tax (3.5%); home rule sales tax (28.4%); property tax receipts (2.4%); and telecommunication tax (1.6%). There was a decrease in utility tax (2.9%). Home rule sales tax increased due to a 0.25% rate increase and increasing retail/commercial operations within the Village. Overall, total general revenues decreased 3.2% from FY22 to FY23; the majority of this due to receiving and one time distribution of American Rescue Plan Act funds in the prior fiscal year, offset by the increase in home rule sales tax.

Expenses:

The Village's governmental activities total expenses increased \$2.7 million for FY23.

General Government expenses decreased \$0.2 million from \$5.9 million to \$5.7 million. The General Government expenses decreased mainly due to the government wide adjustments for capital assets during FY23.

Public Safety expenses increased \$1.8 million from \$8.7 million to \$10.5 million. The Public Safety expenses had an increase of \$0.4 million in salaries; and the remaining additional expenses being related to the increase in the government wide adjustment for the police pension expenses during FY 23.

Public Works expenses increased \$1.4 million from \$13.7 million to \$15.1 million. The Public Works expense increases were related to an increase of \$0.2 million in salaries; and the remaining additional expenses being related to the government wide adjustments for capital asset during FY23.

Interest expenses remained consistent from the prior fiscal year.

Business-type Activities

Revenue:

Total revenues for Business-type Activities increased \$4.0 million from \$14.4 million to \$18.4 million. There were increases of \$3.4 million in capital grants/contributions and \$0.6 million in charges for services. Other revenues stayed consistent. The increase in capital grants/contributions is due to a \$3.3 million Illinois DCEO grant for the Waste Water Treatment Plant Phase 6B project. Water and sewer revenue increased due to annual rate increases. Connections fees increased due to an increase in new development during FY23.

Expenses:

The Village's Business-type Activities total expenses stayed consistent at \$11.9 million in both FY22 & FY23.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At April 30, 2023, the governmental funds (as presented on the balance sheet on page 11-12) reported a combined fund balance of \$26.8 million or a decrease of 2.1% from \$27.4 million at the beginning of the year. Of the total fund balance, an assigned fund balance is overdrawn by \$16.6 million due to the liabilities in the TIF Fund. The General Fund has an unassigned fund balance of \$12.1 million, which indicates availability for continuing Village services. Total assets increased \$4.0 million and total liabilities and deferred inflows of resources increased \$4.6 million for an overall decrease of \$0.6 million in fund balance.

The increase of \$4.0 million in total assets consisted mainly of an increase of \$2.9 million in advance to other funds (TIF), the implementation of GASB 87 creating a Lease Asset of \$0.6 and slight increases to property tax & other tax receivables; Cash and cash equivalents stayed consistent. The increase in total liabilities and deferred inflows of resources of \$4.6 million was due to an increase of \$2.9 million in advances from other funds (TIF), the implementation of GASB 87, Leases creating a Lease deferral of \$0.6 million, and slight increases to accounts payable and unavailable property tax revenue.

The general fund total fund balance decreased \$1.5 million from \$21.8 million in FY22 to \$20.3 million in FY23. General fund assets had a net decrease of \$1.0 million due largely to a decrease of \$2.0 million in intergovernmental, grants and contributions. This is contributed to a one-time grant which was receivable in the prior fiscal year and collected in the current year. The increase was offset by increases in property tax receivable and the cash & investment balances. General fund total liabilities stayed consistent. Deferred inflows of resources for property tax revenue increased \$0.4 million.

The street improvement fund total fund balance increased \$2.9 million to \$27.5 million from FY22 to FY23. Assets increased \$3.5 million from FY22 to FY23. This is mainly due to an increase in advances to other funds of \$2.9 million (TIF fund expenses). Street improvement fund total liabilities increased \$0.5 million due to an increase in accounts payable from FY22 to FY23.

The downtown TIF district fund was a major fund in FY23 and total fund balance decreased \$5.1 million to a negative fund balance of \$28.7 million from FY22 to FY23. Assets decreased \$2.1 million due mainly to a decrease of \$1.2 million in cash and cash equivalents and \$1.1 million in investments, this was offset by an increase to property tax receivable. Total liabilities increased \$2.9 million due to an increase in advances from other funds. Deferred inflows of resources stayed relatively consistent from FY22 to FY23.

General Fund Budgetary Highlights

Below is a table that reflects the budget and the actual revenues and expenditures for the General Fund. More information can be found on the schedule of revenues, expenditures and changes in fund balance – budget and actual on page 63. Actual spending was \$1.3 million less than the budget, which was due to actual expenses less than budget of \$0.5 million in general government, \$0.4 million in public safety, \$0.1 million in public works, and \$0.1 million in transfers and other financing sources (uses).

The \$0.5 million savings in general government expenses was due to overall savings throughout personnel, contractual services and commodities, with no major activity to note.

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The \$0.4 million savings in public safety expenses was due to overall savings throughout personnel, commodities and contractual services, with no major activity to note.

The \$0.1 million savings in public works was mainly due to savings of \$0.2 million in contractual services, offset by additional personnel and commodities.

The \$0.2 million increase in the expenditures budget was due to the payment of equipment budgeted for in FY22, but due to supply chain issues was not obtained until FY23. The \$4.2 million increase in transfers and other financing sources budget was to move excess funds to the Street Improvement Fund during FY23. These funds became available due to unexpected grant funding for FY23 budgeted expenses.

	Original Budget	Amended Budget	Actual
Revenues			
Taxes	\$ 6.393	\$ 6.393	\$ 6.458
Intergovernmental, Grants & Contributions	14.310	14.364	16.465
Other	1.790	1.847	2.904
Total Revenues	\$ 22.493	\$ 22.604	\$ 25.827
Expenditures and Transfers			
Expenditures	\$ 22.553	\$ 22.780	\$ 21.614
Total Expenditures	22.553	22.780	21.614
Excess/(Deficiency) of Revenues over Expenditures	(0.060)	(0.176)	4.213
Transfers and Other Financing Sources (Uses)	1.610	5.815	5.708
Change in Fund Balance	\$ (1.670)	\$ (5.991)	\$ (1.495)

Capital Assets

At the end of FY22, the Village had a combined total of capital assets of \$281.94 million invested in a broad range of capital assets including land, buildings, vehicles, streets, bridges, storm sewers, water mains and sanitary sewer lines. (See Table 4 below.) This amount represents a net increase (including additions and deletions) of \$2.15 million.

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Major capital asset events during the current fiscal year included the following:

- Downtown Streetscape Utilities Improvements for \$5.8 million.
- High Hill Subdivision for \$2.5 million.
- Downtown Stage 1D (Bike Trail & Roundabout) for \$2.2 million.
- Wastewater Treatment Facility Improvements Phase 6B (IEPA Loan) for \$1.1 million.
- Ratt Creek Reach 5 for \$0.7 million.
- Woods Creek Reach 5 for \$0.4 million.
- Randall Road Wetland Complex for \$0.2 million.
- Snapper Park Playground Replacement for \$0.2 million.
- Tunbridge Street Improvements for \$0.2 million.
- Willoughby Farms Park Tennis Court for \$0.2 million.
- Woods Creek List Station Improvements for \$0.2 million.

Table 4: Capital Assets at Year-End						
Net of Depreciation & Amortization						
(in millions)						
	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2023	2022	2023	2022	2023	2022
Land & Right of Way	\$ 97.31	\$ 97.31	\$ 3.64	\$ 3.64	\$ 100.95	\$ 100.95
Construction in Progress	17.32	7.15	0.17	0.37	17.49	7.52
Buildings	8.89	9.22	9.86	10.21	18.75	19.43
Vehicles and Equipment	1.16	1.26	0.77	0.42	1.93	1.68
Improvements other than Building	18.01	19.01	-	-	18.01	19.01
Streets, Storm Sewers, Bridges	64.83	67.89	-	-	64.83	67.89
Water and Sewer		-	60.07	63.39	60.07	63.39
Total	\$ 207.52	\$ 201.84	\$ 74.51	\$ 78.03	\$ 282.03	\$ 279.87

The following reconciliation summarizes the changes in Capital Assets which is presented in detail on pages 35-36 of the notes.

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	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 201.84	\$ 78.03	\$ 279.87
Additions			
Depreciable	\$ 0.94	\$ 1.01	\$ 1.95
Non-Depreciation	\$ -	\$ -	\$ -
Construction in Progress	\$ 10.75	\$ 0.32	\$ 11.07
Retirements			
Depreciable	\$ (0.05)	\$ (0.14)	\$ (0.19)
Non-Depreciation	\$ -	\$ -	\$ -
Construction in Progress	\$ (0.59)	\$ (0.52)	\$ (1.11)
Depreciation			
Retirement	\$ (5.37)	\$ (4.19)	\$ (9.56)
Ending Balance	\$ 207.52	\$ 74.51	\$ 282.03

The Governmental Activities net Capital Assets' net increase of \$5.7 million was due to increases in construction in progress (\$10.2 million) improvements other than building (\$0.6 million); and vehicles/equipment (\$0.3 million). These were offset by annual depreciation of \$5.4 million. Construction in progress increased substantially due to ongoing work for the Downtown Streetscape Utility project, the Downtown Stage 1D (Bike Trail & Roundabout) project and the Ratt Creek Reach 5 project. The increase in improvements other than building is due to the completion of the Downtown Streetscape North Harrison project, the Hill Climb Park upgrades and the Snapper Park playground replacement. Vehicles and equipment increased due to the purchase of two (2) new police squad vehicles, the Motorola OptiWarn Siren Solution and 4G & 5G cellular upgrades, all for use in public safety.

The Business-type Activities net decrease of \$3.5 million in net Capital Assets was due mainly to normal depreciation expense of \$4.1 million. This was offset by increases to the water and sewer system (\$0.4) and vehicles and equipment (\$0.2 million)

Additional information concerning capital assets can be found in Note 4.

Debt Outstanding

Since the mid-1990's, the Village of Algonquin has followed a "pay-as-you-go" philosophy to funding capital projects. Exceptions to this philosophy had been bonds issued to pay for the construction of the Village Hall (Ganek Municipal Center) in 1995-1996 and the Public Works Facility in 2002-2003. In December 2005, the Village authorized Bond Series 2005A for \$9.0 million to partially finance the expansion of Phase 6 of the Wastewater Treatment Plant. Bond Series 2013 was issued for \$7.645 million to refund Series 2005A. During FY20, the Village entered into a loan agreement with the Illinois Environmental Protection Agency for improvements to the Wastewater Treatment Facility and watermain/sewermain improvements to the Downtown TIF area. During FY22, the IEPA loan payable balance was \$24,471,204 and portions of the loan have begun to be repaid during FY23.

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

The Village has established the following five funds to accumulate monies over time to systematically construct and/or replace major assets: Motor Fuel Tax, Street Improvement, Parks, Natural Area & Drainage Improvements, Water and Sewer Improvement and Construction, and the Village Expansion. The Village also created a Downtown TIF District Fund to account for activities associated with improvements within the established downtown TIF district. The current Home Rule Sales Tax of 1.00% was allocated as an additional revenue source for capital and infrastructure to assist in the "pay as you go" philosophy. In FY23, 83% of the Home Rule Sales Tax received during the fiscal year is allocated to the Street Improvement Fund, 12.5% to the Park Improvement Fund and 12.5% to the Natural Area & Drainage Improvement Fund to provide funds for continued street infrastructure maintenance and improvements, park rebuilds and improvements and natural area rehabilitations.

The Village currently has one general obligation bond series. A total of \$1.645 million of general obligation bonds were outstanding at April 30, 2023. The governmental activities have no general obligation bonds outstanding; business-type activities have \$1.645 million of general obligation bonds outstanding.

The Village, under its home rule authority, does not have a legal debt limit.

Additional information concerning long-term debt can be found in Note 7.

Economic Factors

The Village will continue to rely on sales tax and property taxes as a primary means to fund municipal operations. The Village has increased the property tax levy in recent years to capture new construction and property value appreciation. However, the property tax rate has consistently decreased due to the significant increases in the Village's EAV. The 2021 tax extension increased \$164,000 for property tax collections in FY22.

An increase to the Home Rule Sales Tax rate combined with a rise retail and commercial activity during in the current year created a 28% increase to Home Rule Sales Tax (\$1.4 million) and an increase of 3.5% in Sales Tax (\$0.3 million). In addition, Income tax revenue increased 10 percent (\$0.5 million) and building permit revenue increased 32 percent (\$0.3 million) during the year. Sales tax revenue represented 36% of total General Fund revenues for the year.

Construction in the local residential housing market increased during FY23 (from 29 permits in 2021 to 107 in 2022). The number of new permits for commercial construction decreased slightly (3 permits in 2021 to 2 in 2022). The Village's growth in EAV and property tax receipts continue to increase each year. The property tax receipts had a 2.4% increase from FY22 to FY23. Combined sales tax and home rule sales tax experienced a 12.4% increase from FY22 to FY23.

The Village's population decreased to 29,700 with the 2020 Census (down from 30,046 reported in the 2010 Census). The Village has been able to budget for stable property tax receipts due its status of a home rule community.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Michael Kumbera, Deputy Village Manager/Chief Financial Officer or Amanda Lichtenberger, Deputy Chief Financial Officer, Village of Algonquin, 2200 Harnish Drive, Algonquin, IL 60102.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2023

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and cash equivalents	\$ 4,477,615	\$ 1,471,708	\$ 5,949,323
Investments	25,383,949	16,874,072	42,258,021
Restricted investments	-	866,425	866,425
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	7,146,656	-	7,146,656
Other taxes	4,126,525	-	4,126,525
Intergovernmental, grants, and contributions	539,196	-	539,196
IPBC	177,058	-	177,058
Leases	640,889	734,389	1,375,278
Accrued interest	32,232	-	32,232
Accounts	23,929	1,848,653	1,872,582
Other	661,496	-	661,496
Internal balances	(5,211,187)	5,211,187	-
Prepaid items	108,278	40,404	148,682
Inventory	145,550	-	145,550
Investment in joint venture	1,668,446	-	1,668,446
Capital assets			
Nondepreciable	114,625,662	3,812,185	118,437,847
Depreciable, net of accumulated depreciation	92,894,832	70,700,326	163,595,158
 Total assets	 247,441,126	 101,559,349	 349,000,475
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - Police Pension Fund	4,101,634	-	4,101,634
Pension items - IMRF	3,036,592	1,489,523	4,526,115
Pension items - OPEB	1,180,166	295,138	1,475,304
Asset retirement obligation	-	236,364	236,364
Deferred loss on refunding	-	43,628	43,628
 Total deferred outflows of resources	 8,318,392	 2,064,653	 10,383,045
 Total assets and deferred outflows of resources	 255,759,518	 103,624,002	 359,383,520

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2023

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
LIABILITIES			
Accounts payable	\$ 3,366,044	\$ 412,221	\$ 3,778,265
Accrued interest	-	84,261	84,261
Unearned revenue - other	202,679	-	202,679
Other liabilities	93,914	-	93,914
Noncurrent liabilities			
Due within one year	901,016	2,132,685	3,033,701
Due in more than one year	19,936,559	26,931,681	46,868,240
Total liabilities	24,500,212	29,560,848	54,061,060
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension Fund	2,835,567	-	2,835,567
Pension items - IMRF	306,497	150,345	456,842
Pension items - OPEB	627,889	157,023	784,912
Deferred property tax revenue	7,146,656	-	7,146,656
Lease items	634,912	726,311	1,361,223
Total deferred inflows of resources	11,551,521	1,033,679	12,585,200
Total liabilities and deferred inflows of resources	36,051,733	30,594,527	66,646,260
NET POSITION			
Net investment in capital assets	207,463,434	48,351,297	255,814,731
Restricted for			
Donor programs	610,359	-	610,359
Insurance	367,530	-	367,530
Street maintenance	3,285,992	-	3,285,992
Capital projects	182,315	-	182,315
Cemetery	414,037	-	414,037
Debt service	-	866,425	866,425
Unrestricted	7,384,118	23,811,753	31,195,871
TOTAL NET POSITION	\$ 219,707,785	\$ 73,029,475	\$ 292,737,260

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 5,727,851	\$ 1,867,598	\$ 246,546	\$ 1,300
Public safety	10,549,704	358,378	594,512	22,652
Public works	15,131,177	35,004	728,050	1,430,506
Debt service - interest and fees	18,015	-	-	-
Total governmental activities	31,426,747	2,260,980	1,569,108	1,454,458
Business-Type Activities				
Waterworks and sewerage	11,972,620	14,458,386	-	3,370,884
Total business-type activities	11,972,620	14,458,386	-	3,370,884
TOTAL PRIMARY GOVERNMENT	\$ 43,399,367	\$ 16,719,366	\$ 1,569,108	\$ 4,825,342

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (3,612,407)	\$ -	\$ (3,612,407)
	(9,574,162)	-	(9,574,162)
	(12,937,617)	-	(12,937,617)
	(18,015)	-	(18,015)
	<u>(26,142,201)</u>	<u>-</u>	<u>(26,142,201)</u>
	-	5,856,650	5,856,650
	-	5,856,650	5,856,650
	<u>(26,142,201)</u>	<u>5,856,650</u>	<u>(20,285,551)</u>
General Revenues			
Taxes			
Property	7,193,452	-	7,193,452
Home rule sales tax	6,339,575	-	6,339,575
Utility	890,198	-	890,198
Telecommunications	358,449	-	358,449
Hotel	79,077	-	79,077
Video gaming tax	192,415	-	192,415
Intergovernmental, unrestricted			
Sales and use tax	9,268,931	-	9,268,931
Personal property replacement	204,414	-	204,414
Income tax	6,071,695	-	6,071,695
Grants	38,531	-	38,531
Franchise fees	476,595	-	476,595
Investment income	549,435	408,577	958,012
Miscellaneous	375,027	185,947	560,974
Transfers	-	-	-
Total	<u>32,037,794</u>	<u>594,524</u>	<u>32,632,318</u>
CHANGE IN NET POSITION	5,895,593	6,451,174	12,346,767
NET POSITION, MAY 1	<u>213,812,192</u>	<u>66,578,301</u>	<u>280,390,493</u>
NET POSITION, APRIL 30	<u>\$ 219,707,785</u>	<u>\$ 73,029,475</u>	<u>\$ 292,737,260</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2023

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
ASSETS					
Cash and cash equivalents	\$ 3,031,500	\$ 297,403	\$ 472,651	\$ 676,061	\$ 4,477,615
Investments	13,833,473	4,445,680	412,104	6,692,692	25,383,949
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	6,130,000	-	1,016,656	-	7,146,656
Other taxes	2,463,023	1,222,552	-	440,950	4,126,525
Intergovernmental, grants, and contributions	33,177	379,096	-	126,923	539,196
IPBC	177,058	-	-	-	177,058
Accrued interest	32,232	-	-	-	32,232
Leases	209,989	-	-	430,900	640,889
Other	661,496	-	-	-	661,496
Due from other funds	96,930	-	-	-	96,930
Advance to other funds	655,151	23,733,631	-	-	24,388,782
Prepaid items	108,075	-	-	203	108,278
TOTAL ASSETS	\$ 27,432,104	\$ 30,078,362	\$ 1,901,411	\$ 8,367,729	\$ 67,779,606

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

April 30, 2023

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 450,125	\$ 2,513,807	\$ -	\$ 347,616	\$ 3,311,548
Unearned revenue	202,679	-	-	-	202,679
Advances from other funds	-	-	29,599,969	-	29,599,969
Other liabilities	93,914	-	-	-	93,914
Total liabilities	746,718	2,513,807	29,599,969	347,616	33,208,110
DEFERRED INFLOWS OF RESOURCES					
Unavailable property tax revenue	6,130,000	-	1,016,656	-	7,146,656
Lease items	210,269	-	-	424,643	634,912
Total deferred inflows of resources	6,340,269	-	1,016,656	424,643	7,781,568
Total liabilities and deferred inflows of resources	7,086,987	2,513,807	30,616,625	772,259	40,989,678
FUND BALANCES					
Nonspendable					
Prepays	108,075	-	-	203	108,278
Advances	655,151	-	-	-	655,151
Restricted					
Donor programs	610,359	-	-	-	610,359
Insurance	367,530	-	-	-	367,530
Street maintenance	-	-	-	3,285,992	3,285,992
Capital projects	-	20,538	-	161,777	182,315
Cemetery	-	-	-	414,037	414,037
Unrestricted					
Committed					
Capital projects	595,846	-	-	-	595,846
Assigned					
Capital projects	565,207	27,544,017	-	3,733,461	31,842,685
Historic commission	10,121	-	-	-	10,121
Subsequent year's budget	5,082,000	-	-	-	5,082,000
Special purpose	253,159	-	-	-	253,159
Unassigned (deficit)	12,097,669	-	(28,715,214)	-	(16,617,545)
Total fund balances (deficit)	20,345,117	27,564,555	(28,715,214)	7,595,470	26,789,928
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 27,432,104	\$ 30,078,362	\$ 1,901,411	\$ 8,367,729	\$ 67,779,606

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 26,789,928
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 governmental funds	207,520,494
Less internal service fund capital assets included below	(48,998)
Investment in joint venture is not considered to represent a financial resource and, therefore, is not reported in the funds	1,668,446
The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position	31,155
Differences between expected and actual experiences, assumption changes, net difference between projected and actual earnings, and contributions after the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows or resources on the statement of net position	2,730,095
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows or resources on the statement of net position	1,266,067
Differences between expected and actual experiences, assumption changes, and net difference between projected and actual earnings for other postemployment benefits are recognized as deferred outflows and inflows or resources on the statement of net position	552,277
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as in governmental funds	
Total lease liability	(57,060)
Less internal service fund lease liabilities	35,896
Total OPEB liability	(2,225,401)
Compensated absences	(1,230,510)
Net pension liabilities - IMRF	(3,553,593)
Net pension liability - Police Pension Plan	(13,771,011)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 219,707,785</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2023

	General	Street Improvement	Downtown TIF District	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 6,457,631	\$ 5,716,125	\$ 877,578	\$ 2,001,832	\$ 15,053,166
Intergovernmental, grants, and contributions	16,464,872	439,706	-	2,000,558	18,905,136
Charges for services	445,619	-	-	23,850	469,469
Licenses and permits	1,335,034	-	-	-	1,335,034
Fees, fines, and forfeits	399,480	-	-	-	399,480
Investment income	232,297	133,750	12,421	170,966	549,434
Miscellaneous	492,282	-	-	31,734	524,016
Total revenues	25,827,215	6,289,581	889,999	4,228,940	37,235,735
EXPENDITURES					
Current					
General government	5,372,568	-	61,013	38,690	5,472,271
Public safety	10,808,015	-	-	-	10,808,015
Public works	5,008,020	3,831,666	-	2,382,400	11,222,086
Capital outlay	407,507	2,823,987	5,964,941	1,177,820	10,374,255
Debt service					
Interest and fiscal charges	18,015	-	-	-	18,015
Total expenditures	21,614,125	6,655,653	6,025,954	3,598,910	37,894,642
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,213,090	(366,072)	(5,135,955)	630,030	(658,907)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	3,317,607	-	2,487,000	5,804,607
Transfers (out)	(5,804,607)	-	-	-	(5,804,607)
Lease issuance	10,193	-	-	-	10,193
Proceeds from sale of fixed assets	86,606	-	-	-	86,606
Total other financing sources (uses)	(5,707,808)	3,317,607	-	2,487,000	96,799
NET CHANGE IN FUND BALANCES	(1,494,718)	2,951,535	(5,135,955)	3,117,030	(562,108)
FUND BALANCES (DEFICIT), MAY 1	21,839,835	24,613,020	(23,579,259)	4,478,440	27,352,036
FUND BALANCES (DEFICIT), APRIL 30	\$ 20,345,117	\$ 27,564,555	\$ (28,715,214)	\$ 7,595,470	\$ 26,789,928

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (562,108)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	11,076,210
The issuance of long-term debt and related costs is shown on the fund financials as other financing sources but is recorded as a long-term liability on the government-wide statements Lease liabilities	(10,193)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	11,104
The change in the net pension liability for the Illinois Municipal Retirement Fund and the related deferred inflows and outflows are only reported in the statement of activities	(163,269)
The change in the net pension liability for the Police Pension Fund and the related deferred inflows and outflows are only reported in the statement of activities	914,057
The change in the total OPEB liability and related deferred inflows and outflows are only reported in the statement of activities	(56,865)
The change in net position of the internal service funds is reported only in the statement of activities	(29,728)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Depreciation and amortization	(5,400,110)
Change in investment in joint venture	165,087
Change in compensated absences	(48,592)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 5,895,593</u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2023

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,471,708	\$ -
Investments	16,874,072	-
Receivables		
Accounts	1,848,653	23,929
Leases	734,389	-
Prepaid items	40,404	-
Inventory	-	145,550
Restricted assets - investments	866,425	-
	21,835,651	169,479
NONCURRENT ASSETS		
Advances to other funds	5,211,187	-
Capital assets		
Nondepreciable	3,812,185	-
Depreciable, net of accumulated depreciation	70,700,326	48,998
	74,512,511	48,998
Total noncurrent assets	79,723,698	48,998
Total assets	101,559,349	218,477
DEFERRED OUTFLOWS OF RESOURCES		
Pension items - IMRF	1,489,523	-
Pension items - OPEB	295,138	-
Asset retirement obligation	236,364	-
Deferred loss on refunding	43,628	-
	2,064,653	-
Total assets and deferred outflows of resources	103,624,002	218,477

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2023

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 412,221	\$ 54,496
Accrued interest	84,261	-
Due to other funds	-	96,930
Current portion of long-term debt	2,132,685	-
Total current liabilities	2,629,167	151,426
LONG-TERM LIABILITIES		
Long-term liabilities	26,931,681	35,896
Total long-term liabilities	26,931,681	35,896
Total liabilities	29,560,848	187,322
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	150,345	-
Pension items - OPEB	157,023	-
Lease items	726,311	-
Total deferred inflows of resources	1,033,679	-
Total liabilities and deferred inflows of resources	30,594,527	187,322
NET POSITION		
Net investment in capital assets	48,351,297	13,102
Restricted for debt service	866,425	-
Unrestricted	23,811,753	18,053
TOTAL NET POSITION	\$ 73,029,475	\$ 31,155

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS**

For the Year Ended April 30, 2023

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
OPERATING REVENUES		
Charges for services	\$ 12,982,618	\$ -
Administrative fee	121,914	-
Infrastructure fee	1,353,854	-
Maintenance billings	-	1,703,784
Fleet maintenance and fuel	-	460,666
Miscellaneous	185,947	681
	<hr/>	<hr/>
Total operating revenues	14,644,333	2,165,131
OPERATING EXPENSES		
Water operations	3,630,814	-
Sewer operations	3,071,173	-
Nondepartmental	304,365	-
Building services	-	922,649
Vehicle maintenance	-	1,256,625
Depreciation	4,325,512	30,027
	<hr/>	<hr/>
Total operating expenses	11,331,864	2,209,301
OPERATING INCOME (LOSS)	<hr/>	<hr/>
	3,312,469	(44,170)
NON-OPERATING REVENUES (EXPENSES)		
Gain on sale of capital assets	-	14,442
Investment income	408,577	-
Interest expense and fiscal agent fees	(640,756)	-
	<hr/>	<hr/>
Total non-operating revenues (expenses)	(232,179)	14,442
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	<hr/>	<hr/>
	3,080,290	(29,728)
CAPITAL CONTRIBUTIONS	<hr/>	<hr/>
	3,370,884	-
CHANGE IN NET POSITION	<hr/>	<hr/>
	6,451,174	(29,728)
NET POSITION, MAY 1	<hr/>	<hr/>
	66,578,301	60,883
NET POSITION, APRIL 30	<hr/> <hr/>	<hr/> <hr/>
	\$ 73,029,475	\$ 31,155

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended April 30, 2023

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 14,187,803	\$ 460,666
Cash received for interfund services provided	-	1,722,418
Cash paid to suppliers	(3,168,461)	(1,319,078)
Cash paid for interfund services	(396,083)	-
Cash paid to employees	(3,328,033)	(866,710)
Other receipts (payments)	185,947	681
	7,481,173	(2,023)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interfund activity	-	1,921
	-	1,921
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of capital assets	-	14,442
Purchase of capital assets	(3,935,993)	-
Capital grants	3,300,000	-
Interest paid on bonds	(74,525)	-
Interest paid on notes payable	(475,776)	-
Proceeds from issuance of notes payable	1,659,824	-
Principal paid on lease liabilities	(19,963)	(14,340)
Principal paid on notes payable	(1,029,986)	-
Principal paid on general obligation bond maturities	(770,000)	-
	(1,346,419)	102
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investment securities	(15,099,930)	-
Sale of investment securities	5,938,542	-
Interest received	408,576	-
	(8,752,812)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2,618,058)	-
CASH AND CASH EQUIVALENTS, MAY 1	4,089,766	-
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 1,471,708	\$ -

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended April 30, 2023

	Business-Type Activities	Governmental Activities
	Waterworks and Sewerage	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ 3,312,469	\$ (44,170)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation and amortization	4,325,512	30,027
Changes in assets and liabilities		
Accounts receivable	(265,510)	18,634
Grants receivable	-	-
Leases receivable	80,694	-
Prepaid items	(5,073)	-
Inventory	-	304
Deferred outflow of resources - ARO	8,409	-
Accounts payable	13,377	(6,818)
Pension and OPEB related items	94,310	-
Deferred inflow of resources - leases	(88,773)	-
Compensated absences payable	5,758	-
NET CASH FROM OPERATING ACTIVITIES	\$ 7,481,173	\$ (2,023)
NONCASH TRANSACTIONS		
Capital assets contributed by others	\$ 70,884	\$ -
Construction period interest included in loan payable	71,745	-

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

April 30, 2023

	Police Pension
ASSETS	
Cash and short-term investments	\$ 1,210,713
Investments	
Investments held in the Illinois Police Officers' Pension Investment Fund	<u>42,907,523</u>
Total assets	<u>44,118,236</u>
LIABILITIES	
None	<u>-</u>
Total liabilities	<u>-</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 44,118,236</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended April 30, 2023

ADDITIONS

Contributions	
Employer	\$ 2,280,000
Employee	<u>584,000</u>
Total contributions	<u>2,864,000</u>
Investment income	
Net appreciation in fair value of investments	109,394
Interest	<u>314,381</u>
Total investment income	423,775
Less investment expense	<u>(43,177)</u>
Net investment income	<u>380,598</u>
Total additions	<u>3,244,598</u>

DEDUCTIONS

Benefits and refunds	1,626,243
Administration	<u>33,925</u>
Total deductions	<u>1,660,168</u>

NET INCREASE 1,584,430

NET POSITION RESTRICTED FOR PENSIONS

May 1	<u>42,533,806</u>
April 30	<u><u>\$ 44,118,236</u></u>

See accompanying notes to financial statements.

VILLAGE OF ALGONQUIN, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Village is a municipal corporation governed by an elected Village President and six-member Village Board of Trustees. As required by GAAP, these financial statements present the Village and its component units, legally separate entities for which the Village is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the Village's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column on the government-wide financial statements to emphasize it is legally separate from the Village. The Village has no discretely presented component units.

The Village's financial statements include the Police Pension System (the PPS) as a fiduciary component unit reported as a Pension Trust Fund. The Village's sworn police employees participate in the PPS. The PPS functions for the benefit of those employees and is governed by a five-member pension board. Two members appointed by the President, one elected retired police officer, and two elected police officers constitute the pension board. The Village and the PPS participants are obligated to fund all the PPS costs based upon actuarial valuations, including administrative costs. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of the contribution levels. Accordingly, the PPS is fiscally dependent on the Village. Separate financial statements are not available for the PPS.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain village functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed, or assigned for the acquisition or construction of major capital assets (capital projects funds), and the funds restricted, committed, or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in another fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes a pension trust fund which is used to account for assets that the Village holds in a fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity, other than interfund service transactions, has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It is used to account for all financial resources not accounted for in another fund.

The Downtown TIF District Fund is used to account for the activities associated with improvements within established downtown Tax Increment Financing District.

The Street Improvement Fund is used to account for the construction, improvement, and maintenance of village streets. Financing is provided by developer contributions, utility taxes, telecommunication taxes, and transfers from other funds.

The Village reports the following major proprietary fund:

The Waterworks and Sewerage Fund is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service, billing, and collection.

The Village reports on the following internal service funds:

The Vehicle Maintenance Fund is used to account for the fueling, maintenance, and repair of village owned vehicles and equipment. Financing is provided by other funds for this purpose.

The Building Service Fund is used to account for maintenance and repairs of village owned buildings. Financing is provided by other funds for this purpose.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for certain revenues collected by the state (e.g., sales and telecom taxes) which use a 90-day period.

The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Those revenues susceptible to accrual are property taxes, utility taxes, franchise fees, licenses, interest revenue, and charges for services. Sales and telecommunication taxes owed to the state at year end on behalf of the Village also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

The Village reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet the measurable and available or year intended to finance criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow for unavailable/deferred revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Village and Police Pension Fund categorize the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

f. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due to/from other funds" on the financial statements. Long-term interfund loans are classified as "advances to/from other funds."

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Prepaid Items/Expenses and Inventory

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Amounts are recorded as expenditures/expenses using the consumption method.

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

h. Capital Assets

Capital assets which include land, buildings, building improvements, vehicles and equipment, infrastructure, which includes streets, storm sewers, bridges, and the water and sewer system, improvements other than buildings, and intangibles, which include internally generated software, easements and intangibles other than easements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost ranging from \$25,000 to \$250,000, depending on asset type, and an estimated useful life of greater than one year. Purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Streets/bridges	40-50
Vehicles and equipment	3-10
Water and sewer system	20-40
Improvements other than buildings	5-50
Other equipment and other intangibles	4-20

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Compensated Absences

Vested or accumulated vacation leave and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees. The General Fund is typically used to liquidate these liabilities.

j. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, externally imposed by outside entities, or as a result of the Village's own enabling legislation. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Village Board of Trustees has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types the Board of Trustees assigns resources in accordance with the established fund purpose through the passage of the annual budget/appropriation ordinance. Any residual fund balance of the General Fund and any deficit balances in other governmental funds are reported as unassigned.

In the General Fund, the Village considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, followed by committed amounts then assigned amounts. Unassigned amounts are used only after the other categories of fund balance have been fully utilized.

In governmental funds other than the General Fund, the Village considers restricted amounts to have been spent last. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will first utilize assigned amounts, followed by committed amounts then restricted amounts.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities columns, or proprietary fund financial statements. Bond premiums and discounts, as well as gains and losses on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premiums or discounts. Bond issuance costs are expensed as incurred.

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

l. Interfund Transactions

Interfund service transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

m. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments - Illinois statutes and the Village's investment policy authorizes the Village to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois which are rated within the four highest general classifications established by a rating service of nationally recognized expertise, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Trust and The Illinois Funds (a money market fund created by the State of Illinois under the State Treasurer that maintains a \$1 per share value).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

The Illinois Metropolitan Investment Fund (IMET) is a local government investment pool. Created in 1996 as a not-for-profit trust formed under the Intergovernmental Cooperation Act and the Illinois Municipal Code. IMET was formed to provide Illinois government agencies with safe, liquid, attractive alternatives for investing and is managed by a Board of Trustees elected from the participating members. IMET offers participants two separate vehicles to meet their investment needs. The IMET Core Fund is designed for public funds that may be invested for longer than one year. The Core Fund carries the highest rating available (AAA) from Moody's for such funds. Member withdrawals can be made from the

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

core fund with a five day notice. The IMET Convenience Fund is designed to accommodate funds requiring high liquidity, including short term cash management programs and temporary investment of bond proceeds. It is comprised of collateralized and FHLB LoC backed bank deposits, FDIC insured certificates of deposit and US government securities. Member withdrawals are generally on the same day as requested. Investments in IMET are valued at IMET’s share price, which is the price the investment could be sold. The Village held investments in the IMET Convenience Fund only at April 30, 2023.

a. Village Deposits and Investments

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety, liquidity, and yield.

Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. It is the policy of the Village to require that funds on deposit in excess of FDIC limits be secured by some form of collateral. The amount of collateral provided will not be less than 105% of the fair value of the net amount of public funds secured. Pledged collateral will be held in safekeeping by an independent third-party depository designated by the Village and evidenced by a safekeeping agreement in the Village’s name. As of April 30, 2023, the Village was not exposed to custodial credit risk as all deposits were either insured or collateralized with securities held by the Village or its agent, in the Village’s name.

Investments

The following table presents the investments and maturities of the Village’s securities subject to interest rate risk as of April 30, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	\$ 545,164	\$ 49,008	\$ 496,156	\$ -	\$ -
U.S. agency securities	1,334,856	690,052	595,095	9,558	40,151
Municipal bonds	555,772	214,447	341,325	-	-
Corporate bonds	48,786	48,786	-	-	-
Negotiable certificates of deposit	2,964,348	866,334	2,098,014	-	-
TOTAL	\$ 5,448,926	\$ 1,868,627	\$ 3,530,590	\$ 9,558	\$ 40,151

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

The Village has the following recurring fair value measurements as of April 30, 2023: The U.S. agency securities, U.S. Treasury securities, municipal bonds, corporate bonds, and negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by (1) structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, (2) managing fixed-income investments where the investor builds a ladder by dividing his or her investment dollars evenly among bonds or CDs that mature at regular intervals such as every six months, once a year, or every two years, and (3) investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

To the extent possible, the Village will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than three years or, in the case of mortgage-backed securities, the expected average life of any fixed income security shall not exceed three years, from the date of purchase. Reserve funds may be invested in securities exceeding three years if the maturity or average life of such investments is made to coincide as nearly as practicable with the expected use of the funds. Any investment purchased with a maturity or average life longer than five years must be supported with written documentation explaining the reason for the purchase and must be specifically approved by the Board of Trustees.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by limiting investments to the types of securities listed above, diversifying the investment portfolio to the best of its abilities based on the type of funds invested and the cash flow needs of those funds, pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors, and diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized. Obligations of corporations must be rated at the time of purchase in one of the three highest classifications established by at least two standard rating services. Obligations of municipal bonds must be rated at the time of purchase in one of the four highest general classifications established by a rating service of nationally recognized

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

expertise in rating bonds of states and their political subdivisions. The Illinois Funds and Illinois Metropolitan Investment Fund (IMET) are rated AAA. The Village's U.S. agency securities have ratings from AA+ to AAA. The Village's Municipal Bonds have ratings from Aa1 to AAA and the Corporate Bonds have a rating of Aa2. The negotiable certificates of deposit are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian and evidenced by safekeeping receipts in the Village's name and a written custodial agreement. The Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. The investments shall be diversified by type of investment, number of institutions invested in, and length of maturity. No financial institution shall hold more than 40% of the Village's investment portfolio unless collateralized, exclusive of U.S. Treasury securities in safekeeping. Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution. Commercial paper shall not exceed 15% of the Village's investment portfolio. Brokered certificates of deposit shall not exceed 25% of the Village's investment portfolio.

3. RECEIVABLES - PROPERTY TAXES

Property taxes for the 2022 levy year attach as an enforceable lien on January 1, 2022, on property value assessed as of the same date. Taxes are levied by December 31 of the subsequent fiscal year end by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about May 1, 2023 and August 1, 2023, and are payable in two installments, on or about June 1, 2023 and September 1, 2023. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% to 2% of the tax levy, to reflect actual collection experience. The 2022 taxes are intended to finance the 2024 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue. The 2023 tax levy has not been recorded as a receivable at April 30, 2023, as the tax attached as a lien on property as of January 1, 2023; however, the tax will not be levied until December 2023 and, accordingly, is not measurable at April 30, 2023.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2023 was as follows:

	Beginning Balances, Restated	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Tangible capital assets not being depreciated				
Land	\$ 97,308,910	\$ -	\$ -	\$ 97,308,910
Construction in progress	7,151,429	10,753,397	588,074	17,316,752
Total tangible capital assets not being depreciated	104,460,339	10,753,397	588,074	114,625,662
Tangible capital assets being depreciated				
Buildings	16,538,030	-	-	16,538,030
Improvements other than buildings	34,970,682	552,373	-	35,523,055
Vehicles and equipment	7,323,428	348,321	51,316	7,620,433
Streets/storm sewers/bridges	126,553,478	-	-	126,553,478
Total tangible capital assets being depreciated	185,385,618	900,694	51,316	186,234,996
Intangible capital assets being amortized				
Vehicles and equipment	35,902	46,602	-	82,504
Total intangible capital assets being amortized	35,902	46,602	-	82,504
Less accumulated depreciation for				
Buildings	7,315,408	330,242	-	7,645,650
Improvements other than buildings	15,957,870	1,552,827	-	17,510,697
Vehicles and equipment	6,105,593	461,226	51,316	6,515,503
Streets/storm sewers/bridges	58,664,976	3,060,912	-	61,725,888
Total accumulated depreciation	88,043,847	5,405,207	51,316	93,397,738
Less accumulated amortization for				
Vehicles and equipment	-	24,930	-	24,930
Total accumulated amortization	-	24,930	-	24,930
Total tangible and intangible capital Assets being depreciated and amortized, net	97,377,673	(4,482,841)	-	92,894,832
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 201,838,012</u>	<u>\$ 6,270,556</u>	<u>\$ 588,074</u>	<u>\$ 207,520,494</u>

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances, Restated	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Tangible capital assets not being depreciated				
Land	\$ 3,644,048	\$ -	\$ -	\$ 3,644,048
Construction in progress	367,882	319,493	519,238	168,137
Total tangible capital assets not being depreciated	4,011,930	319,493	519,238	3,812,185
Tangible capital assets being depreciated				
Water and sewer system	134,962,983	496,107	13,401	135,445,689
Buildings	17,403,306	-	-	17,403,306
Vehicles and equipment	1,530,118	512,036	129,752	1,912,402
Total tangible capital assets being depreciated	153,896,407	1,008,143	143,153	154,761,397
Intangible capital assets being amortized				
Vehicles and equipment	35,821	-	-	35,821
Total intangible capital assets being amortized	35,821	-	-	35,821
Less accumulated depreciation for				
Water and sewer system	71,575,880	3,816,490	13,401	75,378,969
Buildings	7,196,371	348,066	-	7,544,437
Vehicles and equipment	1,142,282	140,731	129,752	1,153,261
Total accumulated depreciation	79,914,533	4,305,287	143,153	84,076,667
Less accumulated amortization for				
Vehicles	-	20,225	-	20,225
Total accumulated amortization	-	20,225	-	20,225
Total tangible and intangible capital assets being depreciated and amortized, net	74,017,695	(3,317,369)	-	70,700,326
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 78,029,625	\$ (2,997,876)	\$ 519,238	\$ 74,512,511

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES

General government	\$ 195,328
Public safety	233,790
Highways and streets	<u>5,001,019</u>

**TOTAL DEPRECIATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 5,430,137

5. 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. The Village participates in the McHenry County Municipal Risk Management Association (MCMRMA).

The Village pays annual premiums to MCMRMA for its workers' compensation, general liability, public official's liability claims, and property coverage. The cooperative agreement provides that MCMRMA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$150,000 per occurrence for workers' compensation and \$100,000 per occurrence for general liability and property. One representative from each member serves on the MCMRMA board, and each board member has one vote on the board. None of its members have any direct equity interest in MCMRMA.

The Village participates in the Intergovernmental Personnel Benefit Cooperative.

Intergovernmental Personnel Benefit Cooperative (IPBC) is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain governmental, quasi-governmental, and nonprofit public service entities. IPBC receives, processes, and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative, along with an alternate, from each member. In addition, there are two officers; a chairperson and a Treasurer. The Village does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

Complete financial statement, the latest available dated June 30, 2022, may be obtained directly from IPBC's administrative offices at 800 Roosevelt Road, Building C, Suite 312, Glen Ellyn, Illinois 60137.

The Village has not had significant reductions in insurance coverage during the year nor did settlements exceed insurance coverage in any of the last three years.

6. JOINT VENTURE

The Village is a founding member of Southeast Emergency Communication (SEECOM). SEECOM is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SEECOM is a cooperative joint venture organized for the purpose of providing the equipment, services, and other items necessary and appropriate for the establishment, operation, and maintenance of a joint public safety communications system for the mutual benefit of the members of SEECOM. The founding members of SEECOM consist of the Village of Algonquin, Illinois, the City of Crystal Lake, Illinois, and the Village of Cary, Illinois.

6. JOINT VENTURE (Continued)

SEECOM is governed by an executive board established with three voting members consisting of the Village Manager/Village Administrator/City Manager, or their respective staff designees, from the three founding communities. Each member of the Executive Board is entitled to one vote. Two nonvoting members also consist of one member from the Fire Services Advisory Board and one member from the Law Enforcement Advisory Board. These nonvoting members represent other member communities.

Each of SEECOM's three members paid an initial entry fee as determined and agreed to by SEECOM's Executive Board and the three members. Each member also pays a portion of the initial capital cost financed by the issuance of a bond.

Each member's portion of the initial capital costs are based on the actual capital cost multiplied by the member's proportionate share of the number of calls for service from the preceding year. Each member pays a percentage of the operating costs of SEECOM as determined by the total operational costs less contracted services by each member's proportional share of the calls for service handled by SEECOM. Calls for service are one year in arrears.

All property, real and personal, acquired by SEECOM are owned in common by the members under the intergovernmental agreement. Each of the three members under the intergovernmental agreement are liable for the debts and liabilities of SEECOM. The intergovernmental agreement establishing SEECOM is in effect for a period of 15 years from the effective date of June 2003. Thereafter, it is automatically renewed with no affirmative action by the three members for successive five-year periods commencing May 1 until notice of termination is given. Any terminating member shall remain liable for their share of the capital expenditures incurred prior to the effective date of their termination. Upon termination by any member, SEECOM shall reimburse the terminated member for its share of the undepreciated value of SEECOM's capital assets.

SEECOM financial statements can be obtained at SEECOM's office located at 100 West Woodstock Street, Crystal Lake, IL 60014.

The Village reports its activities in SEECOM as a governmental joint venture. In accordance with the joint venture agreement, the Village remitted \$537,852 to SEECOM during fiscal year 2023. In addition, the Village's equity interest in the joint venture's net position of \$1,668,446 is recorded within the governmental activities column of the statement of net position.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT

a. General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the Village and are payable from both governmental activities/funds and business-type activities. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$7,645,000 General Obligation Refunding Bond Series 2013, due in annual installments of \$570,000 to \$830,000, plus interest of 3.00% to 3.25% payable each April 1 and October 1 through April 1, 2025.	Waterworks and Sewerage	\$ 2,415,000	\$ -	\$ 770,000	\$ 1,645,000	\$ 815,000
TOTAL GENERAL OBLIGATION BONDS		\$ 2,415,000	\$ -	\$ 770,000	\$ 1,645,000	\$ 815,000

b. IEPA loans payable

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Current Portion
\$16,905,000 IEPA loan payable #L175550, due in semiannual installments, plus interest of 2%.	Waterworks and Sewerage	\$ 16,432,526	\$ 242,935	\$ 634,512	\$ 16,040,949	\$ 701,641
\$2,813,800 IEPA loan payable #L175553, due in semiannual installments, plus interest of 1.84%.	Waterworks and Sewerage	2,625,991	-	124,294	2,501,697	126,591
\$6,467,300 IEPA loan payable #L175554, due in semiannual installments, plus interest of 2%.	Waterworks and Sewerage	6,199,738	-	271,180	5,928,558	276,631
TOTAL IEPA LOANS		\$ 25,258,255	\$ 242,935	\$ 1,029,986	\$ 24,471,204	\$ 1,104,863

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Business-Type Activities General Obligation Bonds	
	Principal	Interest
2024	\$ 815,000	\$ 51,425
2025	830,000	26,975
TOTAL	\$ 1,645,000	\$ 78,400

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

c. Debt Service Requirements to Maturity (Continued)

Fiscal Year	IEPA #L175553 Loan Payable		IEPA #L175554 Loan Payable		IEPA #L175550 Loan Payable		Total IEPA Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 126,591	\$ 45,452	\$ 276,631	\$ 117,195	\$ 701,641	\$ 317,328	\$ 1,104,863	\$ 479,975
2025	128,931	43,112	282,191	111,635	715,743	303,225	1,126,865	457,972
2026	131,314	40,728	287,863	105,963	730,130	288,839	1,149,307	435,530
2027	133,742	38,301	293,649	100,177	744,806	274,163	1,172,197	412,641
2028	136,214	35,829	299,552	94,274	759,776	259,193	1,195,542	389,296
2029	138,732	33,311	305,573	88,253	775,048	243,921	1,219,353	365,485
2030	141,296	30,747	311,715	82,111	790,626	228,343	1,243,637	341,201
2031	143,908	28,135	317,980	75,846	806,518	212,451	1,268,406	316,432
2032	146,568	25,475	324,372	69,454	822,729	196,240	1,293,669	291,169
2033	149,277	22,765	330,892	62,934	839,265	179,703	1,319,434	265,402
2034	152,037	20,006	337,542	56,283	856,135	162,834	1,345,714	239,123
2035	154,847	17,196	344,327	49,499	873,343	145,626	1,372,517	212,321
2036	157,709	14,334	351,248	42,578	890,898	128,071	1,399,855	184,983
2037	160,624	11,418	358,308	35,518	908,805	110,164	1,427,737	157,100
2038	163,593	8,449	365,510	28,316	927,072	91,897	1,456,175	128,662
2039	166,617	5,425	372,857	20,969	945,706	73,263	1,485,180	99,657
2040	169,697	2,345	380,351	13,475	964,715	54,255	1,514,763	70,075
2041	-	-	387,997	5,830	984,105	34,864	1,372,102	40,694
2042	-	-	-	-	1,003,888	15,083	1,003,888	15,083
TOTAL	\$ 2,501,697	\$ 423,028	\$ 5,928,558	\$ 1,160,310	\$ 16,040,949	\$ 3,319,463	\$ 24,471,204	\$ 4,902,801

d. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities for governmental activities:

	Balances May 1, Restated	Issuances	Retirements	Balances April 30	Current Portion
Lease liabilities	\$ 35,902	\$ 45,981	\$ 24,823	\$ 57,060	\$ 23,571
Compensated absences*	1,181,918	1,567,872	1,519,280	1,230,510	788,429
Net pension liability (IMRF)*#	-	3,553,593	-	3,553,593	-
Net pension liability (Police Pension)*	11,124,874	2,646,137	-	13,771,011	-
Total OPEB liability*	1,945,625	279,776	-	2,225,401	89,016
TOTAL	\$ 14,288,319	\$ 8,093,359	\$ 1,544,103	\$ 20,837,575	\$ 901,016

*These liabilities are generally retired by the General Fund.
#IMRF was reported as a net pension asset at April 30, 2022.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

During the fiscal year, the following changes occurred in long-term liabilities for business-type activities (retired by the Waterworks and Sewerage Fund):

	Balances			Balances	
	May 1,	Issuances	Retirements	April 30	Current
	Restated				Portion
General obligation bonds payable	\$ 2,415,000	\$ -	\$ 770,000	\$ 1,645,000	\$ 815,000
Unamortized premium	98,204	-	25,073	73,131	-
IEPA loans payable	25,258,255	242,935	1,029,986	24,471,204	1,104,863
Asset retirement obligation	270,000	-	-	270,000	-
Lease liabilities	35,470	-	19,963	15,507	14,603
Compensated absences payable	304,586	236,046	230,288	310,344	175,413
Net pension liability (IMRF)#	-	1,709,035	-	1,709,035	-
Total OPEB liability	502,949	67,196	-	570,145	22,806
TOTAL	\$ 28,884,464	\$ 2,255,212	\$ 2,075,310	\$ 29,064,366	\$ 2,132,685

#IMRF was reported as a net pension asset at April 30, 2022.

e. 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 nine water wells at the end of their estimated useful lives in accordance state requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year and engineering estimates. The estimated remaining useful lives of the water wells range from 18 to 46 years.

f. Leases

In accordance with GASB Statement No. 87, *Leases*, the Village's lessee activity is as follows:

The Village entered into a lease arrangement with a start date of July 2022, for right-to-use machinery and equipment assets. Payments of \$536 are due in quarterly installments through July 2027. Total intangible right-to-use assets acquired under these agreements are \$8,596 for governmental activities. Total principal payments made during the fiscal year on these arrangements were \$1,995 for governmental activities. The lease liability associated with these arrangements is \$8,198 for governmental activities.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

f. Leases (Continued)

The Village entered into eight lease arrangements with start dates ranging from August 2019 to August 2022, for right-to-use vehicle assets. Payments ranging from \$273 to \$735 are due in monthly installments, through July 2027. Total intangible right-to-use assets acquired under these agreements are \$48,977 and \$15,596 for governmental and business-type activities, respectively. Total principal payments made during the fiscal year on these arrangements were \$22,828 and \$19,963 for governmental and business-type activities, respectively. The lease liability associated with these arrangements is \$48,862 and \$15,507 for governmental and business-type activities, respectively.

Obligations of governmental activities under lease liabilities, typically paid from the General Fund and Building Maintenance Fund and obligations of business-type activities under lease liabilities, typically paid from the Water and Sewer Fund, including future interest payments at April 30, 2023, were as follows:

Year Ending April 30,	Lease Liabilities			
	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 23,571	\$ 2,342	\$ 14,603	\$ 325
2025	12,551	1,425	904	7
2026	9,526	896	-	-
2027	10,043	379	-	-
2028	1,369	11	-	-
TOTAL	\$ 57,060	\$ 5,053	\$ 15,507	\$ 332

8. INDIVIDUAL FUND DISCLOSURES

Individual fund amounts due to other funds were as follows:

Fund	Due From	Due To
General	\$ 96,930	\$ -
Internal Service Funds	-	96,930
TOTAL	\$ 96,930	\$ 96,930

The purposes of significant interfund balances are as follows:

- The balances between the General Fund and the Internal Service Funds were for short-term interfund loans. Repayment is expected within one year.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. INDIVIDUAL FUND DISCLOSURES (Continued)

Individual fund advances were as follows:

Fund	Advances To	Advances From
General	\$ 655,151	\$ -
Street Improvement Fund	23,733,631	-
Downtown TIF District Fund	-	29,599,969
Water and Sewer	5,211,187	-
TOTAL	\$ 29,599,969	\$ 29,599,969

The purposes of significant advances are as follows:

- The advance from the General Fund, Street Improvement Fund, and Water/Sewer Improvement Fund to the Downtown TIF District Fund were made for TIF advances for expenses of the TIF District. The amounts are expected to be repaid over the remaining life of the TIF District.

Individual fund transfers were as follows:

Fund	Transfers In	Transfers Out
General	\$ -	\$ 5,804,607
Street Improvement Fund	3,317,607	-
Parks Fund	1,162,000	-
Natural Area and Drainage	1,325,000	-
TOTAL	\$ 5,804,607	\$ 5,804,607

The purposes of significant transfers are as follows:

- The General Fund transferred surplus monies per the budget to the Street Improvement Fund, Parks Fund, and Natural Area and Drainage Fund for the purpose of completing various Village projects.

The Downtown TIF District Fund had a deficit fund balance of \$28,715,214 as of April 30, 2023. This deficit is expected to be eliminated with future tax increment property taxes.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. CONTINGENT LIABILITIES

a. Litigation

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

b. 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.

10. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessor activity is as follows:

The Village entered into a lease arrangement starting January 2023, to lease land property. Payments of \$850 are due to the Village in monthly installments, through January 2025 which reflects all renewal options being exercised for this agreement. The lease arrangement is noncancelable and maintains an interest rate of 1.53%. During the fiscal year, the Village collected \$2,550 and recognized a \$2,957 reduction in the related deferred inflow of resources. The remaining lease receivable and deferred inflow of resources for those arrangements, recorded in the General Fund is \$28,035 and \$27,516 as of April 30, 2023, respectively.

The Village entered into five lease arrangements with start dates ranging from June 2002 to March 2009, to lease cell tower property. Payments ranging from \$24,792 to \$46,300 are due to the Village in annual installments, through June 2036, which reflects all renewal options being exercised for these agreements. The lease arrangements are noncancelable and maintain interest rates ranging from 1.442% to 1.977%. During the fiscal year, the Village collected \$167,775 and recognized a \$168,698 reduction in the related deferred inflow of resources. The remaining lease receivable and deferred inflow of resources for these arrangements, recorded in the funds as follows: General \$181,954 and \$182,753, Cemetery \$430,900 and \$424,643 and Water & Sewer \$734,389 and \$726,311, respectively.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all the plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. IMRF, however, issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from their website at www.imrf.org.

The aggregate amount of pension expense/(income) recognized for all plans was \$2,289,227 for the year ended April 30, 2023.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan) 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.

Plan Membership

At December 31, 2022, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	71
Inactive employees entitled to but not yet receiving benefits	65
Active employees	<u>92</u>
TOTAL	<u><u>228</u></u>

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

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

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended April 30, 2023 was 9.22% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

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

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability (Asset)	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	\$ 38,177,068	\$ 41,032,312	\$ (2,855,244)
Changes for the period			
Service cost	624,277	-	624,277
Interest	2,747,490	-	2,747,490
Difference between expected and actual experience	1,285,742	-	1,285,742
Changes in assumptions	-	-	-
Employer contributions	-	678,498	(678,498)
Employee contributions	-	318,710	(318,710)
Net investment income	-	(4,480,133)	4,480,133
Benefit payments and refunds	(1,185,599)	(1,185,599)	-
Other (net transfer)	-	22,562	(22,562)
Net changes	3,471,910	(4,645,962)	8,117,872
BALANCES AT DECEMBER 31, 2022	\$ 41,648,978	\$ 36,386,350	\$ 5,262,628

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the Village recognized pension expense of \$923,284.

At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,425,444	\$ (206,326)
Changes in assumption	101,998	(250,516)
Contributions made between January 1, 2023 and April 30, 2023	216,057	-
Net difference between projected and actual earnings on pension plan investments	<u>2,782,616</u>	<u>-</u>
TOTAL	<u>\$ 4,526,115</u>	<u>\$ (456,842)</u>

\$216,057 reported as deferred outflows of resources related to the Village contributions subsequent to the measurement date and will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2024	\$ 280,639
2025	716,422
2026	1,227,734
2027	1,628,421
2028	-
Thereafter	<u>-</u>
TOTAL	<u>\$ 3,853,216</u>

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 11,093,929	\$ 5,262,628	\$ 704,769

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a Pension Trust Fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

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.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

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

Inactive plan members or beneficiaries currently receiving benefits	22
Inactive plan members entitled to but not yet receiving benefits	7
Active plan members	<u>48</u>
 TOTAL	 <u><u>77</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has elected to fund 100% of the past service cost by 2033. For the year ended April 30, 2023, the Village's contribution was 45.16% of covered payroll.

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. The pension fund transferred their investment assets to the IPOPIF in June 2022.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. At April 30, 2023, all of the Fund's bank balances were collateralized in accordance with their investment policy.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at April 30, 2023.

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$42,907,523 at April 30, 2023. The pooled investments consist of the investments as noted in the target allocation table available at <https://ipopif.org>. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2023.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Net Asset Value (Continued)

The Plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

Investment Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was .34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The Fund's funding policy is to have the Fund reach a funded ratio of 100% by April 30, 2033. Therefore, the Police Pension Plan's projected fiduciary net position can be expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Police Pension Plan's investments was applied to all periods of projected benefits payments to determine the total pension liability.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2022	\$ 53,658,680	\$ 42,533,806	\$ 11,124,874
Changes for the period			
Service cost	1,173,877	-	1,173,877
Interest	3,566,629	-	3,566,629
Difference between expected and actual experience	1,058,788	-	1,058,788
Changes in assumptions	-	-	-
Changes of benefit terms	57,516	-	57,516
Employer contributions	-	2,280,000	(2,280,000)
Employee contributions	-	501,105	(501,105)
Other contributions	-	82,895	(82,895)
Net investment income	-	380,598	(380,598)
Benefit payments and refunds	(1,626,243)	(1,626,243)	-
Administrative expense	-	(33,925)	33,925
Net changes	4,230,567	1,584,430	2,646,137
BALANCES AT APRIL 30, 2023	\$ 57,889,247	\$ 44,118,236	\$ 13,771,011

The plan fiduciary net position as a percentage of total pension liability was 76.21% at April 30, 2023.

There was a change to Tier II benefits during the year ended April 30, 2023.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

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

Actuarial valuation date	April 30, 2023
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.75% to 8.65%
Interest rate	6.75%
Postretirement benefit increases	3.00%
Asset valuation method	Fair value

Mortality rates were based on the L&A 2020 Illinois Police Mortality Rates.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 23,665,690	\$ 13,771,011	\$ 5,855,674

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2023, the Village recognized police pension expense of \$1,365,943. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,112,081	\$ (2,282,738)
Changes in assumption	303,645	(552,829)
Net difference between projected and actual earnings on pension plan investments	<u>2,685,908</u>	-
TOTAL	<u>\$ 4,101,634</u>	<u>\$ (2,835,567)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	
2024	\$ 60,935
2025	(260,526)
2026	1,303,209
2027	366,294
2028	(108,973)
Thereafter	<u>(94,872)</u>
TOTAL	<u>\$ 1,266,067</u>

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care (OPEB) benefits for retirees and disabled employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and any employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's General Fund and Waterworks and Sewerage Fund.

b. Benefits Provided

With the exception of funding HMO medical health care for police officers who retired due to a duty related disability, retired village employees are required to fully fund the premium for the health care policy. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents until they are Medicare eligible. The Plan provides medical and dental insurance benefits to eligible retirees and their dependents. The benefits, benefit levels, and employer contributions are governed by the Village Board of Trustees and can only be amended by the Village Board of Trustees. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established.

All health care benefits are provided through the Village's insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Eligibility in village-sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits.

c. Membership

At April 30, 2023, membership consisted of:

Inactive fund members or beneficiaries currently receiving benefit payments	24
Inactive fund members entitled to but not yet receiving benefit payments	-
Active fund members	<u>134</u>
 TOTAL	 <u>158</u>
 Participating employers	 <u><u>1</u></u>

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Actuarial Assumptions and Other Inputs

The total OPEB liability was measured at April 30, 2023, as determined by an actuarial valuation as of May 1, 2022, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Inflation	3.00%
Salary increases	5.00%
Discount rate	4.14%
Healthcare cost trend rates	5.50% to 6.50% Initial 4.50% Ultimate
Retirees share of benefit-related costs	100% Regular Plan 0% PSEBA Eligible

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index at April 30, 2023.

Mortality rates were based on the IMRF and Police Pension rates in Note 11.

The actuarial assumptions used in the April 30, 2023 valuation are based on 20% participation assumed, with 30% electing spouse coverage.

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 4.50% to 5.50% - 6.50% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 4.50%-5.50%) or 1 percentage point higher (5.50% to 6.50% - 7.50%) than the current rate:

	1% Decrease (3.50% to 4.50% - 5.50%)	Current Healthcare Rate (4.50% to 5.50% - 6.50%)	1% Increase (5.50% to 6.50% - 7.50%)
Total OPEB liability	\$ 2,502,678	\$ 2,795,546	\$ 3,152,382

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

For the year ended April 30, 2023, the Village recognized OPEB expense of \$260,823. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 368,576	\$ (51,201)
Changes in assumptions	1,106,728	(733,711)
TOTAL	\$ 1,475,304	\$ (784,912)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year Ending April 30,	
2024	\$ 126,724
2025	126,724
2026	126,724
2027	126,724
2028	117,321
Thereafter	66,175
TOTAL	\$ 690,392

VILLAGE OF ALGONQUIN, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. CHANGE IN ACCOUNTING PRINCIPLE

For the fiscal year ended April 30, 2023, the Village implemented GASB Statement No. 87, *Leases*. With the implementation, the Village is required to record the beginning balances of the lease receivable, intangible capital assets, lease liabilities, and lease deferred inflows of resources.

The beginning net position/fund balance of the following opinion units have been restated to reflect the new guidance as follows:

Governmental Activities

The Village recorded the lease receivable and lease deferred inflows of resources of \$696,016. Additionally, the Village recorded intangible right-to-use assets and the associated lease liabilities of \$35,902.

Business-Type Activities

The Village recorded the lease receivable and lease deferred inflows of resources of \$815,083. Additionally, the Village recorded intangible right-to-use assets and associated lease liabilities of \$35,821 and \$35,470, respectively.

General Fund

The Village recorded the lease receivable and lease deferred inflows of resources of \$239,743.

Water and Sewer Fund

The Village recorded the lease receivable and lease deferred inflows of resources of \$815,083. Additionally, the Village recorded intangible right-to-use assets and associated lease liabilities of \$35,821 and \$35,470, respectively.

Bulidng Maintenance Fund (Internal Service)

The Village recorded intangible right-to-use assets and associated lease liabilities of \$13,827.

Cemetery Fund (Nonmajor Funds)

The Village recorded the lease receivable and lease deferred inflows of resources of \$456,274.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 6,393,000	\$ 6,393,000	\$ 6,457,631
Intergovernmental, grants, and contributions	14,310,000	14,363,508	16,464,872
Charges for services	323,100	323,100	445,619
Licenses and permits	630,000	630,000	1,335,034
Fees, fines, and forfeits	261,400	261,400	399,480
Investment income	65,300	122,300	232,297
Miscellaneous	510,600	510,600	492,282
Total revenues	<u>22,493,400</u>	<u>22,603,908</u>	<u>25,827,215</u>
EXPENDITURES			
Current			
General government	5,903,800	5,908,360	5,372,568
Public safety	11,168,350	11,178,637	10,808,015
Public works	5,070,500	5,104,770	5,008,020
Debt service			
Interest and fiscal charges	8,650	8,650	18,015
Capital outlay	401,800	578,937	407,507
Total expenditures	<u>22,553,100</u>	<u>22,779,354</u>	<u>21,614,125</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(59,700)</u>	<u>(175,446)</u>	<u>4,213,090</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers (out)	(1,760,000)	(5,964,607)	(5,804,607)
Lease issuance	-	-	10,193
Proceeds from sale of fixed assets	150,000	150,000	86,606
Total other financing sources (uses)	<u>(1,610,000)</u>	<u>(5,814,607)</u>	<u>(5,707,808)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (1,669,700)</u></u>	<u><u>\$ (5,990,053)</u></u>	<u>(1,494,718)</u>
FUND BALANCE, MAY 1			<u>21,839,835</u>
FUND BALANCE, APRIL 30			<u><u>\$ 20,345,117</u></u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DOWNTOWN TIF DISTRICT FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 809,000	\$ 809,000	\$ 877,578
Investment income	1,000	1,000	12,421
Total revenues	810,000	810,000	889,999
EXPENDITURES			
General government			
Legal services	-	-	184
Engineering services	10,000	10,000	60,829
Capital outlay	800,000	800,000	5,964,941
Total expenditures	810,000	810,000	6,025,954
NET CHANGE IN FUND BALANCE	\$ -	\$ -	(5,135,955)
FUND BALANCE (DEFICIT), MAY 1			(23,579,259)
FUND BALANCE (DEFICIT), APRIL 30			\$ (28,715,214)

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Eight Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 753,644	\$ 745,068	\$ 750,471	\$ 669,837	\$ 636,395	\$ 739,740	\$ 743,163	\$ 666,251
Contributions in relation to the actuarially determined contribution	753,644	745,068	750,471	669,837	636,395	739,740	743,163	666,251
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 6,631,156	\$ 6,465,839	\$ 6,547,827	\$ 6,268,862	\$ 6,184,848	\$ 6,267,366	\$ 6,589,674	\$ 7,228,845
Contributions as a percentage of covered payroll	11.37%	11.52%	11.46%	10.69%	10.29%	11.80%	11.28%	9.22%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior IMRF plan year. Additional information as of the latest valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization period was 21 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually, wage growth of 2.75%, and inflation of 2.50%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 1,010,427	\$ 1,178,898	\$ 1,239,425	\$ 1,836,961	\$ 1,899,008	\$ 1,983,552	\$ 1,984,537	\$ 2,067,570	\$ 2,279,056	\$ 2,135,484
Contributions in relation to the actuarially determined contribution	1,025,000	1,179,000	1,240,000	1,837,000	1,900,000	1,992,834	1,985,000	2,068,000	2,280,983	2,280,000
CONTRIBUTION DEFICIENCY (Excess)	\$ (14,573)	\$ (102)	\$ (575)	\$ (39)	\$ (992)	\$ (9,282)	\$ (463)	\$ (430)	\$ (1,927)	\$ (144,516)
Covered payroll	\$ 4,193,768	\$ 4,151,265	\$ 4,077,186	\$ 4,250,692	\$ 4,095,714	\$ 4,107,186	\$ 4,389,213	\$ 4,284,035	\$ 4,712,749	\$ 5,048,740
Contributions as a percentage of covered payroll	24.44%	28.40%	30.41%	43.22%	46.39%	48.52%	45.22%	48.27%	48.40%	45.16%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 11.86 years; the asset valuation was at five-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, and projected salary increases assumption of 3.75% to 21.26%.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Eight Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL PENSION LIABILITY								
Service cost	\$ 756,829	\$ 727,336	\$ 716,835	\$ 642,958	\$ 674,525	\$ 668,964	\$ 614,364	\$ 624,277
Interest	1,819,378	1,956,191	2,069,862	2,142,009	2,327,014	2,492,354	2,560,378	2,747,490
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(161,237)	(547,368)	(158,856)	459,661	221,880	(530,044)	597,081	1,285,742
Changes of assumptions	40,403	(82,880)	(972,243)	1,075,268	-	(562,969)	-	-
Benefit payments, including refunds of member contributions	(550,096)	(608,099)	(596,206)	(717,199)	(880,903)	(999,258)	(1,206,252)	(1,185,599)
Net change in total pension liability	1,905,277	1,445,180	1,059,392	3,602,697	2,342,516	1,069,047	2,565,571	3,471,910
Total pension liability - beginning	24,187,388	26,092,665	27,537,845	28,597,237	32,199,934	34,542,450	35,611,497	38,177,068
TOTAL PENSION LIABILITY - ENDING	\$ 26,092,665	\$ 27,537,845	\$ 28,597,237	\$ 32,199,934	\$ 34,542,450	\$ 35,611,497	\$ 38,177,068	\$ 41,648,978
PLAN FIDUCIARY NET POSITION								
Contributions - employer	\$ 773,192	\$ 745,680	\$ 755,526	\$ 704,046	\$ 601,151	\$ 716,211	\$ 781,603	\$ 678,498
Contributions - member	304,371	295,560	301,686	297,345	295,523	278,561	300,537	318,710
Net investment income	106,029	1,484,262	3,758,504	(1,053,036)	4,606,042	4,224,661	5,672,858	(4,480,133)
Benefit payments, including refunds of member contributions	(550,096)	(608,099)	(596,206)	(717,199)	(880,903)	(999,258)	(1,206,252)	(1,185,599)
Administrative expense	(456,684)	54,700	(211,695)	391,002	(85,241)	114,953	(109,133)	22,562
Net change in plan fiduciary net position	176,812	1,972,103	4,007,815	(377,842)	4,536,572	4,335,128	5,439,613	(4,645,962)
Plan fiduciary net position - beginning	20,942,111	21,118,923	23,091,026	27,098,841	26,720,999	31,257,571	35,592,699	41,032,312
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,118,923	\$ 23,091,026	\$ 27,098,841	\$ 26,720,999	\$ 31,257,571	\$ 35,592,699	\$ 41,032,312	\$ 36,386,350
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 4,973,742	\$ 4,446,819	\$ 1,498,396	\$ 5,478,935	\$ 3,284,879	\$ 18,798	\$ (2,855,244)	\$ 5,262,628

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022
Plan fiduciary net position as a percentage of the total pension liability	80.94%	83.85%	94.76%	82.98%	90.49%	99.95%	107.48%	87.36%
Covered payroll	\$ 6,631,156	\$ 6,484,170	\$ 6,530,052	\$ 6,263,753	\$ 6,242,492	\$ 6,190,245	\$ 6,385,640	\$ 7,082,445
Employer's net pension liability (asset) as a percentage of covered payroll	75.01%	68.58%	22.95%	87.47%	52.62%	0.30%	(44.71%)	74.31%

Notes to Required Supplementary Information

There was a change with respect to actuarial assumptions from 2014 to 2015 to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates. There was a change in the discount rate assumption from 2015 to 2016. There was a change in assumptions related to price inflation, salary increases, retirement age, and mortality rates from 2016 to 2017. There was a change in the discount rate from 2017 to 2018. There was a change in price inflation and salary increases from 2019 to 2020.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Nine Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY									
Service cost	\$ 806,170	\$ 861,719	\$ 1,038,677	\$ 987,120	\$ 1,053,751	\$ 1,086,951	\$ 1,171,575	\$ 1,046,375	\$ 1,173,877
Interest	2,306,932	2,602,515	2,704,064	2,778,626	2,936,198	3,123,750	3,266,660	3,440,176	3,566,629
Changes of benefit terms	-	-	-	-	-	212,233	-	-	57,516
Differences between expected and actual experience	481,935	(277,976)	(328,182)	(257,967)	65,822	154,826	87,320	(2,649,921)	1,058,788
Changes of assumptions	2,726,115	(744,218)	(1,238,868)	-	-	(32,162)	-	396,931	-
Benefit payments, including refunds of member contributions	(539,305)	(903,832)	(971,371)	(1,170,770)	(1,175,988)	(1,378,453)	(1,555,055)	(1,679,536)	(1,626,243)
Net change in total pension liability	5,781,847	1,538,208	1,204,320	2,337,009	2,879,783	3,167,145	2,970,500	554,025	4,230,567
Total pension liability - beginning	33,225,843	39,007,690	40,545,898	41,750,218	44,087,227	46,967,010	50,134,155	53,104,655	53,658,680
TOTAL PENSION LIABILITY - ENDING	\$ 39,007,690	\$ 40,545,898	\$ 41,750,218	\$ 44,087,227	\$ 46,967,010	\$ 50,134,155	\$ 53,104,655	\$ 53,658,680	\$ 57,889,247
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 1,179,000	\$ 1,240,000	\$ 1,837,000	\$ 1,900,000	\$ 1,992,834	\$ 1,985,000	\$ 2,068,000	\$ 2,280,983	\$ 2,280,000
Contributions - member	415,618	450,578	423,716	409,143	415,056	468,893	424,549	467,032	501,105
Contributions - other	-	-	-	-	-	-	4,601	36,704	82,895
Net investment income	1,125,257	(67,703)	2,101,867	1,712,063	2,117,431	572,163	9,630,620	(2,462,708)	380,598
Benefit payments, including refunds of member contributions	(539,305)	(903,832)	(971,371)	(1,170,771)	(1,175,988)	(1,378,453)	(1,555,055)	(1,679,536)	(1,626,243)
Administrative expense	(27,755)	(28,723)	(40,032)	(43,767)	(35,747)	(32,941)	(31,935)	(31,550)	(33,925)
Net change in plan fiduciary net position	2,152,815	690,320	3,351,180	2,806,668	3,313,586	1,614,662	10,540,780	(1,389,075)	1,584,430
Plan fiduciary net position - beginning	19,452,870	21,605,685	22,296,005	25,647,185	28,453,853	31,767,439	33,382,101	43,922,881	42,533,806
PLAN FIDUCIARY NET POSITION - ENDING	\$ 21,605,685	\$ 22,296,005	\$ 25,647,185	\$ 28,453,853	\$ 31,767,439	\$ 33,382,101	\$ 43,922,881	\$ 42,533,806	\$ 44,118,236
EMPLOYER'S NET PENSION LIABILITY	\$ 17,402,005	\$ 18,249,893	\$ 16,103,033	\$ 15,633,374	\$ 15,199,571	\$ 16,752,054	\$ 9,181,774	\$ 11,124,874	\$ 13,771,011

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability	55.39%	54.99%	61.43%	64.54%	67.64%	66.59%	82.71%	79.27%	76.21%
Covered payroll	\$ 4,151,265	\$ 4,077,186	\$ 4,250,692	\$ 4,095,714	\$ 4,107,186	\$ 4,389,213	\$ 4,284,035	\$ 4,712,749	\$ 5,048,740
Employer's net pension liability as a percentage of covered payroll	419.20%	447.61%	378.83%	381.70%	370.07%	381.66%	214.33%	236.06%	272.76%

Notes to Required Supplementary Information

2014-2015: There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

2015-2016: The discount rate used in the determination of the total pension liability was changed from 7.00% to 6.75%. Additionally, there was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, mortality improvement rates, retirement rates, disability rates, and termination rates.

2016-2017: There was a change with respect to actuarial assumptions from the prior year to include updated mortality assumptions from the MP-2016 table. Additionally, rates are being applied on a fully generational basis. These changes were made to better reflect the future anticipated experience in the fund.

2019-2020: There was a change with respect to the following assumptions: projected individual pay increases, inflation rate, mortality rate, mortality improvement rates, retirement rates, termination rates, disability rates, and marital assumptions. There were changes in plan benefits required under PA-101-0610 (SB 1300).

2021-2022: There was a change with respect to the following assumptions: projected individual pay increases and inflation rate.

2022-2023: There was a change to Tier II benefits.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Five Fiscal Years

MEASUREMENT DATE APRIL 30,	2019	2020	2021	2022	2023
TOTAL OPEB LIABILITY					
Service cost	\$ 43,171	\$ 47,364	\$ 43,073	\$ 52,885	\$ 40,421
Interest	57,199	73,158	68,448	57,948	93,678
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(103,808)	-	23,986	-	397,563
Changes of assumptions	797,515	110,280	755,371	(764,104)	5,047
Benefit payments	(87,605)	(93,899)	(122,474)	(129,473)	(189,736)
Net change in total OPEB liability	706,472	136,903	768,404	(782,744)	346,973
Total OPEB liability - beginning	1,619,538	2,326,010	2,462,913	3,231,317	2,448,573
TOTAL OPEB LIABILITY - ENDING	\$ 2,326,010	\$ 2,462,913	\$ 3,231,317	\$ 2,448,573	\$ 2,795,546
Covered-employee payroll	\$ 10,179,525	\$ 10,179,525	\$ 10,224,916	\$ 10,224,916	\$ 12,802,329
Employer's total OPEB liability as a percentage of covered-employee payroll	22.85%	24.19%	31.60%	23.95%	21.84%

Notes to Required Supplementary Information

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

Changes in assumptions:

2023: There were changes in assumptions related to the discount rate, healthcare trend rates, and decrements.

2022: There were changes in assumptions related to the discount rate.

2021: There were changes in assumptions related to the discount rate and health care trend rate.

2020: There were changes in assumptions related to the discount rate.

2019: There were changes in assumptions related to the discount rate and health care trend rate. In addition, there were changes to the per capita costs and decrements were changed to reflect the most recent IMRF and Police Pension Fund valuation reports.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Nine Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Annual money-weighted rate of return, net of investment expense	5.77%	(0.31%)	9.37%	6.67%	7.42%	1.79%	29.10%	(5.60%)	0.34%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2023

1. BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Police Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

All departments of the Village submit requests for appropriation so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget may be amended by the governing body.

All funds adopt an annual budget and budgets are prepared on a basis consistent with GAAP except for the Waterworks and Sewerage Fund in that depreciation, amortization, gains/losses on the sales of capital assets, and pension expense adjustments are not budgeted and capital outlay and debt principal retirements (other than defeasements) are budgeted.

2. EXPENDITURES OVER BUDGET OF INDIVIDUAL FUNDS

The following funds had expenditures that exceeded budget:

<u>Fund</u>	<u>Final Budget</u>	<u>Expenditures</u>
Downtown TIF District Fund	\$ 810,000	\$ 6,025,954

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
GENERAL FUND - BY ACCOUNT

April 30, 2023

	Operating	Public Swimming Pool	Special Revenue	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ 2,803,219	\$ 14,131	\$ 214,150	\$ 3,031,500
Investments	13,546,095	-	287,378	13,833,473
Receivables				
Property tax	6,130,000	-	-	6,130,000
Other taxes	2,456,062	-	6,961	2,463,023
Intergovernmental, grants, and contributions	33,177	-	-	33,177
IPBC	177,058	-	-	177,058
Lease	209,989	-	-	209,989
Accrued interest	32,232	-	-	32,232
Other	661,496	-	-	661,496
Due from other funds	96,930	-	-	96,930
Advance to other funds	655,151	-	-	655,151
Prepaid items	106,583	1,492	-	108,075
	<hr/>			
Total assets	26,907,992	15,623	508,489	27,432,104
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
	<hr/>			
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 26,907,992	\$ 15,623	\$ 508,489	\$ 27,432,104
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(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET (Continued)
GENERAL FUND - BY ACCOUNT

April 30, 2023

	Operating	Public Swimming Pool	Special Revenue	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 383,888	\$ 644	\$ 65,593	\$ 450,125
Unearned revenue	147,889	14,818	39,972	202,679
Other liabilities	93,914	-	-	93,914
Total liabilities	625,691	15,462	105,565	746,718
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenue	6,130,000	-	-	6,130,000
Lease items	210,269	-	-	210,269
Total liabilities and deferred inflows of resources	6,965,960	15,462	105,565	7,086,987
FUND BALANCES				
Nonspendable				
Prepays	106,583	1,492	-	108,075
Advances	655,151	-	-	655,151
Restricted				
Insurance	367,530	-	-	367,530
Donor programs	460,594	-	149,765	610,359
Unrestricted				
Committed				
Capital projects	595,846	-	-	595,846
Assigned				
Capital projects	565,207	-	-	565,207
Historic commission	10,121	-	-	10,121
Subsequent year's budget	5,082,000	-	-	5,082,000
Special purpose	-	-	253,159	253,159
Unassigned (deficit)	12,099,000	(1,331)	-	12,097,669
Total fund balances	19,942,032	161	402,924	20,345,117
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	\$ 26,907,992	\$ 15,623	\$ 508,489	\$ 27,432,104

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND - BY ACCOUNT

For the Year Ended April 30, 2023

	Operating	Public Swimming Pool	Special Revenue	Eliminations	Total
REVENUES					
Taxes	\$ 6,378,554	\$ -	\$ 79,077	\$ -	\$ 6,457,631
Intergovernmental, grants, and contributions	16,464,872	-	-	-	16,464,872
Charges for services	372,456	73,163	-	-	445,619
Licenses and permits	1,335,034	-	-	-	1,335,034
Fees, fines, and forfeits	399,480	-	-	-	399,480
Investment income	222,981	-	9,316	-	232,297
Miscellaneous	464,321	27,961	-	-	492,282
Total revenues	25,637,698	101,124	88,393	-	25,827,215
EXPENDITURES					
Current					
General government	5,023,918	332,799	15,851	-	5,372,568
Public safety	10,808,015	-	-	-	10,808,015
Public works	4,944,838	-	63,182	-	5,008,020
Debt service					
Interest and fiscal charges	18,015	-	-	-	18,015
Capital outlay	407,507	-	-	-	407,507
Total expenditures	21,202,293	332,799	79,033	-	21,614,125
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,435,405	(231,675)	9,360	-	4,213,090
OTHER FINANCING SOURCES (USES)					
Transfers in	30,000	232,674	-	(262,674)	-
Transfers (out)	(6,037,281)	-	(30,000)	262,674	(5,804,607)
Lease issuance	10,193	-	-	-	10,193
Proceeds from sale of fixed assets	86,606	-	-	-	86,606
Total other financing sources (uses)	(5,910,482)	232,674	(30,000)	-	(5,707,808)
NET CHANGE IN FUND BALANCES	(1,475,077)	999	(20,640)	-	(1,494,718)
FUND BALANCES (DEFICIT), MAY 1	21,417,109	(838)	423,564	-	21,839,835
FUND BALANCES, APRIL 30	\$ 19,942,032	\$ 161	\$ 402,924	\$ -	\$ 20,345,117

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND - OPERATING ACCOUNT**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
TAXES			
Property taxes			
Road and bridge	\$ 400,000	\$ 400,000	\$ 425,284
Social Security	412,000	412,000	411,342
Insurance	400,000	400,000	399,365
IMRF	300,000	300,000	299,526
Parks	88,000	88,000	87,862
Police protection	2,420,000	2,420,000	2,416,139
Police pension	2,280,000	2,280,000	2,276,357
Telecommunications tax	50,000	50,000	62,679
Total taxes	<u>6,350,000</u>	<u>6,350,000</u>	<u>6,378,554</u>
LICENSES AND PERMITS			
Liquor licenses	115,000	115,000	123,049
Building permits	450,000	450,000	1,134,947
Miscellaneous licenses	65,000	65,000	77,038
Total licenses and permits	<u>630,000</u>	<u>630,000</u>	<u>1,335,034</u>
INTERGOVERNMENTAL, GRANTS, AND CONTRIBUTIONS			
Income tax	4,965,000	4,965,000	6,071,695
Sales tax	8,800,000	8,800,000	9,268,931
Personal property replacement tax	55,000	84,000	204,414
Intergovernmental agreements	340,000	340,000	517,383
Grants - operating, public safety, general	-	23,041	61,183
Contributions	150,000	151,467	341,266
Total intergovernmental, grants, and contributions	<u>14,310,000</u>	<u>14,363,508</u>	<u>16,464,872</u>
CHARGES FOR SERVICES			
Building and zoning	10,000	10,000	102,576
Park usage fees	10,000	10,000	10,148
Recreation programs	104,000	104,000	61,561
Site development fee	1,000	1,000	14,646
Public art impact fee	2,000	2,000	12,782

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES (Continued)			
Platting fees	\$ 20,000	\$ 20,000	\$ 74,954
Rental income	83,000	83,000	53,695
Outsourced service fees	20,000	20,000	5,475
Police training reimbursement	-	-	36,619
Signage billings	-	-	-
Historical commission	100	100	-
	<hr/>		
Total charges for services	250,100	250,100	372,456
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FEES, FINES, AND FORFEITS			
County court and drug fines	136,000	136,000	185,104
County prosecution fines	2,000	2,000	208
Police fines	1,000	1,000	66,982
Restitution - court cases	6,000	6,000	38,521
Police accident reports	5,000	5,000	4,420
Reports, maps, and ordinance	400	400	1,066
Building permit fines	20,000	20,000	880
Towing and storage	35,000	35,000	38,819
Traffic light enforcement	-	-	-
Municipal fines	54,000	54,000	59,808
Maintenance fee	2,000	2,000	3,672
Administrative fees	-	-	-
	<hr/>		
Total fines and forfeits	261,400	261,400	399,480
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INVESTMENT INCOME	65,000	122,000	222,981
<hr/>			
MISCELLANEOUS			
Cable TV franchise fees	480,000	480,000	476,595
Other receipts	10,500	10,500	(12,274)
	<hr/>		
Total miscellaneous	490,500	490,500	464,321
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TOTAL REVENUES	\$ 22,357,000	\$ 22,467,508	\$ 25,637,698
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(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - OPERATING ACCOUNT**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
CURRENT			
General government			
Administration			
Personnel	\$ 1,903,400	\$ 1,900,400	\$ 1,741,731
Commodities	396,200	415,900	385,301
Contractual services	1,275,400	1,289,900	1,176,634
Other charges	217,000	185,800	137,452
Total administration	3,792,000	3,792,000	3,441,118
Community development			
Personnel	1,282,000	1,282,000	1,171,552
Commodities	60,300	69,360	65,598
Contractual services	402,100	402,100	287,433
Other charges	69,200	64,700	58,217
Total community development	1,813,600	1,818,160	1,582,800
Total general government	5,605,600	5,610,160	5,023,918
Public safety			
Police department			
Personnel	7,310,800	7,333,841	7,030,935
Commodities	300,000	282,410	270,561
Contractual services	1,151,600	1,155,740	1,120,144
Other charges	2,405,950	2,406,646	2,386,375
Total public safety	11,168,350	11,178,637	10,808,015
Public works			
Public works administration			
Personnel	255,600	255,600	388,482
Commodities	20,000	65,500	66,979
Contractual services	90,000	80,250	85,233
Other charges	8,800	9,570	13,554
Total public works administration	374,400	410,920	554,248

(This schedule is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND - OPERATING ACCOUNT

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
CURRENT (Continued)			
Public works (Continued)			
Streets department			
Personnel	\$ 2,288,000	\$ 2,288,000	\$ 2,249,514
Commodities	443,900	480,200	493,462
Contractual services	1,851,700	1,818,450	1,623,539
Other charges	42,500	37,200	24,075
Total streets department	<u>4,626,100</u>	<u>4,623,850</u>	<u>4,390,590</u>
Total public works	<u>5,000,500</u>	<u>5,034,770</u>	<u>4,944,838</u>
Debt service			
Interest and fiscal charges	8,650	8,650	18,015
Total debt service	<u>8,650</u>	<u>8,650</u>	<u>18,015</u>
Capital outlay			
General government	118,000	118,000	62,545
Public works	-	-	-
Public safety	283,800	460,937	344,962
Total capital outlay	<u>401,800</u>	<u>578,937</u>	<u>407,507</u>
TOTAL EXPENDITURES	<u><u>\$ 22,184,900</u></u>	<u><u>\$ 22,411,154</u></u>	<u><u>\$ 21,202,293</u></u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - PUBLIC SWIMMING POOL ACCOUNT**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Swimming pool fees	\$ 25,000	\$ 25,000	\$ 22,120
Swimming daily fees	25,000	25,000	22,807
Swimming lessons	15,000	15,000	19,930
Concessions	8,000	8,000	8,306
Investment income	-	-	-
Miscellaneous	20,100	20,100	27,961
Total revenues	93,100	93,100	101,124
EXPENDITURES			
General government			
Personnel	119,500	119,500	114,472
Commodities	10,800	10,500	8,605
Contractual services	146,200	146,200	199,671
Other	8,700	9,000	10,051
Total expenditures	285,200	285,200	332,799
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(192,100)	(192,100)	(231,675)
OTHER FINANCING SOURCES (USES)			
Transfers in	192,100	192,100	232,674
Total other financing sources (uses)	192,100	192,100	232,674
NET CHANGE IN FUND BALANCE	\$ -	\$ -	999
FUND BALANCE (DEFICIT), MAY 1			(838)
FUND BALANCE, APRIL 30			\$ 161

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - PUBLIC SWIMMING POOL ACCOUNT

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
CURRENT			
General government			
Personnel			
Salary of pool employees	\$ 110,500	\$ 110,500	\$ 105,626
FICA	8,100	8,100	8,080
SUI	900	900	766
	<hr/>		
Total personnel	119,500	119,500	114,472
	<hr/>		
Commodities			
Office supplies	800	800	60
Concessions	8,000	7,700	6,901
IT supplies and equipment	-	-	-
Small tools and equipment	2,000	2,000	1,644
	<hr/>		
Total commodities	10,800	10,500	8,605
	<hr/>		
Contractual services			
Telephone	2,400	2,400	2,232
Gas - heat	5,000	5,000	12,544
Electricity	6,000	6,000	2,584
Water	8,000	8,000	10,117
Bank processing fee	600	600	797
Professional services	200	200	316
Maintenance	77,000	77,000	119,463
Insurance	8,000	8,000	8,222
Infrastructure maintenance improvement	-	-	-
Maintenance - outsourced building	39,000	39,000	43,396
	<hr/>		
Total contractual services	146,200	146,200	199,671
	<hr/>		
Other			
Recreation programs	300	-	786
Travel, training, dues	6,300	6,900	6,742
Uniforms and safety items	2,100	2,100	2,523
	<hr/>		
Total other	8,700	9,000	10,051
	<hr/>		
TOTAL EXPENDITURES	\$ 285,200	\$ 285,200	\$ 332,799

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - SPECIAL REVENUE ACCOUNT**

For the Year Ended April 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Taxes			
Hotel	\$ 43,000	\$ 43,000	\$ 79,077
Investment income	300	300	9,316
	<hr/>	<hr/>	<hr/>
Total revenues	43,300	43,300	88,393
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
General government			
Regional marketing	13,000	13,000	15,851
Economic development	-	-	-
Public works			
Contractual services - snow removal	70,000	70,000	63,182
	<hr/>	<hr/>	<hr/>
Total expenditures	83,000	83,000	79,033
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(39,700)	(39,700)	9,360
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(30,000)	(30,000)	(30,000)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(30,000)	(30,000)	(30,000)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (69,700)</u>	<u>\$ (69,700)</u>	(20,640)
FUND BALANCE, MAY 1			<hr/>
			423,564
FUND BALANCE, APRIL 30			<u><u>\$ 402,924</u></u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STREET IMPROVEMENT FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Home rule sales tax	\$ 4,900,000	\$ 4,900,000	\$ 4,663,268
Utility taxes	903,500	903,500	890,198
Telecommunication taxes	150,000	150,000	162,659
Contributions	400,000	400,000	439,706
Investment income	1,500	1,500	133,750
Total revenues	6,355,000	6,355,000	6,289,581
EXPENDITURES			
Public works			
Contractual services			
Legal services	15,000	15,000	10,807
Engineering services	1,554,000	1,696,500	983,672
Infrastructure maintenance	3,220,000	3,220,000	2,837,187
Capital outlay	13,325,000	13,182,500	2,823,987
Total expenditures	18,114,000	18,114,000	6,655,653
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,759,000)	(11,759,000)	(366,072)
OTHER FINANCING SOURCES (USES)			
Transfers in	633,000	3,317,607	3,317,607
Total other financing sources (uses)	633,000	3,317,607	3,317,607
NET CHANGE IN FUND BALANCE	<u>\$ (11,126,000)</u>	<u>\$ (8,441,393)</u>	2,951,535
FUND BALANCE, MAY 1			<u>24,613,020</u>
FUND BALANCE, APRIL 30			<u><u>\$ 27,564,555</u></u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for maintenance and various street improvements in the Village. Financing is provided by the Village's share of Motor Fuel Tax allotments. State statutes require those allotments to be used to maintain streets.

Parks Fund - to account for the acquisition of new park sites. Financing is provided by developer contributions. In addition, monies have been allocated in this fund for design and development of existing parks throughout the Village.

Cemetery Fund - to account for the operations of the Village owned cemetery. Financing is provided by fees and transfers from the General Fund.

CAPITAL PROJECTS FUND

Village Expansion Fund - to account for village expansion projects. Financing is provided from the issuance of debt and development fees.

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2023

	Special Revenue	Capital Projects	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and cash equivalents	\$ 337,466	\$ 338,595	\$ 676,061
Investments	4,799,470	1,893,222	6,692,692
Receivables			
Other taxes	255,565	185,385	440,950
Intergovernmental, grants, and contributions	126,923	-	126,923
Leases	430,900	-	430,900
Prepaid items	203	-	203
	<hr/>	<hr/>	<hr/>
Total assets	5,950,527	2,417,202	8,367,729
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 5,950,527	\$ 2,417,202	\$ 8,367,729
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 195,901	\$ 151,715	\$ 347,616
	<hr/>	<hr/>	<hr/>
Total liabilities	195,901	151,715	347,616
DEFERRED INFLOWS OF RESOURCES			
Lease items	424,643	-	424,643
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	620,544	151,715	772,259
	<hr/>	<hr/>	<hr/>
FUND BALANCES			
Nonspendable			
Prepays	203	-	203
Restricted			
Street maintenance	3,285,992	-	3,285,992
Capital projects	161,777	-	161,777
Cemetery	414,037	-	414,037
Assigned			
Capital projects	1,467,974	2,265,487	3,733,461
	<hr/>	<hr/>	<hr/>
Total fund balances	5,329,983	2,265,487	7,595,470
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 5,950,527	\$ 2,417,202	\$ 8,367,729
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2023

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total</u>
REVENUES			
Taxes	\$ 1,163,679	\$ 838,153	\$ 2,001,832
Intergovernmental, grants, and contributions	1,689,213	311,345	2,000,558
Charges for services	23,850	-	23,850
Investment income	133,009	37,957	170,966
Miscellaneous	31,734	-	31,734
Total revenues	<u>3,041,485</u>	<u>1,187,455</u>	<u>4,228,940</u>
EXPENDITURES			
Current			
General government	38,690	-	38,690
Public works	1,773,141	609,259	2,382,400
Capital outlay	1,022,090	155,730	1,177,820
Total expenditures	<u>2,833,921</u>	<u>764,989</u>	<u>3,598,910</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>207,564</u>	<u>422,466</u>	<u>630,030</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,162,000	1,325,000	2,487,000
Total other financing sources (uses)	<u>1,162,000</u>	<u>1,325,000</u>	<u>2,487,000</u>
NET CHANGE IN FUND BALANCES	1,369,564	1,747,466	3,117,030
FUND BALANCES, MAY 1	<u>3,960,419</u>	<u>518,021</u>	<u>4,478,440</u>
FUND BALANCES, APRIL 30	<u>\$ 5,329,983</u>	<u>\$ 2,265,487</u>	<u>\$ 7,595,470</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2023

	Special Revenue			
	Motor Fuel Tax	Parks	Cemetery	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and cash equivalents	\$ -	\$ 270,501	\$ 66,965	\$ 337,466
Investments	3,222,323	1,230,280	346,867	4,799,470
Receivables				
Other taxes	-	255,565	-	255,565
Intergovernmental, grants, and contributions	126,923	-	-	126,923
Leases			430,900	430,900
Prepaid items	-	-	203	203
Total assets	3,349,246	1,756,346	844,935	5,950,527
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	\$ 3,349,246	\$ 1,756,346	\$ 844,935	\$ 5,950,527
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 63,254	\$ 126,595	\$ 6,052	\$ 195,901
Total liabilities	63,254	126,595	6,052	195,901
DEFERRED INFLOWS OF RESOURCES				
Lease items	-	-	424,643	424,643
Total liabilities and deferred inflows of resources	63,254	126,595	430,695	620,544
FUND BALANCES				
Nonspendable				
Prepays	-	-	203	203
Restricted				
Street maintenance	3,285,992	-	-	3,285,992
Capital projects	-	161,777	-	161,777
Cemetery	-	-	414,037	414,037
Assigned				
Capital projects	-	1,467,974	-	1,467,974
Total fund balances	3,285,992	1,629,751	414,240	5,329,983
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
	\$ 3,349,246	\$ 1,756,346	\$ 844,935	\$ 5,950,527

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS**

For the Year Ended April 30, 2023

	Special Revenue			Total
	Motor Fuel Tax	Parks	Cemetery	
REVENUES				
Taxes	\$ -	\$ 1,163,679	\$ -	\$ 1,163,679
Intergovernmental, grants, and contributions	1,568,430	120,783	-	1,689,213
Charges for services	-	-	23,850	23,850
Investment income	97,231	26,327	9,451	133,009
Miscellaneous	-	-	31,734	31,734
Total revenues	1,665,661	1,310,789	65,035	3,041,485
EXPENDITURES				
Current				
General government	-	-	38,690	38,690
Public works	1,460,632	312,509	-	1,773,141
Capital outlay	-	1,022,090	-	1,022,090
Total expenditures	1,460,632	1,334,599	38,690	2,833,921
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	205,029	(23,810)	26,345	207,564
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,162,000	-	1,162,000
Total other financing sources (uses)	-	1,162,000	-	1,162,000
NET CHANGE IN FUND BALANCES	205,029	1,138,190	26,345	1,369,564
FUND BALANCES, MAY 1	3,080,963	491,561	387,895	3,960,419
FUND BALANCES, APRIL 30	\$ 3,285,992	\$ 1,629,751	\$ 414,240	\$ 5,329,983

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS

April 30, 2023

	Capital Projects		
	Village Expansion	Natural Area and Drainage	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
ASSETS			
Cash and cash equivalents	\$ 1,832	\$ 336,763	\$ 338,595
Investments	51,353	1,841,869	1,893,222
Receivables			
Other taxes	-	185,385	185,385
Total assets	53,185	2,364,017	2,417,202
DEFERRED OUTFLOWS OF RESOURCES			
None	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 53,185	\$ 2,364,017	\$ 2,417,202
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 151,715	\$ 151,715
Total liabilities	-	151,715	151,715
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
Total liabilities and deferred inflows of resources	-	151,715	151,715
FUND BALANCES			
Assigned			
Capital projects	53,185	2,212,302	2,265,487
Total fund balances	53,185	2,212,302	2,265,487
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 53,185	\$ 2,364,017	\$ 2,417,202

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS**

For the Year Ended April 30, 2023

	Capital Projects		Total
	Village Expansion	Natural Area and Drainage	
REVENUES			
Taxes	\$ -	\$ 838,153	\$ 838,153
Intergovernmental, grants, and contributions	1,300	310,045	311,345
Charges for services	-	-	-
Investment income	685	37,272	37,957
Total revenues	1,985	1,185,470	1,187,455
EXPENDITURES			
Current			
Public works	-	609,259	609,259
Capital outlay	-	155,730	155,730
Total expenditures	-	764,989	764,989
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,985	420,481	422,466
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,325,000	1,325,000
Total other financing sources (uses)	-	1,325,000	1,325,000
NET CHANGE IN FUND BALANCES	1,985	1,745,481	1,747,466
FUND BALANCES, MAY 1	51,200	466,821	518,021
FUND BALANCES, APRIL 30	\$ 53,185	\$ 2,212,302	\$ 2,265,487

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental, grants, and contributions			
Motor fuel tax allotments	\$ 1,180,000	\$ 1,180,000	\$ 1,238,405
Rebuild Illinois grant	330,000	330,000	330,025
Investment income	-	-	97,231
Total revenues	1,510,000	1,510,000	1,665,661
EXPENDITURES			
Public works			
Materials	330,000	270,000	108,374
Maintenance	1,620,000	1,680,000	1,352,258
Total expenditures	1,950,000	1,950,000	1,460,632
NET CHANGE IN FUND BALANCE	\$ (440,000)	\$ (440,000)	205,029
FUND BALANCE, MAY 1			3,080,963
FUND BALANCE, APRIL 30			\$ 3,285,992

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
PARKS FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Video gaming	\$ 350,000	\$ 350,000	\$ 192,415
Home rule sales tax	500,000	500,000	838,153
Telecommunications tax	125,000	125,000	133,111
Intergovernmental	665,000	665,000	120,783
Investment income	-	-	26,327
Total revenues	1,640,000	1,640,000	1,310,789
EXPENDITURES			
Public works			
Infrastructure maintenance	25,000	-	-
Ecosystem maintenance	100,000	100,000	63,710
Engineering services	613,000	563,000	248,799
Capital outlay	1,500,000	1,575,000	1,022,090
Total expenditures	2,238,000	2,238,000	1,334,599
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(598,000)	(598,000)	(23,810)
OTHER FINANCING SOURCES (USES)			
Transfers in	502,000	1,162,000	1,162,000
Total other financing sources (uses)	502,000	1,162,000	1,162,000
NET CHANGE IN FUND BALANCE	<u>\$ (96,000)</u>	<u>\$ 564,000</u>	1,138,190
FUND BALANCE, MAY 1			<u>491,561</u>
FUND BALANCE, APRIL 30			<u><u>\$ 1,629,751</u></u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Opening graves and closing crypts	\$ 11,000	\$ 11,000	\$ 14,950
Perpetual care	2,000	2,000	2,100
Sale of lots	6,000	6,000	6,800
Investment income	250	250	9,451
Miscellaneous	26,000	26,000	31,734
Total revenues	45,250	45,250	65,035
EXPENDITURES			
General government			
Professional services	31,200	31,200	23,210
Grave openings	10,000	10,000	13,963
Insurance	1,500	1,500	1,413
Bank processing fees	300	300	104
Total expenditures	43,000	43,000	38,690
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,250	2,250	26,345
OTHER FINANCING SOURCES (USES)			
Transfers in	160,000	160,000	-
Total other financing sources (uses)	160,000	160,000	-
NET CHANGE IN FUND BALANCE	\$ 162,250	\$ 162,250	26,345
FUND BALANCE, MAY 1			387,895
FUND BALANCE, APRIL 30			\$ 414,240

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VILLAGE EXPANSION FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental, grants, and contributions	\$ 800	\$ 800	\$ 1,300
Investment income	-	-	685
Total revenues	800	800	1,985
EXPENDITURES			
None	-	-	-
Total expenditures	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 800</u>	<u>\$ 800</u>	1,985
FUND BALANCE, MAY 1			<u>51,200</u>
FUND BALANCE, APRIL 30			<u>\$ 53,185</u>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NATURAL AREA AND DRAINAGE IMPROVEMENT FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 500,000	\$ 500,000	\$ 838,153
Intergovernmental, grants, and contributions	865,000	865,000	310,045
Investment income	-	-	37,272
Total revenues	1,365,000	1,365,000	1,185,470
EXPENDITURES			
Public works			
Infrastructure maintenance	270,000	370,000	219,443
Contractual services	260,000	533,000	389,816
Capital outlay	800,000	427,000	155,730
Total expenditures	1,330,000	1,330,000	764,989
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	35,000	35,000	420,481
OTHER FINANCING SOURCES (USES)			
Transfers in	465,000	1,325,000	1,325,000
Total other financing sources (uses)	465,000	1,325,000	1,325,000
NET CHANGE IN FUND BALANCE			
	\$ 500,000	\$ 1,360,000	1,745,481
FUND BALANCE, MAY 1			466,821
FUND BALANCE, APRIL 30			\$ 2,212,302

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
WATERWORKS AND SEWERAGE FUND
BY SUBFUND**

April 30, 2023

	Operations and Maintenance	Improvements and Extension	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ 1,044,775	\$ 426,933	\$ 1,471,708
Investments	11,801,031	5,073,041	16,874,072
Receivables			
Accounts	1,846,352	2,301	1,848,653
Leases	734,389	-	734,389
Prepaid expenses	40,404	-	40,404
Restricted assets - investments	866,425	-	866,425
Total current assets	16,333,376	5,502,275	21,835,651
NONCURRENT ASSETS			
Advances to other funds	-	5,211,187	5,211,187
Capital assets (tangible and intangible)			
Nondepreciable	3,812,185	-	3,812,185
Depreciable, net of accumulated depreciation and amortization	70,700,326	-	70,700,326
Net capital assets	74,512,511	-	74,512,511
Total noncurrent assets	74,512,511	5,211,187	79,723,698
Total assets	90,845,887	10,713,462	101,559,349
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	1,489,523	-	1,489,523
OPEB items	295,138	-	295,138
Asset retirement obligation	236,364	-	236,364
Deferred loss on refunding	43,628	-	43,628
Total deferred outflows of resources	2,064,653	-	2,064,653
Total assets and deferred outflows of resources	92,910,540	10,713,462	103,624,002

(This statement is coninued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF NET POSITION (Continued)
 WATERWORKS AND SEWERAGE FUND
 BY SUBFUND

April 30, 2023

	Operations and Maintenance	Improvements and Extension	Total
CURRENT LIABILITIES			
Accounts payable	\$ 340,381	\$ 71,840	\$ 412,221
Accrued interest	84,261	-	84,261
Compensated absences payable - current	175,413	-	175,413
IEPA loan payable	1,104,863	-	1,104,863
Total OPEB liability	22,806	-	22,806
Lease payable	14,603	-	14,603
Bonds payable - current	815,000	-	815,000
	<hr/>		
Total current liabilities	2,557,327	71,840	2,629,167
LONG-TERM LIABILITIES			
Compensated absences payable - long-term	134,931	-	134,931
IMRF net pension liability	1,709,035	-	1,709,035
Total OPEB liability	547,339	-	547,339
IEPA loan payable	23,366,341	-	23,366,341
Lease payable	904	-	904
Asset retirement obligation	270,000	-	270,000
Bonds payable - long-term	903,131	-	903,131
	<hr/>		
Total long-term liabilities	26,931,681	-	26,931,681
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	150,345	-	150,345
OPEB items	157,023	-	157,023
Lease items	726,311	-	726,311
	<hr/>		
Total deferred inflows of resources	1,033,679	-	1,033,679
	<hr/>		
Total liabilities and deferred inflows of resources	30,522,687	71,840	30,594,527
NET POSITION			
Net investment in capital assets	48,351,297	-	48,351,297
Restricted for debt service	866,425	-	866,425
Unrestricted	13,170,131	10,641,622	23,811,753
	<hr/>		
TOTAL NET POSITION	\$ 62,387,853	\$ 10,641,622	\$ 73,029,475
	<hr/> <hr/>		

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
WATERWORKS AND SEWERAGE FUND
BY SUBFUND

For the Year Ended April 30, 2023

	Operations and Maintenance	Improvements and Extension	Total
OPERATING REVENUES			
Charges for services			
Water and sewer revenue	\$ 11,264,356	\$ -	\$ 11,264,356
Meter sales	102,132	-	102,132
Connection fees	-	1,616,130	1,616,130
Infrastructure fees	1,353,854	-	1,353,854
Administration fee	121,914	-	121,914
Contribution income	-	-	-
Miscellaneous	185,947	-	185,947
Total operating revenues	13,028,203	1,616,130	14,644,333
OPERATING EXPENSES			
Water operations	3,630,814	-	3,630,814
Sewer operations	3,071,173	-	3,071,173
Non departmental	-	304,365	304,365
Depreciation and amortization	4,325,512	-	4,325,512
Total operating expenses	11,027,499	304,365	11,331,864
OPERATING INCOME	2,000,704	1,311,765	3,312,469
NON-OPERATING REVENUES (EXPENSES)			
Investment income	370,219	38,358	408,577
Interest expense and fiscal agent fees	(640,756)	-	(640,756)
Total non-operating revenues (expenses)	(270,537)	38,358	(232,179)
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	1,730,167	1,350,123	3,080,290
TRANSFERS			
Transfers in	296,361	4,525,044	4,821,405
Transfers (out)	(4,525,044)	(296,361)	(4,821,405)
Total transfers	(4,228,683)	4,228,683	-
CAPITAL CONTRIBUTIONS	3,300,000	70,884	3,370,884
CHANGE IN NET POSITION	801,484	5,649,690	6,451,174
NET POSITION, MAY 1	61,586,369	4,991,932	66,578,301
NET POSITION, APRIL 30	\$ 62,387,853	\$ 10,641,622	\$ 73,029,475

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
WATER DEPARTMENT			
Personnel			
IMRF	\$ 130,000	\$ 130,000	\$ 118,686
FICA	100,000	100,000	98,428
Unemployment tax	2,000	2,000	2,296
Health insurance	208,000	208,000	200,925
Salaries	1,242,000	1,242,000	1,310,481
Overtime	58,000	58,000	51,611
Commodities			
Meters	72,500	70,800	73,138
Office supplies	500	500	332
Materials	21,500	25,100	26,047
Chemicals	208,100	248,100	240,311
Postage	28,400	28,400	29,955
Small tools and equipment	10,500	10,750	11,530
Fuel	18,000	18,000	26,527
Lab supplies	20,800	20,800	20,656
Office furniture and equipment	1,900	14,900	12,203
Vehicles and equipment (non-capital)	-	7,500	7,500
IT equipment and supplies	82,000	82,000	76,044
Contractual services			
Utilities	305,600	338,100	231,514
Alarm lines	9,200	9,200	10,280
Legal services	4,000	4,000	231
Audit services	6,600	6,600	6,293
Engineering/design services	20,000	1,500	1,619
Professional services	389,800	361,800	355,268
Insurance	110,000	110,000	106,717
Publications	1,100	1,100	581
Printing	4,100	4,300	4,097
Physical exams	1,600	1,600	365
Travel, training, dues	10,900	11,700	11,597
Bank processing fees	38,000	38,000	38,113
Equipment rental	15,200	14,950	4,919
ACH rebates	26,000	26,000	29,176
Uniforms	10,900	10,590	8,171
Maintenance			
Wells	138,500	67,400	56,296
Booster station	19,500	19,500	18,154
Maintenance storage facility	38,300	48,300	48,054
Treatment facility	43,000	42,200	37,200
Distribution system	89,500	103,000	98,393
Vehicle maintenance	30,000	30,000	51,341
Building maintenance	112,000	112,000	112,230
Maintenance - other	800	800	410
Equipment maintenance	37,000	37,000	42,209
Capital outlay	-	256,100	-
Total water department	3,665,800	3,922,590	3,579,898

(This schedule is coninued on the following pages.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
SEWER DEPARTMENT			
Personnel			
IMRF	\$ 117,000	\$ 117,000	\$ 96,790
FICA	91,000	91,000	80,303
Unemployment tax	2,000	2,000	2,212
Health insurance	189,000	189,000	172,036
Salaries	1,135,000	1,135,000	1,062,038
Overtime	34,000	34,000	32,159
Commodities			
Meters	72,500	71,000	70,341
Office supplies	500	500	401
Materials	12,000	-	-
Chemicals	124,000	122,500	118,709
Postage	28,400	28,400	29,955
Small tools and equipment	14,900	14,900	14,000
Fuel	22,000	22,000	29,113
Lab supplies	7,500	9,500	16,592
Office furniture and equipment	-	11,000	6,459
IT equipment and supplies	80,000	80,000	72,040
Vehicles and equipment (noncapital)	-	7,500	7,500
Contractual services			
Utilities	370,200	395,200	230,491
Alarm lines	9,200	9,200	10,280
Legal services	4,000	4,000	-
Audit services	6,600	6,600	6,293
Engineering services	59,300	71,300	62,876
Professional services	227,700	253,781	246,306
Insurance	110,000	110,000	99,757
Publications	1,100	1,100	769
Printing	1,000	1,000	734
Physical exams	1,600	1,600	1,470
Sludge removal	129,000	97,219	95,769
Travel, training, dues	9,300	9,300	3,578
Bank processing fees	38,000	38,000	38,113
ACH rebates	26,000	26,000	29,303
Equipment rental	15,500	15,500	4,264
Uniforms	7,300	7,610	7,836
Maintenance			
Treatment facility	92,100	108,100	100,597
Lift station	60,000	54,000	43,457
Collection station	72,500	39,700	36,067
Vehicle maintenance	40,000	40,000	43,275
Building maintenance	110,000	110,000	108,278
Equipment maintenance	44,000	44,000	38,751
Other	1,200	1,200	458
Capital outlay	-	256,100	-
Total sewer department	<u>3,365,400</u>	<u>3,635,810</u>	<u>3,019,370</u>

(This schedule is coninued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL (Continued)
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
NONDEPARTMENTAL			
Contractual services			
Legal services	\$ 10,000	\$ 10,000	\$ 1,156
Engineering services	1,223,000	1,083,000	156,313
Infrastructure maintenance	220,000	670,000	146,896
Principal repayment	1,888,000	1,888,000	-
Interest expense	386,900	386,900	-
Capital outlay	5,070,000	4,760,000	808,398
Total nondepartmental	<u>8,797,900</u>	<u>8,797,900</u>	<u>1,112,763</u>
TOTAL WATER AND SEWER OPERATIONS	<u>\$ 15,829,100</u>	<u>\$ 16,356,300</u>	<u>7,712,031</u>
ADJUSTMENTS TO GAAP BASIS			
Water Department			
Pension and OPEB expense			<u>50,916</u>
Total water department			<u>50,916</u>
Sewer Department			
Asset retirement obligation amortization			8,409
Pension and OPEB expense			<u>43,394</u>
Total sewer department			<u>51,803</u>
Capitalized assets			(808,398)
Depreciation and amortization			<u>4,325,512</u>
TOTAL WATER AND SEWER OPERATIONS - GAAP BASIS			<u>\$ 11,331,864</u>

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

April 30, 2023

	Building Service Fund	Vehicle Maintenance Fund	Total
CURRENT ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Receivables			
Accounts	-	23,929	23,929
Inventory	47,722	97,828	145,550
Total current assets	47,722	121,757	169,479
NONCURRENT ASSETS			
Capital assets (tangible and intangible)			
Depreciable, net of accumulated depreciation and amortization	36,256	12,742	48,998
Total capital assets	36,256	12,742	48,998
Total assets	83,978	134,499	218,477
CURRENT LIABILITIES			
Accounts payable	11,278	43,218	54,496
Due to other funds	17,910	79,020	96,930
Total current liabilities	29,188	122,238	151,426
NONCURRENT LIABILITIES			
Leases payable	35,896	-	35,896
Total noncurrent liabilities	35,896	-	35,896
Total liabilities	65,084	122,238	187,322
NET POSITION			
Net investment in capital assets	360	12,742	13,102
Unrestricted (deficit)	18,534	(481)	18,053
TOTAL NET POSITION	\$ 18,894	\$ 12,261	\$ 31,155

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2023

	Building Service Fund	Vehicle Maintenance Fund	Total
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 947,847	\$ 755,937	\$ 1,703,784
Fire district fuel	-	84,702	84,702
Fuel billings	-	271,559	271,559
Fleet maintenance	-	104,405	104,405
Miscellaneous	160	521	681
Total operating revenues	948,007	1,217,124	2,165,131
OPERATING EXPENSES			
Personnel	426,281	440,429	866,710
Contractual services	22,325	29,474	51,799
Supplies and materials	161,746	662,836	824,582
Maintenance	303,783	113,398	417,181
Other charges	8,514	10,488	19,002
Depreciation and amortization	13,980	16,047	30,027
Total operating expenses	936,629	1,272,672	2,209,301
OPERATING INCOME (LOSS)	11,378	(55,548)	(44,170)
NON-OPERATING REVENUES (EXPENSES)			
Gain on sale of capital assets	7,516	6,926	14,442
Total non-operating revenues (expenses)	7,516	6,926	14,442
CHANGE IN NET POSITION	18,894	(48,622)	(29,728)
NET POSITION, MAY 1	-	60,883	60,883
NET POSITION, APRIL 30	\$ 18,894	\$ 12,261	\$ 31,155

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2023

	Building Service Fund	Vehicle Maintenance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ -	\$ 460,666	\$ 460,666
Cash received for interfund services provided	947,847	774,571	1,722,418
Payments to suppliers	(495,565)	(823,513)	(1,319,078)
Payments to employees	(426,281)	(440,429)	(866,710)
Other receipts (payments)	160	521	681
Net cash from operating activities	26,161	(28,184)	(2,023)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund transactions	(19,337)	21,258	1,921
Net cash from noncapital financing activities	(19,337)	21,258	1,921
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on lease liabilities	(14,340)	-	(14,340)
Proceeds from sale of capital assets	7,516	6,926	14,442
Net cash from capital and related financing activities	(6,824)	6,926	102
CASH FLOWS FROM INVESTING ACTIVITIES			
None	-	-	-
Net cash from investing activities	-	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	-	-	-
CASH AND CASH EQUIVALENTS, MAY 1			
	-	-	-
CASH AND CASH EQUIVALENTS, APRIL 30			
	\$ -	\$ -	\$ -

(This statement is continued on the following page.)

VILLAGE OF ALGONQUIN, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2023

	Building Service Fund	Vehicle Maintenance Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ 11,378	\$ (55,548)	\$ (44,170)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation and amortization	13,980	16,047	30,027
Increase (decrease) in			
Accounts receivable	-	18,634	18,634
Inventory	5,129	(4,825)	304
Accounts payable	(4,326)	(2,492)	(6,818)
Total adjustments	14,783	27,364	42,147
NET CASH FROM OPERATING ACTIVITIES	\$ 26,161	\$ (28,184)	\$ (2,023)
NONCASH TRANSACTIONS			
None	\$ -	\$ -	\$ -
TOTAL NONCASH TRANSACTIONS	\$ -	\$ -	\$ -

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
BUILDING SERVICE FUND

For the Year Ended April 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 951,000	\$ 951,000	\$ 947,847
Miscellaneous	-	-	160
	<hr/>		
Total operating revenues	951,000	951,000	948,007
	<hr/>		
OPERATING EXPENSES			
Personnel	446,600	446,600	426,281
Contractual services	31,300	37,125	22,325
Supplies and materials	141,000	143,000	161,746
Maintenance	321,000	321,000	303,783
Other charges	11,100	9,100	8,514
	<hr/>		
Total operating expenses	951,000	956,825	922,649
	<hr/>		
NON-OPERATING REVENUES (EXPENSES)			
Gain on sale of capital assets	-	-	7,516
	<hr/>		
Total non-operating revenues (expenses)	-	-	7,516
	<hr/>		
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ -	\$ (5,825)	32,874
	<hr/>		
ADJUSTMENTS TO GAAP BASIS			
Lease amortization			13,980
	<hr/>		
Total adjustments to GAAP basis			13,980
	<hr/>		
CHANGE IN NET POSITION (GAAP BASIS)			18,894
	<hr/>		
NET POSITION, MAY 1			-
	<hr/>		
NET POSITION, APRIL 30			\$ 18,894
	<hr/>		

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
BUILDING SERVICE FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personnel			
IMRF	\$ 33,000	\$ 33,000	\$ 27,812
FICA	26,000	26,000	23,381
SUI	600	600	577
Health insurance	50,000	50,000	58,504
Salaries	325,000	325,000	303,704
Overtime	12,000	12,000	12,303
Total personnel	446,600	446,600	426,281
Contractual services			
Telephone	5,800	5,800	4,990
Alarm lines	9,200	9,200	10,280
Professional services	1,350	7,175	6,139
Publications	250	250	-
Printing and advertising	550	550	-
Physical exams	150	150	50
Equipment rental	14,000	14,000	866
Total contractual services	31,300	37,125	22,325
Supplies and materials			
Office supplies	230	230	566
Postage	500	500	26
Building supplies	130,320	130,320	149,294
Tools, equipment, and supplies	7,450	9,450	8,256
Fuel	2,500	2,500	3,604
Total supplies and materials	141,000	143,000	161,746
Maintenance			
Vehicle maintenance	4,000	4,000	2,360
Equipment maintenance	3,000	3,000	4,145
Outsourced building maintenance	313,000	313,000	296,677
Office equipment maintenance	1,000	1,000	601
Total maintenance	321,000	321,000	303,783
Other charges			
Travel, training, and dues	4,200	2,200	1,702
Uniforms and safety items	5,600	5,600	3,163
Interest	1,300	1,300	3,649
Total other charges	11,100	9,100	8,514
TOTAL OPERATING EXPENSES	\$ 951,000	\$ 956,825	\$ 922,649

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION - BUDGET AND ACTUAL - BUDGETARY BASIS
VEHICLE MAINTENANCE FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Maintenance billings	\$ 829,000	\$ 829,000	\$ 755,937
Fire district fuel	60,000	60,000	84,702
Fuel billings	220,000	220,000	271,559
Fleet maintenance	100,000	100,000	104,405
Miscellaneous	-	-	521
	<hr/>	<hr/>	<hr/>
Total operating revenues	1,209,000	1,209,000	1,217,124
	<hr/>	<hr/>	<hr/>
OPERATING EXPENSES			
Personnel	456,500	456,500	440,429
Contractual services	36,100	36,100	29,474
Supplies and materials	577,300	578,800	662,836
Maintenance	128,000	128,000	113,398
Other charges	11,100	9,600	10,488
	<hr/>	<hr/>	<hr/>
Total operating expenses	1,209,000	1,209,000	1,256,625
	<hr/>	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)			
Gain on Sale of Capital Assets	-	-	6,926
	<hr/>	<hr/>	<hr/>
Total non-operating revenues (expenses)	-	-	6,926
	<hr/>	<hr/>	<hr/>
CHANGE IN NET POSITION (BUDGETARY BASIS)	\$ -	\$ -	(32,575)
	<hr/>	<hr/>	<hr/>
ADJUSTMENTS TO GAAP BASIS			
Depreciation			(16,047)
			<hr/>
Total adjustments to GAAP basis			(16,047)
			<hr/>
CHANGE IN NET POSITION (GAAP BASIS)			(48,622)
			<hr/>
NET POSITION, MAY 1			60,883
			<hr/>
NET POSITION, APRIL 30			\$ 12,261
			<hr/>

(See independent auditor's report.)

VILLAGE OF ALGONQUIN, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
VEHICLE MAINTENANCE FUND**

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personnel			
IMRF	\$ 35,000	\$ 35,000	\$ 28,932
FICA	27,000	27,000	23,987
SUI	600	600	544
Health insurance	60,000	60,000	58,181
Salaries	326,000	326,000	324,402
Overtime	7,900	7,900	4,383
Total personnel	456,500	456,500	440,429
Contractual services			
Telephone	6,000	6,000	5,675
Alarm lines	9,200	9,200	10,280
Professional services	10,150	10,150	5,840
Publications	5,750	5,750	3,094
Printing and advertising	550	550	-
Physical exams	150	150	295
Equipment rental	4,300	4,300	4,290
Total contractual services	36,100	36,100	29,474
Supplies and materials			
Office supplies	300	1,800	2,316
Postage	400	400	83
Tools, equipment, and supplies	16,100	16,100	13,741
Fuel	282,500	282,500	372,011
Oil, lubricants, and fluids	278,000	278,000	274,685
Total supplies and materials	577,300	578,800	662,836
Maintenance			
Vehicle maintenance	5,000	5,000	6,078
Equipment maintenance	2,000	2,000	2,275
Building maintenance	60,000	60,000	54,687
Outsourced vehicle and equipment maintenance	1,000	1,000	601
Office equipment maintenance	60,000	60,000	49,757
Total maintenance	128,000	128,000	113,398
Other charges			
Travel, training, and dues	6,900	5,400	6,630
Uniforms and safety items	3,950	3,950	2,804
Interest	250	250	1,054
Total other charges	11,100	9,600	10,488
TOTAL OPERATING EXPENSES	\$ 1,209,000	\$ 1,209,000	\$ 1,256,625

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ALGONQUIN, ILLINOIS

SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer	\$ 2,280,000	\$ 2,280,000	\$ 2,280,000
Employee	500,000	500,000	584,000
Total contributions	2,780,000	2,780,000	2,864,000
Investment income			
Net appreciation in fair value of investments	-	-	109,394
Interest	3,140,000	3,140,000	314,381
Total investment income	3,140,000	3,140,000	423,775
Less investment expense	(125,000)	(125,000)	(43,177)
Net investment income	3,015,000	3,015,000	380,598
Total additions	5,795,000	5,795,000	3,244,598
DEDUCTIONS			
Pension benefits	1,670,000	1,670,000	1,626,243
Administrative expenses	53,000	53,000	33,925
Total deductions	1,723,000	1,723,000	1,660,168
CHANGE IN NET POSITION	\$ 4,072,000	\$ 4,072,000	1,584,430
NET POSITION RESTRICTED FOR PENSIONS			
May 1			42,533,806
April 30			\$ 44,118,236

(See independent auditor's report.)

SUPPLEMENTAL SCHEDULES

VILLAGE OF ALGONQUIN, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING
BOND SERIES OF 2013 WATER AND SEWER**

April 30, 2023

Date of Issue December 3, 2013
Date of Maturity April 1, 2025
Interest Rate 3.00% to 3.25%
Interest Dates October 1 and April 1
Payable at BNY Midwest Trust Company

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	October 1		April 1		Total
	Interest	Principal	Interest		
2024	\$ 25,713	\$ 815,000	\$ 25,713	\$	866,426
2025	13,487	830,000	13,487		856,974
	<u>\$ 39,200</u>	<u>\$ 1,645,000</u>	<u>\$ 39,200</u>	<u>\$</u>	<u>1,723,400</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Algonquin, Illinois' 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.

<u>Contents</u>	<u>Page(s)</u>
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.	112-121
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	122-127
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	128-131
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.	132-133
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.	134-136

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

VILLAGE OF ALGONQUIN, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016*	2017
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 179,276,332	\$ 181,340,289	\$ 179,194,896	\$ 181,389,998
Restricted	2,309,292	3,055,239	3,114,451	6,534,289
Unrestricted	21,967,034	24,222,228	8,095,190	2,549,697
TOTAL GOVERNMENTAL ACTIVITIES	\$ 203,552,658	\$ 208,617,756	\$ 190,404,537	\$ 190,473,984
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 54,136,285	\$ 52,805,499	\$ 49,930,507	\$ 47,453,693
Restricted	866,338	830,426	806,625	808,325
Unrestricted	13,024,609	11,375,018	10,973,454	11,540,473
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 68,027,232	\$ 65,010,943	\$ 61,710,586	\$ 59,802,491
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 233,412,617	\$ 234,145,788	\$ 229,125,403	\$ 228,843,691
Restricted	3,175,630	3,885,665	3,921,076	7,342,614
Unrestricted	34,991,643	35,597,246	19,068,644	14,090,170
TOTAL PRIMARY GOVERNMENT	\$ 271,579,890	\$ 273,628,699	\$ 252,115,123	\$ 250,276,475

*The Village implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

**The Village implemented GASB Statement No. 75 for the fiscal year ended April 30, 2019.

Data Source

Audited Financial Statements

2018	2019**	2020	2021	2022	2023
\$ 183,768,380	\$ 190,831,120	\$ 194,650,906	\$ 198,833,484	\$ 201,802,110	\$ 207,463,434
4,548,278	3,955,860	3,999,847	4,583,883	4,587,238	4,860,233
7,516,172	2,899,101	(1,963,289)	1,170,275	7,422,844	7,384,118
\$ 195,832,830	\$ 197,686,081	\$ 196,687,464	\$ 204,587,642	\$ 213,812,192	\$ 219,707,785
\$ 45,841,568	\$ 43,721,778	\$ 48,875,410	\$ 50,574,571	\$ 50,280,931	\$ 48,351,297
824,426	834,476	833,625	852,175	844,525	866,425
12,119,933	12,954,329	11,435,138	12,647,054	15,452,845	23,811,753
\$ 58,785,927	\$ 57,510,583	\$ 61,144,173	\$ 64,073,800	\$ 66,578,301	\$ 73,029,475
\$ 229,609,948	\$ 234,552,898	\$ 243,526,316	\$ 249,408,055	\$ 252,083,041	\$ 255,814,731
5,372,704	4,790,336	4,833,472	5,436,058	5,431,763	5,726,658
19,636,105	15,853,430	9,471,849	13,817,329	22,875,689	31,195,871
\$ 254,618,757	\$ 255,196,664	\$ 257,831,637	\$ 268,661,442	\$ 280,390,493	\$ 292,737,260

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016*	2017
EXPENSES				
Governmental activities				
General government	\$ 4,538,905	\$ 5,218,534	\$ 5,526,982	\$ 4,950,693
Public safety	8,842,616	9,089,370	9,516,306	9,649,552
Public works	10,521,914	11,339,697	10,339,204	12,779,514
Interest	160,780	93,117	58,580	46,848
Total governmental activities expenses	24,064,215	25,740,718	25,441,072	27,426,607
BUSINESS-TYPE ACTIVITIES				
Water and sewer	8,487,380	9,580,289	9,514,803	9,066,657
Total business-type activities expenses	8,487,380	9,580,289	9,514,803	9,066,657
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 32,551,595	\$ 35,321,007	\$ 34,955,875	\$ 36,493,264
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 886,332	\$ 821,200	\$ 1,282,209	\$ 1,058,488
Public safety	1,062,432	932,375	498,868	409,390
Public works	27,637	7,157	-	18,103
Operating grants and contributions	1,218,237	1,942,714	1,218,006	1,144,420
Capital grants and contributions	1,616,727	3,851,095	425,781	394,426
Total governmental activities program revenues	4,811,365	7,554,541	3,424,864	3,024,827
Business-type activities				
Charges for services				
Water/sewer	6,073,440	6,079,733	6,909,153	7,032,664
Operating grants and contributions	687,145	2,681	-	-
Capital grants and contributions	-	390,177	-	-
Total business-type activities program revenues	6,760,585	6,472,591	6,909,153	7,032,664
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 11,571,950	\$ 14,027,132	\$ 10,334,017	\$ 10,057,491
NET (EXPENSE) REVENUE				
Governmental activities	\$ (19,252,850)	\$ (18,186,177)	\$ (22,016,208)	\$ (24,401,780)
Business-type activities	(1,726,795)	(3,107,698)	(2,605,650)	(2,033,993)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	\$ (20,979,645)	\$ (21,293,875)	\$ (24,621,858)	\$ (26,435,773)

	2018	2019	2020	2021	2022	2023
\$	4,117,420	\$ 5,000,206	\$ 5,647,200	\$ 4,545,502	\$ 5,908,283	\$ 5,727,851
	9,111,816	9,439,213	9,897,004	8,134,629	8,753,951	10,549,704
	10,361,180	11,110,272	9,834,769	10,649,318	13,707,292	15,131,177
	34,363	21,478	13,687	11,339	10,904	18,015
	23,624,779	25,571,169	25,392,660	23,340,788	28,380,430	31,426,747
	9,731,632	11,112,382	12,153,331	10,006,844	11,963,331	11,972,620
	9,731,632	11,112,382	12,153,331	10,006,844	11,963,331	11,972,620
\$	33,356,411	\$ 36,683,551	\$ 37,545,991	\$ 33,347,632	\$ 40,343,761	\$ 43,399,367
\$	1,286,862	\$ 1,165,023	\$ 1,076,651	\$ 958,138	\$ 1,525,027	\$ 1,867,598
	364,744	283,432	287,109	216,681	293,575	358,378
	-	-	6,968	10,308	49,975	35,004
	1,117,302	1,232,259	1,757,339	2,942,253	2,002,870	1,569,108
	1,700,083	490,530	836,436	2,220,019	992,943	1,454,458
	4,468,991	3,171,244	3,964,503	6,347,399	4,864,390	5,284,546
	8,480,944	9,889,295	10,722,645	11,927,303	13,948,578	14,458,386
	-	-	-	459,855	-	3,370,884
	-	-	-	-	-	-
	8,480,944	9,889,295	10,722,645	12,387,158	13,948,578	17,829,270
\$	12,949,935	\$ 13,060,539	\$ 14,687,148	\$ 18,734,557	\$ 18,812,968	\$ 23,113,816
\$	(19,155,788)	\$ (22,399,925)	\$ (21,428,157)	\$ (16,993,389)	\$ (23,516,040)	\$ (26,142,201)
	(1,250,688)	(1,223,087)	(1,430,686)	2,380,314	1,985,247	5,856,650
\$	(20,406,476)	\$ (23,623,012)	\$ (22,858,843)	\$ (14,613,075)	\$ (21,530,793)	\$ (20,285,551)

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016*	2017
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 5,874,845	\$ 5,844,048	\$ 5,937,891	\$ 6,266,415
Home rule sales tax	-	-	4,120,849	4,227,205
Utility	998,361	951,723	899,377	923,668
Other	1,150,583	1,219,631	869,147	870,321
Intergovernmental - unrestricted				
Sales and use tax	10,129,119	11,459,955	7,635,490	7,704,133
Income and personal property replacement tax	3,393,115	3,699,105	3,899,246	3,645,402
Grants	-	-	-	-
Franchise fees	-	-	546,474	547,683
Investment income	(219,130)	69,180	111,774	139,744
Miscellaneous	7,688	7,633	293,938	146,656
Transfers	-	-	-	-
Total governmental activities	21,334,581	23,251,275	24,314,186	24,471,227
Business-type activities				
Sales	742,925	-	-	-
Investment income	(205,050)	72,105	24,551	55,540
Miscellaneous	118,600	19,304	80,427	70,358
Transfers	-	-	-	-
Total business-type activities	656,475	91,409	104,978	125,898
TOTAL PRIMARY GOVERNMENT	\$ 21,991,056	\$ 23,342,684	\$ 24,419,164	\$ 24,597,125
CHANGE IN NET POSITION				
Governmental activities	\$ 2,081,731	\$ 5,065,098	\$ 2,297,978	\$ 69,447
Business-type activities	(1,070,320)	(3,016,289)	(2,500,672)	(1,908,095)
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 1,011,411	\$ 2,048,809	\$ (202,694)	\$ (1,838,648)

*Beginning in fiscal year 2016, home rule sales tax and franchise fees are presented separately from sales and use tax and other taxes, respectively.

Data Source

Audited Financial Statements

	2018	2019	2020	2021	2022	2023
\$	6,376,663	\$ 6,489,997	\$ 6,565,496	\$ 6,710,556	\$ 7,022,375	\$ 7,193,452
	4,187,426	4,147,954	3,833,333	3,931,091	4,938,099	6,339,575
	919,160	963,975	898,906	902,074	916,954	890,198
	792,159	762,167	667,102	500,018	578,423	629,941
	7,733,394	7,618,630	7,344,889	7,591,524	8,953,313	9,268,931
	3,576,767	3,898,163	4,414,348	4,888,150	5,657,933	6,276,109
	-	-	-	-	4,230,171	38,531
	531,436	513,038	498,795	484,155	493,848	476,595
	276,459	626,353	738,705	147,939	(177,692)	549,435
	121,170	58,342	152,602	179,436	481,230	375,027
	-	-	(4,684,636)	(441,376)	(354,064)	-
	24,514,634	25,078,619	20,429,540	24,893,567	32,740,590	32,037,794
	-	-	-	-	-	-
	147,987	189,136	265,156	15,963	25,027	408,577
	86,137	84,330	114,484	91,974	140,163	185,947
	-	-	4,684,636	441,376	354,064	-
	234,124	273,466	5,064,276	549,313	519,254	594,524
\$	24,748,758	\$ 25,352,085	\$ 25,493,816	\$ 25,442,880	\$ 33,259,844	\$ 32,632,318
\$	5,358,846	\$ 2,678,694	\$ (998,617)	\$ 7,900,178	\$ 9,224,550	\$ 5,895,593
	(1,016,564)	(949,621)	3,633,590	2,929,627	2,504,501	6,451,174
\$	4,342,282	\$ 1,729,073	\$ 2,634,973	\$ 10,829,805	\$ 11,729,051	\$ 12,346,767

VILLAGE OF ALGONQUIN, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016	2017
GENERAL FUND				
Nonspendable	\$ 87,013	\$ 86,209	\$ 706,122	\$ 735,904
Restricted	-	578,255	395,843	1,440,207
Committed	-	-	-	-
Assigned	-	-	-	271,471
Unassigned	14,953,584	15,176,721	16,469,895	14,551,378
TOTAL GENERAL FUND	\$ 15,040,597	\$ 15,841,185	\$ 17,571,860	\$ 16,998,960
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 167	\$ 166	\$ 135	\$ 169
Restricted	2,309,292	2,476,984	3,114,451	4,475,414
Committed	-	-	-	-
Assigned	7,180,275	8,236,873	12,921,405	10,291,077
Unassigned (deficit)	-	(279,467)	(834,949)	(1,672,058)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 9,489,734	\$ 10,434,556	\$ 15,201,042	\$ 13,094,602
TOTAL FUND BALANCES	\$ 24,530,331	\$ 26,275,741	\$ 32,772,902	\$ 30,093,562

Data Source

Audited Financial Statements

2018	2019	2020	2021	2022	2023
\$ 737,981	\$ 741,954	\$ 739,955	\$ 760,905	\$ 762,081	\$ 763,226
1,261,957	1,157,306	1,154,437	1,049,916	1,010,020	977,889
-	-	-	-	572,268	595,846
276,168	446,466	3,971,384	5,950,752	2,130,187	5,910,487
16,165,039	16,187,728	15,384,179	11,051,954	17,365,279	12,097,669
\$ 18,441,145	\$ 18,533,454	\$ 21,249,955	\$ 18,813,527	\$ 21,839,835	\$ 20,345,117
\$ 151	\$ 179	\$ 182	\$ 222	\$ 223	\$ 203
3,286,321	2,798,554	2,845,410	3,533,967	3,577,218	3,882,344
-	-	-	4,003,200	864,835	-
15,374,279	19,799,227	21,756,243	18,828,464	24,649,184	31,277,478
(4,342,140)	(13,339,537)	(19,186,023)	(20,839,818)	(23,579,259)	(28,715,214)
\$ 14,318,611	\$ 9,258,423	\$ 5,415,812	\$ 5,526,035	\$ 5,512,201	\$ 6,444,811
\$ 32,759,756	\$ 27,791,877	\$ 26,665,767	\$ 24,339,562	\$ 27,352,036	\$ 26,789,928

VILLAGE OF ALGONQUIN, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2014	2015	2016*	2017
REVENUES				
Taxes	\$ 21,452,273	\$ 23,141,444	\$ 11,770,767	\$ 12,287,609
Licenses and permits	407,800	589,957	823,414	612,193
Intergovernmental, grants, and contributions	1,438,538	2,436,940	12,809,274	12,876,044
Charges for services	333,652	343,116	778,570	368,237
Fees, fines, and forfeits	749,287	687,897	551,438	459,464
Investment income (loss)	(219,130)	69,180	119,847	206,719
Miscellaneous	263,402	218,533	885,770	685,788
Total revenues	24,425,822	27,487,067	27,739,080	27,496,054
EXPENDITURES				
General government	4,279,256	4,531,249	4,740,911	5,263,774
Public safety	8,787,750	9,114,836	8,864,640	9,285,421
Public works	7,066,611	8,060,229	6,207,114	10,521,050
Capital outlay	2,054,583	2,957,881	2,084,527	3,858,214
Debt service				
Principal	634,615	689,757	565,825	571,951
Interest	153,287	89,505	68,040	56,316
Total expenditures	22,976,102	25,443,457	22,531,057	29,556,726
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,449,720	2,043,610	5,208,023	(2,060,672)
OTHER FINANCING SOURCES (USES)				
Transfers in	850,000	596,147	599,829	1,909,801
Transfers (out)	(850,000)	(596,147)	(599,829)	(1,909,801)
Proceeds from sale of capital assets	-	-	-	-
Lease issuance	106,265	-	-	-
Proceeds from bonds/issuance of refunding bonds	2,885,000	-	-	-
Premium on general obligation bonds	119,392	-	-	-
Transfer to refunded bond escrow	(2,992,328)	-	-	-
Total other financing sources (uses)	118,329	-	-	-
NET CHANGE IN FUND BALANCES	\$ 1,568,049	\$ 2,043,610	\$ 5,208,023	\$ (2,060,672)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	3.77%	3.47%	3.10%	2.44%

*Beginning in fiscal year 2016, state sales tax, use tax, and income tax are reported as intergovernmental revenue.

Data Source

Audited Financial Statements

	2018	2019	2020	2021	2022	2023
\$	12,275,407	\$ 12,364,092	\$ 11,964,838	\$ 12,043,739	\$ 13,455,851	\$ 15,053,166
	774,553	651,171	642,865	726,096	992,209	1,335,034
	12,767,070	13,307,351	14,408,168	17,672,593	21,860,491	18,905,136
	351,454	347,722	297,990	147,220	467,523	469,469
	414,078	322,254	311,253	248,556	343,350	399,480
	301,119	626,353	738,707	147,940	(177,687)	549,434
	689,944	630,920	714,858	696,198	626,047	524,016
	27,573,625	28,249,863	29,078,679	31,682,342	37,567,784	37,235,735
	4,992,141	4,969,495	5,046,318	4,384,347	5,425,663	5,472,271
	9,391,707	9,809,188	9,574,851	9,633,165	10,303,144	10,808,015
	7,067,477	8,071,952	7,217,689	7,344,692	12,205,225	11,222,086
	3,442,779	9,729,848	11,247,124	9,116,004	7,001,634	10,374,255
	588,138	605,979	615,000	-	-	-
	43,857	31,280	22,807	11,339	10,904	18,015
	25,526,099	33,217,742	33,723,789	30,489,547	34,946,570	37,894,642
	2,047,526	(4,967,879)	(4,645,110)	1,192,795	2,621,214	(658,907)
	625,000	1,860,230	3,654,063	3,000,000	6,215,900	5,804,607
	(625,000)	(1,860,230)	(3,654,063)	(3,000,000)	(6,215,900)	(5,804,607)
	-	-	-	-	391,260	86,606
	-	-	-	-	-	10,193
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	391,260	96,799
\$	2,047,526	\$ (4,967,879)	\$ (4,645,110)	\$ 1,192,795	\$ 3,012,474	\$ (562,108)
	2.86%	2.71%	2.84%	0.05%	0.04%	0.07%

VILLAGE OF ALGONQUIN, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value	Commercial or Industrial		Residential	
									Number of Permits	Value (1)	Number of Permits	Value (1)
2013	\$ 638,297,331	\$ 153,327,229	\$ 10,791,813	\$ 2,595,085	\$ 805,011,458	0.6775	\$ 2,415,034,374	33.333%	5	\$ 1,582,118	4	\$ 1,355,749
2014	614,951,665	150,078,586	10,302,225	2,478,946	777,811,422	0.7047	2,333,434,266	33.333%	2	6,917,760	18	6,917,018
2015	632,117,357	155,044,307	10,869,811	2,539,920	800,571,395	0.7159	2,401,714,185	33.333%	5	23,264,060	24	8,535,989
2016	677,131,371	161,982,750	10,764,196	2,487,423	852,365,740	0.6570	2,557,097,220	33.333%	2	842,887	34	12,381,885
2017	721,868,930	165,068,135	11,045,596	2,652,140	900,634,801	0.6218	2,701,904,403	33.333%	3	8,823,020	33	10,895,670
2018	770,387,014	167,531,028	11,371,762	2,297,789	951,587,593	0.5885	2,854,762,779	33.333%	4	6,152,537	86	12,359,718
2019	799,471,194	170,917,770	9,992,552	2,359,312	982,740,828	0.5698	2,948,222,484	33.333%	3	10,900,000	49	6,469,974
2020	834,666,665	171,152,131	10,274,330	2,328,927	1,018,422,053	0.5707	3,055,266,159	33.333%	3	31,821,174	29	3,699,120
2021	865,059,383	165,642,206	10,955,707	2,382,778	1,044,040,074	0.5651	3,132,120,222	33.333%	2	1,600,000	107	27,512,220
2022	934,725,544	175,689,156	11,502,512	2,478,380	1,124,395,592	0.5452	3,373,186,776	33.333%	6	38,741,655	114	27,150,957

Note: Property is assessed at 33 1/3% of actual value; property tax rates are per \$100 of assessed valuation
 Property is assessed on the following basis: McHenry Township - Annual; Dundee Township - Quadrennial (minimum)
 Grafton Township - Quadrennial (minimum)
 Value (1) - The estimated construction cost is provided by the permit applicant

Data Sources

Assessed Value, Tax Rate, Taxable Value: Office of the County Clerks and Township Assessors
 Permits and Construction Value: Village of Algonquin Records

VILLAGE OF ALGONQUIN, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
DIRECT TAX RATES										
General Corporate	0.1283	0.1377	0.0829	-	-	-	-	-	-	0.1201
Crossing Guards	0.0024	0.0024	0.0022	0.0018	0.0017	-	-	-	-	-
Police Protection	0.2106	0.2259	0.2195	0.2851	0.2665	0.2538	0.2463	0.2376	0.2318	0.2223
IMRF	0.0522	0.0559	0.0500	0.0469	0.0333	0.0315	0.0305	0.0295	0.0287	-
Social Security	0.0783	0.0840	0.0687	0.0645	0.0500	0.0473	0.0419	0.0405	0.0395	-
Police Pension	0.1465	0.1594	0.2295	0.2229	0.2210	0.2086	0.2104	0.2239	0.2184	0.2028
ESDA	0.0006	0.0008	0.0006	0.0006	0.0006	-	-	-	-	-
Parks	0.0000	0.0000	0.0000	0.0000	0.0000	-	-	-	0.0084	-
Liability Insurance	0.0586	0.0386	0.0625	0.0352	0.0487	0.0473	0.0407	0.0393	0.0383	-
Total direct rates	0.6775	0.7047	0.7159	0.6570	0.6218	0.5885	0.5698	0.5707	0.5651	0.5452
OVERLAPPING TAX RATES										
Fire District(s)	3.8524	4.0108	3.9311	3.8735	3.7550	3.6610	3.6700	3.6467	3.6107	3.5677
Kane County	0.4623	0.4684	0.4479	0.4201	0.4025	0.3877	0.3739	0.3618	0.3522	0.3322
Kane County Forest Preserve	0.3039	0.3126	0.2944	0.2253	0.1658	0.1607	0.1549	0.1477	0.1435	0.1367
McHenry County	1.0960	1.1412	1.0781	1.0539	0.9019	0.8317	0.7868	0.7621	0.7365	0.6982
McHenry County Conservation	0.2748	0.2840	0.2766	0.2588	0.2449	0.2380	0.2286	0.2236	0.2219	0.2125
Park districts (3)	1.0765	1.1276	1.0618	0.8914	0.8136	0.7956	0.7627	0.7294	0.7126	0.7493
Public libraries (4)	1.2313	1.3632	1.3227	1.2601	1.2351	1.1307	1.1827	1.2053	1.1795	1.1542
Road and bridge (4)	0.4387	0.4548	0.4374	0.3999	0.3689	0.3473	0.7238	0.3160	0.3159	0.3066
Schools (4)	13.1491	14.0008	13.4877	12.5931	12.3311	12.1154	11.7426	11.6239	11.4966	11.1247
Townships (4)	0.4316	0.4468	0.4283	0.3792	0.2406	0.2248	0.6822	0.2068	0.1992	0.2116
Algonquin SSA #1	-	-	5.6066	23.0860	3.6278	-	-	-	-	-
Total overlapping rates	22.3166	23.6102	28.3726	44.4413	24.0872	19.8929	20.3082	19.2233	18.9686	18.4937
TOTAL TAX RATES	22.9941	24.3149	29.0885	45.0983	24.7090	20.4814	20.8780	19.7940	19.5337	19.0389

Property tax rates are per \$100 of assessed valuation

Data Source

Office of the County Clerk

VILLAGE OF ALGONQUIN, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2023			2014		
	2022 Taxable Equalized Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	2013 Taxable Equalized Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Algonquin I LLC	\$ 10,899,899	1	0.97%	\$ -	-	0.00%
Marquette EJP Algonquin LLC	10,510,775	2	0.93%	-	-	0.00%
HSRE Algonquin LLC	7,464,917	3	0.66%	-	-	0.00%
B33 Woodscreak Commons LLC	5,134,890	4	0.46%	-	-	0.00%
Oakridge Ct LLC	4,058,849	5	0.36%	4,413,767	3	0.57%
Meijer Stores LTD Partnership	3,936,158	6	0.35%	3,752,400	5	0.48%
Wal-Mart Stores Inc.	3,908,425	7	0.35%	4,206,913	4	0.54%
Algonquin Galleria TIC Rollup LLC	3,596,805	8	0.32%			
Target Corporation	3,400,000	9	0.30%	3,588,113	6	0.46%
LTF Real Estate Co Inc.	3,120,000	10	0.28%	3,261,994	7	0.42%
In Retail Fund Algonquin Commons LLC	-	-	0.00%	25,950,000	1	3.34%
Rubloff Oakridge Algonquin LLC	-	-	0.00%	7,513,352	2	0.97%
Randall Holdings LLC	-	-	0.00%	3,067,503	8	0.39%
Jewel Food Stores, Inc.	-	-	0.00%	2,594,105	9	0.33%
RPA Shopping Center Ph. 1 LLC	-	-	0.00%	2,591,562	10	0.33%
TOTAL	<u>\$ 56,030,718</u>		<u>4.98%</u>	<u>\$ 60,939,709</u>		<u>7.83%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source

Office of the County Clerk

VILLAGE OF ALGONQUIN, ILLINOIS
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levy	Total Collections within the Levy Year		Collections in Subsequent Years	Total Collections To Date	Total Collections To Date*
		Amount	Percentage of Levy*			
2013	\$ 5,481,000	\$ 5,451,343	99.46%	\$ 103	\$ 5,451,446	99.46%
2014	5,481,000	5,468,468	99.77%	817	5,469,285	99.79%
2015**	5,893,481	5,870,423	99.61%	767	5,871,190	99.62%
2016	5,991,475	5,981,894	99.84%	5,660	5,987,600	99.93%
2017	6,102,372	6,102,657	100.00%	93	6,102,674	100.00%
2018	6,181,877	6,155,750	99.58%	4,214	6,159,964	99.65%
2019	6,316,337	6,305,829	99.83%	2,006	6,307,835	99.87%
2020	6,604,775	6,601,464	99.95%	97	6,601,561	99.95%
2021	6,781,479	6,767,324	99.79%	-	6,767,324	99.79%
2022	7,146,656	N/A	N/A	N/A	N/A	N/A

N/A - Information not available

*Collection rates exceeding 100% are attributed to the differences due to timing Village's Tax Levy and the County's corresponding Final Tax Extension. This can occur when a county relies on estimated equalized assessed valuation (EAV) due to changes made to the EAV upon review of the state equalization board.

Note: Property is assessed at 33 1/3% of actual value.

Property is assessed on the following basis: McHenry Township - Annual;

Dundee Township - Quadrennial (minimum); Grafton Township - Quadrennial (minimum)

Data Source

Office of the County Treasurer

VILLAGE OF ALGONQUIN, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022*
General merchandise	\$ 1,365,588	\$ 2,094,389	\$ 2,120,466	\$ 2,063,688	\$ 1,998,831	\$ 2,031,205	\$ 1,979,138	\$ 1,841,227	\$ 1,932,276	\$ 2,068,863
Food	989,451	1,072,713	1,069,547	946,826	903,442	931,727	909,178	994,881	1,029,445	1,109,485
Drinking and eating places	732,747	754,333	776,846	832,807	857,156	875,504	888,365	761,089	893,559	1,038,033
Apparel	593,205	607,179	586,989	644,790	671,557	662,548	622,395	397,796	589,847	582,036
Furniture and H.H. and radio	549,625	590,672	628,199	760,486	627,696	607,712	618,027	623,668	831,891	790,325
Lumber, building hardware	346,042	356,151	368,429	330,374	346,174	352,379	368,749	415,036	475,595	478,408
Automobile and filling stations	1,258,100	557,652	511,290	605,334	671,991	695,963	746,345	698,620	903,484	986,243
Drugs and miscellaneous retail	1,081,094	1,150,529	998,903	1,152,036	1,152,124	1,036,151	1,019,417	974,438	1,623,094	1,579,332
Agriculture and all others	106,527	129,176	333,903	156,600	280,459	338,873	269,689	189,355	243,342	414,342
Manufacturers	81,124	103,111	157,401	151,712	186,256	178,181	166,265	154,838	211,418	169,836
TOTAL	\$ 7,144,335	\$ 7,453,273	\$ 7,580,028	\$ 7,667,131	\$ 7,695,686	\$ 7,710,243	\$ 7,587,566	\$ 7,050,948	\$ 8,733,951	\$ 9,216,903
Total number of payers	794	810	815	848	822	822	837	802	4,060	5,613
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Village home rule sales tax rate	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	1.00%

*Home rule sales tax of 1.00% went into effect on July 1, 2022

Data Source

Illinois Department of Revenue

VILLAGE OF ALGONQUIN, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	Village State Rate
2014	1.75%	6.00%
2015	1.75%	6.00%
2016	1.75%	6.00%
2017	1.75%	6.00%
2018	1.75%	6.00%
2019	1.75%	6.00%
2020	1.75%	6.00%
2021	1.75%	6.00%
2022	1.75%	6.00%
2023	2.00%	6.00%

Note: Home rule sales tax of 1.00% went into effect on July 1, 2022.

Data Sources

Village and County Records

VILLAGE OF ALGONQUIN, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities			Total Primary Government	Ratio of Total Outstanding Debt to Equalized Assessed Valuation	Total Outstanding Debt Per Capita
	General Obligation Bonds	Leases	General Obligation Bonds	Leases	IEPA Loans			
2014	\$ 3,665,621	\$ 91,650	\$ 7,943,788	\$ -	\$ -	\$ 11,701,059	1.32%	\$ 389
2015	2,970,191	71,893	7,348,715	-	-	10,390,799	1.29%	346
2016	2,405,830	51,068	6,733,642	-	-	9,190,540	1.18%	306
2017	1,836,469	29,117	6,098,569	-	-	7,964,155	0.99%	265
2018	1,252,108	5,979	5,443,496	-	-	6,701,583	0.79%	223
2019	632,747	-	4,753,423	-	-	5,386,170	0.60%	179
2020	-	-	4,033,350	-	3,686,408	7,719,758	0.81%	257
2021	-	-	3,293,277	-	21,317,732	24,611,009	2.42%	819
2022	-	35,902	2,513,204	35,470	25,258,255	27,842,831	2.66%	937
2023	-	57,060	1,718,131	15,507	24,471,204	26,261,902	2.34%	884

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

VILLAGE OF ALGONQUIN, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available for Repayment	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2014	\$ 11,609,409	\$ 767,180	\$ 10,842,229	1.22%	\$ 360.85
2015	10,318,906	-	10,318,906	1.28%	323.07
2016	9,139,472	-	9,139,472	1.18%	304.18
2017	7,935,038	-	7,935,038	0.99%	264.10
2018	6,695,604	-	6,695,604	0.79%	222.85
2019	5,386,170	-	5,386,170	0.60%	179.26
2020	4,033,350	833,625	4,033,350	0.42%	134.24
2021	3,293,277	852,175	2,441,102	0.24%	81.25
2022	2,513,204	844,525	1,668,679	0.16%	56.18
2023	1,718,131	866,425	851,706	0.08%	28.68

*See schedule of Assessed Value and Actual Value of Taxable Property for property value data.

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

VILLAGE OF ALGONQUIN, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2023

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village*	Village's Share of Debt
Kane County	\$ 20,045,000	1.76%	\$ 352,792
McHenry County Conservation District	48,360,000	7.94%	3,839,784
Kane County Forest Preserve	95,120,000	1.76%	1,674,112
Huntley Area Public Library District	11,280,000	3.22%	363,216
Dundee Township Park District	15,171,645	13.75%	2,086,101
Huntley Park District	1,617,000	8.97%	145,045
Schools			
District No. 300	212,690,000	21.13%	44,941,397
District No. 158	95,866,063	9.50%	9,107,276
District No. 509	<u>133,850,000</u>	6.58%	<u>8,807,330</u>
Subtotal overlapping debt	633,999,708		71,317,053
Village of Algonquin direct debt	<u>57,060</u>	100.00%	<u>57,060</u>
	<u>\$ 634,056,768</u>		<u>\$ 71,374,113</u>

*Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

VILLAGE OF ALGONQUIN, ILLINOIS

LEGAL DEBT MARGIN

April 30, 2023

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property....(2) if its population is more than 25,000 and less than 500,000 in aggregate of one per cent:....indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ALGONQUIN, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population		Equalized Assessed Value (EAV)	Per Capita EAV	Unemployment Rate (1)
2014	30,046	*	\$ 887,200,696	\$ 29,528	5.20%
2015	30,046	*	805,011,458	26,793	4.90%
2016	30,046	*	777,811,422	25,887	5.38%
2017	30,046	*	800,571,395	26,645	5.62%
2018	30,046	*	852,365,740	28,369	4.02%
2019	30,046	*	900,634,801	29,975	3.59%
2020	29,700	**	951,587,593	32,040	4.36%
2021	29,700	**	1,018,422,053	34,290	8.48%
2022	29,700	**	1,044,040,074	35,153	4.11%
2023	29,700	**	1,124,395,592	37,858	3.65%

*2010 Census

**2020 Census

(1) Calculated for Fiscal Year, as of April 30, 2023

Note: Personal income data not available

Data Source

United States Census Bureau

Illinois Department of Employment Security

VILLAGE OF ALGONQUIN, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2023			2014		
	Rank	No. of Employees	Percent of Total Village Population	Rank	No. of Employees	Percent of Total Village Population
School District Number 300*	1	888	2.99%	1	397	1.32%
School District Number 158*	2	419	1.41%			0.00%
Jewel Osco	3	272	0.92%	2	340	1.13%
Walmart	4	227	0.76%	3	265	0.88%
LifeTime Fitness	5	177	0.60%			0.00%
Meijer	6	155	0.52%	4	260	0.87%
Kenmode Tool and Engineering, Inc.	7	150	0.51%	9	135	0.45%
Home Depot	8	150	0.51%	8	140	0.47%
Village of Algonquin	9	144	0.48%	6	153	0.51%
Target	10	120	0.40%	7	150	0.50%
Joe Caputo and Sons Fruit Market	-	-	0.00%	5		0.00%
Young Innovations, Inc.	-	-	0.00%	10		0.00%

*Only schools located in the Village

Data Sources

2017 Illinois Manufacturers Directory, 2017 Illinois Services Directory, Speer Financial, the Village, and a selective

VILLAGE OF ALGONQUIN, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT										
Administration	19	19	18	19	17	19	18	17	18	19
Community development	12	12	12	11	8	8	9	6	10	9
PUBLIC SAFETY										
Police										
Officers	46	46	44	46	44	46	47	44	48	48
Civilians	11	10	8	9	8	8	7	6	6	7
PUBLIC WORKS										
Public works administration	6	4	4	4	4	4	3	3	3	6
Public works general services	29	25	26	25	23	23	23	21	23	23
Internal services	8	9	8	9	9	9	9	8	9	8
WATER										
Water and sewer	21	23	21	20	20	20	20	19	18	20
POOL										
	4	4	4	4	4	3	3	-	2	4
TOTAL	156	152	145	147	137	140	139	124	137	144

Employees in the public works streets and park departments were combined and reported in public works general services with the April 30, 2016 financial statement.

Data Source

Village Finance Department

VILLAGE OF ALGONQUIN, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
GENERAL GOVERNMENT										
Community Development										
Building permits issued	2,467	4,107	3,122	3,050	2,864	3,123	2,681	2,997	3,934	3,264
Building inspections conducted	4,562	8,589	6,229	6,239	5,611	6,721	6,246	5,659	6,795	6,883
Property maintenance inspections conducted	3,982	4,292	4,737	4,105	3,169	2,668	7,339	10,532	2,160	912
PUBLIC SAFETY										
Police										
Physical arrests	511	488	520	640	460	435	351	380	473	536
Parking violations	1,287	1,040	839	879	932	447	800	384	242	345
Traffic violations	3,305	2,233	4,937	6,359	2,326	4,582	4,417	1,910	5,331	6,977
PUBLIC WORKS										
Streets										
Street resurfacing (miles)	4.90	5.10	-	4.80	4.80	1.20	3.34	3.20	4.75	3.33
Parks and Recreation										
Park sites	22	22	22	22	22	22	22	22	22	22
Developed park acreage	155	155	155	155	155	155	155	155	132	132
Open space	512	512	512	512	512	512	512	512	604	751
Water										
New connections (tap-ons)	7	22	2	38	28	78	43	38	112	51
Average daily consumption*	2,682	2,725	2,478	2,401	2,535	2,078	2,741	2,596	2,096	2,548
Peak daily consumption*	4,253	3,231	4,097	3,200	2,893	2,641	2,975	2,877	3,058	2,714
Wastewater										
Average daily sewage treatment**	3.0	2.9	3.1	3.3	3.5	3.8	3.8	3.5	3.2	3.3

*Thousands of gallons

**Millions of gallons

Data Source

Various village departments

VILLAGE OF ALGONQUIN, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Geographic patrol areas	6	6	6	6	6	6	6	6	6	6
PUBLIC WORKS										
Street										
Streets (miles)	256	256	256	130	130	130	130	130	138	138
Streetlights	189	211	211	319	319	319	381	381	546	662
Parks and Recreation										
Acreage	667	667	667	667	667	667	667	667	736	736
Playgrounds	18	18	18	18	18	18	18	18	18	18
Sites with baseball diamonds	9	9	9	9	9	9	9	9	9	9
Sites with soccer fields	11	11	11	11	11	11	11	11	6	6
Sites with basketball courts	14	14	14	14	14	14	14	14	14	13
Sites with tennis courts	5	5	5	5	5	5	5	5	5	5
Water										
Water mains (miles)	165	168	168	168	168	168	168	174	175	175
Fire hydrants	2,213	2,214	2,224	2,276	2,264	2,260	2,260	2,328	2,332	2,332
Storage capacity*	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390	3.390
Wastewater										
Sanitary sewers (miles)	137	144	145	144	139	139	139	141	141	141
Treatment capacity*	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000	5.000

*Thousands of gallons

Data Source

Various village departments