

VILLAGE OF CAMPTON HILLS, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2022

VILLAGE OF CAMPTON HILLS, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

List of Principal Officials	1
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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	4
-------------------------------------	-------------------

MANAGEMENT'S DISCUSSION AND ANALYSIS	8
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BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements	
Statement of Net Position	18
Statement of Activities	20
Fund Financial Statements	
Balance Sheet - Governmental Funds	22
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	24
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	28
Statement of Fiduciary Net Position	29
Statement of Changes in Fiduciary Net Position	30
Notes to Financial Statements	31

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	61
Police Pension Fund	62
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	64
Police Pension Fund	66
Schedule of Investment Returns	
Police Pension Fund	68
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	69
Motor Fuel Tax - Special Revenue Fund	70
Road and Bridge - Special Revenue Fund	71

VILLAGE OF CAMPTON HILLS, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION

Schedule of Expenditures - Budget and Actual - General Fund	74
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Capital Projects Fund	76
Schedule of Changes in Fiduciary Net Position - Budget and Actual Police Pension - Pension Trust Fund	77
Consolidated Year-End Financial Report	78
Report on Internal Control Over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards	79

INTRODUCTORY SECTION

VILLAGE OF CAMPTON HILLS, ILLINOIS

List of Principal Officials

April 30, 2022

VILLAGE PRESIDENT

Michael Tyrrell

VILLAGE BOARD OF TRUSTEES

Charles Cappell

Susan George

Jim McKelvie

Mike Millette

Ed Muncie

Wendy K. White Eagle

ADMINISTRATIVE

Lynn Baez, Village Clerk

Denise Burchard, Village Administrator

Rebekah Flakus, Village Treasurer

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

November 21, 2022

The Honorable Village President
Members of the Board of Trustees
Village of Campton Hills, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Campton Hills, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Campton Hills, Illinois, as of April 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

Our discussion and analysis of the Village of Campton Hills' financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2022. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The Village's net position increased \$480,634, or 1.9 percent, as a result of this year's operations.
- During the year, government-wide revenues totaled \$4,507,110, while expenses totaled \$4,026,476, resulting in an increase to net position of \$480,634.
- The Village's net position totaled \$25,649,404 on April 30, 2022, which includes \$19,705,068 net investment in capital assets, \$976,846 subject to external restrictions, and \$4,967,490 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a decrease this year of \$108,538 or 2.9 percent, resulting in ending fund balance of \$3,639,080.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

The Statement of Net Position reports information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base and the condition of the Village's infrastructure, is needed to assess the overall health of the Village.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Village only reports governmental activities, which include general government and public safety.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

USING THIS ANNUAL REPORT - Continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Campton Hills, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

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

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

The Village of Campton Hills maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Motor Fuel Tax Fund, the Road and Bridge Fund, and the Capital Projects Fund, all of which are considered major funds.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. and police employee pension obligations and budgetary comparison schedules for the General Fund and major special revenue funds.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Campton Hills, assets/deferred outflows exceeded liabilities/deferred inflows by \$25,649,404.

	Net Position	
	2022	2021
Current/Other Assets	\$ 7,616,942	6,489,570
Capital Assets	19,705,068	20,016,138
Total Assets	27,322,010	26,505,708
Deferred Outflows	574,623	706,221
Total Assets/Deferred Outflows	27,896,633	27,211,929
Long-Term Debt	167,385	151,748
Other Liabilities	194,626	284,590
Total Liabilities	362,011	436,338
Deferred Inflows	1,885,218	1,606,821
Total Liabilities/Deferred Inflows	2,247,229	2,043,159
Net Position		
Net Investment in Capital Assets	19,705,068	19,933,087
Restricted	976,846	777,585
Unrestricted	4,967,490	4,458,098
Total Net Position	25,649,404	25,168,770

A large portion of the Village's net position, \$19,705,068 or 76.8 percent, reflects its investment in capital assets (for example, land, construction in progress, infrastructure, buildings, land improvements, vehicles, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$976,846 or 3.8 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining 19.4 percent, or \$4,967,490, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	2022	2021
Revenues		
Program Revenues		
Charges for Services	\$ 540,835	474,486
Operating Grants/Contributions	718,429	1,467,273
General Revenues		
Road and Bridge Taxes	542,134	529,656
State Shared Revenues	2,462,538	2,207,451
Other General Revenues	243,174	79,410
Total Revenues	<u>4,507,110</u>	<u>4,758,276</u>
Expenses		
General Government	2,566,725	2,414,245
Public Safety	1,455,943	1,227,030
Interest on Long-Term Debt	3,808	6,717
Total Expenses	<u>4,026,476</u>	<u>3,647,992</u>
Change in Net Position	480,634	1,110,284
Net Position - Beginning	<u>25,168,770</u>	<u>24,058,486</u>
Net Position-Ending	<u>25,649,404</u>	<u>25,168,770</u>

Net position increased by 1.9 percent (\$25,649,404 in 2022 compared to \$25,168,770 in 2021). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$4,967,490 at April 30, 2022.

Governmental Activities

Revenues for governmental activities totaled \$4,507,110, while the cost of all governmental functions totaled \$4,026,476. This results in an increase of \$480,634. In 2021, revenues of \$4,758,276 exceeded expenses of \$3,647,992, resulting in an increase of \$1,110,284. The increase in 2022 was due in large part to the increase in state shared revenues, such as state income tax receipts, and road and bridge taxes.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

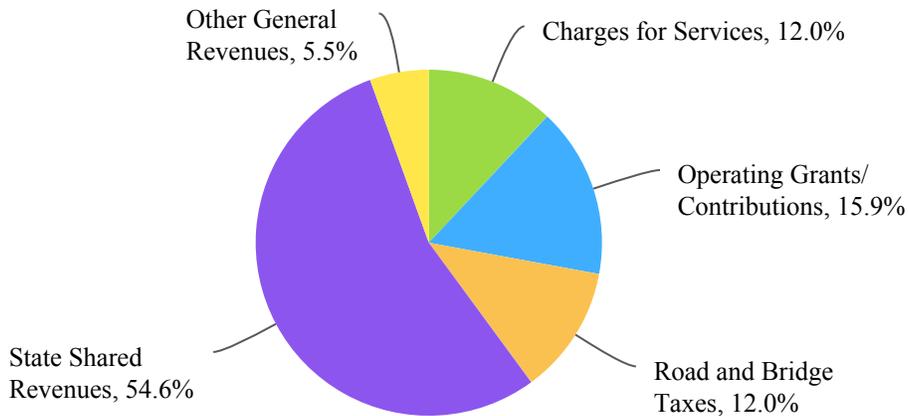
April 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

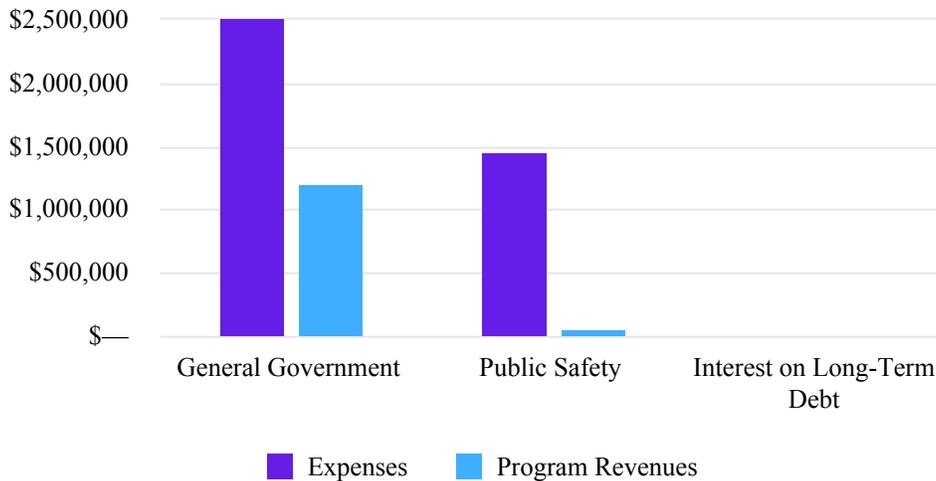
The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of state shared revenues to fund governmental activities. It also clearly identifies the less significant percentage the Village receives from road and bridge taxes.

Revenues by Source - Governmental Activities



The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.

Expenses and Program Revenues - Governmental Activities



VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The Village's governmental funds reported combining ending fund balances of \$6,056,849, which is an increase of \$671,985, or 12.5 percent, from last year's total of \$5,384,864. Of the \$6,056,849 total, \$1,900,996, or approximately 31.4 percent, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the Village. At April 30, 2022, unassigned fund balance in the General Fund was \$1,900,996, which represents 52.2 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 78.0 percent of total General Fund expenditures.

The General Fund reported a decrease in fund balance for the year of \$108,538 or 2.9 percent. This was due in part due to decreased grant revenue related to COVID-19 from the prior fiscal year. In addition, the Village transferred \$762,875 to the Motor Fuel Tax and Capital Projects Funds, to fund several current and future capital projects from the existing General Fund fund balance and fiscal year 2022 excess revenues.

The Motor Fuel Tax Fund reported an increase of \$190,380, or 31.5 percent, in the current year. This increase was due to state revenues being higher than the expenditures spent in the current year as well as a transfer of \$100,000 from the General Fund.

The Road and Bridge Fund reported an increase in the current year of \$8,881, or 5.1 percent. This increase was due primarily to County Tax revenues being higher than the expenditures spent in the current year.

The Capital Projects Fund reported an increase of \$581,262, or 67.6 percent in the current year, due to a transfer from the General Fund, which will be used in future years related to capital purchases.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village Board made one budget amendment to the General Fund during the year. General Fund actual revenues for the year totaled \$3,090,112, compared to budgeted revenues of \$3,411,452. The major contributor to this variance was miscellaneous revenue which came in under budget by \$286,756.

The General Fund actual expenditures for the year were \$193,802 under budget (\$2,435,775 actual compared to \$2,629,577 budgeted). The general government function and public safety function actual expenditures were lower than budgeted expenditures by \$179,211 and \$14,591, respectively.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets as of April 30, 2022 was \$19,705,068 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, vehicles, equipment, and infrastructure.

	Capital Assets - Net of Depreciation	
	2022	2021
Land	\$ 10,531,129	10,531,129
Construction in Progress	63,758	—
Infrastructure	8,250,765	8,644,050
Buildings	590,223	611,556
Land Improvements	5,980	9,696
Vehicles	161,361	175,026
Equipment	101,852	44,681
Total	<u>19,705,068</u>	<u>20,016,138</u>

This year's current major additions to capital assets in the current year were as follows:

Construction in Progress	\$ 63,758
Vehicles	70,642
Equipment	<u>85,426</u>
	<u>219,826</u>

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

Debt Administration

At year-end, the Village of Campton Hills had no outstanding debt compared to \$85,000 the previous year, a decrease of 100.0 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2022	2021
Debt Certificates	<u>\$ —</u>	<u>85,000</u>

State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the Village is \$43,268,698.

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Management's Discussion and Analysis

April 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2023 budget, including tax rates, and fees that will be charged for its various activities. One of those factors is the economy. The Village is faced with a similar economic environment as many of the other local municipalities are faced with, including inflation and unemployment rates.

The full financial impact of COVID-19 on the Village's operations and financial position has yet to be determined. The Village has received federal assistance and will be expending the funds to mitigate exposure to COVID with the village hall renovation project. This project will provide safety to the village staff and residents by creating a separate police detention area from the day-to-day and evening activities occurring at the village hall.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Campton Hills' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Denise Burchard, Village Administrator, Village of Campton Hills, Illinois at (630)584-5700.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Fund

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Statement of Net Position

April 30, 2022

See Following Page

VILLAGE OF CAMPTON HILLS, ILLINOIS

Statement of Net Position

April 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 6,186,940
Receivables - Net of Allowances	1,220,564
Prepays	58,974
Total Current Assets	<u>7,466,478</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	10,594,887
Depreciable Capital Assets	21,304,960
Accumulated Depreciation	<u>(12,194,779)</u>
Total Capital Assets	19,705,068
Other Assets	
Net Pension Liability - Police Pension	<u>150,464</u>
Total Noncurrent Assets	<u>19,855,532</u>
Total Assets	<u>27,322,010</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	30,857
Deferred Items - Police Pension	<u>543,766</u>
Total Deferred Outflows of Resources	<u>574,623</u>
Total Assets and Deferred Outflows of Resources	<u>27,896,633</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 137,993
Accrued Payroll	27,392
Current Portion of Long-Term Debt	29,241
Total Current Liabilities	<u>194,626</u>
Noncurrent Liabilities	
Compensated Absences Payable	116,966
Net Pension Liability - IMRF	50,419
Total Noncurrent Liabilities	<u>167,385</u>
Total Liabilities	<u>362,011</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - IMRF	42,962
Deferred Items - Police Pension	598,012
Property Taxes	555,138
Grants	689,106
Total Deferred Inflows of Resources	<u>1,885,218</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,247,229</u>
NET POSITION	
Net Investment in Capital Assets	19,705,068
Restricted	
Motor Fuel Taxes	795,284
Road and Bridge	181,562
Unrestricted	<u>4,967,490</u>
Total Net Position	<u>25,649,404</u>

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2022

	Expenses	Program Revenues			Net (Expenses)/ Revenues and Change in Net Position
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 2,566,725	484,955	718,429	—	(1,363,341)
Public Safety	1,455,943	55,880	—	—	(1,400,063)
Interest on Long-Term Debt	3,808	—	—	—	(3,808)
Total Primary Government	<u>4,026,476</u>	<u>540,835</u>	<u>718,429</u>	<u>—</u>	<u>(2,767,212)</u>

General Revenues

Taxes

Road and Bridge Taxes 542,134

Intergovernmental

Income Taxes 1,682,520

Local Use Taxes 444,104

Video Gaming Taxes 314,167

Sales Taxes 21,747

Investment Income 4,606

Miscellaneous 238,568

3,247,846

Change in Net Position 480,634

Net Position - Beginning 25,168,770

Net Position - Ending 25,649,404

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2022

See Following Page

VILLAGE OF CAMPTON HILLS, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2022

	<u>General</u>
ASSETS	
Cash and Investments	\$ 3,057,765
Receivables - Net of Allowances	
Property Taxes	—
Other	55,550
Due from Other Funds	—
Due from Other Governments	566,487
Prepays	<u>58,974</u>
 Total Assets	 <u><u>3,738,776</u></u>
LIABILITIES	
Accounts Payable	45,543
Accrued Payroll	27,392
Due to Other Funds	<u>8,073</u>
Total Liabilities	<u>81,008</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	—
Grants	<u>18,688</u>
Total Deferred Inflows of Resources	<u>18,688</u>
Total Liabilities and Deferred Inflows of Resources	<u>99,696</u>
FUND BALANCES	
Nonspendable	58,974
Restricted	—
Committed	1,679,110
Unassigned	<u>1,900,996</u>
Total Fund Balances	<u>3,639,080</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>3,738,776</u></u>

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

Special Revenue				
Motor Fuel Tax	Road and Bridge	Capital Projects		Totals
790,107	182,300	2,156,768		6,186,940
—	555,138	—		555,138
—	—	10,903		66,453
26,551	—	—		26,551
32,486	—	—		598,973
—	—	—		58,974
849,144	737,438	2,167,671		7,493,029
53,860	738	37,852		137,993
—	—	—		27,392
—	—	18,478		26,551
53,860	738	56,330		191,936
—	555,138	—		555,138
—	—	670,418		689,106
—	555,138	670,418		1,244,244
53,860	555,876	726,748		1,436,180
—	—	—		58,974
795,284	181,562	—		976,846
—	—	1,440,923		3,120,033
—	—	—		1,900,996
795,284	181,562	1,440,923		6,056,849
849,144	737,438	2,167,671		7,493,029

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

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

April 30, 2022

Total Governmental Fund Balances	\$ 6,056,849
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	19,705,068
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds. Net Pension Asset - Police Pension	150,464
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. Deferred Items - IMRF Deferred Items - Police Pension	(12,105) (54,246)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. Compensated Absences Payable Net Pension Liability - IMRF	(146,207) <u>(50,419)</u>
Net Position of Governmental Activities	<u>25,649,404</u>

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

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

See Following Page

VILLAGE OF CAMPTON HILLS, ILLINOIS

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

	<u>General</u>
Revenues	
Taxes	\$ —
Intergovernmental	2,462,538
Licenses and Permits	484,955
Fines and Forfeits	55,880
Investment Income	—
Miscellaneous	86,739
Total Revenues	<u>3,090,112</u>
Expenditures	
General Government	836,202
Public Safety	1,511,598
Capital Outlay	—
Debt Service	
Principal Retirement	85,000
Interest and Fiscal Charges	2,975
Total Expenditures	<u>2,435,775</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>654,337</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	—
Transfers In	—
Transfers Out	<u>(762,875)</u>
	<u>(762,875)</u>
Net Change in Fund Balances	(108,538)
Fund Balances - Beginning	<u>3,747,618</u>
Fund Balances - Ending	<u><u>3,639,080</u></u>

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

Special Revenue			
Motor Fuel Tax	Road and Bridge	Capital Projects	Totals
—	542,134	—	542,134
718,429	—	—	3,180,967
—	—	—	484,955
—	—	—	55,880
3,532	191	883	4,606
140,926	—	10,903	238,568
862,887	542,325	11,786	4,507,110
334,998	533,444	—	1,704,644
—	—	—	1,511,598
437,509	—	156,072	593,581
—	—	—	85,000
—	—	—	2,975
772,507	533,444	156,072	3,897,798
90,380	8,881	(144,286)	609,312
—	—	62,673	62,673
100,000	—	662,875	762,875
—	—	—	(762,875)
100,000	—	725,548	62,673
190,380	8,881	581,262	671,985
604,904	172,681	859,661	5,384,864
795,284	181,562	1,440,923	6,056,849

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

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

Net Change in Fund Balances - Total Governmental Funds	\$ 671,985
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	219,826
Depreciation Expense	(506,541)
Disposals - Cost	(58,346)
Disposals - Accumulated Depreciation	33,991
An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.	
Change in Net Pension Asset - Police Pension	(236,027)
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(320)
Change in Deferred Items - Police Pension	291,682
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences Payable	(20,731)
Change in Net Pension Liability - IMRF	948
Retirement of Debt	85,000
Amortization of Bond Discount	(1,949)
Change to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>1,116</u>
Changes in Net Position of Governmental Activities	<u><u>480,634</u></u>

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2022

	<u>Pension Trust</u>
	<u>Police Pension</u>
ASSETS	
Cash and Cash Equivalents	\$ 279,012
Investments	
U.S. Treasury Obligations	1,347,539
Corporate Bonds	483,946
Mutual Funds	1,653,450
Illinois Funds	104,426
Accrued Interest	<u>10,795</u>
NET POSITION	
Net Position Restricted for Pensions	<u><u>3,879,168</u></u>

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2022

	Pension Trust
	Police Pension
Additions	
Contributions - Employer	\$ 154,137
Contributions - Plan Members	58,144
Total Contributions	<u>212,281</u>
Investment Income	
Interest Earned	38,409
Net Change in Fair Value	<u>(234,779)</u>
	(196,370)
Less Investment Expenses	<u>(18,100)</u>
Net Investment Income	<u>(214,470)</u>
Total Additions	<u>(2,189)</u>
Deductions	
Administration	4,894
Benefits	<u>90,637</u>
Total Deductions	<u>95,531</u>
Change in Fiduciary Net Position	(97,720)
Net Position Restricted for Pensions	
Beginning	<u>3,976,888</u>
Ending	<u><u>3,879,168</u></u>

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Campton Hills (Village), Illinois, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police protection, planning and zoning, economic development, and general administrative services.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the primary government, the Village of Campton Hills.

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

Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels.

Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village only reports governmental activities, which include public safety services and general administrative services.

In the government-wide Statement of Net Position, the governmental activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions (general government, public safety, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function) are normally covered by general revenue (property tax, sales tax, interest income, etc.). The Village allocates indirect costs to the proprietary funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations, but are paid through the General Fund. This government-wide focus concentrates on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures. Funds are organized into two major categories: governmental and fiduciary. The emphasis in fund financial statements is on the major funds in the governmental or activities category. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures of either fund category or the governmental combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

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

General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains two major special revenue funds. The Motor Fuel Tax Fund, a major fund, is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation. The Road and Bridge Fund, also a major fund, is used to account for the revenues and expenditures associated with the maintenance of local roads. Revenue is provided through a tax levy.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Capital Projects Fund, a major fund, is used to account for monies used to fund large Village capital projects.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

The Village's pension trust fund is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants), and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

Basis of Accounting

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

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

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, income taxes, and sales and user taxes. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

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

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value.

For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Prepays

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

Deferred Outflows/Inflows of Resources

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

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

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

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

Infrastructure	50 Years
Buildings	37 Years
Land Improvements	10 Years
Vehicles	5 - 7 Years
Equipment	4 - 30 Years

Compensated Absences

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

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

Long-Term Obligations

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

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position

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

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

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for budgets 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 budgets for the next fiscal year.

The proposed budget is presented to the Village Board for review. The Village Board holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget. The budget is prepared by the Village Administrator as Budget Officer, pursuant to Illinois’ Budget Act and approved by the Village Board shall be the financial plan for conducting the affairs of the Village for the fiscal year but shall not replace the Annual Appropriation Ordinance which shall be the official document authorizing expenditures, pursuant to law. The figures presented in this document reflect the Village’s budgeted expenditures.

The Village Treasurer is authorized to transfer budgeted amounts within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund. State statues establish that expenditures may not legally exceed budgeted appropriations at the fund level. Appropriations lapse at the end of the fiscal year. During the year, one supplemental appropriation was necessary.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

The deposits and investments of the Pension Fund are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

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

Deposits. At year-end, the carrying amount of the Village's deposits for governmental activities totaled \$1,541,649 and the bank balances totaled \$1,549,972. The Village also has \$4,645,291 invested in the Illinois Funds, which is measured at the net asset value per share as determined by the pool.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy does not address interest rate risk. The Village's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not address credit risk. The Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral of bank balances in excess of federal depository insurance with the collateral held by a third party in the Village's name. At year-end, the entire bank balance of the deposits not covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not mitigate custodial credit risk for investments. The Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that investments shall be diversified to the best of the Village's ability based on the type of funds invested and the cash flow needs of those funds. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$279,012 and the bank balances totaled \$279,116.

Investments. The Fund has the following investments at year-end:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less Than 1	1-5	6-10
U.S. Treasury Obligations	\$ 1,347,539	382,597	887,854	77,088
Corporate Bonds	483,946	45,202	375,480	63,264
Illinois Funds	104,426	104,426	—	—
	<u>1,935,911</u>	<u>532,225</u>	<u>1,263,334</u>	<u>140,352</u>

The Fund has the following recurring fair value measurements as of April 30, 2022:

Investments by Fair Value Level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 1,347,539	1,347,539	—	—
Corporate Bonds	483,946	—	483,946	—
Equity Securities				
Mutual Funds	1,653,450	1,653,450	—	—
Total Investments Measured at Fair Value	3,484,935	<u>3,000,989</u>	<u>483,946</u>	—
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	<u>104,426</u>			
Total Investments Measured at Fair Value	<u>3,589,361</u>			

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk - Continued

Investments - Continued. Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. The Fund's investment policy states assets shall be sufficiently liquid (those securities that can be converted to cash within three days), defined as securities that can be transacted quickly and efficiently for the Fund, with minimal market impact.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2022, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. At April 30, 2022, the corporate bonds are held by the counterparty in the trust department. The Pension Fund limits its exposure to custodial credit risk by utilizing an independent third-party institution, selected by the Pension Fund, to act as custodian for its securities and collateral. The Fund's investment in the Illinois Funds is not subject to custodial credit risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of Corporate Bonds were rated BBB+ to A+ by Standard & Poor's and the Illinois Funds was rated AAAM by Standard & Poor's.

Concentration Risk. The Fund's investment policy states that investments shall be undertaken in a manner that seeks to ensure the preservation of capital. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Additionally, at year-end the Fund had \$1,653,450 invested in mutual funds. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. At year-end, the Fund has no investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk - Continued

Concentration Risk - Continued - The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities	5.00% - 23.00%	6.65% - 7.04%
International Equities	5.00% - 18.00%	2.25% - 7.14%
Fixed Income	3.00% - 8.00%	1.90% - 9.65%
Cash and Cash Equivalents	1.00%	2.23%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2022 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2022 are listed in the table above.

Rate of Return

For the year ended April 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (5.45%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

PROPERTY TAXES

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

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Motor Fuel Tax	General	\$ 100,000
Capital Projects	General	<u>662,875</u>
		<u><u>762,875</u></u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expand them.

INTERFUND BALANCES

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
Motor Fuel Tax	General	\$ 8,073
Motor Fuel Tax	Capital Projects	<u>18,478</u>
		<u><u>26,551</u></u>

Interfund balances are advances in anticipation of receipts.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land and Right of Ways	\$ 10,531,129	—	—	10,531,129
Construction in Progress	—	63,758	—	63,758
	<u>10,531,129</u>	<u>63,758</u>	<u>—</u>	<u>10,594,887</u>
Depreciable Capital Assets				
Infrastructure	19,664,271	—	—	19,664,271
Buildings	800,000	—	—	800,000
Land Improvements	273,994	—	—	273,994
Vehicles	316,746	70,642	58,346	329,042
Equipment	152,227	85,426	—	237,653
	<u>21,207,238</u>	<u>156,068</u>	<u>58,346</u>	<u>21,304,960</u>
Less Accumulated Depreciation				
Infrastructure	11,020,221	393,285	—	11,413,506
Buildings	188,444	21,333	—	209,777
Land Improvements	264,298	3,716	—	268,014
Vehicles	141,720	59,952	33,991	167,681
Equipment	107,546	28,255	—	135,801
	<u>11,722,229</u>	<u>506,541</u>	<u>33,991</u>	<u>12,194,779</u>
Total Net Depreciable Capital Assets	<u>9,485,009</u>	<u>(350,473)</u>	<u>24,355</u>	<u>9,110,181</u>
Total Net Capital Assets	<u>20,016,138</u>	<u>(286,715)</u>	<u>24,355</u>	<u>19,705,068</u>

Depreciation expense was charged to governmental activities as follows:

General Government	<u>\$ 506,541</u>
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VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

Debt Certificates

The Village issued debt certificates for the acquisition of the building currently being used as Village Hall and the Police Station. Debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirement	Ending Balances
Debt Certificates of 2012 - Due in annual installments of \$66,000 to \$85,000 plus interest of 3.50% through December 15, 2021.	General	\$ 85,000	—	85,000	—

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 125,476	41,462	20,731	146,207	29,241
Net Pension Liability					
IMRF	51,367	—	948	50,419	—
Debt Certificates Payable	85,000	—	85,000	—	—
Unamortized Bond Discount	(1,949)	—	(1,949)	—	—
	<u>259,894</u>	<u>41,462</u>	<u>104,730</u>	<u>196,626</u>	<u>29,241</u>

For governmental activities, payments on the compensated absences, the net pension liabilities and the debt certificates are being made by the General Fund.

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin - Continued

Assessed Valuation - 2021	<u>\$ 501,666,058</u>
Legal Debt Limit - 8.625% of Assessed Value	43,268,698
Amount of Debt Applicable to Limit	
Debt Certificates	<u>—</u>
Legal Debt Margin	<u>43,268,698</u>

NET POSITION CLASSIFICATIONS

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 19,705,068</u>

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

Minimum Fund Balance Policy. The Villages policy manual states that the General Fund should maintain a minimum fund balance equal 50% of next year's budgeted expenditures.

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

	Special Revenue				Totals
	General	Motor Fuel Tax	Road and Bridge	Capital Projects	
Fund Balances					
Nonspendable					
Prepays	\$ 58,974	—	—	—	58,974
Restricted					
Motor Fuel Taxes	—	795,284	—	—	795,284
Road and Bridge	—	—	181,562	—	181,562
	—	795,284	181,562	—	976,846
Committed					
Future Liabilities	85,257	—	—	—	85,257
Stabilization Reserve	1,215,926	—	—	—	1,215,926
Police Pension	185,900	—	—	—	185,900
Compensated Absences	162,027	—	—	—	162,027
Debt Service	30,000	—	—	—	30,000
Capital Projects	—	—	—	1,440,923	1,440,923
	1,679,110	—	—	1,440,923	3,120,033
Unassigned	1,900,996	—	—	—	1,900,996
Total Fund Balances	3,639,080	795,284	181,562	1,440,923	6,056,849

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

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 attorney, the resolution of these matters will not have a material, adverse effect on the financial condition of the Village.

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.

Financial Impact from COVID-19

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

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, and the Police Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the Village at 40W270 LaFox Road, Suite B, Campton Hills, IL 60175. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount recognized for the two pension plans is:

	Net Pension			
	Liabilities/ (Assets)	Deferred Outflows	Deferred Inflows	Pension Expenses
IMRF	\$ 50,419	30,857	42,962	24,063
Police Pension	(150,464)	543,766	598,012	98,482
	(100,045)	574,623	640,974	122,545

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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.

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

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

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

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

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

Inactive Plan Members Currently Receiving Benefits	4
Inactive Plan Members Entitled to but not yet Receiving Benefits	7
Active Plan Members	<u>3</u>
Total	<u><u>14</u></u>

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2022, the Village's contribution was 9.86% of covered payroll.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2021, using the following actuarial methods and assumptions:

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

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

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	(0.85%)
Domestic Equities	37.00%	2.85%
International Equities	18.00%	3.85%
Real Estate	9.00%	4.05%
Blended	7.00%	0.70% - 4.80%
Cash and Cash Equivalents	1.00%	(1.45%)

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 131,750	50,419	(12,677)

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2020	\$ 423,521	372,154	51,367
Changes for the Year:			
Service Cost	22,698	—	22,698
Interest on the Total Pension Liability	31,195	—	31,195
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	36,700	—	36,700
Changes of Assumptions	—	—	—
Contributions - Employer	—	24,740	(24,740)
Contributions - Employees	—	10,503	(10,503)
Net Investment Income	—	59,917	(59,917)
Benefit Payments, Including Refunds of Employee Contributions	(9,196)	(9,196)	—
Other (Net Transfer)	—	(3,619)	3,619
Net Changes	81,397	82,345	(948)
Balances at December 31, 2021	504,918	454,499	50,419

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

For the year ended April 30, 2022, the Village recognized pension expense of \$24,063. At April 30, 2022, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 22,021	—	22,021
Change in Assumptions	—	(2,261)	(2,261)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	(40,701)	(40,701)
Total Pension Expense to be Recognized in Future Periods	22,021	(42,962)	(20,941)
Pension Contributions Made Subsequent to the Measurement Date	8,836	—	8,836
Total Deferred Amounts Related to IMRF	<u>30,857</u>	<u>(42,962)</u>	<u>(12,105)</u>

\$8,836 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2023	\$ 8,469
2024	(12,937)
2025	(10,050)
2026	(6,423)
2027	—
Thereafter	<u>—</u>
Totals	<u>(20,941)</u>

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2022, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	3
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>7</u>
Total	<u><u>13</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent 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 percent of ½ of the change in the Consumer Price Index for the preceding calendar year.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2022 the Village's contribution was 26.28% of covered payroll.

Concentrations. At year end, the Pension Plan has no investments over 5 percent of plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2022, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	5.75%
Salary Increases	3.75% - 8.92%
Adjustments	2.25%
Inflation	2.25%

Mortality rates are based on the Pub-2010 adjusted for plan status, demographics and Illinois Public Pension data.

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate

The discount rate used to measure the total pension liability was 5.75%, while the prior valuation used a discount rate of 5.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

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

	1% Decrease (4.75%)	Current Discount Rate (5.75%)	1% Increase (6.75%)
Net Pension Liability/(Asset)	\$ 187,760	(150,464)	(848,168)

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Changes in the Net Pension (Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at April 30, 2021	\$ 3,590,397	3,976,888	(386,491)
Changes for the Year:			
Service Cost	208,374	—	208,374
Interest on the Total Pension Liability	193,687	—	193,687
Changes of Benefit Terms	(173,428)	—	(173,428)
Difference Between Expected and Actual Experience of the Total Pension Liability	—	—	—
Changes of Assumptions	311	—	311
Contributions - Employer	—	154,137	(154,137)
Contributions - Employees	—	58,144	(58,144)
Net Investment Income	—	(214,470)	214,470
Benefit Payments, Including Refunds of Employee Contributions	(90,637)	(90,637)	—
Other (Net Transfer)	—	(4,894)	4,894
Net Changes	138,307	(97,720)	236,027
Balances at April 30, 2022	3,728,704	3,879,168	(150,464)

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

For the year ended April 30, 2022, the Village recognized pension expense of \$98,482. At April 30, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 515,452	(246,824)	268,628
Change in Assumptions	28,314	(482,133)	(453,819)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	130,945	130,945
Total Deferred Amounts Related to Police Pension	<u>543,766</u>	<u>(598,012)</u>	<u>(54,246)</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2023	\$ (35,555)
2024	(36,144)
2025	(41,648)
2026	42,707
2027	(4,294)
Thereafter	<u>20,688</u>
Total	<u>(54,246)</u>

VILLAGE OF CAMPTON HILLS, ILLINOIS

Notes to the Financial Statements

April 30, 2022

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

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

SUBSEQUENT EVENT

American Rescue Plan Act

On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law. This act provides \$350 billion in funding for local governments. The Village has been allocated \$1,509,315 to be received in two installments. On September 10, 2021 the Village received their first installment of \$754,657. On September 19, 2022 the Village received their second installment of \$754,657.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability
 - Illinois Municipal Retirement Fund
 - Police Pension Fund
- Schedule of Investment Returns
 - Police Pension Fund
- Budgetary Comparison Schedules
 - General Fund
 - Motor Fuel Tax - Special Revenue Fund
 - Road and Bridge - Special Revenue Fund

Notes to the Required Supplementary Information

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

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

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 17,745	\$ 17,745	\$ —	\$ 200,956	8.83%
2017	18,873	18,873	—	218,442	8.64%
2018	7,824	7,824	—	74,460	10.51%
2019	8,139	8,139	—	69,083	11.78%
2020	27,589	27,589	—	235,409	11.72%
2021	30,064	30,064	—	258,519	11.63%
2022	24,691	24,691	—	250,451	9.86%

Notes to the Required Supplementary Information:

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

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

**Police Pension Fund
Schedule of Employer Contributions
April 30, 2022**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 162,507	\$ 298,228	\$ 135,721	\$ 417,032	71.51%
2017	161,133	263,368	102,235	407,845	64.58%
2018	156,489	234,000	77,511	421,100	55.57%
2019	146,631	234,000	87,369	380,826	61.45%
2020	191,830	260,000	68,170	370,755	70.13%
2021	154,137	225,538	71,401	479,549	47.03%
2022	185,823	154,137	(31,686)	586,522	26.28%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.50% - 11.00%
Investment Rate of Return	5.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP-2014 Healthy Annuity with Blue Collar Adjustment

Note:

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2022**

See Following Page

VILLAGE OF CAMPTON HILLS, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2022**

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 23,288
Interest	13,799
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	59,832
Change of Assumptions	878
Benefit Payments, Including Refunds of Member Contributions	<u>(4,025)</u>
Net Change in Total Pension Liability	93,772
Total Pension Liability - Beginning	<u>174,357</u>
 Total Pension Liability - Ending	 <u><u>268,129</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 17,745
Contributions - Members	13,574
Net Investment Income	807
Benefit Payments, Including Refunds of Member Contributions	<u>(4,025)</u>
Other (Net Transfer)	<u>(9,605)</u>
Net Change in Plan Fiduciary Net Position	18,496
Plan Net Position - Beginning	<u>147,705</u>
 Plan Net Position - Ending	 <u><u>166,201</u></u>
 Employer's Net Pension Liability	 <u><u>\$ 101,928</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 61.99%
 Covered Payroll	 \$ 200,956
 Employer's Net Pension Liability as a Percentage of Covered Payroll	 50.72%

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
23,127	15,436	7,028	7,871	22,513	22,698
20,674	20,722	19,534	23,657	28,015	31,195
(32,295)	(34,018)	33,992	28,028	8,647	36,700
(784)	(6,856)	11,426	—	(7,391)	—
(6,596)	(7,366)	(6,456)	(6,671)	(6,845)	(9,196)
4,126	(12,082)	65,524	52,885	44,939	81,397
268,129	272,255	260,173	325,697	378,582	423,521
272,255	260,173	325,697	378,582	423,521	504,918
18,873	9,477	7,933	19,457	32,137	24,740
9,830	4,248	2,975	7,769	11,671	10,503
11,511	33,346	(10,812)	42,284	40,806	59,917
(6,596)	(7,366)	(6,456)	(6,671)	(6,845)	(9,196)
(1,860)	(2,809)	4,329	(1,229)	(49)	(3,619)
31,758	36,896	(2,031)	61,610	77,720	82,345
166,201	197,959	234,855	232,824	294,434	372,154
197,959	234,855	232,824	294,434	372,154	454,499
74,296	25,318	92,873	84,148	51,367	50,419
72.71%	90.27%	71.48%	77.77%	87.87%	90.01%
218,442	94,394	66,112	172,650	257,455	233,396
34.01%	26.82%	140.48%	48.74%	19.95%	21.60%

VILLAGE OF CAMPTON HILLS, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2022

	<u>4/30/2016</u>
Total Pension Liability	
Service Cost	\$ 203,696
Interest	85,428
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions	—
Benefit Payments, Including Refunds of Member Contributions	(5,543)
Net Change in Total Pension Liability	<u>283,581</u>
Total Pension Liability - Beginning	<u>1,901,150</u>
 Total Pension Liability - Ending	 <u><u>2,184,731</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 298,228
Contributions - Members	38,610
Net Investment Income	13,682
Benefit Payments, Including Refunds of Member Contributions	(5,543)
Administrative Expenses	(505)
Net Change in Plan Fiduciary Net Position	<u>344,472</u>
Plan Net Position - Beginning	<u>1,131,861</u>
 Plan Net Position - Ending	 <u><u>1,476,333</u></u>
 Employer's Net Pension Liability	 <u><u>\$ 708,398</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 67.58%
 Covered Payroll	 \$ 417,032
 Employer's Net Pension Liability as a Percentage of Covered Payroll	 169.87%

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

4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	4/30/2022
216,238	225,969	231,881	242,321	225,646	208,374
98,313	100,801	114,148	128,454	178,886	193,687
—	—	—	41,235	—	(173,428)
(242,012)	(3,047)	(6,495)	113,222	699,116	—
(17,244)	—	49,366	(20,056)	(739,325)	311
—	—	(54,259)	(87,713)	(89,779)	(90,637)
55,295	323,723	334,641	417,463	274,544	138,307
2,184,731	2,240,026	2,563,749	2,898,390	3,315,853	3,590,397
2,240,026	2,563,749	2,898,390	3,315,853	3,590,397	3,728,704
263,368	234,000	234,000	260,000	225,538	154,137
37,189	40,036	38,068	618,678	47,523	58,144
11,954	3,118	94,654	95,403	546,012	(214,470)
—	—	(54,259)	(87,713)	(89,779)	(90,637)
—	(3,399)	(5,777)	(5,063)	(2,996)	(4,894)
312,511	273,755	306,686	881,305	726,298	(97,720)
1,476,333	1,788,844	2,062,599	2,369,285	3,250,590	3,976,888
1,788,844	2,062,599	2,369,285	3,250,590	3,976,888	3,879,168
451,182	501,150	529,105	65,263	(386,491)	(150,464)
79.86%	80.45%	81.74%	98.03%	110.76%	104.04%
407,845	421,100	380,826	370,755	479,549	586,522
110.63%	119.01%	138.94%	17.60%	(80.59%)	(25.65%)

VILLAGE OF CAMPTON HILLS, ILLINOIS

Police Pension Fund

Schedule of Investment Returns

April 30, 2022

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2016	1.16%
2017	2.94%
2018	2.64%
2019	4.26%
2020	6.21%
2021	4.11%
2022	(5.45%)

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

VILLAGE OF CAMPTON HILLS, ILLINOIS

General Fund

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

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Income Taxes	\$ 1,172,706	1,657,706	1,682,520
Local Use Taxes	474,793	484,793	444,104
Video Gaming Taxes	8,550	23,550	21,747
Sales Taxes	221,614	321,614	314,167
Licenses and Permits	429,463	482,463	484,955
Fines and Forfeits	51,331	67,831	55,880
Miscellaneous	725,395	373,495	86,739
Total Revenues	<u>3,083,852</u>	<u>3,411,452</u>	<u>3,090,112</u>
Expenditures			
General Government	1,021,628	1,015,413	836,202
Public Safety	1,321,589	1,526,189	1,511,598
Debt Service			
Principal Retirement	85,000	85,000	85,000
Highways and Streets	2,975	2,975	2,975
Total Expenditures	<u>2,431,192</u>	<u>2,629,577</u>	<u>2,435,775</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	652,660	781,875	654,337
Other Financing (Uses)			
Transfers Out	<u>(767,875)</u>	<u>(767,875)</u>	<u>(762,875)</u>
Net Change in Fund Balance	<u>(115,215)</u>	<u>14,000</u>	(108,538)
Fund Balance - Beginning			<u>3,747,618</u>
Fund Balance - Ending			<u><u>3,639,080</u></u>

VILLAGE OF CAMPTON HILLS, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Taxes	\$ 392,865	497,865	473,903
Grants	366,788	244,788	244,526
Investment Income	1,500	1,500	3,532
Miscellaneous	—	142,041	140,926
Total Revenues	<u>761,153</u>	<u>886,194</u>	<u>862,887</u>
Expenditures			
General Government			
Contractual Services	319,292	361,292	334,998
Capital Outlay	258,114	658,114	437,509
Total Expenditures	<u>577,406</u>	<u>1,019,406</u>	<u>772,507</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	183,747	(133,212)	90,380
Other Financing Sources			
Transfers In	<u>100,000</u>	<u>500,000</u>	<u>100,000</u>
Net Change in Fund Balance	<u><u>283,747</u></u>	<u><u>366,788</u></u>	190,380
Fund Balance - Beginning			<u>604,904</u>
Fund Balance - Ending			<u><u>795,284</u></u>

VILLAGE OF CAMPTON HILLS, ILLINOIS

Road and Bridge - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2022

	Budget		Amounts
	Original	Final	
Revenues			
Taxes			
Road and Bridge	\$ 535,000	550,000	542,134
Investment Income	100	300	191
Total Revenues	535,100	550,300	542,325
Expenditures			
General Government			
Contractual Services	535,100	550,300	533,444
Net Change in Fund Balance	—	—	8,881
Fund Balance - Beginning			172,681
Fund Balance - Ending			181,562

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Budgetary Comparison Schedules - Pension Trust Fund

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation.

Road and Bridge Fund

The Road and Bridge Fund is used to account for the revenues and expenditures associated with the maintenance of local roads. Revenue is provided through a tax levy.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for monies used to fund large Village capital projects.

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

VILLAGE OF CAMPTON HILLS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
General Government			
Administration			
Personnel	\$ 332,521	321,780	314,886
Contractual	318,634	259,760	176,910
Commodities	4,650	6,050	6,343
Other Expenditures	58,000	59,000	6,425
Capital Outlay	—	6,000	5,901
Total Administration	713,805	652,590	510,465
Elected Officials & Legislative			
Personnel	51,241	51,241	49,969
Contractual	62,374	67,374	56,157
Commodities	100	100	363
Other Expenditures	1,500	1,500	1,474
Total Elected Officials & Legislative	115,215	120,215	107,963
Building and Zoning			
Personnel	48,768	49,268	13,243
Contractual	143,440	192,940	204,513
Commodities	200	200	18
Other Expenditures	200	200	—
Total Building and Zoning	192,608	242,608	217,774
Total General Government	1,021,628	1,015,413	836,202
Public Safety			
Police Protection			
Personnel	1,071,326	1,250,726	1,251,861
Contractual	179,963	190,963	186,173
Commodities	35,200	43,200	38,702
Other Expenditures	30,000	30,000	24,335
Capital Outlay	3,600	9,600	8,876
Total Police Protection	1,320,089	1,524,489	1,509,947
Fire and Police Commission			
Contractual	1,500	1,700	1,651
Total Public Safety	1,321,589	1,526,189	1,511,598

VILLAGE OF CAMPTON HILLS, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Debt Service			
Principal Retirement	\$ 85,000	85,000	85,000
Interest and Fiscal Charges	2,975	2,975	2,975
Total Debt Service	87,975	87,975	87,975
Total Expenditures	2,431,192	2,629,577	2,435,775

VILLAGE OF CAMPTON HILLS, ILLINOIS

Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2022

	Budget		Amounts
	Original	Final	
Revenues			
Investment Income	\$ 1,450	1,450	883
Miscellaneous	—	—	10,903
Total Revenues	1,450	1,450	11,786
Expenditures			
Capital Outlay	927,200	607,200	156,072
Excess (Deficiency) of Revenues Over (Under) Expenditures	(925,750)	(605,750)	(144,286)
Other Financing Sources (Uses)			
Disposal of Capital Assets	—	80,000	62,673
Transfers In	667,875	667,875	662,875
Transfers Out	—	(400,000)	—
	667,875	347,875	725,548
Net Change in Fund Balance	(257,875)	(257,875)	581,262
Fund Balance - Beginning			859,661
Fund Balance - Ending			1,440,923

VILLAGE OF CAMPTON HILLS, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2022

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 154,137	154,137	154,137
Contributions - Plan Members	50,053	15,000	58,144
Total Contributions	204,190	169,137	212,281
Investment Earnings			
Interest Earned	30,000	65,000	38,409
Net Change in Fair Value	—	—	(234,779)
	30,000	65,000	(196,370)
Less Investment Expenses	(15,722)	(426,500)	(18,100)
Net Investment Income	14,278	(361,500)	(214,470)
Total Additions	218,468	(192,363)	(2,189)
Deductions			
Administration	4,310	182,000	4,894
Benefits	90,637	90,637	90,637
Total Deductions	94,947	272,637	95,531
Change in Fiduciary Net Position	123,521	(465,000)	(97,720)
Net Position Restricted for Pensions			
Beginning			3,976,888
Ending			3,879,168

VILLAGE OF CAMPTON HILLS, ILLINOIS

Consolidated Year-End Financial Report

April 30, 2022

CSFA #	Program Name	State	Federal	Other	Total
494-00-0967	High-Growth Cities Program	\$ 30,169	—	—	30,169
494-00-1488	Motor Fuel Tax Program	742,338	—	—	742,338
	Other Grant Programs and Activities	—	65,552	643	66,195
	All Other Costs Not Allocated	—	—	3,187,774	3,187,774
		<u>772,507</u>	<u>65,552</u>	<u>3,188,417</u>	<u>4,026,476</u>



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS**

November 21, 2022

The Honorable Village President
Members of the Board of Trustees
Village of Campton Hills, 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, each major fund, and the aggregate remaining fund information of the Village of Campton Hills, Illinois, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated November 21, 2022.

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 were not 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.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP