

VILLAGE OF ORLAND HILLS, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED APRIL 30, 2021



VILLAGE OF ORLAND HILLS, ILLINOIS

ANNUAL FINANCIAL REPORT

April 30, 2021

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PRINCIPAL OFFICIALS



VILLAGE OF ORLAND HILLS, ILLINOIS

VILLAGE OF ORLAND HILLS, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2020

LEGISLATIVE

Village Board of Trustees

Kyle R. Hastings, President

Curt Petrey

Tracy Roti

Kyle R. Hastings II

Candice Morrison

Joseph Janachowski

Marcia Kissane

Jennifer Iannantone, Clerk

APPOINTED OFFICIAL

Brian O'Neill, Village Administrator



FINANCIAL SECTION



VILLAGE OF ORLAND HILLS, ILLINOIS



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of Trustees
Village of Orland Hills, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Orland Hills, Illinois, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the Village of Orland Hills, Illinois' basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities each major fund, and the aggregate remaining fund information of the Village of Orland Hills, Illinois, as of April 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the Village reported the Sports Arena fund as a new major fund in fiscal 2021. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of Village contributions, schedules of changes in Village net pension liability and related ratios, schedule of investment returns, schedules of changes in Village total other post-employment benefit liability and budgetary comparison information on pages 3–13 and 65–75 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Orland Hills, Illinois' basic financial statements. The schedules of revenues and expenditures, combining nonmajor fund financial statements, list of principle officials and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of revenues and expenditures and combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 schedules of revenues and expenditures and combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The list of principal officials and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2021, on our consideration of the Village of Orland Hills, Illinois' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Orland Hills, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Orland Hills, Illinois' internal control over financial reporting and compliance.

GW & Associates, P.C.

Hillside, Illinois

October 19, 2021

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

As management of the Village of Orland Hills (the "Village") we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2021. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

Financial Highlights

- The Village's net position as of April 30, 2021 is \$10.1 million as compared to \$8.5 million in the prior year. Of the total net position, \$19.9 million is invested in capital assets net of related debt, \$3.7 million is restricted and there is an \$13.5 million deficit in unrestricted net position.
- As noted on the government wide statement of activities, total revenues for the Village as a whole for the year ended April 30, 2021 were greater than total expenses by \$1.6 million.
- At the end of the fiscal year, the fund balance of the General Fund as shown on the statement of revenues, expenditures and changes in fund balance was \$1,602,726 after a gain for the year of \$929,281.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

Using the Financial Section of this Annual Report

The financial statement's focus is on the Village as a whole and on the major individual funds. Both perspectives allow the readers to address relevant questions, broaden the basis for comparison and enhance the reader's understanding of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to be corporate like.

The Statement of Net Position combines and consolidates governmental funds current financial resources with capital assets and long term obligations. It uses the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the growth and the new costs of various activities. These activities are supported by the government's general taxes and other resources. This is intended to summarize and simplify the users' analysis of the costs of various governmental services.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

The governmental activities reflect the Village's basic services, which include administration, public safety, highways and streets and culture and recreation. Property taxes, shared state taxes and local utility taxes finance the majority of these services.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be included into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements provide a detailed view of the Village's operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. 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 revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Motor Fuel Tax Fund, Series 2017 Bond Fund and Sports Arena Fund all of which are considered to be major funds. Major funds are defined as the General Fund and other funds where the assets and deferred outflows of resources, the liabilities and deferred inflows of resources, revenue or expenditures of that fund are at least ten percent of the corresponding total for all governmental funds, since the Village has no enterprise funds.

Data forming the remaining governmental funds are combined into a single, aggregated column presentation. Individual fund data information for these non-major governmental funds is provided elsewhere in the report.

The basic governmental fund financial statements (including the reconciliation) can be found on pages 16-19 of this report.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The fiduciary fund financial statements provide separate information for the Police Pension Fund. The basic fiduciary fund financial statements can be found on pages 20-21 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 22.

Other Information

In addition to the basic financial statements, this report also includes certain required supplementary information related to the budgetary information and the Village's funding progress of the Illinois Municipal Retirement Fund, Police Pension Fund and other postemployment benefits and the budgetary to actual statements for the General Fund, and Motor Fuel Tax Fund which is the only major special revenue fund. Required supplementary information can be found on pages 65-75. The combining statements dealing with the non-major governmental funds are presented immediately following the required supplementary information.

**VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021**

FINANCIAL ANALYSIS OF THE VILLAGE'S GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

The following chart reflects the Condensed Statement of Net Position (in millions):

CONDENSED STATEMENT OF NET POSITION

April 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets:		
Current assets	\$ 7.2	\$ 4.5
Capital assets, net	19.9	20.3
Total assets	<u>27.1</u>	<u>24.8</u>
 Total deferred outflows of resources	 <u>5.8</u>	 <u>5.4</u>
Liabilities:		
Current liabilities	1.3	1.5
Long-term liabilities	19.9	19.1
Total liabilities	<u>21.2</u>	<u>20.6</u>
 Total deferred inflows of resources	 <u>1.7</u>	 <u>1.1</u>
Net position:		
Invested in capital assets -net	19.9	20.2
Restricted	3.7	1.9
Unrestricted	(13.5)	(13.6)
Total net position	<u>\$ 10.1</u>	<u>\$ 8.5</u>

The 2021 assets are composed of cash and investments valued at \$5.4 million (20% of total assets), \$1.7 million of intergovernmental and taxes receivable (6% of total assets) and capital assets net of accumulated depreciation of \$19.9 million (74% of total assets). The liabilities are composed of accounts payable of \$0.3 million (1% of total liabilities), property tax refunds due to Cook County of \$0.4 million (2% of total liabilities), Police Pension payable of \$0.4 million (2% of total liabilities) \$0.2 million of long term debt due within one year (1% of total liabilities) and \$19.5 million of long term debt due in more than one year (92% of total liabilities). Long term liabilities increased by \$3 million mainly due to the increase in the net pension liability. Cash and investment balances are up \$2.2 million from the prior year due mainly to grant revenues received but not yet spent for the sports arena construction.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

Statement of Activities

The following chart reflects the Condensed Statement of Activities (in millions):

CONDENSED STATEMENT OF ACTIVITIES

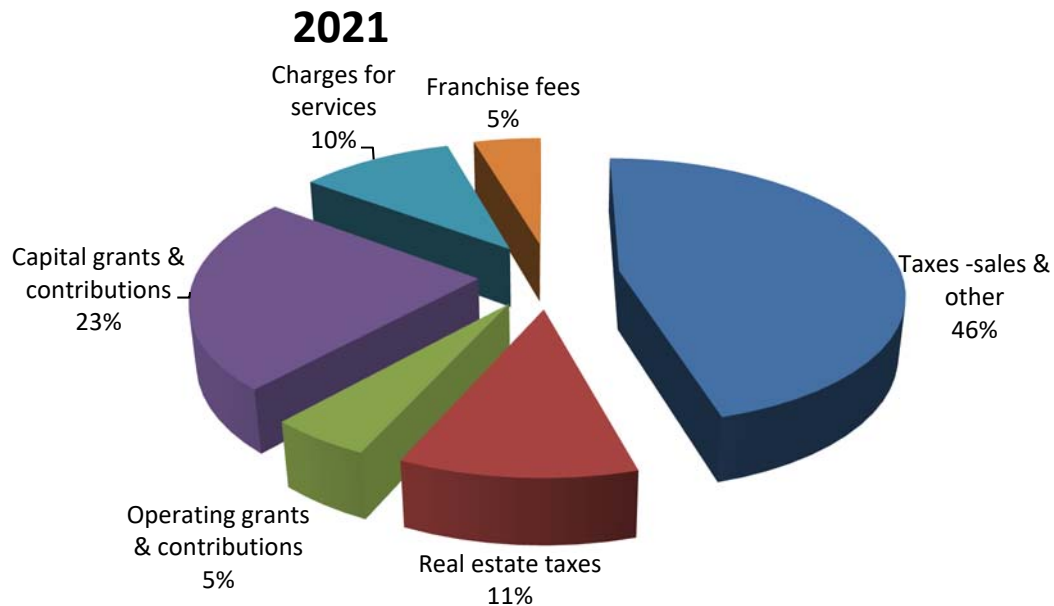
April 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues:		
Program Revenues:		
Charges for services	\$ 1.0	\$ 1.3
Operating grants and contributions	0.4	0.3
Capital grants and contributions	2.2	-
General Revenues:		
Property taxes	1.0	1.0
State sales tax	2.0	1.7
Other taxes	2.3	2.0
Other	0.6	0.6
Total revenues	<u>9.5</u>	<u>6.9</u>
Expenses:		
General government	0.9	1.2
Public safety	4.4	4.2
Culture and recreation	0.6	0.7
Highway and streets	1.9	1.8
Other	0.1	0.1
Total expenses	<u>7.9</u>	<u>8.0</u>
Change in net position	<u>1.6</u>	<u>(1.1)</u>
Net position - beginning	<u>8.5</u>	<u>9.6</u>
Net position - ending	<u><u>10.1</u></u>	<u><u>8.5</u></u>

**VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021**

Total revenues for fiscal 2021 increased approximately \$2.6 million from the prior year. The most significant change was \$2.2 million in capital grants of which about \$2 million is DCEO grants for the sports arena that will be constructed and the remainder is Rebuild Illinois funds. State sales and use taxes and income tax were also up from the prior year.

Revenue by Source - 2021



Total expenses for fiscal 2021 decreased slightly from 2020. General government expense was down due primarily to a decrease in IMRF pension expense. An increase in police pension expense resulted in an increase in public safety costs.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

The following chart reflects a condensed comparison of 2021 and 2020 revenues and expenditures:

	<u>2021</u>	<u>2020</u>	Increase (Decrease)
Revenues			
General Fund	\$ 6,386,372	\$ 6,231,771	\$ 154,601
Motor Fuel Tax Fund	629,372	278,831	350,541
Series 2017 Bond Fund	3,153	31,362	(28,209)
Nonmajor Funds	512,428	432,223	80,205
Total Revenues	<u>\$ 7,531,325</u>	<u>\$ 6,974,187</u>	<u>\$ 557,138</u>
Expenditures			
General Fund	\$ 5,238,379	\$ 5,486,255	\$ (247,876)
Motor Fuel Tax Fund	686,963	631,559	55,404
Series 2017 Bond Fund	85,810	27,487	58,323
Nonmajor Funds	384,233	374,775	9,458
Total Expenditures	<u>\$ 6,395,385</u>	<u>\$ 6,520,076</u>	<u>\$ (124,691)</u>
Other Financing Sources (Uses)			
General Fund	\$ (218,712)	\$ (100,000)	\$ (118,712)
Motor Fuel Tax Fund	250,000	100,000	150,000
Total Other Financing Sources (Uses)	<u>\$ 31,288</u>	<u>\$ -</u>	<u>\$ 31,288</u>

Revenues

General Fund revenues were up 2% from the prior year primarily as a result of an increase of intergovernmental revenue which was which was partially offset by decreases in fees and charges for services. Motor fuel tax revenues increased 126% due to the Rebuild Illinois Funds grant to be used for future capital projects and the new local motor fuel tax. The decrease in Series 2017 Bond Fund revenues relates to interest income. The 19% increase in nonmajor fund revenue is a result of increased property tax revenues in the debt service fund.

Expenditures

General Fund expenditures are down about 5% from the prior period. The largest decrease was an approximate \$156,000 drop in police department expenditures.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

Budgetary Highlights

The following chart reflects the condensed budgetary comparison schedule for the General Fund:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Taxes	\$ 1,392,470	\$ 1,692,131	\$ 299,661
Intergovernmental	2,669,776	3,413,142	743,366
Other	<u>1,335,445</u>	<u>1,281,099</u>	<u>(54,346)</u>
Total revenues	5,397,691	6,386,372	988,681
Expenditures	<u>5,438,234</u>	<u>5,238,379</u>	<u>(199,855)</u>
Excess of revenues over (under) expenditures	<u>(40,543)</u>	<u>1,147,993</u>	<u>1,188,536</u>
Other financing sources (uses)			
Other financing sources	-	31,288	31,288
Other financing uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total other financing sources (uses)	(250,000)	(218,712)	31,288
Change in fund balance	<u>\$ (290,543)</u>	<u>\$ 929,281</u>	<u>\$ 1,219,824</u>

The major variances between actual and budget include the following:

- Tax revenues exceeded budget by about 21% primarily due to property tax revenues exceeding the budgeted amount by about \$292,000 primarily because property taxes related to the police pension fund are not budgeted for nor are the offsetting pension contribution expenditures;
- Intergovernmental revenues exceeded budget by about 28% primarily due to state sales tax revenues and state income taxes being above expectation as well as unbudgeted COVID 19 grant funds.
- Other revenues fell below budget by 4% with the most significant variances resulting from permit and inspection fees being \$58,000 under budget.
- Expenditures were 4% under budget. Police department personal services were over budget \$184,000 primarily because the Village does not budget for police pension property tax contributions as previously noted. Culture and recreation costs were \$156,000 under budget and capital outlay was \$132,000 under budget.

There were no amendments to the original budget ordinance during the year.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

CAPITAL ASSETS

Governmental Activities Change in Capital Assets

	Balance	Net	Balance
	<u>April 30, 2020</u>	<u>Additions/ Deletions</u>	<u>April 30, 2021</u>
Non-depreciable assets - land	\$ 10,133,189	\$ -	\$ 10,133,189
Construction in progress	261,987	188,725	450,712
Depreciable capital assets			
Land improvements	653,354	-	653,354
Buildings & Improvements	4,199,899	-	4,199,899
Equipment	1,443,055	(67,077)	1,375,978
Infrastructure	19,098,753	-	19,098,753
Accumulated depreciation	<u>(15,506,085)</u>	<u>(467,182)</u>	<u>(15,973,267)</u>
Total capital assets, net	<u>\$ 20,284,152</u>	<u>\$ (345,534)</u>	<u>\$ 19,938,618</u>

Capital asset additions included increases in construction in progress related to the sports arena and the Lake Lorin stabilization project. Two fully depreciated 2014 Ford Interceptors were disposed of during the year and a 2018 Chevy Malibu was purchased. Depreciation expense for the year was \$551,052. More detailed information can be found in Note 4 to the financial statements.

DEBT ADMINISTRATION

At April 30, 2021, the Village had outstanding debt as follows:

Series 2017 Bonds	\$3,535,000
Unamortized bond premium	181,001
Accrued interest on bonds	57,398
Capital leases	4,489
Net pension liability	15,503,187
OPEB – Health Insurance for Retirees (PSEBA Act)	493,132
Compensated absences	<u>157,304</u>
Total long-term debt	<u>\$ 19,931,511</u>

The Village's debt increased by approximately \$772,000 this year. This was due to:

- The decrease of bonds payable by \$230,000 due to scheduled payments.
- The decrease of capital leases payable by \$17,191 due to scheduled payments.
- The reduction of the Debt Certificate Payable by \$55,716 due to scheduled payments.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

- An increase of compensated absences of \$8,201.
- An increase of \$1,181,178 in the Net Pension Liability.
- A decrease of \$99,240 in the OPEB – Health Insurance for Retirees (PSEBA Act).

State statutes limit the amount of debt that a local government may issue. In the current fiscal year, that limit was 8.625% of the total equalized assess value of the Village, or \$14 million.

Economic Factors

The Village President and Board of Trustees continue to promote economic growth and development in the Village of Orland Hills. As the national and local economies have slowly improved throughout the pandemic, the Village has generated moderate growth from both residential and commercial improvements.

The Village President and the Board of Trustees continue to increase services available to residents while consciously making an effort to minimize their property tax burden. Cultural and recreational activities, general infrastructure improvements, and maintenance and repair of public facilities will continue to be funded by motor fuel taxes, grants and other revenue generating sources.

This year shows additional improvement and the Village continues to embrace varied opportunities to foster revenue growth. The State of Illinois approved Video Gaming as a source of revenue for both the state and municipalities. Orland Hills has supported this state-wide program and continues to see benefits from this effort. The past fiscal year yielded more than \$50,000 in revenue.

Economic development opportunities for the vacant property on the western end of Orland Hills remain as new potential. The Village anticipates the recapture of \$270,000 in fees with the establishment of new development in that area over the next few years.

The Village's efforts to attract new sales tax producing businesses in town continue to be a high priority. Businesses have found favor with Orland Hills' business relationship methods and practices. The prospects for increased commercial development remain strong. Recent developments and Village meetings indicate that several corporations, business owners and developers are interested in Orland Hills sites and buildings. Efforts by the Village show promise in expansion of the business commercial area over the next few years.

VILLAGE OF ORLAND HILLS, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2021

Several years ago an effort by the Village was undertaken to enforce an Intergovernmental Agreement (IGA) between Orland Hills and a neighboring town to collect sales tax on commercial property. The Village was successful in this endeavor and realized a one-time large cash payment to be followed up with tri-annual (three times per year) payments for the next 80+ years.

Over the past twenty-four years, the Village has reduced reliance on property taxes to balance the budget. As we enter the new fiscal year, the Village continues to reduce expenses and minimize overtime labor costs whenever possible.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Village Administrator, Village of Orland Hills, 16033 South 94th Ave, Orland Hills, Illinois 60487-4623. E-mails may be directed to contact@orlandhills.org.

BASIC FINANCIAL STATEMENTS



VILLAGE OF ORLAND HILLS, ILLINOIS

VILLAGE OF ORLAND HILLS, ILLINOIS
STATEMENT OF NET POSITION
APRIL 30, 2021

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 2,393,540
Short-term investments	2,977,243
Taxes receivable	652,437
Intergovernmental receivables	1,084,477
Accounts receivable	62,483
Prepaid items	41,293
Capital assets not being depreciated	10,583,901
Capital assets being depreciated	9,354,717
Total assets	<u>27,150,091</u>
Deferred Outflows of Resources	
Related to OPEB	72,870
Related to pensions	5,692,665
Total deferred outflows of resources	<u>5,765,535</u>
Liabilities	
Current	
Accounts payable	276,771
Accrued payroll	52,298
Due to police pension	432,110
Due to other entities	448,379
Other payables	472
Interest payable	57,938
Long-term debt, due within one year	
Capital leases payable	4,489
Bonds payable	235,000
Long term	
Long-term debt, due in more than one year	
Capital leases payable	-
Net pension liability	15,503,187
Other postemployment benefits liability	493,132
Unamortized bond premiums	181,001
Bonds payable	3,300,000
Compensated absences	157,304
Total liabilities	<u>21,142,081</u>
Deferred Inflows of Resources	
Related to pension	1,120,659
Related to OPEB	70,191
Unearned revenue	477,207
Total deferred inflows of resources	<u>1,668,057</u>
Net Position	
Net investment in capital assets	19,934,129
Restricted for capital projects	3,450,508
Restricted for other	267,783
Unrestricted net position	(13,546,932)
Total net position	<u><u>\$ 10,105,488</u></u>

**VILLAGE OF ORLAND HILLS, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2021**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Changes in Net Position</u>
		<u>Fees, Fines & Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
Governmental Activities					
General government	\$ 867,797	\$ 444,532	\$ 10	\$ -	\$ (423,255)
Public safety	4,374,800	389,590	164,706	-	(3,820,504)
Culture and recreation	572,871	52,909	9,521	1,966,250	1,455,809
Highways and streets	1,943,808	84,715	284,099	239,719	(1,335,275)
Interest on debt	130,927	-	-	-	(130,927)
Total	<u>\$ 7,890,203</u>	<u>\$ 971,746</u>	<u>\$ 458,336</u>	<u>\$ 2,205,969</u>	<u>(4,254,152)</u>
General Revenues					
Taxes					
Property taxes					1,053,104
State sales tax					1,962,535
Non home-rule sales tax					899,480
Income tax					928,664
Other taxes					491,626
Franchise fees					425,263
Investment income					11,081
Other general revenues					80,994
Total general revenues					<u>5,852,747</u>
Change in net position					<u>1,598,595</u>
Net Position - Beginning					<u>8,506,893</u>
Net Position - Ending					<u>\$ 10,105,488</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
APRIL 30, 2021

	Major Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Motor Fuel Tax Fund	Series 2017 Bond Fund	Sports Arena		
Assets						
Cash and cash equivalents	\$ 123,707	\$ 59,909	\$ 6,468	\$ 1,867,479	\$ 335,977	\$ 2,393,540
Short-term investments	1,201,388	166,183	1,603,350	-	6,322	2,977,243
Taxes receivable	420,442	26,424	-	-	205,571	652,437
Intergovernmental receivables	1,060,926	23,551	-	-	-	1,084,477
Accounts receivable	62,483	-	-	-	-	62,483
Prepaid items	25,755	-	-	-	-	25,755
Due from other funds	-	18	-	-	11,066	11,084
Advance to other funds	319,347	-	-	-	-	319,347
Total assets	<u>\$ 3,214,048</u>	<u>\$ 276,085</u>	<u>\$ 1,609,818</u>	<u>\$ 1,867,479</u>	<u>\$ 558,936</u>	<u>\$ 7,526,366</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ 59,868	\$ 190,114	\$ 26,789	\$ -	\$ -	\$ 276,771
Accrued payroll	52,298	-	-	-	-	52,298
Other liabilities	472	-	-	-	-	472
Due to other entities	448,379	-	-	-	-	448,379
Due to police pension fund	432,110	-	-	-	-	432,110
Due to other funds	11,084	-	-	-	-	11,084
Advance from other funds	-	319,347	-	-	-	319,347
Total liabilities	<u>1,004,211</u>	<u>509,461</u>	<u>26,789</u>	<u>-</u>	<u>-</u>	<u>1,540,461</u>
Deferred inflows of resources						
Unearned revenues	607,111	9,147	-	-	164,737	780,995
Total deferred inflows of resources	<u>607,111</u>	<u>9,147</u>	<u>-</u>	<u>-</u>	<u>164,737</u>	<u>780,995</u>
Fund balances (deficits)						
Nonspendable						
Prepaid items	25,755	-	-	-	-	25,755
Advances	319,347	-	-	-	-	319,347
Restricted						
Debt service	-	-	-	-	242,303	242,303
Capital projects	-	-	1,583,029	1,867,479	-	3,450,508
Other purposes	-	-	-	-	25,480	25,480
Assigned	-	-	-	-	126,416	126,416
Unassigned	1,257,624	(242,523)	-	-	-	1,015,101
Total fund balances (deficits)	<u>1,602,726</u>	<u>(242,523)</u>	<u>1,583,029</u>	<u>1,867,479</u>	<u>394,199</u>	<u>5,204,910</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,214,048</u>	<u>\$ 276,085</u>	<u>\$ 1,609,818</u>	<u>\$ 1,867,479</u>	<u>\$ 558,936</u>	<u>\$ 7,526,366</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2021

Net change in fund balance of governmental funds	\$	3,003,419
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Amounts reported for governmental activities in the Statement of Activities
are different because of the following:

Some taxes were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds		(14,149)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds

Change in net pension liability	(1,181,181)	
Change in other postemployment benefits obligation	99,240	
Amortization of bond premium and prepaid bond insurance	13,788	
Change in accrued interest on bonds	3,318	
		(1,064,835)

Change in deferred outflows and deferred inflows of resources are not included in the governmental funds

Deferred outflows of resources	304,151	
Deferred inflows of resources	(579,163)	
		(275,012)

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital outlay	205,518	
Depreciation	(551,052)	
Capital outlay in excess of depreciation		(345,534)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position

Debt certificate principal retirement	55,716	
Capital leases payable	17,191	
Increase in compensated absences	(8,201)	
Bond debt retirement	230,000	
Total retirement of debt		294,706

Change in net position of governmental activities	\$	<u>1,598,595</u>
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VILLAGE OF ORLAND HILLS, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2021

	Major Funds				Nonmajor Governmental Funds	Total
	General Fund	Motor Fuel Tax Fund	Series 2017 Bond Fund	Sports Arena		
Revenues						
Taxes	\$ 1,692,131	\$ 24,680	\$ -	\$ -	\$ 512,327	\$ 2,229,138
Licenses and permits	220,006	-	-	-	-	220,006
Intergovernmental revenue	3,413,142	519,673	-	1,966,250	-	5,899,065
Fees and charges for services	582,798	84,715	-	-	-	667,513
Fines	388,845	-	-	-	-	388,845
Investment income	2,155	304	3,153	5,368	101	11,081
Other revenue	87,295	-	-	-	-	87,295
Total revenues	<u>6,386,372</u>	<u>629,372</u>	<u>3,153</u>	<u>1,971,618</u>	<u>512,428</u>	<u>9,502,943</u>
Expenditures						
Current						
Administration	842,388	-	1,224	-	8,283	851,895
Building and zoning department	154,787	-	-	-	-	154,787
Police department	2,755,466	-	-	-	-	2,755,466
Fire and police commission	2,369	-	-	-	-	2,369
ESDA	2,065	-	-	-	-	2,065
Parks and recreation	515,624	-	-	-	-	515,624
Orland Towne Village festival	-	-	-	-	-	-
Concession stand/ seniors	582	-	-	-	-	582
Special transportation	89,694	-	-	-	-	89,694
Highways and streets	765,515	178,343	84,586	-	-	1,028,444
Flood prevention	3,196	-	-	-	-	3,196
Capital outlay	31,710	508,620	-	104,139	-	644,469
Debt service - principal retired	72,903	-	-	-	230,000	302,903
Debt service - interest and fees	2,080	-	-	-	145,950	148,030
Total expenditures	<u>5,238,379</u>	<u>686,963</u>	<u>85,810</u>	<u>104,139</u>	<u>384,233</u>	<u>6,499,524</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,147,993</u>	<u>(57,591)</u>	<u>(82,657)</u>	<u>1,867,479</u>	<u>128,195</u>	<u>3,003,419</u>
Other Financing Sources (Uses)						
Transfers in	31,288	250,000	-	-	-	281,288
Transfers out	(250,000)	-	-	-	(31,288)	(281,288)
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources (uses)	<u>(218,712)</u>	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>(31,288)</u>	<u>-</u>
Net Change in Fund Balances	<u>929,281</u>	<u>192,409</u>	<u>(82,657)</u>	<u>1,867,479</u>	<u>96,907</u>	<u>3,003,419</u>
Fund Balances - Beginning of Year	<u>673,445</u>	<u>(434,932)</u>	<u>1,665,686</u>	<u>-</u>	<u>297,292</u>	<u>2,201,491</u>
Fund Balances - End of Year	<u>\$ 1,602,726</u>	<u>\$ (242,523)</u>	<u>\$ 1,583,029</u>	<u>\$ 1,867,479</u>	<u>\$ 394,199</u>	<u>\$ 5,204,910</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED APRIL 30, 2021

Net change in fund balance of governmental funds	\$	3,003,419
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Amounts reported for governmental activities in the Statement of Activities
are different because of the following:

Some taxes were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds		(14,149)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds

Change in net pension liability	(1,181,181)	
Change in other postemployment benefits obligation	99,240	
Amortization of bond premium and prepaid bond insurance	13,788	
Change in accrued interest on bonds	3,318	
		(1,064,835)

Change in deferred outflows and deferred inflows of resources are not included in the governmental funds

Deferred outflows of resources	304,151	
Deferred inflows of resources	(579,163)	
		(275,012)

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital outlay	205,518	
Depreciation	(551,052)	
Capital outlay in excess of depreciation		(345,534)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position

Debt certificate principal retirement	55,716	
Capital leases payable	17,191	
Increase in compensated absences	(8,201)	
Bond debt retirement	230,000	
Total retirement of debt		294,706

Change in net position of governmental activities	\$	<u>1,598,595</u>
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VILLAGE OF ORLAND HILLS, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
APRIL 30, 2021

	Public Employee Retirement Plan
Assets	
Cash and Investments - at fair value	
Cash	\$ 40,799
Money Market Mutual Funds	262,224
Corporate bonds	837,775
U.S. Agencies	321,695
Mortgage Backed Securities	483
State and Municipal Bonds	62,273
Mutual Funds	511,373
Annuities	465,016
Total cash and investments	<u>2,501,638</u>
Receivables	
Due from Village	432,110
Prepaid items	530
Accrued interest on investments	9,730
Total receivables	<u>442,370</u>
Total assets	<u>2,944,008</u>
Liabilities	
Accounts payable	<u>7,849</u>
Total liabilities	<u>7,849</u>
Net Position	
Plan net position restricted for pension benefits	<u><u>\$ 2,936,159</u></u>

See accompanying notes to financial statements

VILLAGE OF ORLAND HILLS, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED APRIL 30, 2021

	Public Employee Retirement Plan
Additions	
Employer contributions	
Property taxes	\$ 269,608
Employee contributions	68,651
Total contributions	<u>338,259</u>
Investment income	
Net appreciation in fair value of investments	243,888
Interest and dividends on investments	70,814
	<u>314,702</u>
Less investment expense	(5,880)
Net investment income	<u>308,822</u>
Total additions	<u>647,081</u>
Deductions	
Benefits and refunds	386,975
Administrative expenses	37,412
Total deductions	<u>424,387</u>
Change in Plan Net Position	<u>222,694</u>
Net Position Restricted for Pension Benefits	
Beginning of year	<u>2,713,465</u>
End of year	<u>\$ 2,936,159</u>

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Orland Hills, Illinois ("Village"), have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to government, as promulgated by the Government Accounting Standards Board (GASB). The following is a summary of the significant policies:

Reporting Entity

The Village of Orland Hills is a municipal corporation governed by an elected Village president and six-member Village board.

In 2014, the Village adopted the provisions of the Governmental Accounting Standard Board ("GASB") Statement No. 61, "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34" which modifies certain requirements for inclusion of component units in the financial reporting entity. An organization is considered a component unit of the primary government if 1) the government appoints a voting majority of the organization's board and there is a financial benefit or burden relationship or the government is able to impose its will on the organization or 2) the organization is fiscally dependent on the government and there is a financial benefit or burden relationship or 3) the government determines that it would be misleading to exclude the organization from its financial statements.

Based on the foregoing criteria, the Village does not exercise oversight responsibility over any other entity and thus does not include other entities in the Village's financial statements.

The Village's police employees participate in a police pension employee's retirement system (PPERS). The PPERS functions for the benefit of these employees and is governed by a 5 member board consisting of two members appointed by the Village's president, one elected pension beneficiary, and two elected police employees. The Village and the PPERS participants are obligated to fund all 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 contributions levels.

Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. The financial statements of the Police Pension fund as of and for the fiscal year April 30, 2021, are blended in the Village's basic financial statements as a pension trust fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

The Village's basic financial statements consist of both the government-wide financial statements, including a Statement of Net Position and a Statement of Activities, and the fund financial statements which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities report information on activities of the Village, except for fiduciary funds. The effect of interfund activity has been removed from these statements excluding interfund services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Position presents the financial condition of the governmental activities of the Village at year end. The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources as well as the capital assets, net of accumulated depreciation, and long-term debt associated with the operation of the Village.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue include 1) fines, fees, and charges to customers, citizens, and applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

During the year, the Village segregates transactions related to certain Village functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Village at this more detailed level. The focus of governmental fund financial statements is on major funds.

A major fund is defined as the Village's General Fund as well as any other fund where either the assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures of that fund are at least ten percent of the corresponding total for all governmental funds, since the Village has no enterprise funds. The Village's management may select as a major fund any other fund not meeting the above criteria if they believe the fund is of particular importance to the user of the financial statements. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

The fiduciary fund is reported at the fund financial statement level as a separate fund type and is not included in the government-wide financial statements.

Since capital assets and long-term debt are concerned only with the measurement of financial position as of the date of the end of the reporting period, neither of these are reported in fund financial statements. Both items are included in the government-wide financial statements.

Fund Accounting

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

Funds are classified as: governmental or fiduciary funds.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisitions or construction of general capital assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the Village not accounted for in some other fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. Investment trust funds are used to report fiduciary activities from the external portion of investment pools and individual investment accounts that are held in trust. When assets are held under the terms of a formal trust agreement but are not required to be reported in pension or investment trust funds, a private purpose trust fund is used. Custodial funds are used to report fiduciary activities that are not required to be reported in pension trust funds, investment trust funds or private purpose trust funds. The pension trust fund accounts for the Police Pension fund, which accumulates resources for pension benefit payments to retired police personnel.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The government-wide financial statements also include activity related to the purchase, depreciation and year end balances of capital assets as well as year end balances and activity related to long-term debt.

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

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due or when amounts have been accumulated in the debt service fund for payment to be made early in the following year.

Property taxes, sales tax, franchise tax, motor fuel tax, utility tax, police citations, hotel tax, income tax and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

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

Motor Fuel Tax Fund is used to account for the motor fuel tax revenues received, including interest income, for the purpose of street maintenance.

Series 2017 Bond Fund is a capital projects fund used to account for the proceeds of the Series 2017 General Obligation Bonds restricted for the payment of claims and purchase or construction of capital improvements.

Sports Arena Fund is a capital projects fund created in fiscal 2021 used to account for grant and other revenues to be used to construct a sports arena.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to the major funds mentioned above, the Village uses the following fund types:

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds are used to account for the Village's accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs.

Fiduciary Funds

Trust Funds are used to account for assets held by the government in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or funds. These include pension trust funds. Pension trust funds are accounted for in essentially the same manner as propriety funds since capital maintenance is critical.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenues include all taxes.

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

Assets, Liabilities and Net Position

Cash and Investments

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Village to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the Illinois Funds.

Investments are stated at fair value. The investment with the State Treasurer's Illinois Funds is at fair value, which is the same value as the pooled shares. State statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act (30 ILCS 235).

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***Capital Assets***

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost above a set dollar threshold based on the asset type (see chart below). All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

<u>Capital Asset Category</u>	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Land	\$ 25,000	n/a
Land improvements	20,000	n/a
Site improvements	20,000	3 - 50 years
Building	50,000	10 - 50 years
Building improvements	25,000	10 - 20 years
Vehicles, machinery, equipment	5,000	3 - 50 years
Software	25,000	2 - 7 years
Infrastructure - street network	50,000	10 - 75 years
Infrastructure - water network	75,000	10 - 75 years
Infrastructure - sanitary sewer	75,000	10 - 75 years
Infrastructure - storm sewer	50,000	10 - 75 years

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Transfers

These represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses/sources. In proprietary funds, transfers are reported after non-operating revenues and expenses. In the government-wide financial statements, interfund amounts are eliminated except for residual amounts between governmental and business-type activities, which are labeled internal balances or transfers.

Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave as it is not paid to employees upon termination of employment. The government-wide financial statements record unused vacation leave as expenses and liabilities when earned by employees.

Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond costs, during the current period. The face amount of the 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 are reported as expenditures.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources refers to a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditures) until then. The item that qualifies for reporting in this category for the Village relates to their pension and OPEB plans and is reported in the government-wide statement of net position. The Village reports deferred inflows of resources on the government-wide and fund financial statements. Deferred inflows of resources are recorded when assets are acquired that apply to a future reporting period. Property taxes which have been deemed to be measurable but not available or have been levied for use in the subsequent period represent deferred inflows of resources. Amounts related to the pension and OPEB plans also are reported in the government-wide statement of net position as a deferred inflows. In addition, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period in governmental funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reconciliation of Government-Wide and Fund Statements

Differences occur from the manner in which the governmental fund and the government-wide financial statements are prepared because of the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the Village-wide statements and the statements for governmental funds.

Property Tax Revenue Recognition

Property taxes attach retroactively as an enforceable lien on January 1 of the levy year. They are levied in December by passage of a Tax Levy Ordinance. Tax bills are prepared by the County and issued on or about March 1 and August 1 the following year. They are payable in two installments on or about April 1 and thirty days after release of the second billing which is generally between August and November of the current year. The County collects such taxes and remits them periodically. Property tax revenues are recognized in the fund financial statements when they become both measurable and available in the year for which they are intended to finance.

Fund Equity

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, established criteria for classifying governmental fund balances into specifically defined classifications. In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

Nonspendable fund balance – includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted fund balance – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: 1) externally imposed by creditors such as through debt covenants), grantors, contributors or laws or regulation of other governments: or 2) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Village's highest level of decision-making authority rests with the Village Board. The Village has not committed fund balances at April 30, 2021.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assigned fund balance – includes amounts that are constrained by the Village’s intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by the following: 1) the Village Board; 2) a body or official to which the Village has delegated the authority to assign amounts to be used for a specific purpose. The Village has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purposes and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.

Unassigned fund balance – includes the residual fund balance that has not been restricted, committed or assigned within the General Fund and unassigned deficit fund balances of other governmental funds.

Unless specifically identified, expenditures act to reduce restricted balances first, and then committed balances, next are assigned balances, and finally unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

The Village has no fund balance reserve policy for governmental funds.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Eliminations and Reclassifications

In the process of aggregating information for the government-wide statements, some amounts reported as interfund activity and/or interfund balances in the fund financial statements are eliminated or reclassified.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board. All annual appropriations lapse at fiscal year-end.

EXPENDITURES OVER BUDGET

For the year ended April 30, 2021, expenditures/expenses exceeded budget as follows:

	<u>Budget</u>	<u>Actual</u>	<u>Over Budget</u>
Motor Fuel Tax	\$ 317,644	\$ 686,963	\$ 369,319

DEFICIT FUND BALANCES

As of April 30, 2021, the following fund had a deficit fund balance:

Motor Fuel Tax Fund	\$ 242,523
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The Village plans to recover these deficits through future revenues or transfers of surplus cash when such cash is available.

NOTE 3 DEPOSITS AND INVESTMENTS

Cash

The carrying amount of cash, excluding the Pension Trust Fund, was \$2,393,540 at April 30, 2021, while the bank balances were \$2,470,355. All account balances at banks were insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000 or collateralized with securities of the U.S. government or with letters of credit issued by the Federal Home Loan Bank held in the Village's name by financial institutions acting as the Village agent.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

The investments that the Village may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a federal corporation; (4) short-term discounts obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

The following schedule reports the fair values and maturities for the Village's governmental fund investments at April 30, 2021.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities Less Than One Year</u>
State Treasurer Illinois Funds	\$ 2,973,282	\$ 2,973,282
Bond Mutual Fund	3,961	3,961
Total	<u>\$ 2,977,243</u>	<u>\$ 2,977,243</u>

Interest Rate Risk

The Village's formal investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Unless tied to a specific future cash outflow, no investments may have a maturity longer than two years.

Credit Risk

The Village's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital and, in general, avoid speculative investments. The Village's investment policy limits investment in short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the three highest classifications established by at least two standard rating services and which mature not later than 180 days from the date of purchase; (ii) such purchases do not exceed 10% of the corporation's outstanding obligations and; (iii) no more than one-third of the public agency's funds may be invested in short-term obligations of corporations.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

Credit ratings for the Village's investments in debt securities as described by Standard & Poor's for the Illinois Funds and Moody's for the Bond Mutual Fund at April 30, 2021 are as follows:

<u>Investment Type</u>	<u>Credit Ratings</u>	<u>Percent of Total Investments</u>
State Treasurer Illinois Funds	AAA	99.87%
Bond Mutual Fund	AAA	0.13%

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. The Village is fully collateralized at April 30, 2021.

Concentration of Credit Risk

The Village places no limit on the amount the Village may invest in any one issuer. The majority of the Village's total investments are invested in State Treasurer Illinois Funds. All of the investments are recorded in the General Fund, Motor Fuel Tax Fund, Series 2017 Bond Fund, Non-Drug Seizure Fund, Tourism Fund, Park Donation Fund, and Wetland Maintenance Fund.

Police Pension Fund's Cash and Investments

The Police Pension Fund is authorized to invest in bonds, notes, and other obligations of the U.S. government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; and other investment vehicle as set forth in the Illinois Compiled Statutes.

The Police Pension Fund's policy is to maintain long-term focus on its investment decision-making process. Specifically, the Police Pension Fund's benefit liabilities extend many years into the future. As such, the investment focus should be on long-term results.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

The Police Pension Fund has the following recurring fair value measurements as of April 30, 2021:

	Total April 30, 2021	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Bonds	\$ 837,775	\$ -	\$ 565,053	\$ -
U.S. Agencies	321,695	-	429,531	-
Mortgage Backed Securities	483	-	640	-
State and Municipal Bonds	62,273	-	62,273	-
Mutual Funds	511,373	511,373	-	-
Life Insurance Annuities	465,016	-	465,016	-
Total Investments	<u>\$ 2,198,615</u>	<u>\$ 511,373</u>	<u>\$ 1,522,513</u>	<u>\$ -</u>

The following was the Board's adopted asset allocation policy as of April 30, 2021:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Cash	13.14%	0.40%
High Quality Domestic Bonds	59.92%	0.00%
Large Cap Domestic Stocks	13.96%	5.70%
Small & Mid Cap Domestic Stocks	2.97%	6.20%
Developed International Stocks	4.56%	8.60%
Emerging Markets Stocks	2.23%	6.40%
REITS	1.91%	5.50%
Developed International Bonds	1.31%	-0.40%

The carrying amount of cash for the Pension Trust Fund, was \$40,799 at April 30, 2021, while the bank balances were \$40,799. All account balances at banks were insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Fund's investments at April 30, 2021:

Investment Types	Fair Value	Maturities			
		Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
Money Market Mutual Funds	\$ 262,224	\$ 262,224	\$ -	\$ -	\$ -
Corporate Bonds	837,775	15,005	666,046	156,724	-
U.S. Treasuries and Agencies	321,695	15,449	205,190	101,056	-
Mortgage Backed Securities	483	-	89	394	-
State and Municipal Bonds	62,273	-	62,273	-	-
Total	1,484,450	\$ 292,678	\$ 933,598	\$ 258,174	\$ -

Investments not sensitive to

Interest Rate Risk:

Mutual Funds 511,373

Life Insurance Annuities 465,016

Total Investments \$ 2,460,839

Interest Rate Risk

The Police Pension Fund's formal investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Up to 5% of Fund assets may be invested in non-liquid long-term investments.

Credit Risk

The Police Pension Fund's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. Government, or agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchase, rated no lower than "baa: by Moody's and no lower than "BBB" by Standard & Poor's). The Board, at their discretion, may impose a higher standard on an individual investment manager as circumstances or investment objectives dictate.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

Credit ratings for the Police Pension Fund's investments in debt securities at April 30, 2021 (excluding investments in U.S. Treasuries, which are not considered to have credit risks) are as follows:

<u>Investment Type</u>	<u>Credit Ratings</u>	<u>Percentage of Investment Type</u>	<u>Percent of Total Investments</u>
Corporate Bonds	AA+	3%	34%
	AA-	14%	
	A+	13%	
	A	31%	
	A-	13%	
	BBB+	26%	
U.S. Agencies	AA+	100%	13%
State and Municipal Bonds	AAA*	66%	3%
	AA2*	34%	

*Indicates this is a Moody's Rating; all other investments rated by S&P.

Custodial Credit Risk

For an investment, custodial credit risk is the risk, in the event of the failure of the counterparty, the Police Pension Fund will not be able to recover the value of investments or collateral securities that are in the possession of an outside party.

The Police Pension Fund's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for fund investments or any other high-quality, interest-bearing security rated at least AAA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. The Police Pension Fund is fully collateralized at April 30, 2021.

Concentration of Credit Risk

The Police Pension Fund places no limit on the amount the fund may invest in any one issuer. The Police Pension Fund's investments are primarily in corporate bonds, equity mutual funds, U. S. Agency notes, annuities, money market mutual funds and municipal bonds. These investments are 34%, 21%, 13%, 19%, 11% and 2% respectively, of the total Police Pension Fund's investments.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 3 DEPOSITS AND INVESTMENTS (Continued)

Rate of Return

For the year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.43 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Total Cash and Investments

Cash and Investments	
Cash - Village	\$ 2,393,540
Investments - Village	2,977,243
Cash - Pension Trust Fund	40,799
Investments - Pension Trust Fund	<u>2,460,839</u>
Total cash and investments	<u>\$ 7,872,421</u>

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 4 CAPITAL ASSETS

The summary of changes in the capital assets of the Village's governmental activities for the year ended April 30, 2021 is as follows:

	Balance at May 1, 2020	Additions	Deletions	Balance at April 30, 2021
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,133,189	\$ -	\$ -	\$ 10,133,189
Construction in progress	261,987	188,725	-	450,712
Total capital assets not being depreciated	10,395,176	188,725	-	10,583,901
Capital assets being depreciated:				
Land improvements	653,354	-	-	653,354
Buildings and improvements	4,199,899	-	-	4,199,899
Machinery and equipment	1,443,055	16,793	83,870	1,375,978
Infrastructure	19,098,753	-	-	19,098,753
Total capital assets being depreciated	25,395,061	16,793	83,870	25,327,984
Less accumulated depreciation for:				
Land improvements	(422,711)	(25,880)	-	(448,591)
Buildings and improvements	(1,844,938)	(83,532)	-	(1,928,470)
Machinery and equipment	(1,147,207)	(61,545)	83,870	(1,124,882)
Infrastructure	(12,091,229)	(380,095)	-	(12,471,324)
Total accumulated depreciation	(15,506,085)	(551,052)	83,870	(15,973,267)
Total capital assets being depreciated, net	9,888,976	(534,259)	-	9,354,717
Capital assets, net	<u>\$ 20,284,152</u>	<u>\$ (345,534)</u>	<u>\$ -</u>	<u>\$ 19,938,618</u>

Depreciation expense of \$551,052 was charged to the governmental activities functional expense categories as follows:

	Depreciation
General government	\$ 67,533
Public safety	28,414
Culture and recreation	51,557
Highway and streets	403,548
	<u>\$ 551,052</u>

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 5 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables as of April 30, 2021 are summarized below:

	Due from Other <u>Funds</u>	Due to Other <u>Funds</u>
Major governmental funds:		
General	\$ -	\$ 11,084
Motor fuel tax	18	-
Nonmajor governmental funds:	11,066	-
	<u>\$ 11,084</u>	<u>\$ 11,084</u>
	Advance to Other <u>Funds</u>	Advance From Other <u>Funds</u>
Major governmental funds:		
General	\$ 319,347	\$ -
Motor fuel tax	-	319,347
	<u>\$ 319,347</u>	<u>\$ 319,347</u>

The interfunds represent loans of cash from funds with surplus in order to meet operating needs and payments made by the general fund for motor fuel tax fund expenditures. The loans will be repaid among the various funds when there is sufficient cash available for payment. In addition, the General Fund has a \$432,110 liability to the Police Pension Fund that is related to prior year property tax levies that were collected by the Village but not yet paid. This amount is presented on the financial statements as a separately identified balance.

Interfund transfers were made to provide additional resources to the MFT fund for capital projects during the fiscal year and to close the Tax Rebate Fund as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General	\$ 31,288	\$ 250,000
Motor fuel tax	250,000	-
Nonmajor funds	-	31,288
	<u>\$ 281,288</u>	<u>\$ 281,288</u>

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 6 RECEIVABLES

The following is a summary of other taxes, amounts due from governments and other receivables by fund type at April 30, 2021. Any uncollectible amount is not believed to be material.

Governmental activities:

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Special Revenue</u>	<u>Nonmajor Governmental</u>	<u>Total Statement of Net Assets</u>
Taxes receivable:					
Property taxes	\$ 351,844	\$ -	\$ -	\$ 190,986	\$ 542,830
Franchise tax	36,530	-	-	-	36,530
Non-retail business tax	21,901	-	-	-	21,901
Vehicle lease tax receivable	7,559	-	-	-	7,559
Cannabis use tax	2,608	-	-	-	2,608
Local gas tax	-	26,424	-	-	26,424
Hotel taxes	-	-	-	14,585	14,585
Total taxes receivable	<u>\$ 420,442</u>	<u>\$ 26,424</u>	<u>\$ -</u>	<u>\$ 205,571</u>	<u>\$ 652,437</u>
Intergovernmental receivable:					
Illinois income tax	\$ 225,847	\$ -	\$ -	\$ -	\$ 225,847
Illinois sales tax	736,026	-	-	-	736,026
Illinois local use tax	63,956	-	-	-	63,956
Park Hill Sales Tax	20,867	-	-	-	20,867
Telecommunications tax	14,230	-	-	-	14,230
Motor fuel tax	-	23,551	-	-	23,551
Total intergovernmental receivable	<u>\$ 1,060,926</u>	<u>\$ 23,551</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,084,477</u>
Accounts receivable:					
Police fines	\$ 62,483	\$ -	\$ -	\$ -	\$ 62,483
Total accounts receivable	<u>\$ 62,483</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,483</u>

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 7 LONG-TERM DEBT

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

	Balance <u>May 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>April 30, 2021</u>	Due Within <u>One Year</u>
South Suburban Mayors and Manager's Association Debt Certificate Payable					
Series of 2013	\$ 55,716	\$ -	\$ 55,716	\$ -	\$ -
Bond Series 2017	3,765,000	-	230,000	3,535,000	235,000
Bond Premium	196,084	-	15,083	181,001	-
Capital leases					
Police I Record 2016	570	-	570	-	-
2018 Interceptor	8,095	-	8,095	-	-
2019 Ford Interceptor	13,015	-	8,526	4,489	4,489
Compensated absences	149,103	8,201	-	157,304	-
Net pension liability	14,322,009	1,181,178	-	15,503,187	-
OPEB liability	592,372	-	99,240	493,132	-
Total governmental activities	<u>\$19,101,964</u>	<u>\$1,189,379</u>	<u>\$ 417,230</u>	<u>\$19,874,113</u>	<u>\$ 239,489</u>

South Suburban Mayors and Managers Association Debt Certificate Payable – Private Placement

Debt includes a \$390,000 Series 2013 Debt Certificate Payable dated December 12, 2013, due December 15, 2020, with an interest rate of 2.13%. The main purpose of the certificate is to refund the remaining principal of the \$900,000 Series 2008 Debt Certificate Payable dated April 1, 2008, due December 14, 2014. Principal payments are to be paid once per year on December 15. The balance was paid off as of April 30, 2021.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 7 LONG-TERM DEBT (Continued)**Series 2017 Bonds**

The Village issued general obligation bonds to be used to settle judgements and for the acquisition and construction of major capital projects. All general obligation debt is backed by the full faith and credit of the Village. Bonds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

Bonds outstanding will be retired as follows:

Year	Rate	Principal		Interest		Total
		December 1	June 1	December 1	December 1	
2022	3.00%	\$ 235,000	\$ 69,525	\$ 69,525	\$ 374,050	
2023	4.00%	245,000	66,000	66,000	377,000	
2024	4.00%	255,000	61,100	61,100	377,200	
2025	4.00%	265,000	56,000	56,000	377,000	
2026	4.00%	275,000	50,700	50,700	376,400	
2027	4.00%	285,000	45,200	45,200	375,400	
2028	4.00%	300,000	39,500	39,500	379,000	
2029	4.00%	310,000	33,500	33,500	377,000	
2030	4.00%	320,000	27,300	27,300	374,600	
2031	4.00%	335,000	20,900	20,900	376,800	
2032	4.00%	350,000	14,200	14,200	378,400	
2033	4.00%	360,000	7,200	7,200	374,400	
		<u>\$ 3,535,000</u>	<u>\$ 491,125</u>	<u>\$ 491,125</u>	<u>\$ 4,517,250</u>	

Capital Leases**2016 I-Record Digital Video/Audio System**

In 2015, the Village entered into a capital lease agreement for the lease of an I-Record Digital Video/Audio Recording System. Total annual payments for the system are \$1,728 with the first payment due on October 15, 2015. The payments are for a five-year period, after which the Village will retain title to the system. As of April 30, 2021, the amount of capital assets acquired through this lease was \$7,500. Accumulated depreciation totaled \$4,125 leaving a book value of \$3,375. The lease was paid off as of April 30, 2021.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 7 LONG-TERM DEBT (Continued)

2018 Interceptor

In 2018, the Village entered into a capital lease agreement for the lease of a 2018 Interceptor. Total annual payments for the vehicle are \$9,126 with the first payment due on May 11, 2018. The payments are for a three-year period, after which the Village has the right to purchase the car for \$1. As of April 30, 2021, the amount of capital assets acquired through this lease was \$24,895. Accumulated depreciation totaled \$12,448 leaving a book value of \$12,447. The lease was paid off as of April 30, 2021.

2019 Interceptor

In 2019, the Village entered into a capital lease agreement for the lease of a 2019 Interceptor. Total annual payments for the vehicle are \$9,158 with the first payment due on December 10, 2018. The payments are for a three-year period, after which the Village has the right to purchase the cars for \$1. As of April 30, 2021, the amount of capital assets acquired through this lease was \$24,895. Accumulated depreciation totaled \$9,336 leaving a book value of \$15,559.

Debt service for the car is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	<u>\$ 4,489</u>	<u>\$ 91</u>	<u>\$ 4,580</u>
	<u><u>\$ 4,489</u></u>	<u><u>\$ 91</u></u>	<u><u>\$ 4,580</u></u>

Conduit Debt Obligations

The Village has issued Multi-Family Housing Mortgage Revenue Bonds to provide financial assistance to a private-sector entity for the acquisition and construction of facilities deemed to be in the public interest. The bonds are secured by irrevocable transferable letter of credit originally issued by LaSalle National Bank. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity serviced by the bond issuance. Neither the Village, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Legal Debt Margin

The Village is subjected to a legal debt margin of 8.625% of equalized assessed value of property in the Village. As of April 30, 2021, the equalized assessed valuation of the Village is \$160,846,398 and the legal debt margin is \$13,873,002. The Village is in compliance with this requirement.

NOTE 8 RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The Village also purchased its employee health and accident insurance from commercial carriers. There have been no significant changes in the dollar value or type of insurance coverage or any claims exceeding coverage for the last three fiscal years.

NOTE 9 TAX ABATEMENTS

The Village entered into an economic incentive agreement with a major retailer in 2010 providing for the rebate of a portion of sales tax to the retailer. However, payments had been deferred pending the resolution of a lawsuit related to the TIF district in which the retailer is located that has now been settled. The Village had recorded a payable for the estimated amounts due under the agreement and has made payments over the last several years to reduce that payable. During fiscal 2021, \$184,093 of incentive payments were paid by the Village. As of April 30, 2021, \$26,669 is owed and reflected in accounts payable. The original agreement called for rebating 25% of the new incremental sales tax generated above a base level through 2013 and 65% thereafter until the twenty fifth year of the agreement or until the rebate limit has been reached.

In addition, the Village entered into an economic incentive agreement with an automobile retailer in 2016 providing for the rebate of a portion of sales tax to the retailer. The agreement provides for the retailer to receive 50% of the sales tax revenue that they generate after the first \$50,000 per year which is retained by the Village up to an aggregate amount of \$1.5 million. In 2021, the Village paid \$99,135 to the retailer under the agreement.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS

Plan Descriptions:

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Sheriff's Law Enforcement Personnel (SLEP), an agent multiple-employer public employee retirement system affiliated with IMRF; and, the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police Pension Plan are governed by Illinois State Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund which is prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. A stand-alone financial report is not issued for the plan. IMRF and SLEP benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF and SLEP issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at www.imrf.org.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Below is aggregate information related to all of the pension plans in total reported by the Village as of and for the year ended April 30, 2021:

Total Pension Liability	\$ 25,011,926
Plan Fiduciary Net Position	9,508,739
Village's Net Pension Liability	<u>15,503,187</u>
Deferred Inflows of Resources	\$ 1,120,659
Deferred Outflows of Resources	5,692,665
Pension Expense	1,898,348

Illinois Municipal Retirement Fund

General Information about the Pension Plan

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

As set by statute, the Village's Regular plan members are required to contribute 4.5% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2020 was 22.70%. The employer actual contribution for the calendar year 2020 was 22.70%. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

At December 31, 2020, the following employees were covered by the IMRF benefit terms:

IMRF

Retirees and Beneficiaries	19
Inactive, Non-retired Members	14
Active Members	<u>17</u>
Total	50

Net Pension Liability

The Village's net pension liability for IMRF was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

There were no benefit changes during the year.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

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

Asset Class	Target Allocation	Long Term Expected Rate of Return
Domestic Equity	37%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	1%	0.70%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on IMRF's pension plan investments is 7.25%; the municipal bond rate is 2.00%; and the resulting single discount rate is 7.25%.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 7,328,926	\$ 5,439,998	\$ 1,888,928
Changes for the year:			
Service Cost	99,284	-	99,284
Interest on the Total Pension Liability	522,922	-	522,922
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(154,019)	-	(154,019)
Changes of Assumptions	28,415	-	28,415
Contributions - Employer	-	182,847	(182,847)
Contributions - Employees	-	36,247	(36,247)
Net Investment Income	-	764,097	(764,097)
Benefit Payments, including Refunds of Employee Contributions	(331,712)	(331,712)	-
Other (Net Transfer)	-	113,619	(113,619)
Net Changes	164,890	765,098	(600,208)
Balances at December 31, 2020	<u>\$ 7,493,816</u>	<u>\$ 6,205,096</u>	<u>\$ 1,288,720</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the IMRF plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability (Asset)	\$ 2,081,052	\$ 1,288,720	\$ 616,320

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended April 30, 2021, the Village recognized pension expense of \$(38,980) related to IMRF. At April 30, 2021, 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
Differences between expected and actual experience	\$ 3,682	\$ 77,163
Changes of assumptions	14,236	-
Net difference between projected and actual earnings on pension plan investments	-	445,080
Total Deferred Amounts to be recognized in pension expense in future periods	17,918	522,243
Pension Contributions made subsequent to the Measurement Date	85,037	-
Total Deferred Amounts Related to Pensions	<u>\$ 102,955</u>	<u>\$ 522,243</u>

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

Year Ended April 30	Annual Amortization
2022	\$ (112,799)
2023	(56,528)
2024	(176,029)
2025	(73,933)
2026	-
Thereafter	-

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Sheriff's Law Enforcement Personnel

General Information about the Pension Plan

The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. The plan is affiliated with IMRF. Participating members who retire at age 50 with twenty years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings, for each year of credited service.

As set by statute, the Village's SLEP plan members are required to contribute 7.5% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2020 was 16.61%. The employer actual contribution for the calendar year 2020 was 16.61%. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

At December 31, 2020, the following employees were covered by the SLEP benefit terms:

<u>SLEP</u>	
Retirees and Beneficiaries	1
Inactive, Non-retired Members	-
Active Members	-
Total	<u>1</u>

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Net Pension Liability

The Village's net pension liability for SLEP was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Price Inflation:	2.25%
Salary Increases:	2.85% to 13.75%
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality:	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020

There were no benefit changes during the year.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

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

Asset Class	Target Allocation	Long Term Expected Rate of Return
Domestic Equity	37%	5.00%
International Equity	18%	6.00%
Fixed Income	28%	1.30%
Real Estate	9%	6.20%
Alternative Investments	7%	2.85-6.95%
Cash Equivalents	1%	0.70%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on SLEP's pension plan investments is 7.25%; the municipal bond rate is 2.00%; and the resulting single discount rate is 7.25%.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(A)	(B)	(A) - (B)
Balances at December 31, 2019	\$ 506,467	\$ 343,963	\$ 162,504
Changes for the year:			
Service Cost	27,415	-	27,415
Interest on the Total Pension Liability	36,666	-	36,666
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(243,118)	-	(243,118)
Changes of Assumptions	866	-	866
Contributions - Employer	-	19,597	(19,597)
Contributions - Employees	-	8,849	(8,849)
Net Investment Income	-	39,572	(39,572)
Benefit Payments, including Refunds of Employee Contributions	(28,884)	(28,884)	-
Other (Net Transfer)	-	(15,613)	15,613
Net Changes	(207,055)	23,521	(230,576)
Balances at December 31, 2020	<u>\$ 299,412</u>	<u>\$ 367,484</u>	<u>\$ (68,072)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the SLEP plan's net pension liability, calculated using a Single Discount Rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

SLEP

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability (Asset)	\$ (38,210)	\$ (68,072)	\$ (93,638)

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2020, the Village recognized pension expense of \$(40,528) related to SLEP. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to SLEP from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,407	\$ 176,802
Changes of assumptions	3,018	3,929
Net difference between projected and actual earnings on pension plan investments	<u> </u>	<u>19,054</u>
Total Deferred Amounts to be recognized in pension expense in future periods	4,425	199,785
Pension Contributions made subsequent to the Measurement Date	<u>-</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u><u>\$ 4,425</u></u>	<u><u>\$ 199,785</u></u>

Pension contributions made subsequent to year end for SLEP are not considered material and are included with the payments to the IMRF plan.

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

<u>Year Ended April 30</u>	<u>Annual Amortization</u>
2022	\$ (88,988)
2023	(79,490)
2024	(23,837)
2025	(3,045)
2026	-
Thereafter	-

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Police Pension Plan

General Information about the Pension Plan

The Police Pension fund plan provides retirement benefits as well as death and disability benefits. Covered employees hired before January 1, 2011, attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years' creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retires with 20 or more years of service after January 1, 1977 increases annually, following the first anniversary date of retirement and be paid upon reaching the age at least 55, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, increases annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60 by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit.

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, including administrative costs, as actuarially determined by an enrolled actuary. The employer contribution rate for the fiscal year 2021 was 36.66%. The employer annual required contribution rate for the fiscal year 2021 was 80.16%. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Fund is 90% funded.

At April 30, 2021, the Pension Plan membership consisted of:

<u>Police Pension</u>	
Retirees and Beneficiaries	8
Inactive, Non-retired Members	1
Active Members	9
Total	<u>18</u>

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Net Pension Liability

The Village's net pension liability for the Police Pension was measured as of April 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of May 1, 2019. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the April 30, 2020 actuarial valuation:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level dollar
Asset Valuation Method:	5-year smoothed market; no corridor
Inflation:	2.25%
Salary Increases:	2.25% - 14.53%
Investment Rate of Return:	5.75%
Retirement Rates:	L&A 2020 Illinois Police Retirement Rates Capped at age 65
Disability Rates:	L&A 2020 Illinois Police Disability Rates
Termination Rates:	L&A 2020 Illinois Police Termination Rates
Mortality:	Active mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. Retiree mortality follows the L&A Assumption Study for Police 2020.
Percent Married:	80%

Assumptions Changes: The assumed rate on High Quality 20 Year Tax-Exempt General Obligation Bonds was changed to 2.27% from 2.56% in the prior year. The expected rate of return on investments assumption was changed to 5.75% from 6.50% in the prior year. The discount rate used in the determination of the Total Pension Liability was changed to 2.66% from 3.22% in the prior year.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Cash	13.14%	0.40%
High Quality Domestic Bonds	59.92%	0.00%
Large Cap Domestic Stocks	13.96%	5.70%
Small & Mid Cap Domestic Stocks	2.97%	6.20%
Developed International Stocks	4.56%	8.60%
Emerging Market Stocks	2.23%	6.40%
REITS	1.91%	5.50%
Developed International Bonds	1.31%	-0.40%

Single Discount Rate: The Single Discount Rate reflects:

1. A long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary position is projected to be sufficient to pay benefits), and
2. A tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary position is insufficient to pay benefits).

For the purposes of this valuation, the expected rate of return on pension plan investments is 5.75%; the municipal bond rate is 2.27%; and the resulting single discount rate is 2.66%.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2020	\$ 14,984,042	\$ 2,713,465	\$ 12,270,577
Service Cost	504,581	-	504,581
Interest on the Total Pension Liability	478,032	-	478,032
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	63,286	-	63,286
Changes of Assumptions	1,575,733	-	1,575,733
Contributions - Employer	-	269,608	(269,608)
Contributions - Employees	-	68,651	(68,651)
Net Investment Income	-	308,690	(308,690)
Benefit Payments, including Refunds of Employee Contributions	(386,976)	(386,976)	-
Other (Admin Expenses)	-	(37,279)	37,279
Net Changes	<u>2,234,656</u>	<u>222,694</u>	<u>2,011,962</u>
Balances at April 30, 2021	<u>\$ 17,218,698</u>	<u>\$ 2,936,159</u>	<u>\$ 14,282,539</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following presents the net pension liability related to the police pension plan of the Village calculated using the discount rate of 2.66% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.66%) or one percentage point higher (3.66%) than the current rate:

	1% Decrease (1.66%)	Current Discount Rate (2.66%)	1% Increase (3.66%)
Net Pension Liability (Asset)	\$ 17,708,767	\$ 14,282,539	\$ 11,610,363

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
 April 30, 2021

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS-DEFINED BENEFIT PLANS (Continued)**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position can be found in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position located in the financial section of this report.

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

For the year ended April 30, 2021, the Village recognized pension expense of \$1,977,855 related to the police pension plan. At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 241,874	\$ 274,521
Changes of assumptions	5,164,638	-
Net difference between projected and actual earnings on pension plan investments	<u>178,773</u>	<u>124,110</u>
Total Deferred Amounts to be recognized in pension expense in future periods	<u>\$ 5,585,285</u>	<u>\$ 398,631</u>

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

<u>Year Ended April 30</u>	<u>Total Annual Amortization</u>
2022	1,152,618
2023	1,126,048
2024	1,118,682
2025	990,180
2026	638,623
Thereafter	160,503

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 11 POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The Village provides the continuation of health care benefits and life insurance to employees who retire from the Village. Employees who terminate after reaching retirement eligibility in the plan may elect to continue their health care coverage by paying the monthly premium rate. Because the actuarial cost of health benefits for retirees exceed the average amount paid by retirees, the additional cost is paid by the Village. In addition, the Village pays 100% of the cost of coverage for officers disabled in the line of duty. The postemployment benefits (OPEB) liability is accounted for under GASB 75. A stand-alone financial report is not issued for the plan.

	<u>Participant Data</u>		
	<u>Police</u>	<u>Other Departments</u>	<u>Total</u>
Active participants	8	6	14
Retired/Disabled participants	5	0	5
	<u>13</u>	<u>6</u>	<u>19</u>

Funding Policy

Funding is provided by the Village on a pay-as-you-go basis and does not have a formal funding policy.

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2021 and was determined by an actuarial valuation as of April 30, 2021.

Actuarial Assumptions: The total OPEB liability was determined using the following actuarial assumptions:

Actuarial Cost Method:	Entry Age Normal
Salary Increases:	3.50%
Discount Rate:	2.12%
Health Care Cost Trend Rates:	7.25% for 2021 decreasing 0.25% per year to an ultimate rate of 4.50% for 2029 and after

Mortality rates were based on the RP2014 Blue Collar base rates projected to 2021 using scale MP2020 for Police. For all others the RP2014 base rates were projected to 2021 using scale MP2020 was used. No additional provision (besides those already embedded) were included for mortality improvements beyond 2021.

50% of employees currently enrolled in medical plans were assumed to participate in the retiree plan and 50% of employees were assumed to have participating spouses.

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 11 POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Discount Rate: The discount rate used to measure the total OPEB liability as of April 30, 2021 was 2.12%, which was a change from the discount rate of 2.91% that was used as of May 1, 2020. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20 year general obligation bonds with an average AA credit rating as of the measurement date.

Changes in Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at April 30, 2020	\$ 592,372
Service cost	35,535
Interest on the total OPEB liability	15,454
Benefit changes	-
Difference between expected and actual experience	(82,770)
Assumption changes	55,147
Benefit payments	<u>(122,606)</u>
Balance at April 30, 2021	<u><u>\$ 493,132</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>(1.12%)</u>	<u>(2.12%)</u>	<u>(3.12%)</u>
Total OPEB Liability	\$ 521,883	\$ 493,132	\$ 465,867

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate: The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1% lower or 1% higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	<u>6.25% decreasing to 3.5%</u>	<u>7.25% decreasing to 4.5%</u>	<u>8.25% decreasing to 5.5%</u>
Total OPEB Liability	\$ 450,700	\$ 493,132	\$ 543,627

VILLAGE OF ORLAND HILLS, ILLINOIS

Notes to financial statements
April 30, 2021

NOTE 11 POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

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

For the year ended April 30, 2021, the Village recognized OPEB expense of \$53,261. At April 30, 2021, the Village reported the following deferred outflows of resources and deferred inflows related to OPEB:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 70,191
Changes of assumptions	72,870	-
Total Deferred Amounts to be recognized in OPEB expense in future periods	<u>\$ 72,870</u>	<u>\$ 70,191</u>

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

Year Ended April 30	Annual Amortization
2022	\$ 2,272
2023	2,272
2024	2,272
2025	1,569
2026	(3,271)
Thereafter	(2,435)

NOTE 12 PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

The following is a description of the GASB authoritative pronouncements, which have been issued but have not yet been adopted by the Village of Orland Hills.

GASB Statement No. 87 – *Leases* is effective for the Village beginning with its fiscal year April 30, 2023. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

GASB Statement No. 89 – *Accounting for Interest Cost Incurred Before the End of a Construction Period* is effective for the Village's fiscal year ended April 30, 2022. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense/expenditure in the period in which the cost is incurred. As a result, such interest costs will not be included in the historical cost of capital assets.

NOTE 12 PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED (Continued)

GASB Statement No. 91 – *Conduit Debt Obligations* is effective for the Village beginning with its year ending April 30, 2023. The Statement clarifies the existing definition of a conduit debt obligation, establishes that a conduit debt obligation is not a liability of the issuer, and establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations. The Statement also requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognized liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

GASB Statement No. 92 – *Omnibus 2020* is effective for the Village beginning with its year ended April 30, 2023. The Statement addresses practice issues that have been identified during implementation and application of certain GASB Statements including: 1) the effective date of Statement 87 and Implementation Guide 2019-3 for interim financial reports; 2) reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit OPEB plan; 3) the applicability of Statement 73 and Statement 74 to reporting assets accumulated for postemployment benefits; 4) the applicability of certain requirements of Statement 84 to postemployment benefit arrangements; 5) measurement of liabilities related to asset retirement obligations in a government acquisition; 6) reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; 7) reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and 8) terminology used to refer to derivative instruments.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates* is effective for the Village beginning with its year ending April 30, 2023. This Statement will reduce the cost of the accounting and financial reporting ramifications of replacing interbank offered rates (IBOR) with other reference rates. This Statement also requires that agreements that effectively maintain an existing hedging arrangement continue to be accounted for in the same manner as before the replacement of a reference rate.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* is effective for the Village beginning with its year ending April 30, 2024. This Statement provides the following financial and accounting requirements for public-private and public-public partnerships (PPPs): a transferor to recognize a receivable for installment payments and a deferred inflow of resources to account for a PPP; a government to account for PPP and non-PPP components of a PPP as separate accounts; an amendment to a PPP to be considered a PPP modification, unless the operator's right to use the underlying PPP asset decreases, in which case it should be considered a partial or full PPP termination. This Statement also provides financial and reporting guidelines for availability payment arrangements (APAs). It requires that a government engaged in an APA with multiple components to recognize each component as a separate arrangement.

NOTE 12 PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED (Continued)

GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance* provides temporary relief to governments and other stakeholders in light of the Covid-19 pandemic. This Statement postpones the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* is effective for the Village beginning with its year ending April 30, 2024. This Statement requires the disclosure of descriptive information about subscription-based information technology arrangements (SBITAs) other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

GASB Statement No. 97 - *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* is effective for the Village beginning with its year ending April 30, 2023. This Statement requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

Management has not yet completed its evaluation of the impact, if any, the provisions of these GASB statements might have on its financial statements.

NOTE 13 SUBSEQUENT EVENT

On September 30, 2021 the Village sold \$4,690,000 par value of General Obligation Bonds (Alternative Revenue Source) Series 2021 at a premium of \$457,273. The proceeds, after issuance costs of \$144,924, will be used for capital projects.

REQUIRED SUPPLEMENTARY INFORMATION



VILLAGE OF ORLAND HILLS, ILLINOIS

VILLAGE OF ORLAND HILLS, ILLINOIS
OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY
APRIL 30, 2021

	Last 10 Fiscal Years *			
	2021	2020	2019	2018
Total OPEB Liability				
Service cost	\$ 35,535	\$ 31,415	\$ 29,466	\$ -
Interest	15,454	21,465	24,843	-
Changes of benefit terms	-	-	-	-
Difference between Expected and Actual Experience	(82,770)	-	-	-
Changes of assumptions	55,147	34,713	5,170	-
Benefit payments, including refunds of member contributions	(122,606)	(123,178)	(114,585)	-
Net Change in Total OPEB Liability	(99,240)	(35,585)	(55,106)	-
Total OPEB Liability - Beginning	592,372	627,957	683,063	-
Total OPEB Liability - Ending (a)	\$ 493,132	\$ 592,372	\$ 627,957	\$ -
Plan Fiduciary Net Position				
Contributions - employer	\$ 122,606	\$ 123,179	\$ 114,585	\$ -
Contributions - member	-	-	-	-
Net investment income	-	-	-	-
Benefit payments, including refunds of member contributions	(122,606)	(123,179)	(114,585)	-
Administrative expense	-	-	-	-
Net Change in Fiduciary Net Position	\$ -	\$ -	\$ -	\$ -
Plan Fiduciary Net Position - Beginning	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ -	\$ -	\$ -	\$ -
Total OPEB Liability - Ending (a)-(b)	\$ 493,132	\$ 592,372	\$ 627,957	\$ -
OPEB Plan Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 1,071,928	\$ 1,265,986	\$ 1,223,175	\$ -
Employer Total OPEB Liability as a Percentage of Covered-Employee Payroll	46.00%	46.79%	51.34%	0.00%

* Information is presented for those years for which it is available

VILLAGE OF ORLAND HILLS, ILLINOIS
OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF VILLAGE CONTRIBUTIONS
APRIL 30, 2021

Last 10 Fiscal Years *

	2021	2020	2019	2018
Actuarially Determined Contribution	N/A	N/A	N/A	N/A
Contributions in Relation to the Actuarially Determined Contribution	-	-	-	-
Contribution Deficiency (Excess)	N/A	N/A	N/A	N/A
Covered-Employee Payroll	\$ 1,071,928	\$ 1,265,986	\$ 1,223,175	\$ -
Contributions as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%

There is no Actuarially Determined Contribution or employer contribution in relation to the Actuarially Determined Contribution, as there is no Trust that exists for funding the OPEB liabilities. The Village did make contributions from other Village resources in the current year in the amount of \$122,606.

* Information is presented for those years for which it is available

VILLAGE OF ORLAND HILLS, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2021

	Last 10 Fiscal Years *					
	2021	2020	2019	2018	2017	2016
Total Pension Liability						
Service cost	\$ 504,581	\$ 345,799	\$ 157,967	\$ 151,509	\$ 162,323	\$ 153,180
Interest	478,032	514,508	522,141	477,539	493,266	479,297
Changes of benefit terms	-	60,951	-	-	-	-
Differences between expected and actual experience	63,286	(59,601)	17,886	374,600	(590,711)	(66,773)
Changes of assumptions	1,575,733	3,176,687	2,814,445	-	-	-
Benefit payments, including refunds of member contributions	(386,976)	(429,990)	(339,378)	(272,823)	(335,614)	(363,616)
Net Change in Total Pension Liability	2,234,656	3,608,354	3,173,061	730,825	(270,736)	202,088
Total Pension Liability - Beginning	14,984,042	11,375,688	8,202,627	7,471,802	7,742,538	7,540,450
Total Pension Liability - Ending (a)	\$ 17,218,698	\$ 14,984,042	\$ 11,375,688	\$ 8,202,627	\$ 7,471,802	\$ 7,742,538
Plan Fiduciary Net Position						
Contributions - employer	\$ 269,608	\$ 293,977	\$ 258,264	\$ 214,882	\$ 223,485	\$ 322,487
Contributions - member	68,651	73,556	67,374	61,621	67,397	92,744
Net investment income	308,690	(4,121)	81,766	25,759	39,675	55,404
Benefit payments, including refunds of member contributions	(386,976)	(429,990)	(339,378)	(272,823)	(335,614)	(363,616)
Other	(37,279)	(17,860)	(19,905)	(25,556)	(7,259)	(16,481)
Net Change in Fiduciary Net Position	\$ 222,694	\$ (84,438)	\$ 48,121	\$ 3,883	\$ (12,316)	\$ 90,538
Plan Fiduciary Net Position - Beginning	2,713,465	2,797,903	2,749,782	2,745,899	2,758,215	2,667,677
Plan Fiduciary Net Position - Ending (b)	\$ 2,936,159	\$ 2,713,465	\$ 2,797,903	\$ 2,749,782	\$ 2,745,899	\$ 2,758,215
Net Pension Liability - Ending (a)-(b)	\$ 14,282,539	\$ 12,270,577	\$ 8,577,785	\$ 5,452,845	\$ 4,725,903	\$ 4,984,323
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	17.05%	18.11%	24.60%	33.52%	36.75%	35.62%
Covered-Employee Payroll	\$ 735,465	\$ 702,534	\$ 679,863	\$ 640,868	\$ 680,763	\$ 639,223
Net Pension Liability as a Percentage of Covered-Employee Payroll	1941.97%	1746.62%	1261.69%	850.85%	694.21%	779.75%

* Information is presented for those years for which it is available

**VILLAGE OF ORLAND HILLS, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE VILLAGE CONTRIBUTIONS
APRIL 30, 2021**

	Last 10 Fiscal Years *					
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially Determined Contribution	\$ 589,544	\$ 548,297	\$ 485,039	\$ 494,931	\$ 489,901	\$ 331,473
Contributions in Relation to the Actuarially Determined Contribution	269,608	293,977	258,264	214,882	223,485	322,487
Contribution Deficiency (Excess)	\$ 319,936	\$ 254,320	\$ 226,775	\$ 280,049	\$ 266,416	\$ 8,986
Covered-Employee Payroll	\$ 735,465	\$ 702,534	\$ 679,863	\$ 640,868	\$ 680,763	\$ 639,223
Contributions as a Percentage of Covered-Employee Payroll	36.66%	41.85%	37.99%	33.53%	32.83%	50.45%

Notes to Schedule:

The Actuarially Determined Contribution shown for the current year is from the May 1, 2019 Actuarial Report completed by Lauterbach & Amen , LLP for the tax levy recommendation for the December 2019 tax levy.

The methods and assumptions shown below are based on the same Actuarial Valuation.

Actuarial Cost Method: Entry age normal

Amortization Method: Level % Pay

Remaining Amortization Period : 20 Years'

Asset Valuation Method: 5-year smoothed market

Inflation: 2.5%

Payroll Increases: 3.00%

Individual Pay Increases: 2.50%-14.78%

Investment Rate of Return: 5.75%

Retirement Rates: 100% of L&A 2016 Illinois Police Retirement Rates Capped at Age 65

Mortality Rates: RP-204 Adjusted for Pan Status, Collar, and Illinois Public Pension Data, as Appropriate

Termination Rates: 100% of L&A 2016 Illinois Police Termination Rates

Disability Rates: 100% of L&A 2016 Illinois Police Disability Rates

* Information is presented for those years for which it was available

VILLAGE OF ORLAND HILLS, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
APRIL 30, 2021

Last 10 Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.43%	2.82%	4.36%	-0.03%	0.59%	2.70%	3.13%	0.00%	0.00%	0.00%

VILLAGE OF ORLAND HILLS, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2021

	Last 10 Fiscal Years *					
	2021	2020	2019	2018	2017	2016
Total Pension Liability						
Service cost	\$ 99,284	\$ 108,986	\$ 104,323	\$ 110,126	\$ 111,894	\$ 136,139
Interest	522,922	496,248	476,671	500,670	465,169	394,500
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(154,019)	68,512	67,397	(412,892)	121,692	696,883
Changes of assumptions	28,415	-	181,398	(184,273)	(254,234)	90,802
Benefit payments, including refunds of member contributions	(331,712)	(270,249)	(415,618)	(245,833)	(265,665)	(194,351)
Net Change in Total Pension Liability	<u>164,890</u>	<u>403,497</u>	<u>414,171</u>	<u>(232,201)</u>	<u>178,857</u>	<u>1,123,974</u>
Total Pension Liability - Beginning	<u>7,328,927</u>	<u>6,925,430</u>	<u>6,511,259</u>	<u>6,743,460</u>	<u>6,564,603</u>	<u>5,440,629</u>
Total Pension Liability - Ending (a)	<u>\$ 7,493,817</u>	<u>\$ 7,328,927</u>	<u>\$ 6,925,430</u>	<u>\$ 6,511,259</u>	<u>\$ 6,743,460</u>	<u>\$ 6,564,603</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 182,847	\$ 205,992	\$ 222,865	\$ 224,272	\$ 170,546	\$ 207,168
Contributions - member	36,247	40,754	42,676	42,982	42,108	62,715
Net investment income	764,097	844,194	(239,592)	723,705	271,657	19,092
Benefit payments, including refunds of member contributions	(331,712)	(270,249)	(415,618)	(245,833)	(265,663)	(194,351)
Other	113,619	9,344	271,396	(302,556)	68,291	123,547
Net Change in Fiduciary Net Position	<u>\$ 765,098</u>	<u>\$ 830,035</u>	<u>\$ (118,273)</u>	<u>\$ 442,570</u>	<u>\$ 286,939</u>	<u>\$ 218,171</u>
Plan Fiduciary Net Position - Beginning	<u>5,439,998</u>	<u>4,609,963</u>	<u>4,728,236</u>	<u>4,285,666</u>	<u>3,998,727</u>	<u>3,780,556</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 6,205,096</u>	<u>\$ 5,439,998</u>	<u>\$ 4,609,963</u>	<u>\$ 4,728,236</u>	<u>\$ 4,285,666</u>	<u>\$ 3,998,727</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 1,288,721</u>	<u>\$ 1,888,929</u>	<u>\$ 2,315,467</u>	<u>\$ 1,783,023</u>	<u>\$ 2,457,794</u>	<u>\$ 2,565,876</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.80%	74.23%	66.57%	72.62%	63.55%	0.00%
Covered-Employee Payroll	\$ 805,492	\$ 905,641	\$ 948,363	\$ 955,164	\$ 935,738	\$ -
Net Pension Liability as a Percentage of Covered-Employee Payroll	159.99%	208.57%	244.15%	186.67%	262.66%	0.00%

Notes to Schedule:

* Information is presented for those years for which it was available

VILLAGE OF ORLAND HILLS, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE VILLAGE CONTRIBUTIONS
APRIL 30, 2021

	Last 10 Fiscal Years *					
	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 189,645	\$ 193,651	\$ 221,160	\$ 225,708	\$ 161,228	\$ 179,869
Contributions in Relation to the Actuarially Determined Contribution	189,645	193,651	221,160	225,708	170,546	207,168
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ (9,318)	\$ (27,299)
Covered-Employee Payroll	\$ 812,173	\$ 882,004	\$ 964,938	\$ 961,036	\$ 935,738	\$ 929,074
Contributions as a Percentage of Covered-Employee Payroll	23.35%	21.96%	22.92%	23.49%	18.23%	22.30%

Notes to Schedule:

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

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 23-year closed period until period.

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 3.25%

Inflation: 2.50%

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.25%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience

Other Information: There were no benefit changes during the year

* Information is presented for those years for which it was available

VILLAGE OF ORLAND HILLS, ILLINOIS
SHERIFF'S LAW ENFORCEMENT PERSONNEL
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
APRIL 30, 2021

	Last 10 Fiscal Years *					
	2021	2020	2019	2018	2017	2016
Total Pension Liability						
Service cost	\$ 27,415	\$ 26,549	\$ 25,847	\$ 27,117	\$ 28,397	\$ 25,198
Interest	36,666	34,432	31,326	28,239	23,524	20,039
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(243,118)	(16,169)	(12,043)	(5,597)	11,044	2,997
Changes of assumptions	866	-	11,769	(7,962)	(21,390)	16,411
Benefit payments, including refunds of member contributions	(28,884)	-	-	-	-	-
Net Change in Total Pension Liability	(207,055)	44,812	56,899	41,797	41,576	64,646
Total Pension Liability - Beginning	506,467	461,655	404,756	362,959	321,383	256,737
Total Pension Liability - Ending (a)	\$ 299,412	\$ 506,467	\$ 461,655	\$ 404,756	\$ 362,959	\$ 321,383
Plan Fiduciary Net Position						
Contributions - employer	\$ 19,597	\$ 23,844	\$ 24,529	\$ 23,529	\$ 21,873	\$ 19,183
Contributions - member	8,849	11,666	11,513	11,269	10,871	10,104
Net investment income	39,572	46,099	(9,743)	29,640	9,493	662
Benefit payments, including refunds of member contributions	(28,884)	-	-	-	-	-
Other	(15,613)	(1,950)	(724)	(1,960)	(1,170)	(12,479)
Net Change in Fiduciary Net Position	\$ 23,521	\$ 79,659	\$ 25,575	\$ 62,478	\$ 41,067	\$ 17,470
Plan Fiduciary Net Position - Beginning	343,963	264,304	238,729	176,251	135,184	117,714
Plan Fiduciary Net Position - Ending (b)	\$ 367,484	\$ 343,963	\$ 264,304	\$ 238,729	\$ 176,251	\$ 135,184
Net Pension Liability - Ending (a)-(b)	\$ (68,072)	\$ 162,504	\$ 197,351	\$ 166,027	\$ 186,708	\$ 186,199
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	122.74%	67.91%	57.25%	58.98%	48.56%	42.06%
Covered-Employee Payroll	\$ 64,752	\$ 155,541	\$ 153,502	\$ 150,250	\$ 144,944	\$ 134,720
Net Pension Liability as a Percentage of Covered-Employee Payroll	-105.13%	104.48%	128.57%	110.50%	128.81%	138.21%

Notes to Schedule:

* Information is presented for those years for which it was available
The only participating employee terminated employment in September 2020

VILLAGE OF ORLAND HILLS, ILLINOIS
SHERIFF'S LAW ENFORCEMENT PERSONNEL
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE VILLAGE CONTRIBUTIONS
APRIL 30, 2021

	Last 10 Fiscal Years *					
	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 10,755	\$ 25,637	\$ 24,375	\$ 23,862	\$ 23,529	\$ 21,872
Contributions in Relation to the Actuarially Determined Contribution	10,755	25,637	24,375	23,862	23,529	21,872
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 64,752	\$ 162,794	\$ 154,406	\$ 151,454	\$ 144,944	\$ 134,720
Contributions as a Percentage of Covered-Employee Payroll	16.61%	15.75%	15.79%	15.76%	16.23%	16.24%

Notes to Schedule:

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

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 23-year closed period until period.

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 3.25%

Inflation: 2.50%

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.25%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

The IMRF specific rates were developed from the

RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with the fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information: There were no benefit changes during the year.

* Information is presented for those years for which it is available

VILLAGE OF ORLAND HILLS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND AND MOTOR FUEL TAX FUND
YEAR ENDED APRIL 30, 2021

	General Fund			Motor Fuel Tax Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final	Original and Final Budget	Actual	Variance Over (Under) Final
Revenues						
Taxes	\$ 1,392,470	\$ 1,692,131	\$ 299,661	\$ 20,700	\$ 24,680	\$ 3,980
Licenses and permits	231,375	220,006	(11,369)	-	-	-
Intergovernmental	2,669,776	3,413,142	743,366	250,604	519,673	269,069
Fees and charges for services	618,142	582,798	(35,344)	45,600	84,715	39,115
Fines	368,700	388,845	20,145	-	-	-
Investment income	10,113	2,155	(7,958)	1,260	304	(956)
Other revenues	107,115	87,295	(19,820)	-	-	-
Total revenues	<u>5,397,691</u>	<u>6,386,372</u>	<u>988,681</u>	<u>318,164</u>	<u>629,372</u>	<u>311,208</u>
Expenditures						
Administration	861,828	842,388	(19,440)	-	-	-
Building and zoning department	178,931	154,787	(24,144)	-	-	-
Police department	2,604,938	2,755,466	150,528	-	-	-
Fire and police commission	13,000	2,369	(10,631)	-	-	-
ESDA	2,710	2,065	(645)	-	-	-
Parks and recreation	664,957	515,624	(149,333)	-	-	-
Orland Towne Village festival	-	-	-	-	-	-
Concession stand/ seniors	6,530	582	(5,948)	-	-	-
Special transportation	90,132	89,694	(438)	-	-	-
Highway and streets	785,717	765,515	(20,202)	112,644	178,343	65,699
Flood prevention	9,000	3,196	(5,804)	-	-	-
Capital outlay	163,586	31,710	(131,876)	205,000	508,620	303,620
Debt service - principal retired	55,715	72,903	17,188	-	-	-
Debt service - interest and fees	1,190	2,080	890	-	-	-
Total expenditures	<u>5,438,234</u>	<u>5,238,379</u>	<u>(199,855)</u>	<u>317,644</u>	<u>686,963</u>	<u>369,319</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(40,543)</u>	<u>1,147,993</u>	<u>1,188,536</u>	<u>520</u>	<u>(57,591)</u>	<u>(58,111)</u>
Other Financing Sources/(Uses)						
Transfers in	-	31,288	31,288	-	250,000	250,000
Transfers out	(250,000)	(250,000)	-	-	-	-
Total other financing sources	<u>(250,000)</u>	<u>(218,712)</u>	<u>31,288</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
Net Change in Fund Balances	<u>\$ (290,543)</u>	<u>929,281</u>	<u>\$ 1,219,824</u>	<u>\$ 520</u>	<u>192,409</u>	<u>\$ 191,889</u>
Fund Balances - Beginning of Year		<u>673,445</u>			<u>(434,932)</u>	
Fund Balances - End of Year		<u>\$ 1,602,726</u>			<u>\$ (242,523)</u>	

VILLAGE OF ORLAND HILLS, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BUDGETARY DATA

A budget to actual comparison is presented for the General fund and major special revenue funds. The budget is prepared on the modified accrual basis of accounting, which is the same basis used in reporting the governmental funds financial statements except that the property tax levy related to the police pension contribution and the related contribution expenditure are not budgeted for.

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

The proposed appropriation ordinance is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations. All appropriations are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

The appropriation ordinance may be amended by the governing body.

Expenditures may not legally exceed appropriation allocations at the fund level.

The Village also adopts an operating budget, which is used as a management tool.

NOTE 2 - EXPENDITURES OVER BUDGET

The following funds have an excess of actual expenditures over budget for the year ended April 30, 2021:

<u>Fund</u>	<u>Amount</u>
Motor Fuel Tax	\$ 369,319

SUPPLEMENTARY INFORMATION



VILLAGE OF ORLAND HILLS, ILLINOIS

VILLAGE OF ORLAND HILLS, ILLINOIS
GENERAL FUND
SCHEDULES OF REVENUES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2021

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Taxes			
Property tax	\$ 289,670	\$ 581,833	\$ 292,163
Non home-rule sales tax	880,000	899,480	19,480
Telecommunication utility tax	72,000	60,251	(11,749)
Nonretail business tax	102,800	93,367	(9,433)
Vehicle lease tax	48,000	57,200	9,200
Total taxes	<u>1,392,470</u>	<u>1,692,131</u>	<u>299,661</u>
Licenses and permits			
Vehicle licenses	67,975	58,862	(9,113)
Liquor licenses	60,000	38,500	(21,500)
Other licenses and permits	50,900	55,114	4,214
Business licenses	30,000	40,405	10,405
Contractor licenses	22,500	27,125	4,625
Total licenses and permits	<u>231,375</u>	<u>220,006</u>	<u>(11,369)</u>
Intergovernmental revenues			
Personal property replacement tax	2,500	4,278	1,778
State income tax	706,250	1,045,386	339,136
State sales tax	1,695,237	1,869,547	174,310
Use tax	265,789	329,225	63,436
Grants	-	164,706	164,706
Total intergovernmental revenues	<u>2,669,776</u>	<u>3,413,142</u>	<u>743,366</u>
Fees and charges for services			
Franchise fees	405,000	425,263	20,263
Permit and inspection fees	134,550	76,266	(58,284)
Recreation fees	54,872	53,081	(1,791)
Video provider fee	23,000	20,250	(2,750)
Other fees and charges	720	7,938	7,218
Total fees and charges for services	<u>618,142</u>	<u>582,798</u>	<u>(35,344)</u>
Fines			
Police fines	365,000	310,625	(54,375)
Miscellaneous fines	3,700	78,220	74,520
Total fines	<u>368,700</u>	<u>388,845</u>	<u>20,145</u>
Investment income	<u>10,113</u>	<u>2,155</u>	<u>(7,958)</u>
Other revenue			
Donations	20,500	11,291	(9,209)
Reimbursements	50,000	26,488	(23,512)
Miscellaneous	36,615	49,516	12,901
Total other revenue	<u>107,115</u>	<u>87,295</u>	<u>(19,820)</u>
Total revenues	<u>\$ 5,397,691</u>	<u>\$ 6,386,372</u>	<u>\$ 988,681</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
GENERAL FUND
SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
Expenditures			
General Government			
Administration			
Personal services	\$ 466,768	\$ 424,039	\$ (42,729)
Contractual	332,900	370,506	37,606
Commodities	58,550	45,711	(12,839)
Capital outlay	3,610	2,132	(1,478)
Total administration	<u>861,828</u>	<u>842,388</u>	<u>(19,440)</u>
Building & zoning department			
Personal services	128,581	126,259	(2,322)
Contractual	39,800	18,931	(20,869)
Commodities	8,450	7,478	(972)
Capital outlay	2,100	2,119	19
Total building & zoning department	<u>178,931</u>	<u>154,787</u>	<u>(24,144)</u>
Total general government	<u>1,040,759</u>	<u>997,175</u>	<u>(43,584)</u>
Public Safety			
Police department			
Personal services	1,993,147	2,177,266	184,119
Contractual	475,367	456,284	(19,083)
Commodities	92,795	80,900	(11,895)
Capital outlay	43,629	41,016	(2,613)
Total police department	<u>2,604,938</u>	<u>2,755,466</u>	<u>150,528</u>
Fire and Police Commission			
Contractual	1,000	-	(1,000)
Commodities	12,000	2,369	(9,631)
Total fire and police commission	<u>13,000</u>	<u>2,369</u>	<u>(10,631)</u>
ESDA			
Personal services	2,020	1,847	(173)
Contractual	240	218	(22)
Commodities	450	-	(450)
Total ESDA	<u>2,710</u>	<u>2,065</u>	<u>(645)</u>
Total public safety	<u>2,620,648</u>	<u>2,759,900</u>	<u>139,252</u>
Culture and Recreation			
Parks and recreation			
Personal services	423,011	395,087	(27,924)
Contractual	84,476	33,826	(50,650)
Commodities	150,710	82,825	(67,885)
Capital outlay	6,760	3,886	(2,874)
Total parks and recreation	<u>664,957</u>	<u>515,624</u>	<u>(149,333)</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
GENERAL FUND
SCHEDULES OF EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED APRIL 30, 2021

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Culture and Recreation (Continued)			
Orland Towne Village festival			
Commodities	-	-	-
Concession stand/seniors			
Personal services	175	184	9
Contractual	355	328	(27)
Commodities	6,000	70	(5,930)
Total concession stand/seniors	6,530	582	(5,948)
Special transportation			
Personal services	78,432	78,353	(79)
Contractual	6,950	4,155	(2,795)
Commodities	3,350	6,186	2,836
Capital outlay	1,400	1,000	(400)
Total special transportation	90,132	89,694	(438)
Total culture and recreation	761,619	605,900	(155,719)
Highways and Streets			
Public works			
Personal services	453,179	503,665	50,486
Contractual	191,860	191,134	(726)
Commodities	46,750	67,822	21,072
Capital outlay	93,928	2,894	(91,034)
Total public works	785,717	765,515	(20,202)
Flood Prevention	9,000	3,196	(5,804)
Total highways and streets	794,717	768,711	(26,006)
Capital Outlay	163,586	31,710	(131,876)
Debt Service - Principal Retired	55,715	72,903	17,188
Debt Service - Interest and Fees	1,190	2,080	890
Total expenditures	\$ 5,438,234	\$ 5,238,379	\$ (199,855)

VILLAGE OF ORLAND HILLS, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SERIES 2017 BOND FUND
YEAR ENDED APRIL 30, 2021

	Series 2017 Bond Fund		
	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Investment income	\$ 23,000	\$ 3,153	\$ (19,847)
Total revenues	23,000	3,153	(19,847)
Expenditures			
Administration	5,000	1,224	(3,776)
Highway and streets	650,000	84,586	(565,414)
Miscellaneous	10,000	-	(10,000)
Total expenditures	665,000	85,810	(579,190)
Excess (Deficiency) of Revenues Over Expenditures	(642,000)	(82,657)	559,343
Other Financing Sources/(Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	-	-	-
Net Change in Fund Balances	<u>\$ (642,000)</u>	<u>(82,657)</u>	<u>\$ 559,343</u>
Fund Balances - Beginning of Year		<u>1,665,686</u>	
Fund Balances - End of Year		<u>\$ 1,583,029</u>	

VILLAGE OF ORLAND HILLS, ILLINOIS
BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SPORTS ARENA
YEAR ENDED APRIL 30, 2021

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
Revenues			
Intergovernmental	\$ 1,966,250	\$ 1,966,250	\$ -
Investment income	900	5,368	4,468
Total revenues	<u>1,967,150</u>	<u>1,971,618</u>	<u>4,468</u>
Expenditures			
Capital outlay	<u>1,830,250</u>	<u>104,139</u>	<u>(1,726,111)</u>
Total expenditures	<u>1,830,250</u>	<u>104,139</u>	<u>(1,726,111)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>136,900</u>	<u>1,867,479</u>	<u>1,730,579</u>
Other Financing Sources/(Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 136,900</u>	<u>1,867,479</u>	<u>\$ 1,730,579</u>
Fund Balances - Beginning of Year		<u>-</u>	
Fund Balances - End of Year		<u>\$ 1,867,479</u>	

VILLAGE OF ORLAND HILLS, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
APRIL 30, 2021

	Nonmajor Special Revenue Funds	Bond Debt Service Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	\$ 119,923	\$ 216,054	\$ 335,977
Short-term investments	6,322	-	6,322
Receivables			
Hotel taxes	14,585	-	14,585
Property taxes	-	190,986	190,986
Due from other funds	11,066	-	11,066
Total assets	<u>\$ 151,896</u>	<u>\$ 407,040</u>	<u>\$ 558,936</u>
Liabilities, Deferred Inflows of Resources and Fund Balance			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unearned Revenue	-	164,737	164,737
	<u>-</u>	<u>164,737</u>	<u>164,737</u>
Fund balances (deficits)			
Restricted, reported in			
Special revenue funds	25,480	-	25,480
Debt service funds	-	242,303	242,303
Assigned	126,416	-	126,416
Unassigned	-	-	-
Total fund balances (deficits)	<u>151,896</u>	<u>242,303</u>	<u>394,199</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 151,896</u>	<u>\$ 407,040</u>	<u>\$ 558,936</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED APRIL 30, 2021

	Nonmajor Special Revenue Funds	Bond Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Hotel taxes	\$ 65,736	\$ -	\$ 65,736
Property taxes	-	446,591	446,591
Investment income	101	-	101
Total revenues	<u>65,837</u>	<u>446,591</u>	<u>512,428</u>
Expenditures			
Administration	8,283	-	8,283
Police department	-	-	-
Debt Service- Principal	-	230,000	230,000
Debt Service- Interest	-	145,950	145,950
Total expenditures	<u>8,283</u>	<u>375,950</u>	<u>384,233</u>
Transfers In (Out)	<u>(31,288)</u>	<u>-</u>	<u>(31,288)</u>
Net Change in Fund Balances	<u>26,266</u>	<u>70,641</u>	<u>96,907</u>
Fund Balances (Deficit)			
Beginning of year	<u>125,630</u>	<u>171,662</u>	<u>297,292</u>
End of year	<u><u>\$ 151,896</u></u>	<u><u>\$ 242,303</u></u>	<u><u>\$ 394,199</u></u>

**VILLAGE OF ORLAND HILLS, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
APRIL 30, 2021**

	SPECIAL REVENUE FUNDS							Total
	Integrity Fund I	Integrity Fund III	Tourism Fund	Park Donation Fund	Wetland Maintenance Fund	Non-Drug Seizure Fund	Tax Rebate Fund	
Assets								
Cash and cash equivalents	\$ 19,277	\$ 15	\$ 98,065	\$ -	\$ -	\$ 2,566	\$ -	\$ 119,923
Short-term investments	-	-	2,700	1,579	1,689	354	-	6,322
Receivables								
Hotel taxes	-	-	14,585	-	-	-	-	14,585
Due from other funds	-	-	11,066	-	-	-	-	11,066
Total assets	<u>\$ 19,277</u>	<u>\$ 15</u>	<u>\$ 126,416</u>	<u>\$ 1,579</u>	<u>\$ 1,689</u>	<u>\$ 2,920</u>	<u>\$ -</u>	<u>\$ 151,896</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances								
Liabilities								
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits)								
Restricted	19,277	15	-	1,579	1,689	2,920	-	25,480
Assigned	<u>-</u>	<u>-</u>	<u>126,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,416</u>
Total fund balance	<u>19,277</u>	<u>15</u>	<u>126,416</u>	<u>1,579</u>	<u>1,689</u>	<u>2,920</u>	<u>-</u>	<u>151,896</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 19,277</u>	<u>\$ 15</u>	<u>\$ 126,416</u>	<u>\$ 1,579</u>	<u>\$ 1,689</u>	<u>\$ 2,920</u>	<u>\$ -</u>	<u>\$ 151,896</u>

VILLAGE OF ORLAND HILLS, ILLINOIS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED APRIL 30, 2021

	SPECIAL REVENUE FUNDS							
	Integrity Fund I	Integrity Fund III	Tourism Fund	Park Donation Fund	Wetland Maintenance Fund	Non-Drug Seizure Fund	Tax Rebate Fund	Total
Revenues								
Hotel tax	\$ -	\$ -	\$ 65,736	\$ -	\$ -	\$ -	\$ -	\$ 65,736
Investment income	18	-	74	3	3	3	-	101
Total revenues	<u>18</u>	<u>-</u>	<u>65,810</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>	<u>65,837</u>
Expenditures								
Administration	-	-	8,283	-	-	-	-	8,283
Police department	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>8,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,283</u>
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,288)</u>	<u>(31,288)</u>
Net Change in Fund Balances	<u>18</u>	<u>-</u>	<u>57,527</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>(31,288)</u>	<u>26,266</u>
Fund Balances (Deficits)								
Beginning of year	<u>19,259</u>	<u>15</u>	<u>68,889</u>	<u>1,576</u>	<u>1,686</u>	<u>2,917</u>	<u>31,288</u>	<u>125,630</u>
End of year	<u>\$ 19,277</u>	<u>\$ 15</u>	<u>\$ 126,416</u>	<u>\$ 1,579</u>	<u>\$ 1,689</u>	<u>\$ 2,920</u>	<u>\$ -</u>	<u>\$ 151,896</u>

STATISTICAL SECTION



VILLAGE OF ORLAND HILLS, ILLINOIS

**VILLAGE OF ORLAND HILLS, ILLINOIS
GENERAL PROPERTY TAX DATA**

(Unaudited)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Assessed										
Valuation	\$ 160,846,398	\$ 146,318,070	\$ 146,529,337	\$ 150,296,109	\$ 132,078,613	\$ 128,035,438	\$ 131,289,244	\$ 135,063,473	\$ 143,633,188	\$ 155,343,519
Tax Rate										
General	0.623	0.676	0.591	0.48	0.423	0.433	0.418	0.400	0.369	0.331
Gross Levy										
General	1,002,073	989,110	865,988	721,148	558,063	554,393	548,789	540,254	529,320	513,365