



**VILLAGE OF KENILWORTH, ILLINOIS**

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2022

The background of the lower half of the cover is a grayscale photograph of a modern building's interior, showing a grid of structural elements and a large, open space. The image is overlaid with a semi-transparent teal band at the top and a semi-transparent orange band at the bottom right.

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## **INTRODUCTORY SECTION**

**VILLAGE OF KENILWORTH, ILLINOIS**

**PRINCIPAL OFFICIALS**

December 31, 2022

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**PRESIDENT**

Cecily Kaz

**BOARD OF TRUSTEES**

Christopher Ottsen  
Amy Hannus  
Walter Kelly

Tim Ransford  
Peter Shadek  
Alison Winslow

**VILLAGE CLERK**

Michael Gagnon

**VILLAGE ATTORNEY**

Gregory Jones

**TREASURER**

Jaramee Finn

**VILLAGE MANAGER**

Patrick Brennan

## **FINANCIAL SECTION**

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

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## **INDEPENDENT AUDITOR'S REPORT**

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

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Kenilworth, Illinois (the Village), as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Kenilworth, Illinois as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Change in Accounting Principle**

The Village adopted GASB Statement No. 87, *Leases*, which established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Our opinion is not modified with respect to these matters.

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we

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

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

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required

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

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements as a whole. The accompanying combining and individual fund financial statements and schedules, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

*Sikich LLP*

Naperville, Illinois  
June 8, 2023

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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Our discussion and analysis of the Village of Kenilworth's financial performance provides an overview of the Village's financial activities for the fiscal year ended December 31, 2022. Please read it in conjunction with the Village's financial statements, which begin on page 4.

### FINANCIAL HIGHLIGHTS

- The Village's net position increased as a result of this year's operations. Net position of business-type activities increased by \$3,026,203, or 35 percent, and net position of the governmental activities decreased by \$1,364,190, or 75 percent.
- During the year, government-wide revenues for the primary government totaled \$12,247,442 while expenses totaled \$10,585,429, resulting in an increase to net position of \$1,662,013.
- The Village's net position totaled \$12,035,158 on December 31, 2022, which includes \$8,879,074 net investment in capital assets, \$1,389,398 subject to external restrictions, and \$1,766,686 unrestricted net position.
- The Village's governmental funds for the year ending December 31, 2022 reported combined ending fund balances of \$12,192,385, which is an increase of \$2,240,477, over last fiscal year's restated total of \$9,951,908. Of the \$12,192,385 total, \$3,344,800, or 27.4 percent of the fund balance constitutes unassigned fund balance, an increase of 6.8 percent from the prior year.
- The General Fund reported a fund balance increase for the year ending December 31, 2022 of \$528,812, resulting in ending fund balance of \$5,439,075, an increase of 10.8 percent. This slight increase was due to revenues that came in stronger than anticipated and overall cost controlling measures implemented during the year.

### USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4 - 7) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 8. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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### USING THIS ANNUAL REPORT – Continued

#### Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government-wide financial statements can be found on pages 4 - 7 of this report.

The Statement of Net Position reports information on all 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 capital assets, 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 charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, highways and streets, police protection, planning and zoning, and economic development. The business-type activities of the Village include waterworks system operations.

#### Fund Financial Statements

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

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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### USING THIS ANNUAL REPORT – Continued

#### **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 maintains seven 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, Debt Service, Capital Projects and 2023 Capital Infrastructure Funds, all of which are considered major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 8 - 11 of this report.

#### **Proprietary Funds**

The Village maintains one proprietary fund type: enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes one enterprise fund to account for its waterworks system operations.

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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### USING THIS ANNUAL REPORT – Continued

#### Fund Financial Statements – Continued

#### Proprietary Funds – Continued

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks System Fund, which is considered to be a major fund of the Village.

The basic proprietary fund financial statements can be found on pages 12 - 15 of this report.

#### 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 of Kenilworth's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 16 - 17 of this report.

#### 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. The notes to the financial statements can be found on pages 18 - 56 of this report.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's General Fund budgetary comparison schedule, disclosures regarding the Village's two pension plans, and the Retiree Benefits Plan. Required supplementary information can be found on pages 57 - 67 of this report. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 68- 89 of this report.

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 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, assets/deferred outflows exceeded liabilities/deferred inflows by \$12,035,158.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 24,423,157	16,790,250	618,602	1,503,373	25,041,759	18,293,623
Capital Assets	11,113,635	7,279,022	12,946,806	9,552,822	24,060,441	16,831,844
Total Assets	35,536,792	24,069,272	13,565,408	11,056,195	49,102,200	35,125,467
Deferred Outflows	1,925,133	84,448	122,815	5,507	2,047,948	89,955
Total Assets/Deferred Outflows	37,461,925	24,153,720	13,688,223	11,061,702	51,150,148	35,215,422
Long-Term Debt	24,740,073	14,041,042	2,034,681	1,951,917	26,774,754	15,992,959
Other Liabilities	1,778,760	2,363,215	66,781	268,317	1,845,541	2,631,532
Total Liabilities	26,518,833	16,404,257	2,101,462	2,220,234	28,620,295	18,624,491
Deferred Inflows	10,494,695	5,972,545	-	280,910	10,494,695	6,253,455
Total Liabilities/Deferred Inflows	37,013,528	22,376,802	2,101,462	2,501,144	39,114,990	24,877,946
Net Position						
Net Investment in						
Capital Assets	310,129	673,522	11,041,806	7,442,822	8,879,074	8,116,344
Restricted	1,389,398	1,082,649	-	-	1,389,398	1,082,649
Unrestricted (Deficit)	(1,251,130)	20,747	544,955	1,117,736	1,766,686	1,138,483
Total Net Position	448,397	1,776,918	11,586,761	8,560,558	12,035,158	10,337,476

A portion of the Village's net position, \$8,879,074, reflects its investment in capital assets (for example, land, infrastructure, 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, \$1,389,398, of the Village's net position represents resources that are subject to external restrictions on how they may be used, specifically for debt service requirements, public safety and highways and streets. The remaining \$1,766,686 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

**VILLAGE OF KENILWORTH, ILLINOIS**

**Management's Discussion and Analysis  
December 31, 2022**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

	Changes in Net Position					
	Governmental		Business-Type		Totals	
	Activities	Activities	Activities	Activities	2022	2021
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 1,153,989	1,293,396	1,041,386	1,090,934	2,195,375	2,384,330
Operating Grants/Contrib.	62,792	154,679	-	-	62,792	154,679
Capital Grants/Contrib.	101,181	77,689	3,051,674	421,653	3,152,855	499,342
General Revenues						
Taxes						
Property	4,881,974	4,656,986	-	-	4,881,974	4,656,986
Replacement	127,506	63,019	-	-	127,506	63,019
State Income	409,651	331,951	-	-	409,651	331,951
State Sales	163,670	132,942	-	-	163,670	132,942
Utility	248,939	203,729	-	-	248,939	203,729
ARPA	336,605	-	-	-	336,605	-
Other	126,518	118,718	-	-	126,518	118,718
Investment Income	256,802	9,599	10,352	1,253	267,154	10,852
Miscellaneous	259,927	366,890	14,476	9,421	274,403	376,311
Total Revenues	8,129,554	7,409,598	4,117,888	1,523,261	12,247,442	8,932,859
Expenses						
General Government	920,845	737,975	-	-	920,845	737,975
Public Works	3,753,644	669,217	-	-	3,753,644	669,217
Public Safety	3,452,862	2,741,781	-	-	3,452,862	2,741,781
Highways and Streets	701,521	646,759	-	-	701,521	646,759
Economic Development	6,125	-	-	-	6,125	-
Culture and Recreation	46,083	39,019	-	-	46,083	39,019
Interest on Long-Term Debt	612,664	275,307	-	-	612,664	275,307
Waterworks System	-	-	1,091,685	1,280,520	1,091,685	1,280,520
Total Expenses	9,493,744	5,110,058	1,091,685	1,280,520	10,585,429	6,390,578
Change in Net Position	(1,364,190)	2,299,540	3,026,203	242,741	1,662,013	2,542,281
Net Position - Beginning as Restated	1,812,587	(522,622)	8,560,558	8,317,817	10,373,145	7,795,195
Net Position-Ending	448,397	1,776,918	11,586,761	8,560,558	12,035,158	10,337,476

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

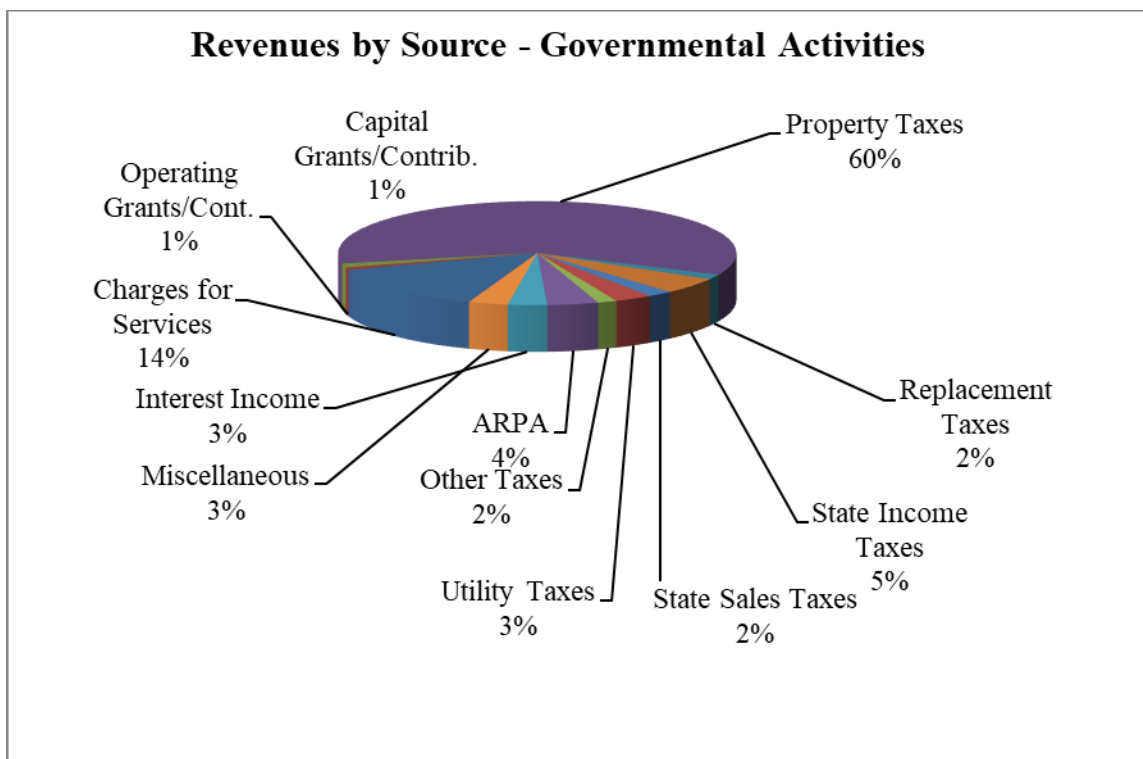
Net position of the Village's governmental activities decreased by 75 percent (\$1,812,587 at December 31, 2021 (restated) compared to \$448,397 at December 31, 2022). Unrestricted net position, the part of net position used to finance day-to-day operations without constraints, totaled a negative \$1,251,130 at December 31, 2022.

Net position of business-type activities increased by 35 percent (\$8,560,558 at December 31, 2021 compared to \$11,586,761 at December 31, 2022).

#### Governmental Activities

Revenues for governmental activities totaled \$8,129,554, while the cost of all governmental functions totaled \$9,493,744, resulting in a deficit of \$1,364,190 for the year ended December 31, 2022. This deficit is attributable to increased spending for noncapitalized capital projects in the 2023 Capital Infrastructure Improvement Fund.

The following table graphically depicts the major revenue sources of the Village. It depicts the Village's reliance upon property taxes and charges for services to fund governmental activities. It also shows the less significant percentage of revenue the Village receives from utility taxes and telecommunication taxes. The percentage of revenues by source has remained fairly constant from year to year.



# VILLAGE OF KENILWORTH, ILLINOIS

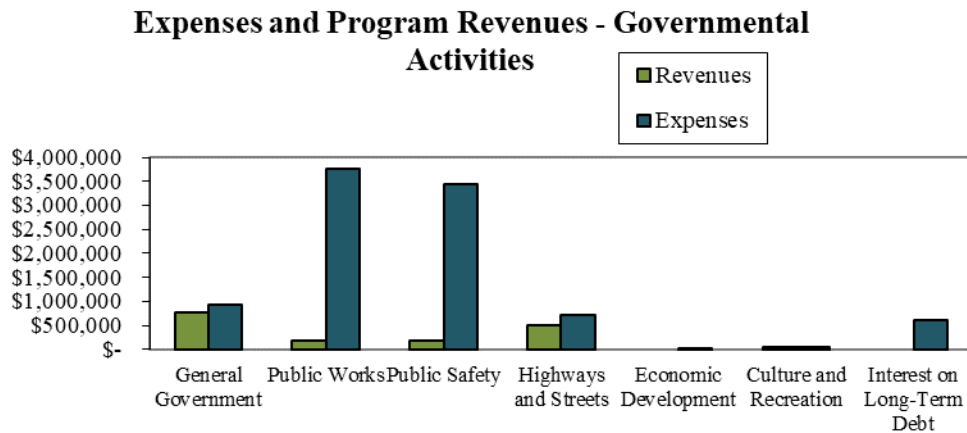
## Management's Discussion and Analysis December 31, 2022

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Governmental Activities – Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues generated by Charges for Services for the program.



#### Business-Type activities

Business-Type activities for the year ended December 31, 2022 reported total revenues of \$4,117,888, while the cost of all business-type activities totaled \$1,091,685, resulting in an increase of \$3,026,203. The increase in comparison to prior year is primarily due to the \$3,051,674 in capital grants.

# VILLAGE OF KENILWORTH, ILLINOIS

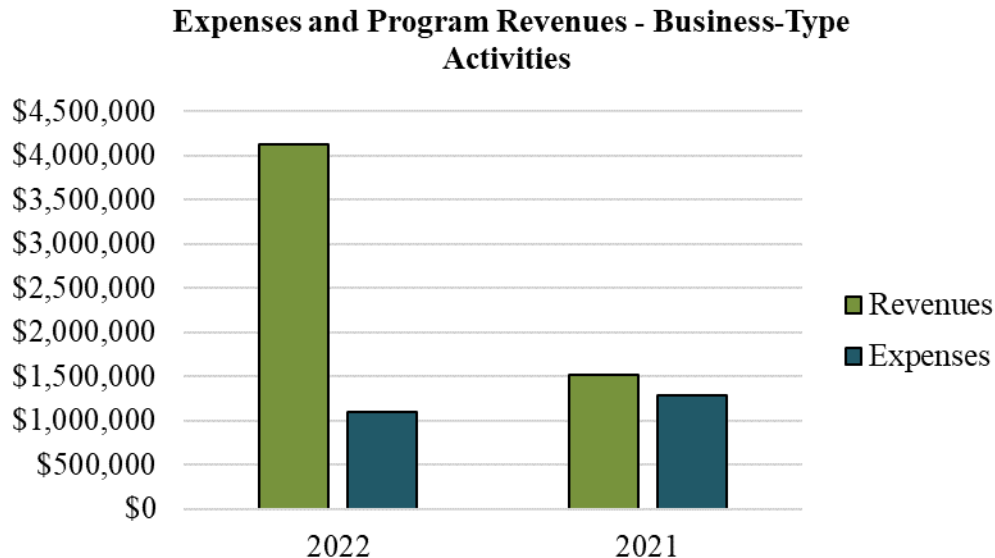
## Management's Discussion and Analysis December 31, 2022

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Business-Type Activities – Continued

The below graph compares program revenues to expenses for utility operations.



### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village 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 \$12,192,385, which is an increase of \$2,240,477, from last year's restated total of \$9,951,908. Of the \$12,192,385 total combined fund balances, \$3,344,800, or 27.4 percent, of the fund balance constitutes unassigned fund balance.

The General Fund reported fund balance for the year of \$5,439,075, an increase of 10.8 percent. The increase is due to better than anticipated revenue performance and expenditures that were monitored closely during the year.

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

#### Governmental Funds – Continued

The General Fund is the chief operating fund of the Village. At December 31, 2022, unassigned fund balance in the General Fund was \$3,344,800, which represents 61.5 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 72 percent [\$3,344,800 of \$4,640,878] of total General Fund expenditures. The Village fund balance policy targets unrestricted fund balance of 55-70%.

The Debt Service Fund reported a decrease in fund balance of \$5,727, or 4 percent. The decrease was due to property tax and interest income revenues being slightly less than principal and interest costs for the year. The fund balance of \$135,043 is restricted for future debt service payments.

During the fiscal year, a General Obligation Limited Bond was issued in the amount of \$8,090,000. Proceeds in the amount of \$596,617 were reported in the Capital Projects Fund, resulting in ending fund balance of \$2,698,369. Of that total, \$7,493,383 of the proceeds were reported in the 2023 Capital Infrastructure Improvement Fund, a major fund, resulting in ending fund balance of \$2,357,752. Proceeds from the bond are earmarked for capital improvements and other lawful expenditures. During the current year a total of \$7,143,350 was spent on capital improvements and other long-lived expenditures between these two capital project funds.

The Village implemented the 2023 Capital Infrastructure Improvement Program during fiscal year 2013, at which time the Village issued General Obligation Limited Bonds in the amount of \$9,590,000 to execute the first phase of this three-phase plan. Proceeds from the bond were earmarked for water, sewer, and related roadway improvements. The fund is now supported by revenue from an annual capital bond.

All other governmental funds of the Village are reported as non-major funds, including the Sewer Service Fund, Motor Fuel Tax Fund and Green Bay Road Tax Increment Financing Fund. The Sewer Service Fund reported an increase in fund balance of \$29,590 due to sewer charges exceeding budgetary expectations and expenditures coming in under budget for the year. The Motor Fuel Tax Fund reported an increase in fund balance of \$165,016, as the Village decreased expenditures during the budgeted year.

During the previous fiscal years, the Village established the Green Bay Road Tax Increment Financing (TIF) Fund to account for incremental revenues and related expenditures within the Green Bay Road TIF District. There were \$6,125 in expenditures during the fiscal year and incremental revenues and interest income totaled \$98,462, which also represents the \$92,337 increase in fund balance for the fund.

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

#### Proprietary Funds

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

The Village reports the Waterworks System Fund as a major proprietary fund that accounts for the provision of water services to the residents of the Village. In the current year, the Waterworks System Fund reported an operating income of \$366,309 before calculating depreciation. The increase for the year is a result of revenues exceeding budgetary expectations for the year.

#### GENERAL FUND BUDGETARY HIGHLIGHTS

The Village Board amended the General Fund budget during the year. General Fund actual revenues for the year totaled \$5,651,035, compared to budgeted revenues of \$5,173,019. All revenue categories, except for Intergovernmental, and Investment Income came in over budget for the year ending December 31, 2022.

The General Fund actual expenditures for the year were \$4,640,878, with budgeted expenditures of \$4,621,972. Total expenditures were under budget across all of the General Fund departments with exception of public works and highways and streets due to increase in maintenance and repairs.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

##### Capital Assets

The Village's investment in capital assets for its governmental and business type activities as of—December 31, 2022, was \$24,060,441 (net of accumulated depreciation). This investment in capital assets includes land and right of way, building and improvements, machinery and equipment, and sanitary and sewer system.

**VILLAGE OF KENILWORTH, ILLINOIS**

**Management’s Discussion and Analysis  
December 31, 2022**

**CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued**

**Capital Assets – Continued**

	Capital Assets - Net of Depreciation					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Land and Right of Way	\$ 780,088	780,088	38,648	38,648	818,736	818,736
Construction in Progress	4,261,103	201,057	3,805,075	201,401	8,066,178	402,458
Buildings and Improvements	992,869	1,055,478	8,883,758	9,205,387	9,876,627	10,260,865
Machinery and Equipment	218,104	198,929	219,325	107,386	437,429	306,315
Sanitary and Sewer System	2,894,862	2,986,790	-	-	2,894,862	2,986,790
Streets	1,955,213	2,056,680	-	-	1,955,213	2,056,680
Intangible Capital Assets	11,396	-	-	-	11,396	-
<b>Totals</b>	<b>11,113,635</b>	<b>7,279,022</b>	<b>12,946,806</b>	<b>9,552,822</b>	<b>24,060,441</b>	<b>16,831,844</b>

This year’s major additions included:

Construction in Progress	\$ 7,685,570
Machinery and equipment	221,954
Intangible Capital Asset	<u>18,655</u>
	<u><u>7,926,179</u></u>

Additional information on the Village’s capital assets can be found in note 4 of this report.

**Debt Administration**

At year end on December 31, 2022, the Village had total outstanding debt of \$15,640,000 as compared to \$9,605,000 the previous fiscal year ending on December 31, 2021, an increase of 62.8 percent due to budgeted principal payments. During 2022, the General Obligation Limited Bonds of 2022 were issued.

The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
General Obligation Bonds - Net	\$ 13,735,000	7,495,000	1,905,000	2,110,000	15,640,000	9,605,000

# VILLAGE OF KENILWORTH, ILLINOIS

## Management's Discussion and Analysis December 31, 2022

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### **CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued**

#### **Debt Administration – Continued**

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 \$25,503,141.

Additional information on the Village's long-term debt can be found in Note 6 of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2022 budget, tax rates, and fees that will be charged for its governmental activities. One of those factors is the economy, including unemployment rates, consumer price index projections, and the impact from the global pandemic, etc. Although the Village considers the economy in setting rates and fees during the budget process, the Village does not feel that these economic factors will have significant bearing on Village operations in the coming year.

The Village will continue to remain conservative in its budgeting of both revenue and expenses, until certainty arises regarding the long-term financial impacts of COVID-19 and potential changes to the existing revenue sharing methodology are known. The Village's primary reliance upon stable revenue sources such as property taxes is anticipated to shelter the Village from state and federal economic factors in the short-term.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Village Manager, Village of Kenilworth, 419 Richmond Road, Kenilworth, IL 60043.

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF KENILWORTH, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2022

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 12,069,198	\$ 404,103	\$ 12,473,301
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	5,665,325	-	5,665,325
Accounts	280,810	213,799	494,609
Leases	5,752,200	-	5,752,200
Accrued interest	11,157	-	11,157
Prepaid items	644,467	700	645,167
Capital assets not being depreciated	5,041,191	3,843,723	8,884,914
Tangible and intangible capital assets being depreciated (net of accumulated depreciation and amortization)	6,072,444	9,103,083	15,175,527
<b>Total assets</b>	<b>35,536,792</b>	<b>13,565,408</b>	<b>49,102,200</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension items - IMRF	669,537	122,815	792,352
Pension items - Police Pension	1,255,596	-	1,255,596
<b>Total deferred outflows of resources</b>	<b>1,925,133</b>	<b>122,815</b>	<b>2,047,948</b>
<b>Total assets and deferred outflows of resources</b>	<b>37,461,925</b>	<b>13,688,223</b>	<b>51,150,148</b>
<b>LIABILITIES</b>			
Accounts payable	587,153	46,842	633,995
Retainage payable	390,560	-	390,560
Accrued interest payable	42,683	4,763	47,446
Accrued payroll	27,291	2,926	30,217
Deposits payable	585,336	12,250	597,586
Due to fiduciary component units	145,737	-	145,737
Noncurrent liabilities			
Due within one year	1,824,204	218,639	2,042,843
Due in more than one year	22,915,869	1,816,042	24,731,911
<b>Total liabilities</b>	<b>26,518,833</b>	<b>2,101,462</b>	<b>28,620,295</b>

(This statement is continued on the following page.)

**VILLAGE OF KENILWORTH, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

December 31, 2022

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue	\$ 4,819,079	\$ -	\$ 4,819,079
Leases	5,675,616	-	5,675,616
Total deferred inflows of resources	10,494,695	-	10,494,695
Total liabilities and deferred inflows of resources	37,013,528	2,101,462	39,114,990
<b>NET POSITION</b>			
Net investment in capital assets*	310,129	11,041,806	8,879,074
Restricted for			
Public safety	125,314	-	125,314
Highways and streets	781,222	-	781,222
Economic development	347,819	-	347,819
Debt service	135,043	-	135,043
Unrestricted (deficit)	(1,251,130)	544,955	1,766,686
<b>TOTAL NET POSITION</b>	<b>\$ 448,397</b>	<b>\$ 11,586,761</b>	<b>\$ 12,035,158</b>

\*General Obligation Bonds Series 2022 ARS were issued as governmental activities debt in part to fund capital asset acquisitions for the business-type activities. Therefore, the total column includes the total outstanding balance for these bonds (including unamortized premium and unspent proceeds), while the governmental activities column includes only the portion used to fund governmental activities capital asset acquisitions in the calculation of the net investment in capital assets.

See accompanying notes to financial statements.

**VILLAGE OF KENILWORTH, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 920,845	\$ 753,097	\$ 6,751	\$ -
Public works	3,753,644	173,209	-	-
Public safety	3,452,862	179,373	835	-
Highways and streets	701,521	-	55,206	101,181
Economic development	6,125	-	-	-
Culture and recreation	46,083	48,310	-	-
Interest on long-term debt	612,664	-	-	-
Total governmental activities	9,493,744	1,153,989	62,792	101,181
Business-Type Activities				
Waterworks system	1,091,685	1,041,386	-	3,051,674
Total business-type activities	1,091,685	1,041,386	-	3,051,674
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 10,585,429</b>	<b>\$ 2,195,375</b>	<b>\$ 62,792</b>	<b>\$ 3,152,855</b>

	<b>Net (Expense) Revenue and Change in Net Position</b>		
	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (160,997)	\$ -	\$ (160,997)
	(3,580,435)	-	(3,580,435)
	(3,272,654)	-	(3,272,654)
	(545,134)	-	(545,134)
	(6,125)	-	(6,125)
	2,227	-	2,227
	(612,664)	-	(612,664)
	<u>(8,175,782)</u>	<u>-</u>	<u>(8,175,782)</u>
	-	3,001,375	3,001,375
	-	3,001,375	3,001,375
	<u>(8,175,782)</u>	<u>3,001,375</u>	<u>(5,174,407)</u>
General Revenues			
Taxes			
Property	4,881,974	-	4,881,974
Replacement	127,506	-	127,506
State sales	163,670	-	163,670
Utility	248,939	-	248,939
Other	126,518	-	126,518
Unrestricted			
Income tax	409,651	-	409,651
ARPA	336,605	-	336,605
Investment income	256,802	10,352	267,154
Miscellaneous	259,927	14,476	274,403
Total	<u>6,811,592</u>	<u>24,828</u>	<u>6,836,420</u>
CHANGE IN NET POSITION	<u>(1,364,190)</u>	<u>3,026,203</u>	<u>1,662,013</u>
NET POSITION, JANUARY 1	1,776,918	8,560,558	10,337,476
Prior period adjustment	35,669	-	35,669
NET POSITION, JANUARY 1 (RESTATED)	<u>1,812,587</u>	<u>8,560,558</u>	<u>10,373,145</u>
<b>NET POSITION, DECEMBER 31</b>	<u>\$ 448,397</u>	<u>\$ 11,586,761</u>	<u>\$ 12,035,158</u>

See accompanying notes to financial statements.

VILLAGE OF KENILWORTH, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

December 31, 2022

	Major Funds					Total
	General	Debt Service	Capital Projects	2023 Capital Infrastructure	Nonmajor Governmental	
<b>ASSETS</b>						
Cash and cash equivalents	\$ 4,873,191	\$ 441,112	\$ 2,505,997	\$ 2,773,380	\$ 1,475,518	\$ 12,069,198
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	3,696,330	1,956,438	-	-	12,557	5,665,325
Accounts	204,404	-	-	-	76,406	280,810
Leases	5,752,200	-	-	-	-	5,752,200
Accrued interest	11,157	-	-	-	-	11,157
Due from other funds	-	-	596,617	368,383	-	965,000
Prepaid items	644,467	-	-	-	-	644,467
<b>TOTAL ASSETS</b>	<b>\$ 15,181,749</b>	<b>\$ 2,397,550</b>	<b>\$ 3,102,614</b>	<b>\$ 3,141,763</b>	<b>\$ 1,564,481</b>	<b>\$ 25,388,157</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 150,435	\$ 5,703	\$ 35,862	\$ 393,451	\$ 1,702	\$ 587,153
Retainage payable	-	-	-	390,560	-	390,560
Accrued payroll	26,658	-	-	-	633	27,291
Deposits payable	585,336	-	-	-	-	585,336
Due to other funds	-	596,617	368,383	-	-	965,000
Due to fiduciary component units	145,737	-	-	-	-	145,737
Total liabilities	908,166	602,320	404,245	784,011	2,335	2,701,077
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable property taxes	3,158,892	1,660,187	-	-	-	4,819,079
Leases	5,675,616	-	-	-	-	5,675,616
Total deferred inflows of resources	8,834,508	1,660,187	-	-	-	10,494,695
Total liabilities and deferred inflows of resources	9,742,674	2,262,507	404,245	784,011	2,335	13,195,772
<b>FUND BALANCES</b>						
Nonspendable in form - prepaid items	644,467	-	-	-	-	644,467
Restricted for public safety	125,314	-	-	-	-	125,314
Restricted for debt service	-	135,043	-	-	-	135,043
Restricted for capital improvements	-	-	-	1,297,480	-	1,297,480
Restricted for highway and streets	-	-	-	-	781,222	781,222
Restricted for economic development	-	-	-	-	347,819	347,819
Committed for tree replacement	29,494	-	-	-	-	29,494
Committed for sewer service	-	-	-	-	433,105	433,105
Unrestricted						
Assigned for capital improvements	1,295,000	-	2,698,369	1,060,272	-	5,053,641
Unassigned - General Fund	3,344,800	-	-	-	-	3,344,800
Total fund balances	5,439,075	135,043	2,698,369	2,357,752	1,562,146	12,192,385
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 15,181,749</b>	<b>\$ 2,397,550</b>	<b>\$ 3,102,614</b>	<b>\$ 3,141,763</b>	<b>\$ 1,564,481</b>	<b>\$ 25,388,157</b>

See accompanying notes to financial statements.

## VILLAGE OF KENILWORTH, ILLINOIS

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

December 31, 2022

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 12,192,385</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	11,113,635
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund	
G.O. Bonds payable - net	(13,735,000)
Bond premiums	(809,632)
Compensated absences payable	(100,298)
Lease obligation	(11,215)
Accrued interest on long-term liabilities is shown as a liability on the statement of net position	(42,683)
The net pension liability of the Police Pension Fund is shown as a liability on the statement of net position	(9,188,410)
Net pension liability/asset for the Illinois Municipal Retirement Fund is shown as a liability/asset on the statement of net position	(284,767)
Total OPEB liability is shown as a liability on the statement of net position	(610,751)
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources in the statement of net position	
IMRF	669,537
Police Pension	<u>1,255,596</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 448,397</u></b>

See accompanying notes to financial statements.

VILLAGE OF KENILWORTH, ILLINOIS

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

For the Year Ended December 31, 2022

	Major Funds					Total
	General	Debt Service	Capital Projects	2023 Capital Infrastructure	Nonmajor Governmental	
<b>REVENUES</b>						
Property taxes	\$ 3,107,537	\$ 1,679,222	\$ -	\$ -	\$ 95,215	\$ 4,881,974
Other taxes	1,076,284	-	-	-	-	1,076,284
Licenses, permits and fees	681,734	-	-	-	-	681,734
Fines and forfeitures	44,937	-	-	-	-	44,937
Charges for services	323,856	-	-	-	103,462	427,318
Intergovernmental	7,586	-	336,605	-	156,387	500,578
Investment income	157,509	7,754	21,101	54,546	15,892	256,802
Miscellaneous	251,592	-	-	8,235	100	259,927
Total revenues	5,651,035	1,686,976	357,706	62,781	371,056	8,129,554
<b>EXPENDITURES</b>						
Current						
General government	927,546	-	-	-	-	927,546
Public works	233,783	-	-	405,121	59,193	698,097
Public safety	2,959,884	-	-	-	-	2,959,884
Highways and streets	431,058	-	-	-	-	431,058
Economic development	-	-	-	-	6,125	6,125
Culture and recreation	40,639	-	-	-	-	40,639
Debt service						
Principal retirement	-	1,435,000	415,000	-	-	1,850,000
Interest and fiscal charges	-	257,703	194,117	155,224	-	607,044
Capital outlay	47,968	-	382,019	6,761,331	18,795	7,210,113
Total expenditures	4,640,878	1,692,703	991,136	7,321,676	84,113	14,730,506
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,010,157	(5,727)	(633,430)	(7,258,895)	286,943	(6,600,952)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of lease obligation	18,655	-	-	-	-	18,655
Transfers in	-	-	500,000	-	-	500,000
Transfers (out)	(500,000)	-	-	-	-	(500,000)
Bonds issued, at par	-	-	596,617	7,493,383	-	8,090,000
Premium on bonds issued	-	-	-	732,774	-	732,774
Total other financing sources (uses)	(481,345)	-	1,096,617	8,226,157	-	8,841,429
NET CHANGE IN FUND BALANCES	528,812	(5,727)	463,187	967,262	286,943	2,240,477
FUND BALANCES, JANUARY 1	4,910,263	105,101	2,235,182	1,390,490	1,275,203	9,916,239
Prior period adjustment	-	35,669	-	-	-	35,669
FUND BALANCES, JANUARY 1 (RESTATED)	4,910,263	140,770	2,235,182	1,390,490	1,275,203	9,951,908
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 5,439,075</b>	<b>\$ 135,043</b>	<b>\$ 2,698,369</b>	<b>\$ 2,357,752</b>	<b>\$ 1,562,146</b>	<b>\$ 12,192,385</b>

See accompanying notes to financial statements.

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 2,240,477</b>
Amounts reported for governmental activities in the statement of activities are different different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities Capital expenditures capitalized	4,192,851
Loss on disposals of capital assets do not required the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(21,850)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Depreciation of capital assets Amortization of intangible capital assets	(329,129) (7,259)
The issuance of long-term debt is reported as an other financing source in governmental funds, but as an increase in debt outstanding on the statement of activities Debt issued Premium on debt issued Capital lease	(8,090,000) (732,774) (18,655)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities Bonds payable Capital lease	1,850,000 7,440
The change in interest payable is reported as an expense on the statement of activities	(21,762)
The change in certain liabilities are reported as expenses on the statement of activities Compensated absences OPEB	5,522 (224,317)
Amortization is recorded as interest expense on the statement of activities including unamortized discount, unamortized premium and unamortized Unamortized bond premium	16,142
The change in net pension liability/asset is reported only on the statement of activities Illinois Municipal Retirement Fund Police Pension	(1,594,406) (1,755,905)
The changes in deferred outflows and deferred inflows of resources is reported only in the statement of activities Illinois Municipal Retirement Fund Police Pension	1,618,146 <u>1,501,289</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ <u>(1,364,190)</u></b>

See accompanying notes to financial statements.

VILLAGE OF KENILWORTH, ILLINOIS

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS

December 31, 2022

	<u>Business-Type Activities Waterworks System</u>
<b>CURRENT ASSETS</b>	
Cash and investments	\$ 404,103
Receivables	
Accounts - billed	69,363
Accounts - unbilled	144,436
Prepaid items	700
	<hr/>
Total current assets	618,602
<b>NONCURRENT ASSETS</b>	
Capital assets	
Nondepreciable capital assets	3,843,723
Depreciable capital assets	14,683,931
Accumulated depreciation	(5,580,848)
	<hr/>
Net capital assets	12,946,806
	<hr/>
Total noncurrent assets	12,946,806
	<hr/>
Total assets	13,565,408
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension items - IMRF	122,815
	<hr/>
Total deferred outflows of resources	122,815
<b>CURRENT LIABILITIES</b>	
Accounts payable	46,842
Accrued interest	4,763
Accrued payroll	2,926
Deposits payable	12,250
Compensated absences payable	1,766
Total OPEB liability	1,873
General obligation bonds payable	215,000
	<hr/>
Total current liabilities	285,420
<b>LONG-TERM LIABILITIES</b>	
Compensated absences payable	7,064
Net pension liability - IMRF	52,235
Total OPEB liability - RBP	66,743
General obligation bonds payable	1,690,000
	<hr/>
Total long-term liabilities	1,816,042
	<hr/>
Total liabilities	2,101,462
<b>DEFERRED INFLOWS OF RESOURCES</b>	
None	-
	<hr/>
Total deferred inflows of resources	-
<b>NET POSITION</b>	
Net investment in capital assets	11,041,806
Unrestricted	544,955
	<hr/>
<b>TOTAL NET POSITION</b>	<u>\$ 11,586,761</u>

See accompanying notes to financial statements.

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

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	<b>Business-Type Activities</b>
	<b>Waterworks System</b>
<b>OPERATING REVENUES</b>	
Charges for services	\$ 1,041,386
Miscellaneous	14,476
	<hr/>
Total operating revenues	1,055,862
	<hr/>
<b>OPERATING EXPENSES</b>	
Operations	689,553
	<hr/>
Total operating expenses	689,553
	<hr/>
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	366,309
	<hr/>
Depreciation	339,344
	<hr/>
<b>OPERATING INCOME</b>	26,965
	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Investment income	10,352
Interest and fiscal charges	(62,788)
	<hr/>
Total non-operating revenues (expenses)	(52,436)
	<hr/>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	(25,471)
	<hr/>
Capital contributions	3,051,674
	<hr/>
<b>CHANGE IN NET POSITION</b>	3,026,203
	<hr/>
<b>NET POSITION, JANUARY 1</b>	8,560,558
	<hr/>
<b>NET POSITION, DECEMBER 31</b>	\$ 11,586,761
	<hr/> <hr/>

See accompanying notes to financial statements.

VILLAGE OF KENILWORTH, ILLINOIS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended December 31, 2022

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	<b>Business-Type Activities</b>
	<b>Waterworks System</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 1,047,568
Payments to suppliers	(391,841)
Payments to employees	(228,973)
Miscellaneous	14,476
	<hr/>
Net cash from operating activities	441,230
	<hr/>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
None	-
	<hr/>
Net cash from noncapital financing activities	-
	<hr/>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Principal payments on capital debt	(205,000)
Interest payments on capital debt	(62,867)
Capital assets purchased	(681,654)
	<hr/>
Net cash from capital and related financing activities	(949,521)
	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	10,352
	<hr/>
Net cash from investing activities	10,352
	<hr/>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(497,939)
	<hr/>
CASH AND CASH EQUIVALENTS, JANUARY 1	902,042
	<hr/>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b>\$ 404,103</b>
	<hr/> <hr/>

(This statement is continued on the following page.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**STATEMENT OF CASH FLOWS (Continued)  
PROPRIETARY FUNDS**

For the Year Ended December 31, 2022

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	<b>Business-Type Activities</b>
	<b>Waterworks System</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income	\$ 26,965
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	339,344
Increase in	
Receivables	6,182
Increase (decrease) in	
Accounts payable	7,001
Accrued payroll	414
Deposits payable	-
Compensated absences payable	(16)
Pension items	34,235
OPEB items	27,105
	<hr/>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ 441,230</b>
	<hr/> <hr/>
<b>NONCASH TRANSACTIONS</b>	
Capital asset contributions	\$ 3,051,674
	<hr/>
Total noncash transactions	\$ 3,051,674
	<hr/> <hr/>

See accompanying notes to financial statements.

**VILLAGE OF KENILWORTH, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION  
POLICE PENSION FUND**

December 31, 2022

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<b>ASSETS</b>	
Cash and cash equivalents	\$ 529,789
Investments	
Investments held in the Illinois Police Officer's Pension Investment Fund	8,609,529
Receivables	
Accrued interest	10
Due from Village	<u>145,737</u>
Total assets	<u>9,285,065</u>
<b>LIABILITIES</b>	
None	<u>-</u>
Total liabilities	<u>-</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u><u>\$ 9,285,065</u></u>

See accompanying notes to financial statements.

**VILLAGE OF KENILWORTH, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
POLICE PENSION FUND**

For the Year Ended December 31, 2022

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**ADDITIONS**

Contributions	
Contributions - employer	\$ 820,872
Contributions - employee	<u>70,551</u>
Total contributions	<u>891,423</u>
Investment income	
Net (depreciation) in fair value of investments	(980,397)
Interest earned on investments	<u>32,038</u>
Total investment income	(948,359)
Less investment expense	<u>(12,915)</u>
Net investment income	<u>(961,274)</u>
Total additions	<u>(69,851)</u>

**DEDUCTIONS**

Benefits	820,888
Administrative	<u>14,063</u>
Total deductions	<u>834,951</u>

NET (DECREASE) (904,802)

**NET POSITION RESTRICTED  
FOR PENSIONS**

January 1	<u>10,189,867</u>
December 31	<u><u>\$ 9,285,065</u></u>

See accompanying notes to financial statements.

# VILLAGE OF KENILWORTH, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

December 31, 2022

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### a. Reporting Entity

The Village of Kenilworth is located in Cook County. The Village is a non-home rule municipality under the 1970 Illinois Constitution. The Village is a municipal corporation governed by an elected board. The Village President and Board of Trustees are elected representatives of the citizens of the Village. The Village's major operations include police and fire safety, highway and street maintenance, building code enforcement, water services and general administrative services. As required by GAAP, these financial statements present the Village (the primary government) and its component units, entities for which the government is considered to be financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, 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. However, management has determined that there is one fiduciary component unit that is required to be included in the financial statements of the Village as a pension trust fund.

#### Police Pension Employees Retirement System

The Village's financial statements include the Police Pension Employees Retirement System (PPERS) as a fiduciary component unit reported as a pension trust fund. The Village's sworn police employees participate in the 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

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

a. Reporting Entity (Continued)

Police Pension Employees Retirement System (Continued)

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 the Village's contribution levels. Accordingly, the PPERS is fiscally dependent on the Village. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

b. Fund Accounting

The Village uses funds to report on its financial position, changes in its financial position and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. A minimum number of funds are maintained consistent with legal and managerial requirements. Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the accounting for revenue sources that are legally restricted or committed for specific purposes (special revenue funds), accounting for funds that are restricted, committed or assigned to the acquisition of capital assets or construction of major capital projects not financed by another fund (capital projects funds) and accounting for the servicing of bonded general long-term debt using funds restricted, committed or assigned for debt service (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the Village Board of Trustees has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability and other purposes.

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

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Government-Wide and Fund Financial Statements

The statement of net position and the statement of activities display information about the Village as a whole. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for the fiduciary activities. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges paid by the recipient for the goods or services offered by the program and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each government function or segment is self-financing or draws from the general revenues of the Village.

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

The Village reports the following major governmental funds:

The General Fund is the general operating fund of the Village. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The Capital Projects Fund accounts for revenue and expenditures relative to the construction of capital improvements.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The Village reports the following major proprietary funds:

The Waterworks System Fund which accounts for the operating activities of the Village's water utilities services.

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

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

The government-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the statement of net position and the operating statements present additions (revenues) and deductions (expenses) in total net position. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing the day-to-day enterprise fund services. Incidental revenues/expenses, such as property taxes and investment income, are reported as non-operating.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The Village recognizes property taxes when they become both measurable and available in the period intended to finance, within 60 days of year end. A 90-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, sales taxes, use taxes, income taxes, utility taxes, licenses, interest revenue and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

e. Cash and Investments

Cash and Cash Equivalents

Cash and cash equivalents represent cash on hand, cash deposited in interest-bearing and non-interest-bearing checking accounts, cash with fiscal agent and investments in certificates of deposit with original maturities of three months or less. For the purposes of the statement of cash flows, the Village considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents.

f. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. The Village and pension fund categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

g. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Short-term interfund loans, if any, are classified as “interfund receivables/payables.” Any residual balances between governmental activities and business-type activities are reported in the Village-wide financial statements as “internal balances.”

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

h. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances between funds in the fund financial statements. The advances are offset equally by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

i. Prepaid Items/Expenses

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

j. Receivables

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

k. Capital Assets and Intangible Assets

Capital assets, which include property, plant, equipment, water and sewer system, intangible assets and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$10,000 or more and a useful life of more than one year.

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at acquisition value at the date of donation.

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

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

k. Capital Assets and Intangible Assets (Continued)

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation of all assets is provided on the straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings and improvements	10-50
Machinery and equipment	7-10
Sanitary and sewer system	40-50
Streets	40-50

Intangible assets represent the Village's right-to-use a leased asset. These intangible assets, as defined by GASB Statement No. 87, *Leases*, are for the lease contracts of nonfinancial assets, including leased equipment.

l. Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

m. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, as well as gains/losses on refundings, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. The gain/loss on refunding is reported as a deferred inflow/outflow of resources. Bond issuance costs are expensed in the year of issuance.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

m. Long-Term Obligations (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as 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 expenditures.

n. Fund Equity/Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets, represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. All other net position balances that do not meet the definition of restricted or net investment in capital assets are unrestricted.

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions are ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The Board of Trustees may delegate the authority to the Village Manager or Budget Officer. Any residual fund balance in the General Fund and deficit fund balances in other governmental funds are reported as unassigned.

If an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned or unassigned fund balance classifications could be used, then the Village will consider committed fund balance be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n. Fund Equity/Net Position (Continued)

The Village has established a fund balance policy in its General Fund to have unrestricted fund balance of between 55% to 70% (6.6 to 8.4 months) of operating expenditures. Special Revenue Funds, after restricting fund balance derived from property taxes, should have a minimum remaining fund balance of 25% of annual budgeted expenditures. Debt Service Funds, after restricting fund balance derived from property taxes, should have a maximum remaining fund balance of the amount of the next principal and interest payment due. Enterprise Fund's restricted net position targets should represent between 33% to 42% (four to five months) of operating expenses (excluding debt service and capitalized asset expenses). The Village has not adopted specific policies for the Capital Projects Funds and Internal Service Funds.

o. Interfund Transactions

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

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

p. Accounting Estimates

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

q. Deferred Outflows/Inflows of Resources

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

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

q. Deferred Outflows/Inflows of Resources (Continued)

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

**2. DEPOSITS AND INVESTMENTS**

The Village and pension funds categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

a. Village

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust fund. Each fund'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 fund 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 Village's investment policy limits deposits to financial institutions that are members of the FDIC system are capable of posting collateral for amounts in excess of FDIC insurance.

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

**2. DEPOSITS AND INVESTMENTS (Continued)**

b. Village Deposits with Financial Institutions

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

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village’s investment policy limits its exposure by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Village’s investment policy further limits investment choices to external investment pools. At year end, the Village’s investment in The Illinois Funds is rated AAAM by Standard & Poor’s.

Custodial credit risk for deposits 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 for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Village or an independent third-party evidenced by a safekeeping agreement. At December 31, 2022, the Village had no uncollateralized deposits.

Concentration of credit risk - This is the risk of loss attributed to the magnitude of the Village’s investment in a single issuer. The Village’s investment policy requires diversification of investments to avoid unreasonable risk by limiting commercial paper to the lesser of 20% of the cash and investment balance at the time of placement or 25% of the cash and investment balance. At year end, the Village does not have any investments over 5% 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 KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

b. Village Deposits with Financial Institutions (Continued)

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

The Village had no investments measured at fair value at December 31, 2022.

**3. RECEIVABLES - TAXES**

Property taxes for 2021 attach as an enforceable lien on January 1, 2021. Taxes are levied in December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and July 1 and are payable in two installments, on or about March 1 and August 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience. The second installment of the 2021 tax levy bills were issued in November 2022 with payments due December 30, 2022, resulting in final collections of the 2021 levy not occurring until January and February 2023.

For governmental fund types and governmental activities, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year end are recorded as revenue.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land and right of way	\$ 780,088	\$ -	\$ -	\$ 780,088
Construction in progress	201,057	4,081,896	21,850	4,261,103
Total capital assets not being depreciated	981,145	4,081,896	21,850	5,041,191
Capital assets being depreciated				
Buildings and improvements	2,151,358	-	-	2,151,358
Machinery and equipment	1,315,410	92,300	-	1,407,710
Sanitary and sewer systems	4,825,325	-	-	4,825,325
Streets	2,536,685	-	-	2,536,685
Total capital assets being depreciated	10,828,778	92,300	-	10,921,078
Intangible capital assets being amortized				
Equipment	-	18,655	-	18,655
Total intangible capital assets being amortized	-	18,655	-	18,655
Less accumulated depreciation for				
Buildings and improvements	1,095,880	62,609	-	1,158,489
Machinery and equipment	1,116,481	73,125	-	1,189,606
Sanitary and sewer systems	1,838,535	91,928	-	1,930,463
Streets	480,005	101,467	-	581,472
Total accumulated depreciation	4,530,901	329,129	-	4,860,030
Less accumulated amortization for intangible capital assets				
Equipment	-	7,259	-	7,259
Total accumulated amortization	-	7,259	-	7,259
Total tangible and intangible capital assets being depreciated and amortized, net	6,297,877	(225,433)	-	6,072,444
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 7,279,022</b>	<b>\$ 3,856,463</b>	<b>\$ 21,850</b>	<b>\$ 11,113,635</b>

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

	Beginning Balances	Increases	Decreases	Ending Balances
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land and right of way	\$ 38,648	\$ -	\$ -	\$ 36,648
Construction in progress	201,401	3,603,674	-	3,805,075
Total capital assets not being depreciated	<u>240,049</u>	<u>3,603,674</u>	<u>-</u>	<u>3,843,723</u>
Capital assets being depreciated				
Buildings	14,208,471	-	-	14,208,471
Machinery and equipment	345,806	129,654	-	475,460
Total capital assets being depreciated	<u>14,554,277</u>	<u>129,654</u>	<u>-</u>	<u>14,683,931</u>
Less accumulated depreciation for				
Buildings	5,003,084	321,629	-	5,324,713
Machinery and equipment	238,420	17,715	-	256,135
Total accumulated depreciation	<u>5,241,504</u>	<u>339,344</u>	<u>-</u>	<u>5,580,848</u>
Total capital assets being depreciated, net	<u>9,312,773</u>	<u>(209,690)</u>	<u>-</u>	<u>9,103,083</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 9,552,822</u>	<u>\$ 3,393,984</u>	<u>\$ -</u>	<u>\$ 12,946,806</u>

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

**GOVERNMENTAL ACTIVITIES**

General government	\$ 14,105
Public safety	22,570
Public works	<u>292,454</u>

**DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES** \$ 329,129

Amortization expense was charged to functions/programs of the Village's governmental activities as follows:

**GOVERNMENTAL ACTIVITIES**

Public safety	<u>\$ 7,259</u>
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**TOTAL AMORTIZATION EXPENSE - GOVERNMENTAL ACTIVITIES** \$ 7,259

**BUSINESS-TYPE ACTIVITIES**

Waterworks system	<u>\$ 339,344</u>
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**DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES** \$ 339,344

**5. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Village currently reports all of its risk management activities in its General Fund.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting services for its members.

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Each member assumes the first \$10,000 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures in the appropriate fund. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

**Health Insurance**

The Village participates in the North Suburban Employee's Benefit Cooperative (NSEBC), an agency of governmental entities created to finance and administer medical and dental care benefits to employees of its member organizations. Each municipality appoints one representative to serve on the Board of Directors. The Board of Directors determines the general policies, which includes approval of the annual budget. Members are contractually obligated to make all monthly payments and to fund any deficit upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Board of Directors. 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. The Village reports insurance activities within the General Fund and Waterworks System Fund. The Village's total payments for the year ended December 31, 2022 were \$311,935.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT**

a. Changes in Long-Term Liabilities

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

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds	\$ 7,495,000	\$ 8,090,000	\$ 1,850,000	\$ 13,735,000	\$ 1,780,000
Unamortized bond premium	93,000	732,774	16,142	809,632	-
Leases	-	18,655	7,440	11,215	7,469
Net pension liability - Police Pension	7,432,505	1,755,905	-	9,188,410	-
Net pension liability - IMRF	-	284,767	-	284,767	-
Compensated absences	105,820	15,642	21,164	100,298	20,060
Total OPEB liability	386,434	224,317	-	610,751	16,675
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 15,512,759</b>	<b>\$ 11,122,060</b>	<b>\$ 1,894,746</b>	<b>\$ 24,740,073</b>	<b>\$ 1,824,204</b>
<b>BUSINESS-TYPE ACTIVITIES</b>					
General obligation bonds	\$ 2,110,000	\$ -	\$ 205,000	\$ 1,905,000	\$ 215,000
Compensated absences	8,846	1,753	1,769	8,830	1,766
Net pension liability - IMRF	-	52,235	-	52,235	-
Total OPEB liability	41,511	27,105	-	68,616	1,873
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 2,160,357</b>	<b>\$ 81,093</b>	<b>\$ 206,769</b>	<b>\$ 2,034,681</b>	<b>\$ 218,639</b>

For governmental activities, the compensated absences, the net pension liabilities and the total OPEB liability are liquidated by the General Fund. The general obligation bonds are being liquidated by the Debt Service Fund. For the business-type activities, the compensated absences, the net pension liability, the total OPEB liability and the general obligations bonds are liquidated by the Waterworks System Fund.

b. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities, refunding prior issuances and providing working capital for the Village.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

b. General Obligation Bonds (Continued)

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

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
General Obligation Bonds of 2013 - due in annual installments of \$280,000 to \$670,000 plus interest at 2% to 4% through December 1, 2033.	Debt Service Fund	\$ 6,500,000	\$ -	\$ 440,000	\$ 6,060,000	\$ 455,000
General Obligation (Alternate Revenue Source) Refunding Bonds of 2015A - due in annual installments of \$165,000 to \$265,000 plus interest at 3% through December 1, 2030.	Waterworks System Fund	2,110,000	-	205,000	1,905,000	215,000
General Obligation Limited Bonds of 2021 - due in one installment of \$990,000 plus interest at 0.57% on December 1, 2022.	Debt Service Fund	995,000	-	995,000	-	-
General Obligation (Alternate Revenue Source) Bonds of 2022 - due in annual installments of \$200,000 to \$575,000 plus interest at 3% to 4% on December 1, 2037.	Debt Service Fund	-	7,125,000	415,000	6,710,000	360,000
General Obligation Limited Bonds of 2022 - due in one installment of \$965,000 plus interest at 3.58% on December 1, 2023.	Debt Service Fund	-	965,000	-	965,000	965,000
<b>TOTAL GENERAL OBLIGATION BONDS</b>		<b>\$ 9,605,000</b>	<b>\$ 8,090,000</b>	<b>\$ 2,055,000</b>	<b>\$ 15,640,000</b>	<b>\$ 1,995,000</b>

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 1,780,000	\$ 512,197	\$ 2,292,197	\$ 215,000	\$ 57,150	\$ 272,150
2024	840,000	449,600	1,289,600	220,000	50,700	270,700
2025	875,000	416,000	1,291,000	225,000	44,100	269,100
2026	910,000	381,000	1,291,000	235,000	37,350	272,350
2027	945,000	344,600	1,289,600	240,000	30,300	270,300
2028	980,000	306,800	1,286,800	250,000	23,100	273,100
2029	1,020,000	267,600	1,287,600	255,000	15,600	270,600
2030	1,060,000	226,800	1,286,800	265,000	7,950	272,950
2031	1,105,000	184,400	1,289,400	-	-	-
2032	1,150,000	140,200	1,290,200	-	-	-
2033	1,195,000	91,409	1,286,409	-	-	-
2034	540,000	56,750	596,750	-	-	-
2035	560,000	40,550	600,550	-	-	-
2036	575,000	23,750	598,750	-	-	-
2037	200,000	6,500	206,500	-	-	-
<b>TOTAL</b>	<b>\$ 13,735,000</b>	<b>\$ 3,448,156</b>	<b>\$ 17,183,156</b>	<b>\$ 1,905,000</b>	<b>\$ 266,250</b>	<b>\$ 2,171,250</b>

d. Pledged Revenues

The Village has pledged the net revenues (operating income before depreciation) of the Waterworks System Fund and taxes imposed by the Village upon public utilities pursuant to Section 8-11-2 of the Illinois Municipal Code, as amended (gas and electric utility taxes) to the Series 2015A General Obligation Refunding Bonds (Alternate Revenue Source).

For the year ended December 31, 2022, the total pledge (principal and interest) of \$268,300 was 24.47% of the total pledged revenues of \$1,055,862 (as defined above). The remaining pledge at December 31, 2022 was \$2,171,250.

In addition to proceeds received by the Village from the issuance of its general obligation bonds or notes to the extent permissible by law, the Village has pledged certain governmental revenues to the Series 2022 General Obligation Bonds (Alternate Revenue Source).

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

d. Pledged Revenues (Continued)

For the year ended December 31, 2022, the total pledge (principal and interest) of \$596,617 was 61.83% of the total pledged revenues of \$965,000. The remaining pledge at December 31, 2022 was \$8,586,650.

e. Leases

Obligations of governmental activities under leases payable, typically paid from the General fund, including future interest payments at December 31, 2022, were as follows:

Fiscal Year Ending December 31,	Leases	
	Principal	Interest
2023	\$ 7,469	\$ 31
2024	3,747	4
<b>TOTAL</b>	<b>\$ 11,215</b>	<b>\$ 35</b>

The Village entered into a lease arrangement on July 27, 2021, for the right-to-use license plate reading equipment. Payments of \$7,500 are due annually through July 2024. Total intangible right-to-use assets acquired under this agreement are \$18,655.

f. 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."

2021 equalized assessed valuation	<u>\$ 295,688,597</u>
Debt limitation - 8.625% of assessed valuation	\$ 25,503,141
Amount of debt applicable to debt limit	<u>13,735,000</u>
<b>LEGAL DEBT MARGIN</b>	<b><u>\$ 11,768,141</u></b>

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**7. INDIVIDUAL FUND DISCLOSURES**

a. Transfers In/Out

Interfund transfers during the year ended December 31, 2022 consisted of the following:

Fund	Transfers In	Transfers Out
Major Governmental		
General Fund	\$ -	\$ 500,000
Capital Projects Fund	500,000	-
Total Major Governmental	500,000	500,000
 TOTAL	 \$ 500,000	 \$ 500,000

The purpose of significant transfers is as follows:

- \$500,000 transfer from the General Fund to the Capital Projects Fund for budgetary purposes. These amounts will not be repaid.

b. Due From/To Other Funds

Due from/to other funds at December 31, 2022 consisted of the following:

Fund	Due From Other Funds	Due To Other Funds
Major Governmental		
Debt Service	\$ -	\$ 596,617
Capital Projects	596,617	368,383
2023 Capital Infrastructure	368,383	-
Total Major Governmental	\$ 965,000	\$ 965,000

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All interfund payables are expected to be repaid in the next fiscal year.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. CONTINGENT LIABILITIES**

a. Litigation

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

b. Grants

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

c. Solid Waste Agency of Northern Cook County

The Village's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

**9. JOINT VENTURE**

The Village is a member of SWANCC which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves, contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 77 W. Hintz Road, Suite 200 Wheeling, IL 60090.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. JOINT VENTURE (Continued)**

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, services charges, and all grants, rents and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all of its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The contracts are irrevocable, and may not be terminated or amended, except as provided in the contract. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this contract.

The payments required to be made by the Village under this contract are required to be made solely from revenues to be derived by the Village from the operation of the refuse collection system. The Village is not prohibited by the contract from using any other funds to make the payments required by the contract. The contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the joint venture agreement, the Village remitted \$43,388 to SWANCC for the year ended December 31, 2022, which is recorded in the Village’s General Fund.

**10. LESSOR DISCLOSURES**

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

The Village entered into a lease arrangement on March 1, 2022, to lease tower space. Payments ranging from \$4,800 to \$13,113 are due to the Village in monthly installments, through February 2057. The lease agreement is noncancelable and maintains an interest rate of 1.541%. During the fiscal year, the Village collected \$48,000 and recognized a \$61,255 reduction in the related deferred inflow of resources. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$2,554,339 and \$2,511,474, respectively, as of December 31, 2022.

The Village entered into a lease arrangement on May 1, 2022, to lease tower space. Payments ranging from \$4,800 to \$13,113 are due to the Village in monthly installments, through April 2057. The lease agreement is noncancelable and maintains an interest rate of 2.567%. During the fiscal year, the Village collected \$38,400 and recognized a \$40,597 reduction in the related deferred inflow of resources. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$2,124,764 and \$2,090,736, respectively, as of December 31, 2022.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. LESSOR DISCLOSURES (Continued)**

The Village entered into a lease arrangement on March 1, 2022, to lease tower space. Payments ranging from \$4,800 to \$8,669 are due to the Village in monthly installments, through November 2042. The lease agreement is noncancelable and maintains an interest rate of 3.726%. During the fiscal year, the Village collected \$4,800 and recognized a \$4,491 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$1,073,097 and \$1,073,406, respectively, as of December 31, 2022.

**11. EMPLOYEE RETIREMENT SYSTEMS**

The Village contributes to two defined benefit pension plans, Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement systems and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The Police Pension Plan does not issue a separate financial report.

The table below is a summary for all pension plans as of and for the year ended December 31, 2022:

	IMRF	Police Pension	Total
Net pension liability (asset)	\$ 337,002	\$ 9,188,410	\$ 9,525,412
Deferred outflows of resources	792,352	1,255,596	2,047,948
Deferred inflows of resources	-	-	-
Pension expense (income)	90,026	1,075,488	1,165,514

**Illinois Municipal Retirement Fund**

*Plan Administration*

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2022, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	23
Inactive employees entitled to but not yet receiving benefits	24
Active employees	<u>9</u>
TOTAL	<u><u>56</u></u>

*Benefits Provided*

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2022 was 10.47% of covered payroll.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions*

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

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Fair value

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.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Based on those assumptions, the Village's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability (Asset)*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	\$ 8,649,579	\$ 10,339,436	\$ (1,689,857)
Changes for the period			
Service cost	69,097	-	69,097
Interest	607,980	-	607,980
Difference between expected and actual experience	197,316	-	197,316
Changes in assumptions	-	-	-
Employer contributions	-	79,531	(79,531)
Employee contributions	-	34,176	(34,176)
Net investment income	-	(1,367,250)	1,367,250
Benefit payments and refunds	(596,390)	(596,390)	-
Administrative expense	-	-	-
Other (net transfer)	-	101,077	(101,077)
Net changes	278,003	(1,748,856)	2,026,859
BALANCES AT DECEMBER 31, 2022	\$ 8,927,582	\$ 8,590,580	\$ 337,002

During 2022, there were no changes in assumptions.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2022, the Village recognized pension expense of \$90,026. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 84,642	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings earnings on pension plan investments	<u>707,710</u>	-
<b>TOTAL</b>	<u><u>\$ 792,352</u></u>	<u><u>\$ -</u></u>

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

<u>Year Ending December 31,</u>	
2023	\$ 25,809
2024	112,235
2025	233,702
2026	420,606
2027	-
Thereafter	<u>-</u>
<b>TOTAL</b>	<u><u>\$ 792,352</u></u>

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*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 of 7.25% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 1,214,092	\$ 337,002	\$ (378,231)

Police Pension Plan

*Plan Administration*

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and can be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Plan Membership*

At December 31, 2022, the Police Pension Plan's membership consisted of:

Inactive plan members currently receiving benefits	12
Inactive plan members entitled to benefits but not yet receiving them	-
Active plan members	<u>6</u>
<b>TOTAL</b>	<b><u><u>18</u></u></b>

*Benefits Provided*

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

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

**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided* (Continued)

\$106,800, plus the amount automatically increases by the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the May 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions*

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has chosen to fund 100% of the past service cost for the Police Pension Plan by 2040. The employer contribution for the fiscal year ended December 31, 2022 was 115.30% of covered payroll.

*Illinois Police Officers' Pension Investment Fund*

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

**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Deposits with Financial Institutions*

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

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The plan's investment policy requires pledging of collateral for all bank balances held in the plan's name in excess of federal depository insurance, at amounts ranging from 110% to 115% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank.

*Investments*

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at [www.ipopif.org](http://www.ipopif.org).

*Fair Value Measurement*

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2022.

**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Net Asset Value*

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$8,609,529 at December 31, 2022. The pooled investments consist of the investments as noted in the target allocation table below. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2022. The plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

*Investment Policy*

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

*Investment Rate of Return*

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (10.38)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2022 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.50% to 11.00%
Interest rate	6.00%
Cost of living adjustments	3.00%
Asset valuation method	Fair value

Mortality rates were based on the PubS-2010 Mortality Tables projected five years past the valuation date with Scale MP-2021.

*Discount Rate*

The discount rate used to measure the total pension liability was 6%. The projection of cash flows used to determine the discount rate assumed that plan members contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution related and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2022	\$ 17,622,372	\$ 10,189,867	\$ 7,432,505
Changes for the period			
Service cost	257,265	-	257,265
Interest	1,048,152	-	1,048,152
Changes of benefit terms	-	-	-
Difference between expected and actual experience	366,574	-	366,574
Changes in assumptions	-	-	-
Employer contributions	-	820,872	(820,872)
Employee contributions	-	70,551	(70,551)
Net investment income	-	(961,274)	961,274
Benefit payments and refunds	(820,888)	(820,888)	-
Administrative expense	-	(14,063)	14,063
Other (net transfer)	-	-	-
Net changes	851,103	(904,802)	1,755,905
BALANCES AT DECEMBER 31, 2022	\$ 18,473,475	\$ 9,285,065	\$ 9,188,410

As of December 31, 2022, the Plan Fiduciary Net Position as a percentage of the Total Pension Liability was 50.26%.

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5%) or 1 percentage point higher (7%) than the current rate:

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Discount Rate Sensitivity* (Continued)

	1% Decrease (5%)	Current Discount Rate (6%)	1% Increase (7%)
Net pension liability	\$ 11,844,950	\$ 9,188,410	\$ 7,027,878

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

For the year ended December 31, 2022, the Village recognized pension expense of \$1,075,488. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 270,602	\$ -
Changes in assumption	-	-
Net difference between projected and actual earnings on pension plan investments	984,994	-
<b>TOTAL</b>	<b>\$ 1,255,596</b>	<b>\$ -</b>

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

<u>Year Ending</u> <u>December 31,</u>	
2023	\$ 295,580
2024	364,941
2025	280,203
2026	314,872
<b>TOTAL</b>	<b>\$ 1,255,596</b>

**12. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village’s governmental activities.

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.

b. Benefits Provided

The Village provides postretirement health insurance to its eligible employees until the age of 65 (enrolled at time of employee’s retirement). To be eligible for benefits, the employee must qualify for retirement under IMRF or meet COBRA requirements. The liability is based on an implicit subsidy; the Village had no explicit subsidies. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

c. Membership

At December 31, 2022, membership consisted of:

Inactive fund members or beneficiaries	
currently receiving benefit payments	2
Inactive fund members entitled to	
but not yet receiving benefit payments	-
Active fund members	14
 TOTAL	 16
 Participating employers	 1

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**12. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

d. Total OPEB Liability

The Village's total OPEB liability was measured as of January 1, 2023, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of that date.

The total OPEB liability at December 31, 2022, as determined by an actuarial valuation as of January 1, 2023 using the alternative measurement method, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial valuation date	January 1, 2023
Measurement date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Discount rate	3.72%
Healthcare cost trend rates	7.40% - 7.70% Initial 5.00% Ultimate
Asset valuation method	N/A

Mortality rates were based on the PubG-2010(B) and PuS-2010(A) studies improved generationally using MP-2020 and MP-2019 improvement rates.

e. Discount Rate

The discount rate used to measure the total OPEB liability was 3.72%. The discount rate was based on the S&P Municipal Bond 20-year high-grade rate index rate for tax-exempt general obligation municipal bonds rated AA or better at December 31, 2022.

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**12. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

f. Changes in the Total OPEB Liability

	(a) Total OPEB Liability
	<u>                    </u>
BALANCES AT JANUARY 1, 2022	\$ 427,945
Changes for the period	
Service cost	9,941
Interest	8,624
Changes of benefit terms	-
Difference between expected and actual experience	383,117
Changes in assumptions	(131,712)
Net investment income	-
Benefit payments and refunds	(18,548)
Administrative expense	<u>-</u>
Net changes	<u>251,422</u>
BALANCES AT DECEMBER 31, 2022	<u>\$ 679,367</u>

During 2022, there were changes in assumptions with respect to the mortality rates, healthcare trend rates, as well as a change in discount rate from 2.06% to 3.72%.

g. Rate Sensitivity

The following is a sensitive analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.72% as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72%) or 1 percentage point higher (4.72%) than the current rate:

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total OPEB liability	\$ 760,316	\$ 679,367	\$ 612,867

**VILLAGE OF KENILWORTH, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**12. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 7.40% decreasing to 5.00% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.40% decreasing to 4.00%) or 1 percentage point higher (8.40% decreasing to 6.00%) than the current rate:

	1% Decrease (6.40% to 4.00%)	Current Healthcare Rate (7.40% to 5.00%)	1% Increase (8.40% to 6.00%)
Total OPEB liability	\$ 613,471	\$ 679,367	\$ 757,837

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

For the year ended December 31, 2022, the Village recognized OPEB expense of \$251,422.

**13. RESTATEMENT**

The Village reported the following restatement of fund balance / net position at January 1, 2022:

	<u>Debt Service</u>
FUND BALANCE - JANUARY 1, 2022 (AS REPORTED)	<u>\$ 105,101</u>
Correction of error - revenue recognition	<u>35,669</u>
FUND BALANCE - JANUARY 1, 2022 (AS RESTATED)	<u>\$ 140,770</u>
	<u>Governmental Activities</u>
NET POSITION - JANUARY 1, 2022 (AS REPORTED)	<u>\$ 1,776,918</u>
Correction of error - revenue recognition	<u>35,669</u>
NET POSITION - JANUARY 1, 2022 (AS RESTATED)	<u>\$ 1,812,587</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property taxes	\$ 2,887,046	\$ 2,952,046	\$ 3,107,537
Other taxes	659,423	1,054,423	1,076,284
Licenses, permits and fees	528,500	613,500	681,734
Fines and forfeitures	16,300	41,300	44,937
Charges for services	407,650	367,650	323,856
Intergovernmental	-	-	7,586
Investment income	4,600	55,600	157,509
Miscellaneous	88,500	88,500	251,592
<b>Total revenues</b>	<b>4,592,019</b>	<b>5,173,019</b>	<b>5,651,035</b>
<b>EXPENDITURES</b>			
Current			
General government	977,166	924,666	927,546
Public works	217,260	222,760	233,783
Public safety	2,888,151	2,978,078	2,959,884
Highways and streets	408,445	417,445	431,058
Culture and recreation	43,620	40,620	40,639
Capital outlay	45,403	38,403	47,968
<b>Total expenditures</b>	<b>4,580,045</b>	<b>4,621,972</b>	<b>4,640,878</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>11,974</b>	<b>551,047</b>	<b>1,010,157</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of lease obligation	-	-	18,655
Transfers (out)	-	(500,000)	(500,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(500,000)</b>	<b>(481,345)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 11,974</b>	<b>\$ 51,047</b>	<b>528,812</b>
<b>FUND BALANCE, JANUARY 1</b>			<b>4,910,263</b>
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 5,439,075</b>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

Last Eight Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Actuarially determined contribution	\$ 131,241	\$ 130,995	\$ 106,021	\$ 105,802	\$ 73,875	\$ 83,365	\$ 79,813	\$ 54,531
Contributions in relation to the actuarially determined contribution	131,241	130,995	106,021	105,802	73,875	83,365	79,813	54,531
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Additional Contributions	\$ -	\$ -	\$ 100,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 25,000
Covered payroll	\$ 995,754	\$ 960,374	\$ 817,438	\$ 815,749	\$ 805,616	\$ 735,132	\$ 745,910	\$ 759,468
Contributions as a percentage of covered payroll	13.18%	13.64%	25.20%	12.97%	15.38%	18.14%	10.70%	10.47%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percentage of pay, closed and the amortization period was 21 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return of 7.25% annually, projected salary increases assumption of 2.85% to 13.75%, compounded annually and postretirement benefit increases of 2.75% compounded annually.

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

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

Last Eight Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>TOTAL PENSION LIABILITY</b>								
Service cost	\$ 108,893	\$ 106,764	\$ 97,329	\$ 86,244	\$ 89,780	\$ 81,024	\$ 70,966	\$ 69,097
Interest	525,468	546,105	561,036	553,396	557,178	576,844	597,599	607,980
Changes in benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	83,440	26,778	(32,536)	(52,747)	138,367	211,898	48,585	197,316
Changes of assumptions	8,517	(24,894)	(254,726)	193,520	-	(37,241)	-	-
Benefit payments, including refunds of member contributions	(389,108)	(490,052)	(470,337)	(464,536)	(486,613)	(532,761)	(549,677)	(596,390)
Net change in total pension liability	337,210	164,701	(99,234)	315,877	298,712	299,764	167,473	278,003
Total pension liability - beginning	7,165,076	7,502,286	7,666,987	7,567,753	7,883,630	8,182,342	8,482,106	8,649,579
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 7,502,286</b>	<b>\$ 7,666,987</b>	<b>\$ 7,567,753</b>	<b>\$ 7,883,630</b>	<b>\$ 8,182,342</b>	<b>\$ 8,482,106</b>	<b>\$ 8,649,579</b>	<b>\$ 8,927,582</b>
<b>PLAN FIDUCIARY NET POSITION</b>								
Contributions - employer	\$ 131,241	\$ 130,995	\$ 206,021	\$ 105,802	\$ 123,876	\$ 133,365	\$ 79,813	\$ 79,531
Contributions - member	44,809	43,217	36,785	36,709	36,253	64,257	33,566	34,176
Net investment income	31,947	440,195	1,241,516	(461,808)	1,355,909	1,190,774	1,583,317	(1,367,250)
Benefit payments, including refunds of member contributions	(389,108)	(490,052)	(470,337)	(464,536)	(486,613)	(532,761)	(549,677)	(596,390)
Administrative expense	171,024	128,981	(129,515)	181,404	92,813	143,040	50,338	101,077
Net change in plan fiduciary net position	(10,087)	253,336	884,470	(602,429)	1,122,238	998,675	1,197,357	(1,748,856)
Plan fiduciary net position - beginning	6,495,876	6,485,789	6,739,125	7,623,595	7,021,166	8,143,404	9,142,079	10,339,436
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 6,485,789</b>	<b>\$ 6,739,125</b>	<b>\$ 7,623,595</b>	<b>\$ 7,021,166</b>	<b>\$ 8,143,404</b>	<b>\$ 9,142,079</b>	<b>\$ 10,339,436</b>	<b>\$ 8,590,580</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 1,016,497</b>	<b>\$ 927,862</b>	<b>\$ (55,842)</b>	<b>\$ 862,464</b>	<b>\$ 38,938</b>	<b>\$ (659,973)</b>	<b>\$ (1,689,857)</b>	<b>\$ 337,002</b>

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Plan fiduciary net position as a percentage of total pension liability (asset)	86.45%	87.90%	100.74%	89.06%	99.52%	107.78%	119.54%	96.23%
Covered payroll	\$ 995,754	\$ 960,374	\$ 817,438	\$ 815,749	\$ 805,616	\$ 735,132	\$ 745,910	\$ 759,468
Employer's net pension liability as a percentage of covered payroll	102.08%	96.61%	(6.83%)	105.73%	4.83%	(89.78%)	(226.55%)	44.37%

During 2020, there were changes in assumptions with respect to change in inflation, salary increases and mortality tables used.

During 2018, there were changes in assumptions related to the discount rate.

During 2017, there were changes in assumptions related to inflation and salary increases.

During 2016, the discount rate assumption was changed from 7.49% to 7.50%.

During 2015, the discount rate assumption was changed from 7.48% to 7.49%.

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

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND**

Last Nine Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Actuarially determined contribution	\$ 365,391	\$ 396,908	\$ 623,421	\$ 701,151	\$ 675,667	\$ 694,335	\$ 704,783	\$ 721,270	\$ 735,440
Contribution in relation to the actuarially determined contribution	355,989	800,144	705,980	940,230	802,000	816,085	749,000	843,836	820,872
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ 9,402</b>	<b>\$ (403,236)</b>	<b>\$ (82,559)</b>	<b>\$ (239,079)</b>	<b>\$ (126,333)</b>	<b>\$ (121,750)</b>	<b>\$ (44,217)</b>	<b>\$ (122,566)</b>	<b>\$ (85,432)</b>
Covered payroll	\$ 795,925	\$ 866,420	\$ 818,112	\$ 753,126	\$ 672,366	\$ 688,000	\$ 702,416	\$ 736,478	\$ 711,917
Contributions as a percentage of covered payroll	44.73%	92.35%	86.29%	124.84%	119.28%	118.62%	106.63%	114.58%	115.30%

The information presented was determined as part of the actuarial valuations as of December 31, 2022. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 18 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 6.00% (7.00% prior to 2016) annually, projected salary increases assumption of 3.50% to 11.00%, varying by service, including inflation, compounded annually and postretirement benefit increases of 3.00% compounded annually (1.25% for those hired on or after January 1, 2011).

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

(See independent auditor's report.)

VILLAGE OF KENILWORTH, ILLINOIS

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

Last Nine Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>TOTAL PENSION LIABILITY</b>									
Service cost	\$ 214,682	\$ 222,015	\$ 281,164	\$ 292,789	\$ 245,832	\$ 237,371	\$ 241,963	\$ 245,539	\$ 257,265
Interest	738,778	777,621	905,465	906,432	938,554	957,815	986,050	1,014,772	1,048,152
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	521,142	150,138	(165,716)	251,572	(383,605)	31,106	15,782	78,661	366,574
Changes of assumptions	810,192	1,352,185	(328,672)	(161,876)	253,991	-	-	-	-
Benefit payments, including refunds of member contributions	(737,524)	(643,012)	(661,739)	(713,772)	(699,470)	(751,096)	(769,470)	(767,867)	(820,888)
Net change in total pension liability	1,547,270	1,858,947	30,502	575,145	355,302	475,196	474,325	571,105	851,103
Total pension liability - beginning	11,734,580	13,281,850	15,140,797	15,171,299	15,746,444	16,101,746	16,576,942	17,051,267	17,622,372
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 13,281,850</b>	<b>\$ 15,140,797</b>	<b>\$ 15,171,299</b>	<b>\$ 15,746,444</b>	<b>\$ 16,101,746</b>	<b>\$ 16,576,942</b>	<b>\$ 17,051,267</b>	<b>\$ 17,622,372</b>	<b>\$ 18,473,475</b>
<b>PLAN FIDUCIARY NET POSITION</b>									
Contributions - employer	\$ 355,989	\$ 800,144	\$ 705,980	\$ 940,230	\$ 802,000	\$ 816,085	\$ 749,000	\$ 843,836	\$ 820,872
Contributions - member	123,705	79,967	81,078	78,082	72,440	67,938	69,409	72,985	70,551
Contributions - other	-	-	-	-	420	-	-	-	-
Net investment income	238,390	(21,806)	230,299	580,104	(196,911)	932,855	702,895	736,400	(961,274)
Benefit payments, including refunds of member contributions	(737,524)	(643,012)	(661,739)	(713,772)	(699,470)	(751,096)	(769,470)	(767,867)	(820,888)
Administrative expense	(6,514)	(9,940)	(9,702)	(9,580)	(11,826)	(12,254)	(12,406)	(10,445)	(14,063)
Net change in plan fiduciary net position	(25,954)	205,353	345,916	875,064	(33,347)	1,053,528	739,428	874,909	(904,802)
Plan fiduciary net position - beginning	6,154,970	6,129,016	6,334,369	6,680,285	7,555,349	7,522,002	8,575,530	9,314,958	10,189,867
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 6,129,016</b>	<b>\$ 6,334,369</b>	<b>\$ 6,680,285</b>	<b>\$ 7,555,349</b>	<b>\$ 7,522,002</b>	<b>\$ 8,575,530</b>	<b>\$ 9,314,958</b>	<b>\$ 10,189,867</b>	<b>\$ 9,285,065</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 7,152,834</b>	<b>\$ 8,806,428</b>	<b>\$ 8,491,014</b>	<b>\$ 8,191,095</b>	<b>\$ 8,579,744</b>	<b>\$ 8,001,412</b>	<b>\$ 7,736,309</b>	<b>\$ 7,432,505</b>	<b>\$ 9,188,410</b>

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Plan fiduciary net position as a percentage of the total pension liability	46.15%	41.84%	44.03%	47.98%	46.72%	51.73%	54.63%	57.82%	50.26%
Covered payroll	\$ 795,925	\$ 866,420	\$ 818,112	\$ 753,126	\$ 672,366	\$ 688,000	\$ 702,416	\$ 736,478	\$ 711,917
Employer's net pension liability as a percentage of covered payroll	898.68%	1,016.42%	1,037.88%	1,087.61%	1,276.05%	1,163.00%	1,101.39%	1,009.20%	1,290.66%

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

(See independent auditor's report.)

VILLAGE OF KENILWORTH, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND

Last Nine Fiscal Years

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<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Annual money-weighted rate of return, net of investment expense	4.24%	(0.03%)	4.13%	9.20%	(2.30%)	12.82%	8.97%	8.10%	(10.38%)

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

(See independent auditor's report.)

VILLAGE OF KENILWORTH, ILLINOIS

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

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022
<b>TOTAL OPEB LIABILITY</b>					
Service cost	\$ 6,240	\$ 5,913	\$ 7,463	\$ 9,609	\$ 9,941
Interest	11,489	12,944	9,532	9,085	8,624
Changes in benefit terms	-	-	-	-	-
Changes of assumptions	(15,194)	34,343	33,145	(10,692)	(131,712)
Differences between expected and actual experience	-	-	50,097	-	383,117
Benefit payments, including refunds of member contributions	(20,565)	(20,401)	(21,856)	(17,224)	(18,548)
Net change in total OPEB liability	(18,030)	32,799	78,381	(9,222)	251,422
Total OPEB liability - beginning	344,017	325,987	358,786	437,167	427,945
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 325,987</b>	<b>\$ 358,786</b>	<b>\$ 437,167</b>	<b>\$ 427,945</b>	<b>\$ 679,367</b>
Covered-employee payroll	\$ 1,578,466	\$ 1,682,638	\$ 1,509,914	\$ 1,561,296	\$ 1,592,687
Employer's total OPEB liability as a percentage of covered-employee payroll	20.65%	21.32%	28.95%	27.41%	42.66%

During 2022, there were changes in assumptions with respect to the mortality rates, healthcare trend rates and a change in the discount rate from 2.06% to 3.72%.

During 2021, there were changes in assumptions with respect to the mortality, retirement, termination and disability rates. There was also a change in discount rate from 2.12% to 2.06%.

During 2020, there were changes in assumptions with respect to the change in discount rate from 2.74% to 2.12%.

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

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

(See independent auditor's report.)

# VILLAGE OF KENILWORTH, ILLINOIS

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

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### **BUDGETS**

The Budget Ordinance is prepared in tentative form by the Village Manager, reviewed and approved by the Village Board of Trustees, and is made available for public inspection at least ten days prior to final board action. A public hearing is held on the tentative Budget Ordinance to obtain taxpayer comments. Prior to January 1, the Budget Ordinance is legally enacted through the passage of a budget ordinance. All actual expenditures contained herein have been compared to the annual operating Budget.

The Board of Trustees may:

By two-thirds vote transfer, within any department, amounts budgeted for an object or purpose to another object or purpose. No object or purpose can be reduced below an amount sufficient to provide for all obligations incurred, or to be incurred, against the budgeted amount.

Adopt a supplemental budget ordinance in an amount not to exceed any additional revenue available, including unappropriated fund balances or amount estimated to be received after adoption of the annual budget ordinance.

Management cannot amend the Budget Ordinance. However, expenditures may exceed budgets at the subject level. Expenditures that exceed individual budgets at the object level must be approved by the Board of Trustees, as outlined above. Expenditures may not legally exceed the budget at the fund level, the Village's legal level of budgetary control. The operating budget is the management control for spending. The manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund are done through approval of the Village Board of Trustees and are supported by budget amendments as needed.

The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system, in accordance with various legal requirements which govern the Village. Operating budgets are adopted on a modified accrual basis of accounting for all governmental funds and proprietary funds and on an accrual basis for fiduciary funds. Budgets have been adopted for the General, Debt Service, Capital Projects, Special Revenue, Waterworks System and Police Pension Funds. All budgets are prepared based on the annual fiscal year of the Village and lapse at year end. Budget amounts are as originally adopted and as amended by the Village Board of Trustees. The financial schedules report management's operating budget in the columns titled original budget and final budget for the General, Debt Service, Capital Projects, 2023 Capital Infrastructure Improvement, Sewer Service, Motor Fuel Tax, Green Bay Road Tax Increment Financing (TIF) Fund, Waterworks System and Police Pension Funds.

**VILLAGE OF KENILWORTH, ILLINOIS**  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)

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**BUDGETS (Continued)**

The following funds had expenditures greater than the budget for the year ended December 31, 2022:

Fund	Actual Expenditures	Final Budget
General Fund	\$ 4,640,878	\$ 4,621,972
Capital Projects Fund	991,136	941,350

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

**MAJOR GOVERNMENTAL FUNDS**

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>PROPERTY TAXES</b>	\$ 2,887,046	\$ 2,952,046	\$ 3,107,537
<b>OTHER TAXES</b>			
Replacement taxes	43,200	123,200	127,506
State sales taxes	62,000	157,000	163,670
State income taxes	260,000	415,000	409,651
Local use tax	92,500	92,500	101,888
Utility tax	179,500	244,500	248,939
Vehicle tax	100	100	-
Miscellaneous tax	22,123	22,123	24,630
Total other taxes	659,423	1,054,423	1,076,284
<b>INTERGOVERNMENTAL</b>			
Federal grants	-	-	6,720
State grants	-	-	835
Other grants	-	-	31
Total intergovernmental	-	-	7,586
<b>CHARGES FOR SERVICES</b>			
Ambulance user fees	17,000	17,000	23,233
Beach fees	43,000	43,000	48,310
Fire and burglar alarm fees	5,750	5,750	10,075
Yard waste stickers	10,000	10,000	9,818
Special duty detail	5,000	5,000	3,085
Waste collections	96,000	96,000	100,584
Antenna lease fees	158,400	98,400	28,723
Surcharge	72,000	92,000	98,043
Miscellaneous fees	500	500	1,985
Total charges for services	407,650	367,650	323,856
<b>LICENSES AND PERMITS</b>			
Licenses			
Vehicle license	96,000	96,000	102,746
Animal license	1,950	1,950	2,200
Liquor license	2,500	2,500	4,295
Other license	-	-	-
Total licenses	100,450	100,450	109,241

(This schedule is continued on the following page.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>LICENSES AND PERMITS (Continued)</b>			
Permits			
Building	\$ 380,000	\$ 425,000	\$ 463,872
Parking	7,300	7,300	19,170
Tree permits	500	40,500	40,776
Filing fees	2,750	2,750	7,925
Zoning review	3,500	3,500	7,238
Plan review	34,000	34,000	33,512
	428,050	513,050	572,493
Total permits			
Total licenses and permits	528,500	613,500	681,734
<b>FINES AND FORFEITURES</b>			
Circuit court fees	200	200	1,970
DUI fines	100	100	-
Village ordinance fines	16,000	41,000	42,967
	16,300	41,300	44,937
Total fines and forfeitures			
<b>INVESTMENT INCOME</b>			
	4,600	55,600	157,509
<b>MISCELLANEOUS</b>			
Cable television franchise fees	50,000	50,000	52,451
IRMA insurance proceeds	20,000	20,000	78,353
Other income	18,500	18,500	120,788
	88,500	88,500	251,592
Total miscellaneous			
<b>TOTAL REVENUES</b>	<b>\$ 4,592,019</b>	<b>\$ 5,173,019</b>	<b>\$ 5,651,035</b>

(See independent auditor's report.)

VILLAGE OF KENILWORTH, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT</b>			
Administrative			
Personnel			
Salaries			
Regular	\$ 219,503	\$ 220,503	\$ 221,566
Merit - vacation buy back	-	23,500	22,750
Employee benefits			
Medical	20,657	25,657	24,348
Dental	1,304	1,304	1,651
Life	377	377	650
Other benefits	33,174	38,174	59,217
Total personnel	275,015	309,515	330,182
Contractual services			
Auditing	22,915	22,915	28,940
J.U.L.I.E fees	1,100	1,100	1,464
Plan review and inspections	41,000	41,000	53,984
Printing and publishing	10,060	10,060	8,752
Telephone	3,350	3,350	2,422
Cell phone	800	800	791
Miscellaneous	4,500	4,500	5,249
Professional fees	381,504	279,504	248,150
Postage	4,400	4,400	3,471
Dues, memberships and subscriptions	9,720	9,720	8,081
Repair and maintenance - computer equipment	250	250	-
Repair and maintenance - vehicles/equipment	150	150	-
Total contractual services	479,749	377,749	361,304
Commodities			
Office supplies	2,500	2,500	2,500
Other supplies	500	500	3,407
Total commodities	3,000	3,000	5,907
Other expenditures			
Recruitment and training	1,250	1,250	3,239
Miscellaneous	9,635	9,635	7,370
Auto allowance	4,800	4,800	4,800
Other expenditures	15,685	15,685	15,409
Total administrative	773,449	705,949	712,802

(This schedule is continued on the following pages.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>GENERAL GOVERNMENT (Continued)</b>			
Support Services			
Insurance - Liability and workers' compensation	\$ 133,892	\$ 133,892	\$ 130,053
Village attorney	62,000	77,000	78,051
Village prosecutor	4,025	4,025	3,378
Maintenance of office equipment	2,000	2,000	1,185
Internet service	1,800	1,800	2,077
	<hr/>	<hr/>	<hr/>
Total support services	203,717	218,717	214,744
	<hr/>	<hr/>	<hr/>
Total general government	977,166	924,666	927,546
	<hr/>	<hr/>	<hr/>
<b>PUBLIC WORKS</b>			
Building and Grounds			
Personnel			
Salaries			
Maintenance	14,666	14,666	13,889
Overtime	600	600	390
Merit - vacation buy back	-	-	-
Employee benefits			
Medical	3,568	3,568	3,610
Dental	262	262	234
Other benefits	2,175	2,175	2,071
	<hr/>	<hr/>	<hr/>
Total personnel	21,271	21,271	20,194
	<hr/>	<hr/>	<hr/>
Contractual services			
Outside maintenance	26,300	26,300	26,146
	<hr/>	<hr/>	<hr/>
Commodities			
Building repairs - Village Hall	6,000	6,000	2,192
Building repairs - Public Works	5,000	1,500	4,807
Janitorial supplies	1,800	1,800	1,843
Maintenance and other supplies	2,000	2,000	4,035
Heating, electric and water utilities	3,000	3,000	3,216
	<hr/>	<hr/>	<hr/>
Total commodities	17,800	14,300	16,093
	<hr/>	<hr/>	<hr/>
Total building and grounds	65,371	61,871	62,433
	<hr/>	<hr/>	<hr/>
Waste Removal			
Personnel			
Salaries			
Regular	29,966	29,966	30,951
Merit - vacation buy back	-	-	3,500

(This schedule is continued on the following pages.)

VILLAGE OF KENILWORTH, ILLINOIS

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>PUBLIC WORKS (Continued)</b>			
Waste Removal (Continued)			
Personnel (Continued)			
Employee benefits			
Medical	\$ 3,722	\$ 3,722	\$ 6,352
Dental	238	238	261
Other benefits	4,446	4,446	4,660
Total personnel	38,372	38,372	45,724
Contractual services			
Professional service - finance	2,042	2,042	1,882
Waste dumping	42,000	42,000	43,388
Leaf pickup	12,500	12,500	12,500
Total contractual services	56,542	56,542	57,770
Total waste removal	94,914	94,914	103,494
Forestry			
Contractual services			
Professional services	2,400	2,400	5,271
Dues, memberships and subscriptions	575	575	575
Tree planting program	16,000	16,000	15,137
Tree removal and trimming	37,000	46,000	46,120
Total contractual services	55,975	64,975	67,103
Commodities			
Maintenance and construction supplies	1,000	1,000	753
Total forestry	56,975	65,975	67,856
Total public works	217,260	222,760	233,783
<b>PUBLIC SAFETY</b>			
Police Department			
Personnel			
Salaries			
Regular	848,653	870,650	873,044
Police pension contributions	780,000	780,000	770,118
Transportation to Police - extra	-	50,000	50,000
Overtime	45,000	65,000	59,045
Merit - vacation buy back	5,400	5,400	9,700
Part-time	108,871	106,801	101,772

(This schedule is continued on the following pages.)

VILLAGE OF KENILWORTH, ILLINOIS

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Police Department (Continued)			
Personnel (Continued)			
Employee benefits			
Medical	\$ 197,192	\$ 197,192	\$ 193,991
Dental	12,477	12,477	11,524
Life	1,092	1,092	1,442
Other benefits	34,468	34,468	37,758
	<hr/>		
Total personnel	2,033,153	2,123,080	2,108,394
Contractual services			
Maintenance - office equipment	100	100	-
Printing and publishing	1,000	1,000	596
Telephone	2,100	2,100	1,984
Cell phone	3,600	3,600	2,918
Outside maintenance service	1,100	1,100	1,322
Criminal justice connectivity	3,800	3,800	3,829
Radio system air time	5,800	5,800	6,452
Postage	200	200	28
Dues, memberships and subscriptions	9,655	9,655	9,595
Municipal partnerships	22,467	22,467	21,335
Professional services - dispatch	199,830	199,830	199,240
Repair and maintenance - computer equipment	500	500	-
Repair and maintenance - vehicles/equipment	6,500	6,500	9,094
	<hr/>		
Total contractual services	256,652	256,652	256,393
Commodities			
Office supplies	2,200	2,200	2,200
Other supplies	6,800	6,800	1,462
Uniforms	7,700	7,700	8,911
	<hr/>		
Total commodities	16,700	16,700	12,573
Other expenditures			
Fuel	11,000	11,000	14,033
Recruitment and training	8,938	8,938	9,247
Miscellaneous	4,100	4,100	1,828
Auto allowance	4,800	4,800	3,600
Community service	3,000	3,000	3,314
	<hr/>		
Total other expenditures	31,838	31,838	32,022
Total police department	2,338,343	2,428,270	2,409,382

(This schedule is continued on the following pages.)

VILLAGE OF KENILWORTH, ILLINOIS

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Fire Department			
Personnel			
Salaries			
Regular	\$ 14,306	\$ 14,306	\$ 14,104
Employee benefits			
Medical	2,705	2,705	2,830
Dental	171	171	178
Other benefits	207	207	378
Total personnel	17,389	17,389	17,490
Contractual services			
Miscellaneous services	1,350	1,350	1,943
Fire protection	531,069	531,069	531,069
Total contractual services	532,419	532,419	533,012
Total fire department	549,808	549,808	550,502
Total public safety	2,888,151	2,978,078	2,959,884
<b>HIGHWAYS AND STREETS</b>			
Street Department			
Personnel			
Salaries			
Regular	197,064	187,064	189,066
Overtime	6,700	6,700	4,054
Merit - vacation buy back	-	-	-
Employee benefits			
Medical	37,110	37,110	40,143
Dental	2,723	2,723	2,593
Life	371	371	271
Other benefits	26,780	26,780	28,721
Total personnel	270,748	260,748	264,848
Contractual services			
Telephone	900	900	816
Cell phone	1,500	1,500	2,035
Outside maintenance	31,000	31,000	28,697
Repair and maintenance - vehicles/equipment	7,500	15,500	13,515
Signs - traffic and streets	1,250	1,250	1,834
Equipment rental	4,000	4,000	3,826
Dues, memberships and subscriptions	660	660	100
Professional services - finance	2,042	2,042	1,882
Total contractual services	48,852	56,852	52,705

(This schedule is continued on the following pages.)

VILLAGE OF KENILWORTH, ILLINOIS

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>HIGHWAYS AND STREETS (Continued)</b>			
Street Department (Continued)			
Commodities			
Office supplies	\$ 300	\$ 300	\$ 225
Other supplies	1,000	1,000	2,005
Heating, electric and water utilities	1,500	1,500	2,209
Maintenance supplies	9,000	9,000	13,619
Snow removal supplies	25,000	25,000	26,985
Uniforms	2,300	2,300	2,337
Safety equipment	500	500	1,956
Total commodities	39,600	39,600	49,336
Other expenditures			
Fuel	6,000	17,000	9,141
Recruitment and training	1,000	1,000	351
Miscellaneous	-	-	10,937
Total other expenditures	7,000	18,000	20,429
Total street department	366,200	375,200	387,318
Street Lighting			
Personnel			
Salaries			
Regular	14,666	14,666	13,890
Overtime	500	500	390
Merit - vacation buy back	500	500	-
Employee benefits			
Medical	3,568	3,568	3,610
Dental	262	262	234
Other benefits	2,249	2,249	2,072
Total personnel	21,745	21,745	20,196
Contractual services			
Repairs and maintenance	6,500	6,500	7,892
Equipment rental	2,000	2,000	3,446
Total contractual services	8,500	8,500	11,338
Commodities			
Other supplies	4,000	4,000	3,999
Heating, electric and water utilities	7,500	7,500	7,673
Total commodities	11,500	11,500	11,672

(This schedule is continued on the following pages.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>HIGHWAYS AND STREETS (Continued)</b>			
Street Lighting (Continued)			
Other expenditures			
Fuel	\$ 500	\$ 500	\$ 534
Total street lighting	42,245	42,245	43,740
Total highways and streets	408,445	417,445	431,058
<b>CULTURE AND RECREATION</b>			
Beach			
Personnel			
Salaries			
Part-time	35,000	32,000	33,260
Employee benefits			
Other benefits	3,020	3,020	3,173
Total personnel	38,020	35,020	36,433
Contractual services			
Printing and publishing	726	726	733
Telephone	795	795	812
Miscellaneous	653	653	-
Laboratory services	1,200	1,200	884
Equipment rental	500	500	-
Total contractual services	3,874	3,874	2,429
Commodities			
Other supplies	1,547	1,547	1,252
Other expenditures			
Recruitment and training	179	179	525
Total culture and recreation	43,620	40,620	40,639
<b>CAPITAL OUTLAY</b>			
General Government			
Software	24,353	17,353	18,962
Computer equipment	3,500	3,500	940
Total general government	27,853	20,853	19,902

(This schedule is continued on the following page.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>CAPITAL OUTLAY (Continued)</b>			
Public Safety			
Police Department			
Office furniture	\$ 500	\$ 500	\$ (208)
Machinery and equipment	500	500	18,655
Software	1,350	1,350	2,588
Computer equipment	8,000	8,000	(484)
Total public safety	10,350	10,350	20,551
Highways and Streets			
Street Department			
Machinery and equipment	750	750	718
Software	1,500	1,500	1,353
Total highways and streets	2,250	2,250	2,071
Culture and Recreation			
Beach			
Facilities improvements	4,200	4,200	5,444
Machinery and equipment	750	750	-
Total culture and recreation	4,950	4,950	5,444
Total capital outlay	45,403	38,403	47,968
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,580,045</b>	<b>\$ 4,621,972</b>	<b>\$ 4,640,878</b>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Taxes			
Property	\$ 1,681,050	\$ 1,681,050	\$ 1,679,222
Investment income	650	9,650	7,754
Total revenues	1,681,700	1,690,700	1,686,976
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	1,430,000	1,850,000	1,435,000
Interest and fiscal charges	259,600	385,600	257,703
Total expenditures	1,689,600	2,235,600	1,692,703
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,900)	(544,900)	(5,727)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued, at par	-	-	-
Total other financing sources (uses)	-	-	-
NET CHANGE IN FUND BALANCE	\$ (7,900)	\$ (544,900)	(5,727)
FUND BALANCE, JANUARY 1			105,101
Prior period adjustment			35,669
FUND BALANCE, JANUARY 1 (RESTATED)			140,770
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 135,043</b>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Intergovernmental	\$ 168,200	\$ 168,200	\$ 336,605
Investment income	1,500	21,500	21,101
Total revenues	169,700	189,700	357,706
<b>EXPENDITURES</b>			
Capital outlay	348,950	344,350	382,019
Debt service			
Principal	-	415,000	415,000
Interest and fiscal charges	-	182,000	194,117
Total expenditures	348,950	941,350	991,136
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(179,250)	(751,650)	(633,430)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued, at par	585,000	355,883	596,617
Transfer in	-	-	500,000
Total other financing sources (uses)	585,000	355,883	1,096,617
<b>NET CHANGE IN FUND BALANCE</b>			
	<u>\$ 405,750</u>	<u>\$ (395,767)</u>	463,187
<b>FUND BALANCE, JANUARY 1</b>			<u>2,235,182</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 2,698,369</u></u>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
2023 CAPITAL INFRASTRUCTURE IMPROVEMENT FUND**

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Investment income	\$ 1,500	\$ 1,500	\$ 54,546
Miscellaneous	-	-	8,235
Total revenues	1,500	1,500	62,781
<b>EXPENDITURES</b>			
Public works	504,868	456,868	405,121
Capital outlay	7,200,000	7,215,000	6,761,331
Debt service			
Interest and fiscal charges	5,000	-	155,224
Total expenditures	7,709,868	7,671,868	7,321,676
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	(7,708,368)	(7,670,368)	(7,258,895)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued, at par	390,000	7,990,000	7,493,383
Premium on bonds issued	-	-	732,774
Total other financing sources (uses)	390,000	7,990,000	8,226,157
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (7,318,368)</b>	<b>\$ 319,632</b>	967,262
<b>FUND BALANCE, JANUARY 1</b>			1,390,490
<b>FUND BALANCE, DECEMBER 31</b>			\$ 2,357,752

(See independent auditor's report.)

**NONMAJOR GOVERNMENTAL FUNDS**

VILLAGE OF KENILWORTH, ILLINOIS

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2022

	<b>Special Revenue</b>			<b>Total</b>
	<b>Sewer Service</b>	<b>Motor Fuel Tax</b>	<b>Green Bay Road TIF</b>	
<b>ASSETS</b>				
Cash and investments	\$ 414,274	\$ 725,982	\$ 335,262	\$ 1,475,518
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	-	-	12,557	12,557
Accounts	21,166	55,240	-	76,406
<b>TOTAL ASSETS</b>	<b>\$ 435,440</b>	<b>\$ 781,222</b>	<b>\$ 347,819</b>	<b>\$ 1,564,481</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,702	\$ -	\$ -	\$ 1,702
Accrued payroll	633	-	-	633
Total liabilities	2,335	-	-	2,335
<b>DEFERRED INFLOWS OF RESOURCES</b>				
None	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Total liabilities and deferred inflows of resources	2,335	-	-	2,335
<b>FUND BALANCES</b>				
Restricted for highways and streets	-	781,222	-	781,222
Restricted for economic development	-	-	347,819	347,819
Committed for sewer service	433,105	-	-	433,105
Total fund balances	433,105	781,222	347,819	1,562,146
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 435,440</b>	<b>\$ 781,222</b>	<b>\$ 347,819</b>	<b>\$ 1,564,481</b>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Special Revenue</b>			<b>Total</b>
	<b>Sewer Service</b>	<b>Motor Fuel Tax</b>	<b>Green Bay Road TIF</b>	
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 95,215	\$ 95,215
Intergovernmental	-	156,387	-	156,387
Charges for services	103,462	-	-	103,462
Investment income	4,016	8,629	3,247	15,892
Miscellaneous	100	-	-	100
<b>Total revenues</b>	<b>107,578</b>	<b>165,016</b>	<b>98,462</b>	<b>371,056</b>
<b>EXPENDITURES</b>				
Current				
Public works	59,193	-	-	59,193
Economic development	-	-	6,125	6,125
Capital outlay	18,795	-	-	18,795
<b>Total expenditures</b>	<b>77,988</b>	<b>-</b>	<b>6,125</b>	<b>84,113</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>29,590</b>	<b>165,016</b>	<b>92,337</b>	<b>286,943</b>
<b>FUND BALANCES, JANUARY 1</b>	<b>403,515</b>	<b>616,206</b>	<b>255,482</b>	<b>1,275,203</b>
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 433,105</b>	<b>\$ 781,222</b>	<b>\$ 347,819</b>	<b>\$ 1,562,146</b>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Charges for services			
Sewer charges	\$ 91,000	\$ 102,000	\$ 103,462
Investment income	300	22,300	4,016
Miscellaneous	208	208	100
Total revenues	91,508	124,508	107,578
<b>EXPENDITURES</b>			
Public works			
Personnel	54,122	54,122	49,816
Outside maintenance services	18,000	18,000	8,396
Repair and maintenance - vehicles/equipment	1,500	1,500	-
Other supplies	-	-	35
Maintenance and construction supplies	1,050	1,050	946
Permit fees	1,000	1,000	-
Capital outlay	7,000	7,000	18,795
Total expenditures	82,672	82,672	77,988
NET CHANGE IN FUND BALANCE	\$ 8,836	\$ 41,836	29,590
FUND BALANCE, JANUARY 1			403,515
<b>FUND BALANCE, DECEMBER 31</b>			<b>\$ 433,105</b>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Intergovernmental			
Motor fuel tax allotment	\$ 134,535	\$ 149,035	\$ 101,181
State grants	-	-	55,206
Investment income	500	7,500	8,629
	<hr/>	<hr/>	<hr/>
Total revenues	135,035	156,535	165,016
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Highways and streets	351,281	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	351,281	-	-
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (216,246)</u>	<u>\$ 156,535</u>	165,016
FUND BALANCE, JANUARY 1			<hr/> 616,206
<b>FUND BALANCE, DECEMBER 31</b>			<u><u>\$ 781,222</u></u>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GREEN BAY ROAD TAX INCREMENT FINANCING (TIF) FUND**

For the Year Ended December 31, 2022

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Taxes			
Property	\$ 130,000	\$ 128,000	\$ 95,215
Investment income	150	1,850	3,247
	<hr/>	<hr/>	<hr/>
Total revenues	130,150	129,850	98,462
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
Economic development	30,000	7,000	6,125
	<hr/>	<hr/>	<hr/>
Total expenditures	30,000	7,000	6,125
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 100,150</u>	<u>\$ 122,850</u>	92,337
<b>FUND BALANCE, JANUARY 1</b>			<u>255,482</u>
<b>FUND BALANCE, DECEMBER 31</b>			<u>\$ 347,819</u>

(See independent auditor's report.)

**ENTERPRISE FUND**

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
WATERWORKS SYSTEM FUND**

For the Year Ended December 31, 2022

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 970,000	\$ 1,048,000	\$ 1,041,386
Miscellaneous	5,550	5,550	14,476
Total operating revenues	975,550	1,053,550	1,055,862
<b>OPERATING EXPENSES</b>			
Operations			
Personnel	227,651	221,651	290,711
Contractual services	311,119	310,119	325,019
Commodities	29,200	29,200	26,622
Other expenses	6,300	6,300	4,182
Capital outlay	106,407	771,307	43,019
Total operating expenses excluding depreciation	680,677	1,338,577	689,553
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	294,873	(285,027)	366,309
Depreciation	-	-	339,344
OPERATING INCOME (LOSS)	294,873	(285,027)	26,965
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	1,000	6,500	10,352
Interest and fiscal charges	(63,800)	(63,800)	(62,788)
Total non-operating revenues (expenses)	(62,800)	(57,300)	(52,436)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	232,073	(342,327)	(25,471)
Capital contributions	-	-	3,051,674
CHANGE IN NET POSITION	\$ 232,073	\$ (342,327)	3,026,203
NET POSITION, JANUARY 1			8,560,558
NET POSITION, DECEMBER 31			\$ 11,586,761

(See independent auditor's report.)

VILLAGE OF KENILWORTH, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL  
WATERWORKS SYSTEM FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
<b>OPERATING EXPENSES</b>			
Personnel			
Salaries			
Regular	\$ 163,091	\$ 154,091	\$ 161,681
Overtime	2,000	2,000	1,949
Merit - vacation buy back	8,000	11,000	8,750
Employee benefits			
Medical	28,030	28,030	30,440
Dental	1,966	1,966	1,946
Life	206	206	108
Other benefits	24,358	24,358	85,837
Total personnel	227,651	221,651	290,711
Contractual services			
Village attorney	-	-	-
Printing and publishing	750	750	737
Telephone and internet	2,000	2,000	1,670
Outside maintenance	7,028	7,028	4,628
Equipment maintenance	500	500	291
Laboratory services	1,600	1,600	1,552
Professional services	26,541	36,541	38,177
Postage	700	700	66
Dues, memberships and subscriptions	100	100	654
Miscellaneous services	900	900	165
Engineering	-	6,000	5,380
Repairs and maintenance - vehicles/equipment	2,000	2,000	2,396
Repairs and maintenance - hydrant/valve	4,000	4,000	-
Repairs and maintenance - water mains	45,000	45,000	46,200
Purchase of potable water	220,000	203,000	223,103
Total contractual services	311,119	310,119	325,019
Commodities			
Other supplies	100	100	3,825
Maintenance supplies	12,500	12,500	5,919
Heating, electric and water utilities	16,100	16,100	16,330
Uniforms	500	500	548
Total commodities	29,200	29,200	26,622
Other expenses			
Fuel	2,500	2,500	3,346
Recruitment and training	3,800	3,800	296
Machinery and equipment	-	-	540
Total other expenses	6,300	6,300	4,182
Capital outlay	106,407	771,307	724,673
Debt service			
Principal retirement	205,000	205,000	205,000
Total debt service	205,000	205,000	205,000
Total operating expenses	885,677	1,543,577	1,915,551

(This schedule is continued on the following page.)

VILLAGE OF KENILWORTH, ILLINOIS

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

For the Year Ended December 31, 2022

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>ADJUSTMENTS TO GAAP BASIS</b>			
Depreciation	\$ -	\$ -	\$ 339,344
Debt service	-	-	(205,000)
Capital assets capitalized	-	-	(681,654)
Total adjustments to GAAP basis	-	-	(547,310)
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 885,677</u>	<u>\$ 1,543,577</u>	<u>\$ 1,368,241</u>

(See independent auditor's report.)

**FIDUCIARY FUND**

**VILLAGE OF KENILWORTH, ILLINOIS**

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

For the Year Ended December 31, 2022

	<b>Original and Final Budget</b>	<b>Actual</b>
<b>ADDITIONS</b>		
Contributions		
Contributions - employer	\$ 770,100	\$ 820,872
Contributions - employee	70,500	70,551
Total contributions	840,600	891,423
Investment income		
Net appreciation (depreciation) in fair value of investments	-	(980,397)
Interest earned on investments	195,000	32,038
Total investment income	195,000	(948,359)
Less investment expense	(32,500)	(12,915)
Net investment income	162,500	(961,274)
Total additions	1,003,100	(69,851)
<b>DEDUCTIONS</b>		
Benefits	792,230	820,888
Administrative	16,810	14,063
Total deductions	809,040	834,951
NET INCREASE (DECREASE)	\$ 194,060	(904,802)
<b>NET POSITION RESTRICTED FOR PENSIONS</b>		
January 1		10,189,867
December 31		\$ 9,285,065

(See independent auditor's report.)

**SUPPLEMENTAL INFORMATION**

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION TAXABLE BONDS OF 2013**

December 31, 2022

Date of Issue	August 15, 2013
Date of Maturity	December 1, 2033
Purpose	KW2023 Infrastructure Improvement Bond
Authorized Issue	\$9,590,000
Denomination of Bonds	\$5,000
Interest Rates	2% to 4%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2023	\$ 455,000	\$ 237,850	\$ 692,850	2023	\$ 118,925	2023	\$ 118,925
2024	465,000	224,200	689,200	2024	112,100	2024	112,100
2025	485,000	205,600	690,600	2025	102,800	2025	102,800
2026	505,000	186,200	691,200	2026	93,100	2026	93,100
2027	525,000	166,000	691,000	2027	83,000	2027	83,000
2028	545,000	145,000	690,000	2028	72,500	2028	72,500
2029	565,000	123,200	688,200	2029	61,600	2029	61,600
2030	590,000	100,600	690,600	2030	50,300	2030	50,300
2031	615,000	77,000	692,000	2031	38,500	2031	38,500
2032	640,000	52,400	692,400	2032	26,200	2032	26,200
2033	670,000	18,909	688,909	2033	13,400	2033	5,509
	<u>\$ 6,060,000</u>	<u>\$ 1,536,959</u>	<u>\$ 7,596,959</u>		<u>\$ 772,425</u>		<u>\$ 764,534</u>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION (ALTERNATE REVENUE SOURCE) REFUNDING BONDS OF 2015A**

December 31, 2022

Date of Issue	October 21, 2015
Date of Maturity	December 1, 2030
Purpose	Water Plant and Beach Improvements
Authorized Issue	\$3,225,000
Denomination of Bonds	\$5,000
Interest Rates	3%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2023	\$ 215,000	\$ 57,150	\$ 272,150	2023	\$ 28,575	2023	\$ 28,575
2024	220,000	50,700	270,700	2024	25,350	2024	25,350
2025	225,000	44,100	269,100	2025	22,050	2025	22,050
2026	235,000	37,350	272,350	2026	18,675	2026	18,675
2027	240,000	30,300	270,300	2027	15,150	2027	15,150
2028	250,000	23,100	273,100	2028	11,550	2028	11,550
2029	255,000	15,600	270,600	2029	7,800	2029	7,800
2030	265,000	7,950	272,950	2030	3,975	2030	3,975
	<u>\$ 1,905,000</u>	<u>\$ 266,250</u>	<u>\$ 2,171,250</u>		<u>\$ 133,125</u>		<u>\$ 133,125</u>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION (ALTERNATE REVENUE SOURCE) BONDS OF 2022**

December 31, 2022

Date of Issue	March 16, 2022
Date of Maturity	December 1, 2037
Purpose	Phase II Improvement Program
Authorized Issue	\$7,125,000
Denomination of Bonds	\$5,000
Interest Rates	3% to 4%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2023	\$ 360,000	\$ 239,800	\$ 599,800	2023	\$ 119,900	2023	\$ 119,900
2024	375,000	225,400	600,400	2024	112,700	2024	112,700
2025	390,000	210,400	600,400	2025	105,200	2025	105,200
2026	405,000	194,800	599,800	2026	97,400	2026	97,400
2027	420,000	178,600	598,600	2027	89,300	2027	89,300
2028	435,000	161,800	596,800	2028	80,900	2028	80,900
2029	455,000	144,400	599,400	2029	72,200	2029	72,200
2030	470,000	126,200	596,200	2030	63,100	2030	63,100
2031	490,000	107,400	597,400	2031	53,700	2031	53,700
2032	510,000	87,800	597,800	2032	43,900	2032	43,900
2033	525,000	72,500	597,500	2033	36,250	2033	36,250
2034	540,000	56,750	596,750	2034	28,375	2034	28,375
2035	560,000	40,550	600,550	2035	20,275	2035	20,275
2036	575,000	23,750	598,750	2036	11,875	2036	11,875
2037	200,000	6,500	206,500	2037	3,250	2037	3,250
	<u>\$ 6,710,000</u>	<u>\$ 1,876,650</u>	<u>\$ 8,586,650</u>		<u>\$ 938,325</u>		<u>\$ 938,325</u>

(See independent auditor's report.)

**VILLAGE OF KENILWORTH, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION LIMITED BONDS OF 2022**

December 31, 2022

Date of Issue	November 29, 2022
Date of Maturity	December 1, 2023
Purpose	Capital projects and debt service
Authorized Issue	\$965,000
Denomination of Bonds	\$5,000
Interest Rates	3.58%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wintrust Bank, N.A.

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

<b>Fiscal Year</b>	<b>Requirements</b>			<b>June 1</b>	<b>Interest Due on</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>		<b>Amount</b>	<b>December 1</b>	<b>Amount</b>
2023	<u>\$ 965,000</u>	<u>\$ 34,547</u>	<u>\$ 999,547</u>	2023	<u>\$ 17,274</u>	2023	<u>\$ 17,273</u>

(See independent auditor's report.)