

# **Village of Bolingbrook, Illinois**

Annual Financial Report

April 30, 2021



**Village of Bolingbrook, Illinois**  
**Annual Financial Report**  
**April 30, 2021**

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## **Independent Auditor's Report**

## Independent Auditor's Report

Honorable Mayor  
Board of Trustees  
Village of Bolingbrook, Illinois  
Bolingbrook, Illinois

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Bolingbrook, Illinois as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the Village's 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. 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, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Bolingbrook, Illinois as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, in 2021 the Village adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, which established standards for identifying, classifying and reporting fiduciary activities and modified certain disclosures in the notes to financial statements. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison information, pension and other postemployment benefits information, as listed in the table of contents, 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 Bolingbrook, Illinois' basic financial statements. The combining financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining 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

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statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*BKD, LLP*

Oakbrook Terrace, Illinois  
January 28, 2022

## **Management's Discussion and Analysis**



**Village of Bolingbrook, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2021**

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As management of the Village of Bolingbrook ("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. This narrative is intended to provide the reader a better understanding of the accompanying financial statements. It also highlights several important aspects of the Village's financial condition and reviews the relationship between the types of financial statements presented.

**Financial Highlights**

- The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at April 30, 2021, resulting in a total net position of \$198,926,189.
- The Village's total net position increased by \$8,414,400 during the fiscal year. Governmental net position increased by \$15,562,412 and business-type net position decreased by \$7,148,012.
- The Village's governmental funds reported combined ending fund balances of \$117,806,546, an increase of \$7,118,651, or 6.4%, as compared with the prior year.
- As of April 30, 2021, unassigned fund balance in the General Fund was \$49,812,536, or 65%, of total General Fund expenditures. General Fund cash and investments totaled \$50,149,686, or 65%, of total General Fund expenditures.

**REPORT STRUCTURE**

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a comprehensive overview of the Village's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Village's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates the Village's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information showing how the Village's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The Statement of Activities also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

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Both of the government-wide financial statements differentiate functions of the Village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, sanitation, culture and recreation and economic development. The business-type activities of the Village include water and sewer services, airport and the westside regional stormwater activities.

Excluded from the government-wide financial statements are fiduciary funds, such as the Village's Police and Firefighters' Pension Funds and custodial fund. Fiduciary funds are used to report net position held in a trustee or custodial capacity for others and therefore cannot be used to support Village services.

The government-wide financial statements can be found on pages 16 through 19 of this report.

***Fund Financial Statements***

A *fund* is a group of accounts used to maintain control over resources that have been segregated for specific purposes. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

*Proprietary Funds* account for those activities primarily supported by user fees. The Village maintains two types of proprietary funds (*enterprise funds and internal service funds*). Proprietary funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements and use the economic measurement focus and accrual basis of accounting. The Village's proprietary funds are the Waterworks and Sewage Fund, Airport and Westside Regional Stormwater Fund. The internal service fund accounts for the Village's Medical Insurance, Workers' Compensation and Retiree funds activity.

*Fiduciary funds* account for financial resources held for the benefit of parties outside the Village, such as the Village's Police and Firefighters' Pension funds and Weber Road TIF custodial fund. The accounting used for fiduciary funds is similar to that used by proprietary funds.

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The fund financial statements begin on page 20.

**Notes to the Financial Statements.**

The Notes to the Financial Statements provide information necessary for the full understanding of the statements and being on page 33.

**Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also includes certain *required supplementary information* and can be found starting on page 92. Other supplemental information may also be found beginning on page 106.

**CONDENSED FINANCIAL INFORMATION AND ANALYSIS**

**Government-Wide Financial Analysis**

**Village of Bolingbrook's Statement of Net Position**  
**April 30, 2021 and 2020**  
(in Millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current Assets	\$ 137.1	\$ 125.3	9.5	13.3	146.6	138.6
Other Assets	3.6		0.6		4.2	
Capital Assets	288.3	290.8	170.3	174.0	458.6	464.8
Total Assets	<u>429.0</u>	<u>416.1</u>	<u>180.4</u>	<u>187.3</u>	<u>609.4</u>	<u>603.4</u>
Deferred Outflows of Resources	<u>29.5</u>	<u>31.0</u>	<u>0.1</u>	<u>0.3</u>	<u>29.6</u>	<u>31.3</u>
Total Assets and Outflows of Resources	<u>458.5</u>	<u>447.1</u>	<u>180.5</u>	<u>187.6</u>	<u>639.0</u>	<u>634.7</u>
Current Liabilities	30.2	27.5	1.9	1.8	32.1	29.3
Noncurrent Liabilities	364.7	388.6	0.2	0.7	364.9	389.3
Total Liabilities	<u>394.9</u>	<u>416.1</u>	<u>2.1</u>	<u>2.5</u>	<u>397.0</u>	<u>418.6</u>
Deferred Inflows of Resources	<u>42.1</u>	<u>25.0</u>	<u>1.0</u>	<u>0.6</u>	<u>43.1</u>	<u>25.6</u>
Total Liabilities and Deferred Inflows of Resources	<u>437.0</u>	<u>441.1</u>	<u>3.1</u>	<u>3.1</u>	<u>440.1</u>	<u>444.2</u>
Net Position						
Net Investment in Capital Assets	102.8	84.5	170.1	173.7	272.9	258.2
Restricted	22.5	18.2	0.6		23.1	18.2
Unrestricted	<u>(103.8)</u>	<u>(96.7)</u>	<u>6.7</u>	<u>10.8</u>	<u>(97.1)</u>	<u>(85.9)</u>
Total Net Position	<u>\$ 21.5</u>	<u>\$ 6.0</u>	<u>177.4</u>	<u>184.5</u>	<u>198.9</u>	<u>190.5</u>

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**Normal Impacts**

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

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

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

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

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

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

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

**Current Year Impacts**

The Village's assets and deferred outflows exceeded its liabilities and deferred inflows by \$198.9 million as of April 30, 2021. The Village's net investment in capital assets was \$272.9 million, which includes related debt and depreciation. Restricted net position totaled \$23.1 million and includes amounts that are subject to external constraints. Unrestricted net position was negative \$97.1 million due to the inclusion of \$107.8 million in net pension liability and \$45.4 million in total other post-employment benefit obligations. The net pension liability includes \$57.2 million for the Village's Police Pension Plan and \$50.4 million for the Village's Firefighters' Pension Plan.

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The following table represents a condensed summary of Changes in Net Position as of April 30, 2021 and 2020:

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
<b>Revenues:</b>						
Program Revenues						
Charges for Services	\$ 15.7	\$ 18.5	9.9	13.6	25.6	32.1
Operating Grants and Contributions	6.3	2.9			6.3	2.9
Capital Grants and Contributions	5.5	4.1	0.3		5.8	4.1
General Revenues						
Property Taxes	20.9	21.2			20.9	21.2
Other Taxes	63.4	62.0			63.4	62.0
Others	0.6	2.3	0.4	0.1	1.0	2.4
Total revenues	<u>112.4</u>	<u>111.0</u>	<u>10.6</u>	<u>13.7</u>	<u>123.0</u>	<u>124.7</u>
<b>Expenses:</b>						
General Government	11.1	9.9			11.1	9.9
Public Safety	50.3	53.5			50.3	53.5
Public Works	16.6	19.2			16.6	19.2
Sanitation Capital Projects	5.9	5.7			5.9	5.7
Culture and Recreation	2.4	2.9			2.4	2.9
Economic Development	5.2	4.8			5.2	4.8
Interest on Long-Term Debt	9.5	10.6			9.5	10.6
Water and Sewer			7.5	7.7	7.5	7.7
Westside Regional Stormwater			4.9	7.8	4.9	7.8
Airport			1.2	0.9	1.2	0.9
Total expenses	<u>101.0</u>	<u>106.6</u>	<u>13.6</u>	<u>16.4</u>	<u>114.6</u>	<u>123.0</u>
Increase (Decrease) in Net Position						
Before Transfers	11.4	4.4	(3.0)	(2.7)	8.4	1.7
Transfers	<u>4.1</u>	<u>(0.2)</u>	<u>(4.1)</u>	<u>0.2</u>		
Increase (Decrease) in Net Position	15.5	4.2	(7.1)	(2.5)	8.4	1.7
Net Position						
Beginning	<u>6.0</u>	<u>1.8</u>	<u>184.5</u>	<u>187.0</u>	<u>190.5</u>	<u>188.8</u>
Ending	<u>\$ 21.5</u>	<u>\$ 6.0</u>	<u>\$ 177.4</u>	<u>\$ 184.5</u>	<u>\$ 198.9</u>	<u>\$ 190.5</u>

**Village of Bolingbrook, Illinois**  
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**Normal Impacts**

There are eight basic impacts on revenues and expenses as reflected below that affect the comparability of the Statement of Changes in Net Position summary presentation:

**Revenues:**

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

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

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

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

**Expenses:**

*Introduction of New Programs* – within the functional expense categories (general government, public safety, highways and streets, etc.) individual programs may be added or deleted to meet changing community needs.

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

*Salary Increases (cost of living and merit)* – the ability to attract and retain intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

*Inflation* – while overall inflation continues to be modest, the Village is a major consumer of certain commodities such as fuel and supplies that may experience unusual commodity specific increases.

**Current Year Impacts**

**Governmental Activities – Revenues**

Governmental Revenues increased by \$1.4 million, or 1.3%, over prior year, a decrease of \$2.8 million in charges for services, an increase of \$3.4 million in operating grants and contributions, an increase of \$1.4 million in capital grants and contributions, and an increase of \$1.4 million in other taxes. The Village received a total of \$3.3 million in CARES Act to reimburse the COVID-related expenses and public safety salaries.

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The Village received \$49.2 million from the State for intergovernmental taxes (\$43.0 million in prior year); this represents 43.8% of the total governmental revenues. The largest intergovernmental tax is the state sales tax. In the current year, the state sales tax revenue was \$37 million (\$33.1 million in prior year). The second largest intergovernmental tax revenue source was derived from the state income tax and the revenue was \$12.2 million (\$9.8 million in prior year).

Charges for services amounted to \$15.7 million, or 14%, of total governmental revenues and a decrease of \$2.8 million from the prior year, when it was 16.7% of total governmental revenues. The Village also transferred \$5 million from the Westside Regional Stormwater Fund to pay the Village's debt service with the 2020A refinancing series.

Property taxes are 18.6% of the Village's governmental activities' revenue. In the current year, we received \$20.9 million in property taxes (\$21.2 million prior year). There was a decrease of 1.4% on the property tax extension of \$20.8 million. The Village's equalized assessed valuation increased 4.3%, from \$2,274,174,440 to \$2,372,865,677.

**Governmental Activities – Expenses**

Total expense decreased by \$5.6 million, or 5.2%, to \$101.0 million. The decrease can be attributed to the Village's conscious decision to hold off on expenses other than normal operating expenses and putting a hiring freeze in response to the Covid-19 pandemic. All expenses were reviewed prior to spending in the anticipation of possible negative impact of declining revenue sources. The largest part of this expense, 49.8%, or \$50.3 million, relates to public safety. This includes required contributions to the Police and Firefighters' Pensions, as well as salaries for all Fire and Police personnel and associated benefits. Public Works made up 16.4%, or \$16.6 million, of total governmental activities' expenses. This includes salaries and associated benefits. One of the largest expenses under public works is the road maintenance – repaving annual project of \$3.0 million.

**Business-Type Activities – Revenues.** The total business-type revenues were \$10.6 million. Tap-on fees are obtained through new connections to the Village's water reclamation facilities. During the year, we received \$.5 million in tap-on fees. We also received \$3.7 million in revenue from our wastewater service charge. This is a fee charged to residents, apartment units, commercial and industrial users for each gallon of treatment and collection.

There was a decrease of \$3.4 million to the Westside Regional Stormwater Fund revenues of \$5.2 million.

**Business-Type Activities – Expenses.** The total expenses were \$13.6 million. Of this amount, \$4.7 million relates to depreciation expense, and the remaining balance relates to the water sewer fund for salaries and utilities, westside regional stormwater and airport expenses.

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**Fund Financial Statement Analysis**

**Governmental Funds**

The focus of the Village's governmental funds, which includes the General Fund and 17 other funds, is to provide information on near-term inflows, outflows, and balances of spendable resources. These funds are included on the combined balance sheet found on page 106. Governmental funds utilize the modified accrual basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balances) are found on page 109. At the end of the current fiscal year, the governmental funds reported combined total fund balances of \$117.8 million, which is a 6.4% increase from the beginning of the year's total of \$110.6 million.

The General Fund is used to account for most of the Village's governmental operating activity. This includes administration, finance, building, public safety, and public services. Including the effect of operating transfers, the General Fund balance increased by \$6.0 million. Revenues were up .5% (\$86.8 million compared to \$86.4 million); expenditures increased by 3.9% (\$77.2 million compared to \$74.3 million). The increase in revenues can be attributed to an increase in real estate transfer tax, state income tax, other charges for services. General Fund expenditures finished the year \$10.6 million, or 12.1%, under budget. The General Fund budget was amended during the year from \$82.9 to \$87.8 million.

The Refuse and Recycling Fund ended fiscal year 2021 with a deficit fund balance of \$1.5 million.

The Debt Service Fund paid schedule debt service obligations, refunded certain G.O. Bond Obligations and received property tax revenue, which resulted in a decrease of fund balance of \$1.5 million for an ending balance of \$5.0 million.

**Proprietary Funds**

The Village of Bolingbrook's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The financial statements for the proprietary funds begin on page 26.

At April 30, 2021, the business-type activities reported combined total net assets of \$177.4 million, which is a 3.9% decrease from the beginning of the year's total of \$184.5 million. Of the total net position balance, \$170.1 million is invested in capital assets, net of related debt.

The Village reports the Wastewater/Sewer, Airport, and Westside Regional Stormwater Funds as proprietary funds. Wastewater and sewer treatment service is provided at a rate of \$2.43 per thousand gallons of usage. The Wastewater/Sewer Fund recorded an operating loss before depreciation of \$.1 million; depreciation expense was \$3.0 million.



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In December 2018, the Village executed a 10-year management contract with Kemper Management Inc. to provide operating services at the Village-owned golf course. For an annual fee, the firm employs and trains the proper staffing levels, maintains the course and clubhouse, operates the half way houses and develops and markets the golf course activities and promotions. All revenues are the Village's, and operating expenses are incurred in accordance with the contract and an annual budget approved by the Village. This is the fifth consecutive year lots were sold. The Westside Regional Stormwater Fund recorded operating income before depreciation of \$1.0 million; depreciation expense was \$0.8 million. Included in the activity of the fund for the current year was the sale of ten lots sold for \$783,580 compared to two lots sold in fiscal year 2020 for \$257,287. In addition, the Westside Regional Stormwater Fund collected \$1.1 million for the regional stormwater management facility fee.

In April 2004, the Village purchased Clow International Airport. In April 2017, the Village executed a month-to-month basis management agreement with Clow International Airport, LLC effective through May 1, 2021. They will supervise, manage, direct and operate the Airport on behalf of the Village. This includes general daily operations, service work, repairs, and marketing. The Airport Fund ended fiscal year 2021 with a fund balance of \$17.6 million down \$0.4 million from the prior year. The Airport Fund received capital contribution from the Federal Aviation Administration and from the Illinois Department of Transportation in the amount of \$.3 million combined.

#### **Fiduciary Funds**

The financial statements for the Village's fiduciary funds, the Police and Firefighter's Pension Funds, begin on page 112. The change in net position for the Police Pension Fund was \$19.0 million and for the Firefighters' Pension Fund was \$15.2 million.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2021, equals \$458.5 million (net of accumulated depreciation). The governmental activities net capital assets decreased by \$2.6 million, or .9%, as depreciation exceeded new capital outlay. Major governmental capital expenditures included:

- Two vehicles, 2 single axle dump trucks, (governmental activities)
- Self-Contained Breathing Apparatus Equipment Package (SCUBA) (governmental activities)
- St. Andrew / Route 52 Retaining Wall SE Corner (government activities)
- Airport Taxiway and Apron improvements (business type activities)

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In accordance with the Village's projected road replacement program, street improvements include resurfacing of 67,261 linear feet of road (35.6 of lane miles).

**Change in Capital Assets**  
**(in millions)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Non-Depreciable Assets:</b>						
Land	\$ 186.1	\$ 186.1	47.0	46.9	233.1	233.0
CIP	11.4	8.9	18.6	18.3	30.0	27.2
<b>Other Capital Assets:</b>						
Land Improvements	16.9	16.8	10.6	10.6	27.5	27.4
Infrastructure	158.1	155.8	137.9	137.6	296.0	293.4
Buildings	46.9	47.0	43.2	43.2	90.1	90.2
Machinery and Equipment	23.3	23.3	17.2	15.7	40.5	39.0
Vehicles			-	1.7	-	1.7
Accumulated Depreciation on Capital Assets	(154.5)	(147.1)	(104.3)	(100.1)	(258.8)	(247.2)
	<u>\$ 288.2</u>	<u>\$ 290.8</u>	<u>170.2</u>	<u>173.9</u>	<u>458.4</u>	<u>464.7</u>

In the past, various developers had continued to install and dedicate linear feet of storm sewer and sanitary sewer lines to the Village. In 2021, there were no linear feet of storm sewer and no linear feet of sanitary sewer lines were dedicated to the Village. See Note 4 for additional information on capital assets.

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**Debt Administration**

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

	Obligations Outstanding May 1, 2020	Debt Additions	Interest Accretion	Debt Reductions	Obligations Outstanding April 30, 2021	Due Within One Year
<b>Governmental Activities:</b>						
1999C Capital Appreciation Bonds	\$ 31,022,781	-	1,609,334	3,005,000	29,627,115	3,430,000
2002B Capital Appreciation Bonds	37,852,570	-	1,812,116	2,905,180	36,759,506	1,040,000
2010A General Obligation Bonds	-	-	-	-	-	-
2010B General Obligation Bonds	975,000	-	-	975,000	-	-
2013A General Obligation Current Interest Bonds	7,095,000	-	-	7,095,000	-	-
2013A General Obligation Capital Appreciation Bonds	32,553,558	-	260,882	32,814,440	-	-
2014A General Obligation Current Interest Bonds	50,090,000	-	-	5,605,000	44,485,000	1,980,000
2018A General Obligation Refunding Bonds	33,420,000	-	-	420,000	33,000,000	440,000
2019A General Obligation Refunding Bonds	21,455,000	-	-	-	21,455,000	-
2020A General Obligation Refunding Bonds	-	44,950,000	-	-	44,950,000	-
Bond Discount	(14,288)	-	-	(14,288)	-	-
Bond Premium	7,828,874	-	-	1,269,510	6,559,364	-
Compensated Absences	6,032,190	2,765,424	-	2,883,832	5,913,782	2,888,642
Net Pension Liability - Police	67,159,807	15,400,874	-	25,342,177	57,218,504	-
Net Pension Liability - Firefighters'	58,810,498	12,466,685	-	20,859,850	50,417,333	-
Net pension liability - IMRF SLEP	240,560	98,337	-	175,825	163,072	-
Total OPEB Liability	<u>43,580,291</u>	<u>5,962,030</u>	<u>-</u>	<u>4,285,954</u>	<u>45,256,367</u>	<u>1,399,014</u>
<b>Total Governmental Activities</b>	<u>\$ 398,101,841</u>	<u>81,643,350</u>	<u>3,682,332</u>	<u>107,622,480</u>	<u>375,805,043</u>	<u>11,177,656</u>
<b>Business-Type Activities:</b>						
Capital Leases Payable	\$ 235,687	-	-	55,834	179,853	179,853
Compensated Absences	176,276	104,220	-	101,957	178,539	99,684
Total OPEB Liability	<u>137,680</u>	<u>16,591</u>	<u>-</u>	<u>13,540</u>	<u>140,731</u>	<u>4,350</u>
<b>Total Business-type Activities</b>	<u>\$ 549,643</u>	<u>\$ 120,811</u>	<u>\$ -</u>	<u>\$ 171,331</u>	<u>\$ 499,123</u>	<u>\$ 283,887</u>

As a Home Rule community under the Illinois Constitution, the Village has no legal debt limit. However, the Village has no intention of exceeding a fiscally responsible amount of debt; the Village's rating from S&P Global on general obligation bond issues is AA. See Note 5 for additional information on long-term obligations of the Village.

**ECONOMIC FACTORS**

The Village is located at the interchange of Interstate Route 55 on the south and the north/south extension of the Illinois Tollway system, I-355 on the east. Presently the Village consists of 25.6 square miles. In fiscal year 2021 the EAV increased by 4.3%.

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The extension of North/South Tollway (I-355) from Route 55 at the southeast edge of Bolingbrook south of I-80 has made Bolingbrook one of the most centralized suburbs in the southwest Chicago area.

The Village has experienced rapid growth in commercial and residential real estate development over the past ten years. Much of this growth can be attributed to the pro-growth sentiments of the Village; the proximity of the Village to the City of Chicago; the provision of necessary infrastructure improvements including roads, water and sewer services, and relatively low property taxes.

In fiscal year 2021, the Village issued 4,443 housing permits versus 6,676 from a year ago. There were 12 industrial new/buildout constructions in fiscal year 2021 versus 18 from a year ago. There were 24 new/buildout commercial construction permits in 2021, compared to a year ago of 51. There were no subdivisions that was accepted in the 2021 fiscal year.

In March 2020, the United States declared a national emergency to combat the spread of Covid-19. In the same month, Illinois Governor J.B. Pritzker ordered a closure of all Illinois restaurants and bars. With a May 1 Fiscal year start, the FY 2021 budget was completed prior to knowing the full impact the Covid pandemic would have on the Village. Given the ongoing challenge and uncertain economic impact of this pandemic, the Village was able to closely monitor the revenues and adjust accordingly. The Village saw decrease revenues in other taxes such as hotel tax, restaurant tax, liquor tax, gas tax, and various charges for services. A combined revenue decrease of \$7.5 million from a year ago. There was an increase in sales tax revenue of \$4 million from a year ago attributed to the big box retailers. This increase, the \$3.3 million in CARES Act grant and a reduction of \$5.5 million in expenses, the Village was able to have an increase in fund balance of \$6 million.

**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 Finance Director, Village of Bolingbrook, 375 West Briarcliff Road, Bolingbrook, Illinois, 60440.

**Village of Bolingbrook, Illinois**  
**Management's Discussion and Analysis**  
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As management of the Village of Bolingbrook ("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. This narrative is intended to provide the reader a better understanding of the accompanying financial statements. It also highlights several important aspects of the Village's financial condition and reviews the relationship between the types of financial statements presented.

**Financial Highlights**

- The assets and deferred outflows of the Village exceeded its liabilities and deferred inflows at April 30, 2021, resulting in a total net position of \$198,926,189.
- The Village's total net position increased by \$8,414,400 during the fiscal year. Governmental net position increased by \$15,562,412 and business-type net position decreased by \$7,148,012.
- The Village's governmental funds reported combined ending fund balances of \$117,806,546, an increase of \$7,118,651, or 6.4%, as compared with the prior year.
- As of April 30, 2021, unassigned fund balance in the General Fund was \$49,812,536, or 65%, of total General Fund expenditures. General Fund cash and investments totaled \$50,149,686, or 65%, of total General Fund expenditures.

**REPORT STRUCTURE**

***Government-Wide Financial Statements***

The government-wide financial statements are designed to provide readers with a comprehensive overview of the Village's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the Village's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates the Village's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *Statement of Activities* presents information showing how the Village's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The Statement of Activities also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

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Both of the government-wide financial statements differentiate functions of the Village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, sanitation, culture and recreation and economic development. The business-type activities of the Village include water and sewer services, airport and the westside regional stormwater activities.

Excluded from the government-wide financial statements are fiduciary funds, such as the Village's Police and Firefighters' Pension Funds and custodial fund. Fiduciary funds are used to report net position held in a trustee or custodial capacity for others and therefore cannot be used to support Village services.

The government-wide financial statements can be found on pages 16 through 19 of this report.

***Fund Financial Statements***

A *fund* is a group of accounts used to maintain control over resources that have been segregated for specific purposes. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

*Proprietary Funds* account for those activities primarily supported by user fees. The Village maintains two types of proprietary funds (*enterprise funds and internal service funds*). Proprietary funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements and use the economic measurement focus and accrual basis of accounting. The Village's proprietary funds are the Waterworks and Sewage Fund, Airport and Westside Regional Stormwater Fund. The internal service fund accounts for the Village's Medical Insurance, Workers' Compensation and Retiree funds activity.

*Fiduciary funds* account for financial resources held for the benefit of parties outside the Village, such as the Village's Police and Firefighters' Pension funds and Weber Road TIF custodial fund. The accounting used for fiduciary funds is similar to that used by proprietary funds.

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The fund financial statements begin on page 20.

**Notes to the Financial Statements.**

The Notes to the Financial Statements provide information necessary for the full understanding of the statements and being on page 33.

**Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also includes certain *required supplementary information* and can be found starting on page 92. Other supplemental information may also be found beginning on page 106.

**CONDENSED FINANCIAL INFORMATION AND ANALYSIS**

**Government-Wide Financial Analysis**

**Village of Bolingbrook's Statement of Net Position**  
**April 30, 2021 and 2020**  
(in Millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current Assets	\$ 137.1	\$ 125.3	9.5	13.3	146.6	138.6
Other Assets	3.6		0.6		4.2	
Capital Assets	288.3	290.8	170.3	174.0	458.6	464.8
Total Assets	<u>429.0</u>	<u>416.1</u>	<u>180.4</u>	<u>187.3</u>	<u>609.4</u>	<u>603.4</u>
Deferred Outflows of Resources	<u>29.5</u>	<u>31.0</u>	<u>0.1</u>	<u>0.3</u>	<u>29.6</u>	<u>31.3</u>
Total Assets and Outflows of Resources	<u>458.5</u>	<u>447.1</u>	<u>180.5</u>	<u>187.6</u>	<u>639.0</u>	<u>634.7</u>
Current Liabilities	30.2	27.5	1.9	1.8	32.1	29.3
Noncurrent Liabilities	364.7	388.6	0.2	0.7	364.9	389.3
Total Liabilities	<u>394.9</u>	<u>416.1</u>	<u>2.1</u>	<u>2.5</u>	<u>397.0</u>	<u>418.6</u>
Deferred Inflows of Resources	<u>42.1</u>	<u>25.0</u>	<u>1.0</u>	<u>0.6</u>	<u>43.1</u>	<u>25.6</u>
Total Liabilities and Deferred Inflows of Resources	<u>437.0</u>	<u>441.1</u>	<u>3.1</u>	<u>3.1</u>	<u>440.1</u>	<u>444.2</u>
Net Position						
Net Investment in Capital Assets	102.8	84.5	170.1	173.7	272.9	258.2
Restricted	22.5	18.2	0.6		23.1	18.2
Unrestricted	<u>(103.8)</u>	<u>(96.7)</u>	<u>6.7</u>	<u>10.8</u>	<u>(97.1)</u>	<u>(85.9)</u>
Total Net Position	<u>\$ 21.5</u>	<u>\$ 6.0</u>	<u>177.4</u>	<u>184.5</u>	<u>198.9</u>	<u>190.5</u>

**Village of Bolingbrook, Illinois**  
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**Normal Impacts**

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

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

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

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

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

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

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

**Current Year Impacts**

The Village's assets and deferred outflows exceeded its liabilities and deferred inflows by \$198.9 million as of April 30, 2021. The Village's net investment in capital assets was \$272.9 million, which includes related debt and depreciation. Restricted net position totaled \$23.1 million and includes amounts that are subject to external constraints. Unrestricted net position was negative \$97.1 million due to the inclusion of \$107.8 million in net pension liability and \$45.4 million in total other post-employment benefit obligations. The net pension liability includes \$57.2 million for the Village's Police Pension Plan and \$50.4 million for the Village's Firefighters' Pension Plan.



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The following table represents a condensed summary of Changes in Net Position as of April 30, 2021 and 2020:

	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020	2021	2020	2021	2020
<b>Revenues:</b>						
Program Revenues						
Charges for Services	\$ 15.7	\$ 18.5	9.9	13.6	25.6	32.1
Operating Grants and Contributions	6.3	2.9			6.3	2.9
Capital Grants and Contributions	5.5	4.1	0.3		5.8	4.1
General Revenues						
Property Taxes	20.9	21.2			20.9	21.2
Other Taxes	63.4	62.0			63.4	62.0
Others	0.6	2.3	0.4	0.1	1.0	2.4
Total revenues	<u>112.4</u>	<u>111.0</u>	<u>10.6</u>	<u>13.7</u>	<u>123.0</u>	<u>124.7</u>
<b>Expenses:</b>						
General Government	11.1	9.9			11.1	9.9
Public Safety	50.3	53.5			50.3	53.5
Public Works	16.6	19.2			16.6	19.2
Sanitation Capital Projects	5.9	5.7			5.9	5.7
Culture and Recreation	2.4	2.9			2.4	2.9
Economic Development	5.2	4.8			5.2	4.8
Interest on Long-Term Debt	9.5	10.6			9.5	10.6
Water and Sewer			7.5	7.7	7.5	7.7
Westside Regional Stormwater			4.9	7.8	4.9	7.8
Airport			1.2	0.9	1.2	0.9
Total expenses	<u>101.0</u>	<u>106.6</u>	<u>13.6</u>	<u>16.4</u>	<u>114.6</u>	<u>123.0</u>
Increase (Decrease) in Net Position						
Before Transfers	11.4	4.4	(3.0)	(2.7)	8.4	1.7
Transfers	<u>4.1</u>	<u>(0.2)</u>	<u>(4.1)</u>	<u>0.2</u>		
Increase (Decrease) in Net Position	15.5	4.2	(7.1)	(2.5)	8.4	1.7
Net Position						
Beginning	<u>6.0</u>	<u>1.8</u>	<u>184.5</u>	<u>187.0</u>	<u>190.5</u>	<u>188.8</u>
Ending	<u>\$ 21.5</u>	<u>\$ 6.0</u>	<u>\$ 177.4</u>	<u>\$ 184.5</u>	<u>\$ 198.9</u>	<u>\$ 190.5</u>

**Village of Bolingbrook, Illinois**  
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**Normal Impacts**

There are eight basic impacts on revenues and expenses as reflected below that affect the comparability of the Statement of Changes in Net Position summary presentation:

**Revenues:**

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

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

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

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

**Expenses:**

*Introduction of New Programs* – within the functional expense categories (general government, public safety, highways and streets, etc.) individual programs may be added or deleted to meet changing community needs.

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

*Salary Increases (cost of living and merit)* – the ability to attract and retain intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

*Inflation* – while overall inflation continues to be modest, the Village is a major consumer of certain commodities such as fuel and supplies that may experience unusual commodity specific increases.

**Current Year Impacts**

**Governmental Activities – Revenues**

Governmental Revenues increased by \$1.4 million, or 1.3%, over prior year, a decrease of \$2.8 million in charges for services, an increase of \$3.4 million in operating grants and contributions, an increase of \$1.4 million in capital grants and contributions, and an increase of \$1.4 million in other taxes. The Village received a total of \$3.3 million in CARES Act to reimburse the COVID-related expenses and public safety salaries.

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The Village received \$49.2 million from the State for intergovernmental taxes (\$43.0 million in prior year); this represents 43.8% of the total governmental revenues. The largest intergovernmental tax is the state sales tax. In the current year, the state sales tax revenue was \$37 million (\$33.1 million in prior year). The second largest intergovernmental tax revenue source was derived from the state income tax and the revenue was \$12.2 million (\$9.8 million in prior year).

Charges for services amounted to \$15.7 million, or 14%, of total governmental revenues and a decrease of \$2.8 million from the prior year, when it was 16.7% of total governmental revenues. The Village also transferred \$5 million from the Westside Regional Stormwater Fund to pay the Village's debt service with the 2020A refinancing series.

Property taxes are 18.6% of the Village's governmental activities' revenue. In the current year, we received \$20.9 million in property taxes (\$21.2 million prior year). There was a decrease of 1.4% on the property tax extension of \$20.8 million. The Village's equalized assessed valuation increased 4.3%, from \$2,274,174,440 to \$2,372,865,677.

**Governmental Activities – Expenses**

Total expense decreased by \$5.6 million, or 5.2%, to \$101.0 million. The decrease can be attributed to the Village's conscious decision to hold off on expenses other than normal operating expenses and putting a hiring freeze in response to the Covid-19 pandemic. All expenses were reviewed prior to spending in the anticipation of possible negative impact of declining revenue sources. The largest part of this expense, 49.8%, or \$50.3 million, relates to public safety. This includes required contributions to the Police and Firefighters' Pensions, as well as salaries for all Fire and Police personnel and associated benefits. Public Works made up 16.4%, or \$16.6 million, of total governmental activities' expenses. This includes salaries and associated benefits. One of the largest expenses under public works is the road maintenance – repaving annual project of \$3.0 million.

**Business-Type Activities – Revenues.** The total business-type revenues were \$10.6 million. Tap-on fees are obtained through new connections to the Village's water reclamation facilities. During the year, we received \$.5 million in tap-on fees. We also received \$3.7 million in revenue from our wastewater service charge. This is a fee charged to residents, apartment units, commercial and industrial users for each gallon of treatment and collection.

There was a decrease of \$3.4 million to the Westside Regional Stormwater Fund revenues of \$5.2 million.

**Business-Type Activities – Expenses.** The total expenses were \$13.6 million. Of this amount, \$4.7 million relates to depreciation expense, and the remaining balance relates to the water sewer fund for salaries and utilities, westside regional stormwater and airport expenses.

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**Fund Financial Statement Analysis**

**Governmental Funds**

The focus of the Village's governmental funds, which includes the General Fund and 17 other funds, is to provide information on near-term inflows, outflows, and balances of spendable resources. These funds are included on the combined balance sheet found on page 106. Governmental funds utilize the modified accrual basis of accounting designed to measure current financial resources. Consequently, the reader will notice the balance sheet does not show fixed assets or long-term liabilities. The related income statements (combined statement of revenues, expenditures and changes in fund balances) are found on page 109. At the end of the current fiscal year, the governmental funds reported combined total fund balances of \$117.8 million, which is a 6.4% increase from the beginning of the year's total of \$110.6 million.

The General Fund is used to account for most of the Village's governmental operating activity. This includes administration, finance, building, public safety, and public services. Including the effect of operating transfers, the General Fund balance increased by \$6.0 million. Revenues were up .5% (\$86.8 million compared to \$86.4 million); expenditures increased by 3.9% (\$77.2 million compared to \$74.3 million). The increase in revenues can be attributed to an increase in real estate transfer tax, state income tax, other charges for services. General Fund expenditures finished the year \$10.6 million, or 12.1%, under budget. The General Fund budget was amended during the year from \$82.9 to \$87.8 million.

The Refuse and Recycling Fund ended fiscal year 2021 with a deficit fund balance of \$1.5 million.

The Debt Service Fund paid schedule debt service obligations, refunded certain G.O. Bond Obligations and received property tax revenue, which resulted in a decrease of fund balance of \$1.5 million for an ending balance of \$5.0 million.

**Proprietary Funds**

The Village of Bolingbrook's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The financial statements for the proprietary funds begin on page 26.

At April 30, 2021, the business-type activities reported combined total net assets of \$177.4 million, which is a 3.9% decrease from the beginning of the year's total of \$184.5 million. Of the total net position balance, \$170.1 million is invested in capital assets, net of related debt.

The Village reports the Wastewater/Sewer, Airport, and Westside Regional Stormwater Funds as proprietary funds. Wastewater and sewer treatment service is provided at a rate of \$2.43 per thousand gallons of usage. The Wastewater/Sewer Fund recorded an operating loss before depreciation of \$.1 million; depreciation expense was \$3.0 million.

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In December 2018, the Village executed a 10-year management contract with Kemper Management Inc. to provide operating services at the Village-owned golf course. For an annual fee, the firm employs and trains the proper staffing levels, maintains the course and clubhouse, operates the half way houses and develops and markets the golf course activities and promotions. All revenues are the Village's, and operating expenses are incurred in accordance with the contract and an annual budget approved by the Village. This is the fifth consecutive year lots were sold. The Westside Regional Stormwater Fund recorded operating income before depreciation of \$1.0 million; depreciation expense was \$0.8 million. Included in the activity of the fund for the current year was the sale of ten lots sold for \$783,580 compared to two lots sold in fiscal year 2020 for \$257,287. In addition, the Westside Regional Stormwater Fund collected \$1.1 million for the regional stormwater management facility fee.

In April 2004, the Village purchased Clow International Airport. In April 2017, the Village executed a month-to-month basis management agreement with Clow International Airport, LLC effective through May 1, 2021. They will supervise, manage, direct and operate the Airport on behalf of the Village. This includes general daily operations, service work, repairs, and marketing. The Airport Fund ended fiscal year 2021 with a fund balance of \$17.6 million down \$0.4 million from the prior year. The Airport Fund received capital contribution from the Federal Aviation Administration and from the Illinois Department of Transportation in the amount of \$.3 million combined.

#### **Fiduciary Funds**

The financial statements for the Village's fiduciary funds, the Police and Firefighter's Pension Funds, begin on page 112. The change in net position for the Police Pension Fund was \$19.0 million and for the Firefighters' Pension Fund was \$15.2 million.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2021, equals \$458.5 million (net of accumulated depreciation). The governmental activities net capital assets decreased by \$2.6 million, or .9%, as depreciation exceeded new capital outlay. Major governmental capital expenditures included:

- Two vehicles, 2 single axle dump trucks, (governmental activities)
- Self-Contained Breathing Apparatus Equipment Package (SCUBA) (governmental activities)
- St. Andrew / Route 52 Retaining Wall SE Corner (government activities)
- Airport Taxiway and Apron improvements (business type activities)

**Village of Bolingbrook, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2021**

In accordance with the Village's projected road replacement program, street improvements include resurfacing of 67,261 linear feet of road (35.6 of lane miles).

**Change in Capital Assets**  
**(in millions)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Non-Depreciable Assets:</b>						
Land	\$ 186.1	\$ 186.1	47.0	46.9	233.1	233.0
CIP	11.4	8.9	18.6	18.3	30.0	27.2
<b>Other Capital Assets:</b>						
Land Improvements	16.9	16.8	10.6	10.6	27.5	27.4
Infrastructure	158.1	155.8	137.9	137.6	296.0	293.4
Buildings	46.9	47.0	43.2	43.2	90.1	90.2
Machinery and Equipment	23.3	23.3	17.2	15.7	40.5	39.0
Vehicles			-	1.7	-	1.7
Accumulated Depreciation on Capital Assets	(154.5)	(147.1)	(104.3)	(100.1)	(258.8)	(247.2)
	<u>\$ 288.2</u>	<u>\$ 290.8</u>	<u>170.2</u>	<u>173.9</u>	<u>458.4</u>	<u>464.7</u>

In the past, various developers had continued to install and dedicate linear feet of storm sewer and sanitary sewer lines to the Village. In 2021, there were no linear feet of storm sewer and no linear feet of sanitary sewer lines were dedicated to the Village. See Note 4 for additional information on capital assets.

**Village of Bolingbrook, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2021**

**Debt Administration**

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

	Obligations Outstanding May 1, 2020	Debt Additions	Interest Accretion	Debt Reductions	Obligations Outstanding April 30, 2021	Due Within One Year
<b>Governmental Activities:</b>						
1999C Capital Appreciation Bonds	\$ 31,022,781	-	1,609,334	3,005,000	29,627,115	3,430,000
2002B Capital Appreciation Bonds	37,852,570	-	1,812,116	2,905,180	36,759,506	1,040,000
2010A General Obligation Bonds	-	-	-	-	-	-
2010B General Obligation Bonds	975,000	-	-	975,000	-	-
2013A General Obligation Current Interest Bonds	7,095,000	-	-	7,095,000	-	-
2013A General Obligation Capital Appreciation Bonds	32,553,558	-	260,882	32,814,440	-	-
2014A General Obligation Current Interest Bonds	50,090,000	-	-	5,605,000	44,485,000	1,980,000
2018A General Obligation Refunding Bonds	33,420,000	-	-	420,000	33,000,000	440,000
2019A General Obligation Refunding Bonds	21,455,000	-	-	-	21,455,000	-
2020A General Obligation Refunding Bonds	-	44,950,000	-	-	44,950,000	-
Bond Discount	(14,288)	-	-	(14,288)	-	-
Bond Premium	7,828,874	-	-	1,269,510	6,559,364	-
Compensated Absences	6,032,190	2,765,424	-	2,883,832	5,913,782	2,888,642
Net Pension Liability - Police	67,159,807	15,400,874	-	25,342,177	57,218,504	-
Net Pension Liability - Firefighters'	58,810,498	12,466,685	-	20,859,850	50,417,333	-
Net pension liability - IMRF SLEP	240,560	98,337	-	175,825	163,072	-
Total OPEB Liability	<u>43,580,291</u>	<u>5,962,030</u>	<u>-</u>	<u>4,285,954</u>	<u>45,256,367</u>	<u>1,399,014</u>
<b>Total Governmental Activities</b>	<u>\$ 398,101,841</u>	<u>81,643,350</u>	<u>3,682,332</u>	<u>107,622,480</u>	<u>375,805,043</u>	<u>11,177,656</u>
<b>Business-Type Activities:</b>						
Capital Leases Payable	\$ 235,687	-	-	55,834	179,853	179,853
Compensated Absences	176,276	104,220	-	101,957	178,539	99,684
Total OPEB Liability	<u>137,680</u>	<u>16,591</u>	<u>-</u>	<u>13,540</u>	<u>140,731</u>	<u>4,350</u>
<b>Total Business-type Activities</b>	<u>\$ 549,643</u>	<u>\$ 120,811</u>	<u>\$ -</u>	<u>\$ 171,331</u>	<u>\$ 499,123</u>	<u>\$ 283,887</u>

As a Home Rule community under the Illinois Constitution, the Village has no legal debt limit. However, the Village has no intention of exceeding a fiscally responsible amount of debt; the Village's rating from S&P Global on general obligation bond issues is AA. See Note 5 for additional information on long-term obligations of the Village.

**ECONOMIC FACTORS**

The Village is located at the interchange of Interstate Route 55 on the south and the north/south extension of the Illinois Tollway system, I-355 on the east. Presently the Village consists of 25.6 square miles. In fiscal year 2021 the EAV increased by 4.3%.

**Village of Bolingbrook, Illinois**  
**Management's Discussion and Analysis**  
**April 30, 2021**

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The extension of North/South Tollway (I-355) from Route 55 at the southeast edge of Bolingbrook south of I-80 has made Bolingbrook one of the most centralized suburbs in the southwest Chicago area.

The Village has experienced rapid growth in commercial and residential real estate development over the past ten years. Much of this growth can be attributed to the pro-growth sentiments of the Village; the proximity of the Village to the City of Chicago; the provision of necessary infrastructure improvements including roads, water and sewer services, and relatively low property taxes.

In fiscal year 2021, the Village issued 4,443 housing permits versus 6,676 from a year ago. There were 12 industrial new/buildout constructions in fiscal year 2021 versus 18 from a year ago. There were 24 new/buildout commercial construction permits in 2021, compared to a year ago of 51. There were no subdivisions that was accepted in the 2021 fiscal year.

In March 2020, the United States declared a national emergency to combat the spread of Covid-19. In the same month, Illinois Governor J.B. Pritzker ordered a closure of all Illinois restaurants and bars. With a May 1 Fiscal year start, the FY 2021 budget was completed prior to knowing the full impact the Covid pandemic would have on the Village. Given the ongoing challenge and uncertain economic impact of this pandemic, the Village was able to closely monitor the revenues and adjust accordingly. The Village saw decrease revenues in other taxes such as hotel tax, restaurant tax, liquor tax, gas tax, and various charges for services. A combined revenue decrease of \$7.5 million from a year ago. There was an increase in sales tax revenue of \$4 million from a year ago attributed to the big box retailers. This increase, the \$3.3 million in CARES Act grant and a reduction of \$5.5 million in expenses, the Village was able to have an increase in fund balance of \$6 million.

**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 Finance Director, Village of Bolingbrook, 375 West Briarcliff Road, Bolingbrook, Illinois, 60440.



## **Basic Financial Statements**

**Village of Bolingbrook, Illinois**  
**Statement of Net Position**  
**April 30, 2021**

<b>Assets</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Current Assets</b>			
Cash, cash equivalents and investments	\$ 75,962,109	\$ 15,805,069	\$ 91,767,178
Property tax receivable	20,629,807	-	20,629,807
Other taxes receivable	12,469,991	-	12,469,991
Accounts receivable	3,478,820	493,886	3,972,706
Accrued interest receivable	119,211	25,576	144,787
Intergovernmental receivable	481,413	-	481,413
Internal balances	11,842,091	(11,842,091)	-
Prepaid items	-	24,652	24,652
Inventories	35,195	285,504	320,699
Restricted cash	12,141,938	-	12,141,938
Land held for resale	-	4,728,584	4,728,584
Total current assets	<u>137,160,575</u>	<u>9,521,180</u>	<u>146,681,755</u>
<b>Noncurrent Assets</b>			
Other assets	-	2,400	2,400
Net pension asset	3,666,198	547,823	4,214,021
Capital assets			
Capital assets not being depreciated	197,523,171	65,518,921	263,042,092
Capital assets being depreciated, net	<u>90,680,240</u>	<u>104,765,120</u>	<u>195,445,360</u>
Total noncurrent assets	<u>291,869,609</u>	<u>170,834,264</u>	<u>462,703,873</u>
Total assets	<u>429,030,184</u>	<u>180,355,444</u>	<u>609,385,628</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows related to pensions	12,092,075	116,909	12,208,984
Deferred outflows related to OPEB	7,415,723	23,060	7,438,783
Unamortized loss on refunding	<u>10,013,651</u>	-	<u>10,013,651</u>
Total deferred outflows of resources	<u>29,521,449</u>	<u>139,969</u>	<u>29,661,418</u>

(Cont.)

**Village of Bolingbrook, Illinois**  
**Statement of Net Position**  
**April 30, 2021**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	\$ 6,009,419	\$ 346,369	\$ 6,355,788
Accrued payroll	1,759,402	70,298	1,829,700
Claims payable	1,453,342	-	1,453,342
Deposits payable	2,456,217	865,855	3,322,072
Interest payable	1,938,084	-	1,938,084
Other payables	941,292	39,563	980,855
Due to pension funds	4,276,126	-	4,276,126
Unearned revenue	216,929	273,603	490,532
Long-term obligations due within one year			
Compensated absences	2,888,642	99,684	2,988,326
Bonds payable	6,890,000	-	6,890,000
Total OPEB liability	1,399,014	4,350	1,403,364
Capital lease payable	-	179,853	179,853
	<u>30,228,467</u>	<u>1,879,575</u>	<u>32,108,042</u>
Total current liabilities			
<b>Noncurrent Liabilities</b>			
Compensated absences	3,025,140	78,855	3,103,995
Bonds payable	209,945,985	-	209,945,985
Total OPEB liability	43,857,353	136,381	43,993,734
Net pension liability	107,798,909	-	107,798,909
	<u>364,627,387</u>	<u>215,236</u>	<u>364,842,623</u>
Total noncurrent liabilities			
	<u>394,855,854</u>	<u>2,094,811</u>	<u>396,950,665</u>
Total liabilities			
<b>Deferred Inflows of Resources</b>			
Deferred inflows related to pensions	26,847,454	1,010,267	27,857,721
Deferred inflows related to OPEB	2,976,873	9,257	2,986,130
Deferred property taxes	11,993,061	-	11,993,061
Unamortized gain on refunding	333,280	-	333,280
	<u>42,150,668</u>	<u>1,019,524</u>	<u>43,170,192</u>
Total deferred inflows of resources			
<b>Net Position</b>			
Net investment in capital assets	102,815,249	170,104,188	272,919,437
Restricted for streets	14,318,837	-	14,318,837
Restricted for public safety	80,671	-	80,671
Restricted for debt service	3,055,137	-	3,055,137
Restricted for capital projects	1,425,210	-	1,425,210
Restricted for pensions	3,666,198	547,823	4,214,021
Unrestricted	(103,816,191)	6,729,067	(97,087,124)
	<u>\$ 21,545,111</u>	<u>\$ 177,381,078</u>	<u>\$ 198,926,189</u>
Total net position			

**Village of Bolingbrook, Illinois**  
**Statement of Activities**  
**Year Ended April 30, 2021**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental Activities</b>				
General government	\$ 11,105,258	\$ 3,854,611	\$ 1,645	\$ 2,703,162
Public safety	50,302,666	4,401,312	3,464,423	-
Public works	16,672,657	1,699,197	2,858,422	2,787,933
Sanitation	5,876,763	5,785,754	-	-
Culture and recreation	2,392,977	-	-	-
Economic development	5,236,671	-	-	-
Interest on long-term debt and bond issue costs	9,468,675	-	-	-
Total governmental activities	<u>101,055,667</u>	<u>15,740,874</u>	<u>6,324,490</u>	<u>5,491,095</u>
<b>Business-Type Activities</b>				
Waterworks and sewerage	7,455,732	4,332,919	-	-
Westside regional stormwater	4,961,398	5,233,192	-	-
Airport	1,239,653	326,167	-	326,915
Total business-type activities	<u>13,656,783</u>	<u>9,892,278</u>	<u>-</u>	<u>326,915</u>
Total primary government	<u>\$ 114,712,450</u>	<u>\$ 25,633,152</u>	<u>\$ 6,324,490</u>	<u>\$ 5,818,010</u>

**General Revenues**

Taxes
Property taxes levied for general purpose
Property taxes levied for debt service
Telecommunication
Other taxes
Intergovernmental
Sales tax
Income tax
Unrestricted investment earnings
Miscellaneous revenues
Gain on sale of capital assets
Transfers
Total general revenues

**Change in Net Position**

**Net Position, Beginning of Year**

**Net Position, End of Year**

**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (4,545,840)	\$ -	\$ (4,545,840)
(42,436,931)	-	(42,436,931)
(9,327,105)	-	(9,327,105)
(91,009)	-	(91,009)
(2,392,977)	-	(2,392,977)
(5,236,671)	-	(5,236,671)
<u>(9,468,675)</u>	<u>-</u>	<u>(9,468,675)</u>
<u>(73,499,208)</u>	<u>-</u>	<u>(73,499,208)</u>
-	(3,122,813)	(3,122,813)
-	271,794	271,794
-	(586,571)	(586,571)
<u>-</u>	<u>(3,437,590)</u>	<u>(3,437,590)</u>
<u>(73,499,208)</u>	<u>(3,437,590)</u>	<u>(76,936,798)</u>
10,220,732	-	10,220,732
10,720,462	-	10,720,462
1,167,201	-	1,167,201
13,030,908	-	13,030,908
37,008,827	-	37,008,827
12,200,048	-	12,200,048
458,313	171,729	630,042
113,316	202,744	316,060
-	56,918	56,918
<u>4,141,813</u>	<u>(4,141,813)</u>	<u>-</u>
<u>89,061,620</u>	<u>(3,710,422)</u>	<u>85,351,198</u>
15,562,412	(7,148,012)	8,414,400
<u>5,982,699</u>	<u>184,529,090</u>	<u>190,511,789</u>
<u>\$ 21,545,111</u>	<u>\$ 177,381,078</u>	<u>\$ 198,926,189</u>

**Village of Bolingbrook, Illinois**  
**Balance Sheet – Governmental Funds**  
**April 30, 2021**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Refuse and Recycling Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>					
Cash, cash equivalents and investments	\$ 50,149,686	\$ -	\$ 9,437,438	\$ 16,374,985	\$ 75,962,109
Property tax receivable	9,864,157	10,761,891	-	3,759	20,629,807
Other taxes receivable	12,469,991	-	-	-	12,469,991
Accounts receivable	1,640,503	-	1,328,306	194,906	3,163,715
Accrued interest receivable	114,480	-	-	4,731	119,211
Intergovernmental receivable	-	-	-	481,413	481,413
Advances to other funds	38,098,433	2,289,221	-	1,382,448	41,770,102
Inventories	35,195	-	-	-	35,195
Restricted cash	-	-	-	12,141,938	12,141,938
Total assets	<u>\$ 112,372,445</u>	<u>\$ 13,051,112</u>	<u>\$ 10,765,744</u>	<u>\$ 30,584,180</u>	<u>\$ 166,773,481</u>
<b>Liabilities</b>					
Accounts payable	4,427,138	-	484,604	149,202	5,060,944
Accrued payroll	1,753,093	-	-	6,309	1,759,402
Deposits payable	2,456,217	-	-	-	2,456,217
Due to other funds	204	-	-	-	204
Due to pension funds	4,276,126	-	-	-	4,276,126
Unearned revenue	216,929	-	-	-	216,929
Other payables	796,517	-	-	144,775	941,292
Advances from other funds	1,067,460	1,800,858	11,811,811	3,966,227	18,646,356
Total liabilities	<u>14,993,684</u>	<u>1,800,858</u>	<u>12,296,415</u>	<u>4,266,513</u>	<u>33,357,470</u>
<b>Deferred Inflows of Resources</b>					
Unavailable property taxes	5,735,522	6,257,539	-	-	11,993,061
Unavailable other taxes	3,616,404	-	-	-	3,616,404
Total deferred inflows of resources	<u>9,351,926</u>	<u>6,257,539</u>	<u>-</u>	<u>-</u>	<u>15,609,465</u>
<b>Fund Balances</b>					
Nonspendable					
Advances	38,098,433	-	-	-	38,098,433
Inventories	35,195	-	-	-	35,195
Restricted for					
Streets	-	-	-	14,318,837	14,318,837
Public safety	80,671	-	-	-	80,671
Debt service	-	4,992,715	-	506	4,993,221
Capital projects	-	-	-	13,567,148	13,567,148
Unassigned	49,812,536	-	(1,530,671)	(1,568,824)	46,713,041
Total fund balances	<u>88,026,835</u>	<u>4,992,715</u>	<u>(1,530,671)</u>	<u>26,317,667</u>	<u>117,806,546</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 112,372,445</u>	<u>\$ 13,051,112</u>	<u>\$ 10,765,744</u>	<u>\$ 30,584,180</u>	<u>\$ 166,773,481</u>

**Village of Bolingbrook, Illinois**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**April 30, 2021**

**Total Fund Balances - Governmental Funds** \$ 117,806,546

Amounts reported for governmental activities in the statement of net position are different because

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets, at cost	442,732,798
Accumulated depreciation	<u>(154,529,387)</u>

Net capital assets	288,203,411
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Net pension asset does not provide current financial resources and, therefore, is not reported in the governmental funds.	3,666,198
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Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as a liability in governmental funds. These liabilities consist of

General obligation bonds payable	(210,276,621)
Bond premiums	(6,559,364)
Bond discounts	-
Total OPEB liability	(45,256,367)
Net pension liability	(107,798,909)
Compensated absences	(5,913,782)
Interest payable	<u>(1,938,084)</u>

Total long-term liabilities	(377,743,127)
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Deferred outflows of resources related to pensions are recorded on the statement of net position.	12,092,075
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Deferred outflows of resources related to OPEB are recorded on the statement of net position.	7,415,723
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Deferred inflows of resources related to pensions are recorded on the statement of net position.	(26,847,454)
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Deferred inflows of resources related to OPEB are recorded on the statement of net position.	(2,976,873)
----------------------------------------------------------------------------------------------	-------------

Losses on refunding are not recognized in the governmental funds, but are capitalized and amortized over the life of the refunded bond in the statement of net position.	10,013,651
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Gains on refunding are not recognized in the governmental funds, but are capitalized and amortized over the life of the refunded bond in the statement of net position.	(333,280)
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(Cont.)

**Village of Bolingbrook, Illinois**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**April 30, 2021**

Some of the tax revenues due from the state will be collected after year end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	\$ 3,616,404
Claims liability is not due and payable in the current period and, therefore, is not reported in governmental funds.	(1,198,223)
Internal service funds are used to manage the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.	<u>(12,169,940)</u>
<b>Net Position of Governmental Activities</b>	<u><u>\$ 21,545,111</u></u>



**Village of Bolingbrook, Illinois**  
**Statement of Revenues, Expenditures and Changes in Fund Balances –**  
**Governmental Funds**  
**Year Ended April 30, 2021**

	General Fund	Debt Service Fund	Refuse and Recycling Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 24,192,513	\$ 10,720,462	\$ -	\$ 8,699	\$ 34,921,674
Licenses and permits	2,115,448	-	-	-	2,115,448
Charges for services	5,564,334	-	5,785,754	11,417	11,361,505
Fines and forfeitures	1,400,811	-	-	-	1,400,811
Contributions	696,169	-	-	-	696,169
Intergovernmental	49,090,432	-	-	5,277,449	54,367,881
Interest	427,114	1,346	-	29,853	458,313
Miscellaneous	3,397,955	-	-	-	3,397,955
Total revenues	<u>86,884,776</u>	<u>10,721,808</u>	<u>5,785,754</u>	<u>5,327,418</u>	<u>108,719,756</u>
<b>Expenditures</b>					
Current					
General government	10,785,740	-	-	-	10,785,740
Public safety	48,098,956	-	-	8,868	48,107,824
Highways and streets	10,674,157	-	-	1,756,214	12,430,371
Sanitation	-	-	5,889,190	-	5,889,190
Culture and recreation	2,407,774	-	-	-	2,407,774
Economic development	5,236,671	-	-	-	5,236,671
Capital outlay	-	-	-	825,127	825,127
Debt service					
Principal	-	7,660,000	-	-	7,660,000
Bond issuance cost	-	633,762	-	-	633,762
Interest	-	4,695,796	-	-	4,695,796
Total expenditures	<u>77,203,298</u>	<u>12,989,558</u>	<u>5,889,190</u>	<u>2,590,209</u>	<u>98,672,255</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>					
	<u>9,681,478</u>	<u>(2,267,750)</u>	<u>(103,436)</u>	<u>2,737,209</u>	<u>10,047,501</u>
<b>Other Financing Sources (Uses)</b>					
Proceeds from sale of assets	163,973	-	-	-	163,973
Transfers in	5,042,674	8,000,000	-	-	13,042,674
Transfers out	(8,858,187)	-	-	(42,674)	(8,900,861)
Refunding General Obligation Bond issued	-	44,950,000	-	-	44,950,000
Payment to escrow agent	-	(52,184,636)	-	-	(52,184,636)
Total other financing sources (uses)	<u>(3,651,540)</u>	<u>765,364</u>	<u>-</u>	<u>(42,674)</u>	<u>(2,928,850)</u>
<b>Net Change in Fund Balances</b>	6,029,938	(1,502,386)	(103,436)	2,694,535	7,118,651
<b>Fund Balances, May 1</b>	<u>81,996,897</u>	<u>6,495,101</u>	<u>(1,427,235)</u>	<u>23,623,132</u>	<u>110,687,895</u>
<b>Fund Balances, April 30</b>	<u>\$ 88,026,835</u>	<u>\$ 4,992,715</u>	<u>\$ (1,530,671)</u>	<u>\$ 26,317,667</u>	<u>\$ 117,806,546</u>

**Village of Bolingbrook, Illinois**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Year Ended April 30, 2021**

<b>Net Change in Fund Balances - Total Governmental Funds</b>		\$ 7,118,651
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures while governmental activities capitalize them and report depreciation expense to allocate those expenditures over the life of the assets.		
Capital outlay	6,066,818	
Depreciation	<u>(8,531,652)</u>	
Depreciation in excess of capital outlay		(2,464,834)
The net effect of disposals of capital assets is not recognized in the governmental fund statements.		(188,848)
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.		7,660,000
Issuance of long-term debt that provides current financial resources in the governmental fund, however has no effect on net position		(44,950,000)
The amount of net proceeds from refunding bonds that are transferred to the escrow agent in an advance refunding are reported as other financing sources in the governmental funds, but are included in the determination of gain or loss on refunding in the government-wide statements.		52,184,636
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		968,577
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not recorded in the governmental funds.		
Change in compensated absences	118,408	
Amortization of discounts	(14,288)	
Amortization of bond premiums	737,206	
Amortization of deferred loss on refunding	(674,017)	
Amortization of deferred gain on refunding	32,710	
Change in deferred outflows - OPEB	2,447,803	
Change in deferred inflows - OPEB	(2,976,873)	
Change in deferred outflows - pensions	(9,690,507)	
Change in deferred inflows - pensions	(13,180,585)	
Change in net pension asset	3,666,198	
Change in net pension liabilities	20,895,250	
Change in total OPEB liability	(1,676,076)	
Change in accrued interest on debt	<u>(538,396)</u>	
		(853,167)

(Cont.)

**Village of Bolingbrook, Illinois**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Year Ended April 30, 2021**

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	\$ 414,238
The decrease in the claims payable liability is not shown as an expenditure in the governmental funds.	(644,509)
The accretion of interest on long-term debt is not reported in the governmental funds; however, it results in an increase in debt principal payable in the statement of net position.	<u>(3,682,332)</u>
<b>Change in Net Position of Governmental Activities</b>	<u><u>\$ 15,562,412</u></u>

**Village of Bolingbrook, Illinois**  
**Statement of Net Position –**  
**Proprietary Funds**  
**Year Ended April 30, 2021**

	Major Enterprise Funds			Total	Internal Service Fund
	Waterworks and Sewerage Fund	Westside Regional Stormwater Fund	Airport Fund		
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	\$ 7,475,462	\$ 7,903,893	\$ 425,714	\$ 15,805,069	\$ -
Accounts receivable	361	41,226	452,299	493,886	315,105
Accrued interest receivable	25,576	-	-	25,576	-
Due from other funds	200	4	-	204	-
Prepaid expenses	-	24,652	-	24,652	-
Inventories	-	285,504	-	285,504	-
Land held for resale	-	4,728,584	-	4,728,584	-
Total current assets	<u>7,501,599</u>	<u>12,983,863</u>	<u>878,013</u>	<u>21,363,475</u>	<u>315,105</u>
<b>Noncurrent assets</b>					
Other assets	-	2,400	-	2,400	-
Net pension asset	547,823	-	-	547,823	-
<b>Capital assets</b>					
Capital assets not being depreciated	37,027,706	17,465,987	11,025,228	65,518,921	-
Capital assets, net of accumulated depreciation	<u>77,545,685</u>	<u>17,469,892</u>	<u>9,749,543</u>	<u>104,765,120</u>	<u>-</u>
Total noncurrent assets	<u>115,121,214</u>	<u>34,938,279</u>	<u>20,774,771</u>	<u>170,834,264</u>	<u>-</u>
Total assets	<u>122,622,813</u>	<u>47,922,142</u>	<u>21,652,784</u>	<u>192,197,739</u>	<u>315,105</u>
<b>Deferred Outflows of Resources</b>					
Deferred outflows of resources - pension	116,909	-	-	116,909	-
Deferred outflows of resources - OPEB	<u>23,060</u>	<u>-</u>	<u>-</u>	<u>23,060</u>	<u>-</u>
Total deferred outflows of resources	<u>139,969</u>	<u>-</u>	<u>-</u>	<u>139,969</u>	<u>-</u>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts payable	196,515	149,834	20	346,369	948,475
Accrued payroll	14,043	56,255	-	70,298	-
Deposits payable	-	855,301	10,554	865,855	-
Unearned revenue	-	273,603	-	273,603	-
Advances to other funds	2,384,747	5,439,228	4,018,320	11,842,295	11,281,451
Other payables	375	39,188	-	39,563	-
Claims payable	-	-	-	-	255,119
<b>Long-term obligations, due within one year</b>					
Compensated absences	99,684	-	-	99,684	-
Total OPEB liability	4,350	-	-	4,350	-
Capital leases payable	-	179,853	-	179,853	-
Total current liabilities	<u>2,699,714</u>	<u>6,993,262</u>	<u>4,028,894</u>	<u>13,721,870</u>	<u>12,485,045</u>
<b>Noncurrent Liabilities</b>					
Compensated absences	78,855	-	-	78,855	-
Total OPEB liability	<u>136,381</u>	<u>-</u>	<u>-</u>	<u>136,381</u>	<u>-</u>
Total noncurrent liabilities	<u>215,236</u>	<u>-</u>	<u>-</u>	<u>215,236</u>	<u>-</u>
Total liabilities	<u>2,914,950</u>	<u>6,993,262</u>	<u>4,028,894</u>	<u>13,937,106</u>	<u>12,485,045</u>

(Cont.)

**Village of Bolingbrook, Illinois**  
**Statement of Net Position –**  
**Proprietary Funds**  
**Year Ended April 30, 2021**

	<u>Major Enterprise Funds</u>			Total	Internal Service Fund
	<u>Waterworks and Sewerage Fund</u>	<u>Westside Regional Stormwater Fund</u>	<u>Airport Fund</u>		
<b>Deferred Inflows of Resources</b>					
Deferred inflows of resources - pension	\$ 1,010,267	\$ -	\$ -	\$ 1,010,267	\$ -
Deferred inflows of resources - OPEB	9,257	-	-	9,257	-
Total deferred outflows of resources	<u>1,019,524</u>	<u>-</u>	<u>-</u>	<u>1,019,524</u>	<u>-</u>
<b>Net Position</b>					
Net investment in capital assets	114,573,391	34,756,026	20,774,771	170,104,188	-
Restricted for pensions	547,823	-	-	547,823	-
Unrestricted	3,707,094	6,172,854	(3,150,881)	6,729,067	(12,169,940)
Total net position	<u>\$ 118,828,308</u>	<u>\$ 40,928,880</u>	<u>\$ 17,623,890</u>	<u>\$ 177,381,078</u>	<u>\$ (12,169,940)</u>

**Village of Bolingbrook, Illinois**  
**Statement of Revenues, Expenses and Change in Net Position –**  
**Proprietary Funds**  
**Year Ended April 30, 2021**

	Major Enterprise Funds			Total	Internal Service Fund
	Waterworks and Sewerage Fund	Westside Regional Stormwater Fund	Airport Fund		
<b>Operating Revenues</b>					
Charges for services	\$ 4,332,919	\$ 5,080,452	\$ 326,167	\$ 9,739,538	\$ 10,885,672
Sale of land	-	152,740	-	152,740	-
Total operating revenues	<u>4,332,919</u>	<u>5,233,192</u>	<u>326,167</u>	<u>9,892,278</u>	<u>10,885,672</u>
<b>Operating Expenses, Excluding Depreciation</b>					
Administrative division	1,840,545	-	-	1,840,545	-
Sewer division	913,037	-	-	913,037	-
Reclamation division	1,704,198	-	-	1,704,198	-
Golf course	-	4,170,089	-	4,170,089	-
Airport	-	-	289,626	289,626	-
Americana estates	-	23,450	-	23,450	-
Internal service expenses	-	-	-	-	10,475,999
Total operating expenses, excluding depreciation	<u>4,457,780</u>	<u>4,193,539</u>	<u>289,626</u>	<u>8,940,945</u>	<u>10,475,999</u>
<b>Operating Income (Loss) Before Depreciation</b>	(124,861)	1,039,653	36,541	951,333	409,673
<b>Depreciation</b>	<u>2,997,952</u>	<u>760,811</u>	<u>950,027</u>	<u>4,708,790</u>	<u>-</u>
<b>Operating Income (Loss)</b>	<u>(3,122,813)</u>	<u>278,842</u>	<u>(913,486)</u>	<u>(3,757,457)</u>	<u>409,673</u>
<b>Nonoperating Revenues (Expenses)</b>					
Interest income	167,863	3,827	39	171,729	4,565
Interest expense	-	(7,048)	-	(7,048)	-
Gain on disposal of capital assets	-	-	56,918	56,918	-
Miscellaneous income	-	-	202,744	202,744	-
Total nonoperating revenues (expenses)	<u>167,863</u>	<u>(3,221)</u>	<u>259,701</u>	<u>424,343</u>	<u>4,565</u>
<b>Income (Loss) Before Contributions and Transfers</b>	<u>(2,954,950)</u>	<u>275,621</u>	<u>(653,785)</u>	<u>(3,333,114)</u>	<u>414,238</u>
<b>Capital Contributions</b>	-	-	326,915	326,915	-
<b>Transfers In</b>	-	858,187	-	858,187	-
<b>Transfers Out</b>	-	(5,000,000)	-	(5,000,000)	-
Net transfers and contributions	<u>-</u>	<u>(4,141,813)</u>	<u>326,915</u>	<u>(3,814,898)</u>	<u>-</u>
<b>Changes in Net Position</b>	(2,954,950)	(3,866,192)	(326,870)	(7,148,012)	414,238
<b>Net Position, at Beginning of Year</b>	<u>121,783,258</u>	<u>44,795,072</u>	<u>17,950,760</u>	<u>184,529,090</u>	<u>(12,584,178)</u>
<b>Net Position, End of Year</b>	<u>\$ 118,828,308</u>	<u>\$ 40,928,880</u>	<u>\$ 17,623,890</u>	<u>\$ 177,381,078</u>	<u>\$ (12,169,940)</u>

**Village of Bolingbrook, Illinois**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended April 30, 2021**

	<b>Major Enterprise Funds</b>			<b>Total</b>	<b>Internal Service Fund</b>
	<b>Waterworks and Sewerage Fund</b>	<b>Westside Regional Stormwater Fund</b>	<b>Airport</b>		
<b>Cash Flows From Operating Activities</b>					
Receipts from customers and others	\$ 4,332,558	\$ 5,446,192	\$ 278,843	\$ 10,057,593	\$ 10,799,255
Other miscellaneous receipts		-	202,744	202,744	-
Payments to suppliers	(3,304,483)	(1,544,310)	(289,631)	(5,138,424)	(10,454,093)
Payments to employees	(1,415,650)	(2,221,115)		(3,636,765)	-
Net cash provided by (used in) operating activities	(387,575)	1,680,767	191,956	1,485,148	345,162
<b>Cash Flows From Noncapital Financing Activities</b>					
Interfund borrowings, net	1,514,779	1,335,424	148,437	2,998,640	(349,727)
Interfund transfers	-	(4,141,813)	-	(4,141,813)	-
Net cash provided by (used in) noncapital financing activities	1,514,779	(2,806,389)	148,437	(1,143,173)	(349,727)
<b>Cash Flows From Capital and Related Financing Activities</b>					
Interest payment on debt	-	(7,048)	-	(7,048)	-
Principal payments on capital lease	-	(55,834)	-	(55,834)	-
Purchase of capital assets	(417,543)	-	(263,905)	(681,448)	-
Net cash provided by (used in) capital and related financing activities	(417,543)	(62,882)	(263,905)	(744,330)	-
<b>Cash Flows From Investing Activities</b>					
Interest	168,703	3,827	39	172,569	4,565
<b>Net Change in Cash and Cash Equivalents</b>	878,364	(1,184,677)	76,527	(229,786)	-
<b>Cash and Cash Equivalents</b>					
May 1	6,597,098	9,088,570	349,187	16,034,855	-
April 30	\$ 7,475,462	\$ 7,903,893	\$ 425,714	\$ 15,805,069	\$ -

(Cont.)

**Village of Bolingbrook, Illinois**  
**Statement of Cash Flows – Proprietary Funds**  
**Year Ended April 30, 2021**

	Major Enterprise Funds				Internal Service Fund
	Waterworks and Sewerage Fund	Westside Regional Stormwater Fund	Airport	Total	
	<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>				
Operating Income (loss)	\$ (3,122,813)	\$ 278,842	\$ (913,486)	\$ (3,757,457)	\$ 409,673
Other miscellaneous receipts	-	-	202,744	202,744	-
Items not requiring (providing) cash					
Depreciation	2,997,952	760,811	950,027	4,708,790	-
Pension related items					
Deferred outflows of resources - pensions	217,168	-	-	217,168	-
Net pension liability	(918,890)	-	-	(918,890)	-
Deferred inflows of resources - pensions	446,562	-	-	446,562	-
OPEB related items					
Total OPEB liability	3,051	-	-	3,051	-
Deferred outflows of resources - OPEB	(7,365)	-	-	(7,365)	-
Deferred inflows of resources - OPEB	9,257	-	-	9,257	-
Changes in					
Receivables, net	(361)	67,439	(47,324)	19,754	(86,417)
Inventory	-	(29,743)	-	(29,743)	-
Prepaid and other assets	-	(5,033)	-	(5,033)	-
Deferred revenue	-	74,597	-	74,597	-
Payables and other liabilities	26,676	(212,133)	(5)	(185,462)	21,906
Payroll related liabilities	(38,812)	44,183	-	5,371	-
Deposits payable	-	70,964	-	70,964	-
Land held for resale	-	630,840	-	630,840	-
	<u>-</u>	<u>630,840</u>	<u>-</u>	<u>630,840</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>\$ (387,575)</u>	<u>\$ 1,680,767</u>	<u>\$ 191,956</u>	<u>\$ 1,485,148</u>	<u>\$ 345,162</u>

**Noncash Investing, Capital and Financing Activities**

The Airport Fund received capital assets that were directly paid by an outside party of \$326,915.



**Village of Bolingbrook, Illinois**  
**Statement of Fiduciary Net Position – Fiduciary Funds**  
**April 30, 2021**

	<u><b>Pension Trust Funds</b></u>
<b>Assets</b>	
Cash and cash equivalents	\$ 6,507,173
Investments	
Brokered certificate of deposit	860,829
U.S. treasury securities	13,234,979
U.S. agency securities	26,359,952
Municipal bonds	6,567,727
Corporate bonds	18,473,476
Mutual funds	84,518,871
Common and preferred stock	7,821,962
Insurance contract - real estate	2,530,421
Accrued interest receivable	395,606
Due from Village	4,276,126
Prepays	<u>9,545</u>
Total assets	<u>171,556,667</u>
<b>Liabilities</b>	
Other payables	<u>57,095</u>
<b>Net Position</b>	
Restricted for pensions	<u><u>\$ 171,499,572</u></u>

**Village of Bolingbrook, Illinois**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**Year Ended April 30, 2021**

	<b>Pension Trust Funds</b>	<b>Custodial Fund</b>
<b>Additions</b>		
Contributions		
Employer	\$ 10,649,553	\$ -
Plan members	2,278,737	-
Total contributions	<u>12,928,290</u>	<u>-</u>
Investment earnings		
Investment income	32,382,694	-
Investment fees	(431,848)	-
Total investment earnings	<u>31,950,846</u>	<u>-</u>
Total additions	<u>44,879,136</u>	<u>-</u>
<b>Deductions</b>		
Benefits and refunds	10,460,987	-
Administration	184,961	-
Distribution/remittance to Will County	-	19,565
Total deductions	<u>10,645,948</u>	<u>19,565</u>
<b>Change in Net Position</b>	34,233,188	(19,565)
<b>Net Position Restricted for Pensions, May 1</b>	137,266,384	-
TIF Debt Service, May 1, as restated	-	19,565
<b>Net Position Restricted for Pensions, April 30</b>	<u>\$ 171,499,572</u>	<u>\$ -</u>

# Village of Bolingbrook, Illinois

## Notes to the Financial Statements

### April 30, 2021

#### **Note 1: Summary of Significant Accounting Policies**

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

#### ***Financial Reporting Entity***

The Village's basic financial statements include all organizations, activities, functions, funds and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's Board, and either: (1) the Village's ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

The Village has no component units other than the following fiduciary component units:

#### ***Police and Firefighters' Pension Employees Retirement Systems***

The Village's police and firefighter employees participate in the Police Pension Employees Retirement System (PPERS) (Police Pension Plan) and the Firefighters' Pension Employees Retirement System (FPERS) (Firefighters' Pension Plan). PPERS functions for the benefit of employees and is governed by a five-member Pension Board. Two members are appointed by the Mayor, two are elected from the active members and one from the retired members. FPERS is governed by a nine-member Board. The following comprise the FPERS Board: the Mayor, Village Clerk, Village Attorney, Fire Chief, Village Treasurer and four elected officers (three active members and one retired member). The Village, PPERS and FPERS are obligated to fund all PPERS and FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Because of the nature of the relationship of the Village to the PPERS and FPERS, the Village has included both as fiduciary component units within the Village's financial statements. Each is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS and FPERS. Neither the PPERS nor the FPERS issue a separate financial report.

#### ***Government-Wide and Fund Financial Statements***

##### ***Government-Wide Financial Statements***

The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. Interfund services provided and used are not eliminated in the process of consolidation. The financial activities of the Village consist of governmental activities which are primarily supported by taxes and intergovernmental revenues, and business-type activities which rely to a significant extent on fees and charges for services.

# Village of Bolingbrook, Illinois

## Notes to the Financial Statements

### April 30, 2021

The Statement of Net Position presents the Village's nonfiduciary assets and liabilities with the differences reported in three categories:

**Net Investment in Capital Assets** consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction or improvement of those assets.

**Restricted Net Position** results when constraints placed on net position's use is either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.

**Unrestricted Net Position** consists of net position that does not meet the criteria of the two preceding categories.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (*i.e.*, general government, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees) and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary Funds are excluded from the government-wide financial statements.

#### *Fund Financial Statements*

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (pension) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The Village administers the following major governmental funds:

#### General Fund

The 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.

#### Debt Service Fund

This fund is a debt service fund used to account for the accumulation of resources for, and the payment of principal, interest and related costs of general obligation bonds.

#### Refuse and Recycling Fund

This fund is used to account for resources received and paid for the Village's garbage and refuse collection.

**Village of Bolingbrook, Illinois**  
**Notes to the Financial Statements**  
**April 30, 2021**

The Village administers the following major proprietary (enterprise) funds:

Waterworks and Sewerage Fund

This fund accounts for the provision of wastewater services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing, and billing and collections.

Westside Regional Stormwater Fund

The fund takes in the applicable stormwater management facility fee and maintains components of the Village's stormwater detention system for the tributary area west of Weber Road. The Golf Course and Americana Estates Funds were consolidated into this fund in the current year since the Americana Estates and the Golf Course were by-products of the development of the Regional Stormwater system. Activities include, but are not limited to, real estate development, marketing, administration of a municipal golf course and the maintenance of the Regional Stormwater system.

Airport Fund

Accounts for the operational activities of the municipal airport. Activities include, but are not limited to, administration, operations, construction and maintenance.

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and, therefore, cannot be used to support the Village's own programs. The Village reports the following fiduciary fund types:

Pension Trust Funds

The Village has two pension trust funds. These funds account for the activities of the Police Pension Employees Retirement System and the Firefighters' Pension Employees Retirement System, both of which accumulate resources for pension benefit payments to qualified public safety employees.

Custodial Fund

The Village reports a custodial fund for its Weber Road TIF Fund which is used to account for the collection of incremental taxes and other financial resources received to retire tax increment debt service for the TIF District.

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

Special Revenue Funds

Accounts for the proceeds of specific revenue sources (other than debt service or major capital expenditures) that are legally restricted to expenditures for specified purposes.

Debt Service Funds

Accounts for the Village's accumulation of resources for, and the payment of, long-term debt, principal, interest and related costs.

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Capital Projects Funds

Accounts for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Village also has the following proprietary funds which are not considered major:

Internal Service Fund

Accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the government, on a cost-reimbursement basis. This fund reports the Village's activity for employee/retiree health care and workers' compensation.

***Measurement Focus and Basis of Accounting and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, State-shared revenues and various State, Federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, State-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental funds 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 considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

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

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**Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Village's proprietary fund types consider as cash equivalents all highly liquid investments with an original maturity of three months or less when purchased.

**Receivables**

The recognition of receivables associated with nonexchange transactions in governmental and proprietary funds is as follows:

- Derived tax receivables (such as sales, income and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables (such as mandates or grants) are recognized when all eligibility requirements have been met.

**Investments**

Investments are reported at fair value. Fair value is based on quoted market prices.

**Inventories and Prepaid Expenses**

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses under the consumption method.

**Capital Assets**

Capital assets which include property, equipment and infrastructure assets (*e.g.*, roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Village defines capital assets as assets with an estimated useful life in excess of one year and an initial individual cost of more than:

\$75,000 Sanitary sewer network	\$25,000 Building improvements
\$50,000 Roadway network	\$20,000 Land improvements
\$50,000 Storm sewer network	\$20,000 Site improvements
\$25,000 Software	\$15,000 Buildings
\$25,000 Land	\$5,000 Equipment

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All purchased capital assets are recorded at cost where historical records are available or at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the phase of capital assets of business-type activities is capitalized.

All reported capital assets except land, site improvements and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. The following estimated useful lives are used to compute depreciation on a straight-line basis:

Land improvements	50 years
Infrastructure	40 years
Buildings	50 years
Machinery and equipment	5 - 20 years

Losses from sales or retirements of governmental activities capital assets are included in expenses on the Statement of Activities.

***Land Held for Resale***

Land held for resale is reported as an asset at the lower of cost or estimated realizable value.

***Vacation and Sick Leave***

Vacation and sick leave are recorded in governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, an expenditure/expense is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" at retirement.

***Long-Term Obligations***

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, pension and other obligations, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, at the time of issuance. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing



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sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

***Westside Regional Stormwater Fund Deposits Payable/Unearned Revenue***

The Westside Regional Stormwater Fund liabilities include deposits held for future outings or events totaling \$855,301 at April 30, 2021, and unearned revenues related to annual passes, gift certificates and the training facility totaling \$124,795, \$75,854 and \$72,954, respectively.

***Deferred Outflows/Inflows of Resources***

The Village reports deferred outflows of resources on its Statement of Net Position. Deferred outflows of resources represent a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure/reduction of a liability) until then. The Village has three items that qualify for reporting in this category: the deferred outflows related to pensions, which represents pension items that will be recognized as pension expense or reduction of the net pension liability in future reporting period, unamortized loss on refunding and deferred outflows of resources related to the defined other postemployment benefit (OPEB) plans. The deferred outflows of resources related to pensions and the OPEB plan are reported in the government-wide financial statements and the applicable proprietary funds. The deferred outflows of resources for pension and OPEB items result from (1) the variance between expected and actual experience, (2) changes of assumptions and (3) the net difference between projected and actual earnings on pension plan investments.

The Village reports deferred inflows of resources on its Statement of Net Position and Balance Sheet Governmental Funds. Deferred inflows of resources represent an acquisition of net position that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue or reduction of expense) until that time. The Village has four types of items that qualify for reporting in this category: deferred inflows related to property taxes levied in 2020 but will be used in the subsequent year, deferred inflows related to pensions and OPEB which represents pension and OPEB items that will be recognized as reductions in pension and OPEB expense in future periods and unamortized gain on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price.

The Balance Sheet - Governmental Funds also reports deferred inflows of resources for unavailable revenue.

# **Village of Bolingbrook, Illinois**

## **Notes to the Financial Statements**

### **April 30, 2021**

#### ***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Village's Police, Firefighters', IMRF and SLEP pension plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### ***Other Postemployment Benefits***

The Village offers healthcare and dental benefits to retirees. For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

#### ***Fund Balance/Net Position***

The Village reports its fund balance for governmental funds in the following classifications:

There are five classifications of fund balance:

- (1) Nonspendable – amounts that are not in spendable form (such as inventory or noncurrent advances to other funds) or are required to be maintained intact.
- (2) Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Unassigned – amounts that are available for any purpose. These amounts are only reported in the General Fund.

The Village has no committed or assigned fund balance.

Fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances for any borrowing

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used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restriction imposed by creditors, grantors, laws or regulations of other governments.

The following funds had a deficit in fund balance/net position as of April 30, 2021:

<b>Fund</b>	<b>Deficit Balance</b>
Refuse and Recycling Fund (Major Fund)	\$ 1,530,671
Internal Service Fund	12,169,940
Community Development Block Grant Fund (Nonmajor Special Revenue)	301
Road and Bridge Fund (Nonmajor Special Revenue)	265,871
2002 Bond Fund (Nonmajor Capital Projects)	1,302,652

**Accounting Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

**Interfund Transactions**

The Village has the following types of transactions between funds:

**Loans** are amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Position, except for amounts between similar activities, which have been eliminated.

**Services provided and used** are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund Balance Sheets or as internal balances in the government-wide Statement of Net Position.

**Reimbursements** are repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

# Village of Bolingbrook, Illinois

## Notes to the Financial Statements

### April 30, 2021

**Transfers** are flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after nonoperating revenues and expenses.

#### **Change in Accounting Principle**

The Village adopted the provisions of Governmental Accounting Standards Board (GASB) Statements No. 84, *Fiduciary Activities*, for fiscal year ended April 30, 2021 (GASB Statement 84). Adoption of GASB Statement No. 84 resulted in the restatement of beginning fund net position of \$19,565 for the custodial funds beginning net position. Implementation of the standard had no further impact on the financial statement presentation, or disclosures and on the Village's fund balances or net position.

#### **Note 2: Deposits and Investments**

State statutes authorize the Village to make deposits and investments in obligations of the United States Treasury and certain of its agencies, federally insured commercial banks, insured credit unions located within the State, repurchase agreements, short-term obligations (180 days) of corporations organized in the U.S. with assets exceeding \$500 million and rated within the three highest classifications by at least two standard rating services at the time of purchase, a Public Treasurer's Investment Pool created under Section 17 of the *State Treasurer Act*, a fund managed, operated and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company, obligations of the State of Illinois and its political subdivisions and money market mutual funds registered under the *Investment Company Act of 1940*, provided the portfolio of such funds is limited to obligations described above. Pension funds may also invest in certain non-U.S. obligations and Illinois life insurance company general and separate accounts and domestic equities.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Illinois State Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC but does operate in a manner consistent with Rule 2a7 of the *Investment Company Act of 1940* and has an affirmed AAAM Standard & Poor's credit quality rating. The fair value of the positions in the pool is the same as the value of the pool shares. The net yield on the Fund was 0.040% at April 30, 2021. The Fund issues a publicly available financial report. That report may be obtained by writing to the Office of the State Treasurer, Illinois Funds Administrative Office, 300 W. Jefferson Street, Springfield, Illinois 62702.

The Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

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IMET issues a publicly available financial report. That report may be obtained at [www.investimet.com](http://www.investimet.com) or by writing IMET, 1220 Oak Brook Road, Oak Brook, Illinois 60523.

***Deposits***

The carrying amount of cash deposits at financial institutions, excluding the Pension Trust was \$30,089,086 at April 30, 2021, while the bank balances were \$34,250,438. Approximately \$110,000 of the bank balance is uninsured and exposed to custodial credit risk at April 30, 2021. Cash on hand at April 30, 2021, was \$13,916.

***Investments (Excluding Pension Trust Funds)***

Statutes authorize the Village to make deposits or invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or by agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporation's tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivision, stocks, mutual funds and Illinois insurance companies' general and separate accounts.

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The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2021. See Notes related to defined benefit pension plan footnotes for the pension plan investments.

Investment Type	Carrying Value	Investment Maturities			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
IMET	\$ 794,613	\$ 794,613	\$ -	\$ -	\$ -
U.S. Treasury securities	5,061,723	1,327,146	3,734,577	-	-
Federal National Mortgage Association	523,147	201,146	314,340	-	7,661
Federal Home Loan Bank	2,616,482	1,724,984	-	891,498	-
Federal Home Loan Mortgage Corporation	990,272	203,234	677,553	-	109,485
Government National Mortgage Association	6,472,833	-	-	-	6,472,833
Uniform Mortgage Backed Securities	487,385	-	-	-	487,385
Municipal bonds	6,092,381	3,076,291	3,016,090	-	-
Corporate obligations	1,984,122	1,486,077	498,045	-	-
Negotiable CDs	11,245,356	2,255,457	8,989,899	-	-
<b>Total investments</b>	<b>36,268,314</b>	<b>\$ 11,068,948</b>	<b>\$ 17,230,504</b>	<b>\$ 891,498</b>	<b>\$ 7,077,364</b>
Investments not sensitive to Interest rate risk -					
Certificates of deposit	4,830,781				
Illinois funds	21,238,972				
Money market funds	11,468,047				
	<u>\$ 73,806,114</u>				

**Interest Rate Risk** – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village's investment policy does not specifically address interest rate risk. However, the Village structures its investment portfolio so that securities mature to meet cash requirements for ongoing operations and special projects, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term securities, money market mutual funds or similar investment pools.

**Credit Risk** – Generally, credit risk is the risk that an issuer of a debt type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

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The Village’s general 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.

Credit ratings for the Village’s investments in debt securities as rated by Standard & Poor’s and Moody’s at April 30, 2021, are as follows:

<b>Investment Type</b>	<b>Standard and Poor’s Rating</b>	<b>Moody’s Rating</b>
Federal Farm Credit Bank	AAA	Aaa
Federal National Mortgage Association	AAA	Aaa
Federal Home Loan Bank	AAA	Aaa
Federal Home Loan Mortgage Corporation	AAA	Aaa
Government National Mortgage Association	AAA	Aaa
Uniform Mortgaged Back Securities	AAA	Aaa
Corporate obligations	A+ to BBB+	A1 to Baa1
Municipal bonds	AA to A+	Aa2 to A1

**Investment Valuation** – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.
- Level 2** Inputs other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3** Unobservable inputs for an asset or liability.

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The following table presents the fair value measurements of assets and liabilities recognized in the accompanying Statement of Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2021:

<b>Investment Type</b>	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Debt securities				
U.S. Treasuries	\$ 5,061,723	\$ 5,061,723	\$ -	\$ -
U.S. agencies	11,090,119	-	11,090,119	-
Municipal bonds	6,092,381	-	6,092,381	-
Corporate obligations	1,984,122	-	1,984,122	-
Negotiable CDs	11,245,356	-	11,245,356	-
	<u>35,473,701</u>	<u>5,061,723</u>	<u>30,411,978</u>	<u>-</u>
Equity securities				
Money market funds	11,468,047	11,468,047	-	-
	<u>\$ 46,941,748</u>	<u>\$ 16,529,770</u>	<u>\$ 30,411,978</u>	<u>\$ -</u>

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying Statement of Net Position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended April 30, 2021.

**Investments** – Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.



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**Custodial Credit Risk** – For investments, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Village’s investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

Village cash deposits	\$ 30,089,086
Village cash on hand	13,916
Village certificates of deposits	16,076,137
Village investments	24,228,345
Village money market funds	11,468,047
Village IMET	794,613
Village Illinois funds	21,238,972
Police pension cash deposits	1,726,543
Firefighters’ pension cash deposits	4,780,720
Police Pension Fund investments	93,551,682
Firefighters’ Pension Fund investments	66,816,535
Total per footnote	\$ 270,784,596
Cash, cash equivalents and investments per statement of net position	\$ 91,767,178
Restricted cash per statement of net position	12,141,938
Pension cash and investments	166,875,480
	\$ 270,784,596

**Note 3: Property Taxes**

Property taxes for 2020 attach as an enforceable lien on January 1, 2020, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2021, and are payable in two installments on or about June 1, 2021 and September 1, 2021. The County collects such taxes and remits them periodically. The property tax revenue in the current year financial statements represents collection of the 2019 property tax levy.

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**Note 4: Capital Assets**

***Governmental Activities***

A summary of changes in capital assets for governmental activities of the Village is as follows:

	<b>Balances May 1</b>	<b>Additions/ Transfers</b>	<b>Deletions/ Transfers</b>	<b>Balances April 30</b>
Capital assets not being depreciated				
Land	\$ 186,133,584	\$ -	\$ -	\$ 186,133,584
Construction in progress	8,921,356	5,072,092	2,603,861	11,389,587
	<u>195,054,940</u>	<u>5,072,092</u>	<u>2,603,861</u>	<u>197,523,171</u>
Capital assets being depreciated				
Land improvements	16,818,852	90,280	613	16,908,519
Infrastructure	155,827,313	2,303,440	-	158,130,753
Buildings	46,949,468	-	32,859	46,916,609
Machinery and equipment	23,345,226	1,204,867	1,296,347	23,253,746
	<u>242,940,859</u>	<u>3,598,587</u>	<u>1,329,819</u>	<u>245,209,627</u>
Accumulated depreciation	<u>(147,138,706)</u>	<u>(8,531,652)</u>	<u>1,140,971</u>	<u>(154,529,387)</u>
Total capital assets being depreciated, net	<u>95,802,153</u>	<u>(4,933,065)</u>	<u>188,848</u>	<u>90,680,240</u>
Governmental activities capital assets, net	<u>\$ 290,857,093</u>	<u>\$ 139,027</u>	<u>\$ 2,792,709</u>	<u>\$ 288,203,411</u>

***Business-Type Activities***

A summary of changes in capital assets for business-type activities of the Village is as follows:

	<b>Balances May 1</b>	<b>Additions/ Transfers</b>	<b>Deletions/ Transfers</b>	<b>Balances April 30</b>
Capital assets not being depreciated				
Land	\$ 46,956,505	\$ -	\$ -	\$ 46,956,505
Construction in progress	18,263,569	507,668	208,821	18,562,416
	<u>65,220,074</u>	<u>507,668</u>	<u>208,821</u>	<u>65,518,921</u>
Capital assets being depreciated				
Land improvements	10,637,276	152,009	143,481	10,645,804
Infrastructure	137,590,296	347,777	-	137,938,073
Buildings	43,175,555	24,550	-	43,200,105
Machinery and equipment	17,435,991	185,180	374,645	17,246,526
	<u>208,839,118</u>	<u>709,516</u>	<u>518,126</u>	<u>209,030,508</u>
Accumulated depreciation	<u>(100,131,695)</u>	<u>(4,708,790)</u>	<u>575,097</u>	<u>(104,265,388)</u>
Total capital assets being depreciated, net	<u>108,707,423</u>	<u>(3,999,274)</u>	<u>1,093,223</u>	<u>104,765,120</u>
Business-type activities capital assets, net	<u>\$ 173,927,497</u>	<u>\$ (3,491,606)</u>	<u>\$ 1,302,044</u>	<u>\$ 170,284,041</u>

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**Depreciation Charged to Functions/Activities**

Depreciation was charged to functions/activities as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
General government	\$ 383,006	\$ -
Public safety	1,457,841	-
Public works	6,690,805	-
Waterworks and sewerage	-	2,997,952
Westside regional stormwater	-	760,811
Airport	-	950,027
	<u>\$ 8,531,652</u>	<u>\$ 4,708,790</u>

**Note 5: Long-Term Obligations**

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

	<b>Obligation Outstanding May 1</b>	<b>Debt Additions</b>	<b>Interest Accretion</b>	<b>Reductions</b>	<b>Obligation Outstanding April 30</b>	<b>Due Within One Year</b>
<i>Governmental Activities</i>						
1999C Capital Appreciation Bonds	\$ 31,022,781	\$ -	\$ 1,609,334	\$ 3,005,000	\$ 29,627,115	\$ 3,430,000
2002B Capital Appreciation Bonds	37,852,570	-	1,812,116	2,905,180	36,759,506	1,040,000
2010B General Obligation Bonds	975,000	-	-	975,000	-	-
2013A General Obligation Current interest bonds	7,095,000	-	-	7,095,000	-	-
2013A General Obligation Capital Appreciation Bonds	32,553,558	-	260,882	32,814,440	-	-
2014A General Obligation Current interest bonds	50,090,000	-	-	5,605,000	44,485,000	1,980,000
2018A General Obligation Refunding Bonds	33,420,000	-	-	420,000	33,000,000	440,000
2019A General Obligation Refunding Bonds	21,455,000	-	-	-	21,455,000	-
2020A General Obligation Refunding Bonds	-	44,950,000	-	-	44,950,000	-
Bond discount	(14,288)	-	-	(14,288)	-	-
Bond premium	7,828,874	-	-	1,269,510	6,559,364	-
Compensated absences	6,032,190	2,765,424	-	2,883,832	5,913,782	2,888,642
Net pension liability - police	67,159,807	15,400,874	-	25,342,177	57,218,504	-
Net pension liability - firefighters'	58,810,498	12,466,685	-	20,859,850	50,417,333	-
Net pension liability - IMRF SLEP	240,560	98,337	-	175,825	163,072	-
Total OPEB liability	43,580,291	5,962,030	-	4,285,954	45,256,367	1,399,014
	<u>\$ 398,101,841</u>	<u>\$ 81,643,350</u>	<u>\$ 3,682,332</u>	<u>\$ 107,622,480</u>	<u>\$ 375,805,043</u>	<u>\$ 11,177,656</u>
<i>Business-Type Activities</i>						
Capital leases payable	\$ 235,687	\$ -	\$ -	\$ 55,834	\$ 179,853	\$ 179,853
Compensated absences	176,276	104,220	-	101,957	178,539	99,684
Total OPEB liability	137,680	16,591	-	13,540	140,731	4,350
	<u>\$ 549,643</u>	<u>\$ 120,811</u>	<u>\$ -</u>	<u>\$ 171,331</u>	<u>\$ 499,123</u>	<u>\$ 283,887</u>

# **Village of Bolingbrook, Illinois**

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### **April 30, 2021**

On April 1, 2002, the Village issued \$60,719,292 of General Obligation Corporate Purpose Capital Appreciation Bonds. On June 15, 2006, a portion of these bonds totaling \$35,385,000 was refunded with proceeds from the General Obligation Bonds, Series 2006A. On March 3, 2010, a portion of the bonds totaling \$3,405,000 was refunded with proceeds from the General Obligation Refunding Bonds Series 2010A. On June 6, 2013, a portion of the bonds totaling \$12,485,730 was refunded with proceeds from the General Obligation Refunding Bonds, Series 2013A. On August 13, 2020, bonds with carrying value \$1,645,180 (\$557,564 principal) were refunded. The remaining outstanding bonds totaling \$36,759,506 at April 30, 2021, are to be retired in annual installments ranging from \$1,040,000 to \$15,085,000, beginning January 1, 2022, and continuing through January 1, 2034. Interest accrues and is added to the principal balance due semiannually at rates ranging from 5.42% to 6.03%. The bonds are payable from the Debt Service Fund.

On May 1, 1999, the Village issued \$14,345,924 of Capital Appreciation Bonds, Series 1999C. The bonds, totaling \$29,627,115 at April 30, 2021, are to be retired in annual installments ranging from \$935,000 to \$6,730,000, beginning January 1, 2015 through January 1, 2029. Interest accrues semiannually and is added to the principal balance due at rates ranging from 5.1% to 5.4%. The bonds are payable from the Debt Service Fund.

On December 29, 2014, the Village issued \$57,045,000 of General Obligation Refunding Bonds, Series 2014A. The outstanding bonds totaling \$44,485,000 at April 30, 2021, are to be retired in annual installments ranging from \$405,000 to \$19,210,000, beginning January 1, 2016 through January 1, 2038. Interest is payable semiannually at rates ranging from 2.00% to 5.00%. Proceeds from the bonds were used to currently refund the 2006A General Obligation Series Bonds and 2006B General Obligation Series Bonds with principal balance of \$42,820,000 and \$10,078,856, respectively at the time of refunding. The bonds are payable from the Debt Service Fund.

On March 28, 2018, the Village issued \$34,615,000 General Obligation Refunding Bonds, Series 2018A. Bonds outstanding totaling \$33,000,000 at April 30, 2021, are to be retired in annual installments ranging from \$790,000 to \$5,190,000 beginning January 1, 2019 through January 2038. Interest is payable semiannually at rates ranging from 4.00% to 5.00%. Proceeds from the bonds were used to currently refund the 2007 General Obligation Series Bonds which had a principal balance of \$33,420,000 at the time of refunding. The bonds are payable from the Debt Service Fund.

On October 29, 2019, the Village issued \$21,455,000 in General Obligation Refunding Bonds, Series 2019A. Bonds outstanding totaling \$21,455,000 at April 30, 2021, are to be retired in annual installments ranging from \$680,000 to \$3,420,000 commencing January 1, 2023, and continuing through January 1, 2035. Interest is payable semiannually at rates ranging from 2.50% to 4.00%. Proceeds from the bonds were used to currently refund the 2010A General Obligation Series Bonds which had a principal balance of \$23,200,000 at the time of refunding. The bonds are payable from the Debt Service Fund.

On August 13, 2020, the Village issued \$44,950,000 in General Obligation Refunding Bonds, Series 2020A. Bonds outstanding totaling \$44,950,000 at April 30, 2021, are to be retired in annual installments ranging from \$575,000 to \$17,360,000 commencing January 1, 2029, and continuing through January 1, 2036. Interest is payable semiannually at semiannually at rates ranging from

**Village of Bolingbrook, Illinois**  
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5.00% to 6.00%. The bonds are payable from the Debt Service Fund. Further details on this refunding can be found later on this note.

**Debt Service Requirements to Maturity – General Obligation Bonds**

Annual debt service requirements to maturity for all governmental bond issues, excluding capital appreciation bonds, are as follows:

<b>Due in Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2022	\$ 2,420,000	\$ 5,491,298	\$ 7,911,298
2023	2,015,000	5,370,298	7,385,298
2024	2,235,000	5,282,448	7,517,448
2025	3,400,000	5,185,398	8,585,398
2026	3,735,000	5,032,198	8,767,198
2027-2031	37,230,000	22,186,278	59,416,278
2032-2036	53,810,000	13,327,146	67,137,146
2037-2038	39,045,000	2,459,000	41,504,000
	<u>\$ 143,890,000</u>	<u>\$ 64,334,064</u>	<u>\$ 208,224,064</u>

Future payments and annual accretions for the Capital Appreciation Bonds for each of the next five fiscal years and in five-year increments thereafter are as follows:

<b>Fiscal Year Ending April 30,</b>	<b>Series 1999C</b>		<b>Series 2002B</b>	
	<b>Accretion</b>	<b>Principal</b>	<b>Accretion</b>	<b>Principal</b>
2022	\$ 1,523,046	\$ 3,430,000	\$ 1,485,440	\$ 1,040,000
2023	1,407,735	3,895,000	2,269,252	1,765,000
2024	1,259,854	4,385,000	2,301,130	2,045,000
2025	1,075,711	4,915,000	2,317,871	2,340,000
2026	851,278	5,480,000	2,317,649	2,660,000
2027-2031	890,261	14,530,000	10,292,999	21,710,000
2032-2036	-	-	3,761,153	29,945,000
	<u>\$ 7,007,885</u>	<u>\$ 36,635,000</u>	<u>\$ 24,745,494</u>	<u>\$ 61,505,000</u>
Accreted value at April 30, 2021		<u>\$ 29,627,115</u>		<u>\$ 36,759,506</u>

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<b>Fiscal Year Ending April 30,</b>	<b>Total Capital Appreciation Bonds</b>	
	<b>Accretion</b>	<b>Principal</b>
2022	\$ 3,008,486	\$ 4,470,000
2023	3,676,987	5,660,000
2024	3,560,984	6,430,000
2025	3,393,582	7,255,000
2026	3,168,927	8,140,000
2027-2031	11,183,260	36,240,000
2032-2036	3,761,153	29,945,000
	<b>\$ 31,753,379</b>	<b>\$ 98,140,000</b>
Accreted value at April 30, 2021		<b>\$ 66,386,621</b>

**Advance Refunding – General Obligation Bonds**

On August 13, 2020, the Village issued \$44,950,000 in General Obligation Refunding Bonds, Series 2020A with interest rates ranging from 5.00% to 6.00%. to advance refund the following Bond series:

- Partial refunding of 2002B Capital Appreciation Bonds with carrying value of \$1,645,180. 2002B Capital appreciation bonds has coupon interest ranging from 5.92% to 6.00%
- 2013A General Obligation Current Interest Bonds with principal balance of \$6,980,000, with interest ranging from 3.00% to 5.00%
- 2013A General Obligation Capital Appreciation Bonds with carrying value of \$32,814,440, with interest ranging from 4.90% to 5.35%
- Partial refunding of 2014A General Obligation Current Interest Bonds with principal balance of \$3,720,000, with interest rate of 5.00%

The 2020A Bonds were issued at face value. The Village paid an additional \$8,000,000 to the escrow agent to satisfy the escrow funding requirement. The net proceeds from the bonds (\$44,184,944), plus the Village contribution were used to purchase government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2002B Capital Appreciation Bonds (partial refunding), 2013A General Obligation Current Interest Bonds, 2013A General Obligation Capital Appreciation Bonds and the 2014A General Obligation Current Interest Bonds (partial refunding). As a result, these bond series are considered defeased and the liability for those bonds has been removed from the Village’s financial statements.

Although the advance refunding resulted in the recognition of an accounting loss of \$9,186,110 for the year ended April 30, 2021, the Village in effect reduced the aggregate debt service payments by

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almost \$14,981,608 over the next 16 years and obtained an economic gain (difference between the present values of old and new debt service payments) of \$8,537,305.

***Special Service Area Bonds***

In fiscal year 2003, the Village issued \$4,530,000 Special Tax Bonds, Series 2003A and \$11,000,000 Special Tax Bonds, Series 2002. These bonds were issued to finance the Bloomfield West Project (Special Service Area No. 2001-2) and the Augusta Village Project (Special Service Area No. 2002-1). These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds.

On July 2018, the Village issued a Special Taxes Refunding Bonds Series 2018 with face value of \$35,795,000 and a premium of \$1,514,278. Proceeds from the issuance were used to fund and pay the 2007 Special Service Area (SSA) Refunding bonds with a remaining principal balance of \$39,130,000 as of April 30, 2018. Additional funds were provided by the cash balance of the 2007 SSA Refunding Bonds currently held by the trustee to satisfy the escrow funding requirements. The issuance affects the following Special Service Area Numbers: 2001-1, 2001-2, 2001-3 and 2002-1. These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds.

In fiscal year 2006, the Village issued \$21,550,000 Special Tax Bonds, Series 2005. These bonds were issued to finance the Forest City Project (Illinois Special Service Area No. 2005-1). In November 2018, the Village adopted an ordinance approving the establishment of Special Service Area No. 2018-1 and issuance of \$22,415,000 face value bonds Series 2019. Proceeds from the bonds will be used to pay the interest, principal and administrative cost of the Series 2005 Bonds. These bonds are not general obligations of the Village and neither the full faith and credit nor the general taxing power of the Village is pledged to the payment of these bonds.

***Capital Leases Payable***

On May 1, 2017, the Village entered into a capital lease agreement for golf carts. The lease will expire in fiscal year 2022. The assets under the capital lease in the amount of \$559,687 were capitalized at the inception of the lease. As of April 30, 2021, the accumulated depreciation balance relating to these assets is \$391,781. Total principal due as of April 30, 2021, is \$179,853, all due in fiscal year 2022.

***Compensated Absences***

Compensated absences will be paid as they come due. These represent amounts outstanding for sick and vacation time at April 30, 2021, and will be paid from the fund where the employee's salary is paid.

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**Note 6: Commitments, Development Agreements, Tax Abatements and Contingent Liabilities**

The Village has three sales tax incentive agreements, under which the Village has agreed to reimburse local businesses and developers a portion of the Village's home rule sales tax revenues generated by the business. According to 65 ILCS 5/8-11-20, the Village may enter into an economic incentive agreement relating to the development or redevelopment of land within the corporate limits of the municipality. The agreement is made to rebate any portion of the retailer's occupational taxes received by the Village that were generated by the development or redevelopment over a finite period of time. Each incentive agreement was negotiated on an individual basis and approved by Board Resolution.

The Village's liability under the sales tax incentive agreements as of April 30, 2021, amounted to \$2,634,240 and has been reported in the General Fund. The Village has elected to disclose all such agreements on the Statement of Net Position and Balance Sheet – Governmental Funds as part of Accounts Payable. The total expense incurred under these agreements amounted to \$5,236,671 for the year ended April 30, 2021. The agreements expire at various times through 2032.

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

The Village enters into contractual commitments for various construction projects throughout the year as budgeted for annually.

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

**Note 7: Lease Agreement**

The Village is the lessor in an agreement to lease a Village-owned building to American Sports, Ltd. for the operation of the Rocket Ice Arena. Under the agreement, the Village receives 1% of gross revenues of the Arena. During the current fiscal year, the Village received \$17,497 from the agreement. The agreement extends through June 1, 2024. Subsequent to June 1, 2024, the lease payment will increase to 3% of gross revenues.

**Note 8: Risk Management**

The Village is exposed to various risks related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees or natural disasters. The Village has purchased general



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liability insurance and workers' compensation insurance from private insurance companies. Premiums for these coverages have been reported as expenditures or expenses in the appropriate funds. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There was no significant reduction in insurance coverage during the fiscal years ended April 30, 2021, 2020 and 2019.

The Village has established a Self-Insurance Fund (internal service fund): one sub-fund is for workers' compensation claims prior to May 1, 1998, and one sub-fund is for medical risks. The Village has also purchased excess coverage policies.

Liabilities of the funds are reported when it is probable that a loss has occurred and that the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts and other economic and social factors. Changes in the balances of claims liabilities during the past three fiscal years are as follows:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
Claims payable, beginning of year	\$ 215,455	\$ 298,316	\$ 537,668
Incurred claims (including IBNR)	7,479,741	8,046,977	8,172,075
Claims payable	<u>(7,440,077)</u>	<u>(8,129,838)</u>	<u>(8,411,427)</u>
Claims payable, end of year	<u>\$ 255,119</u>	<u>\$ 215,455</u>	<u>\$ 298,316</u>

The Village has also established a limited self-insurance program for general liability claims. The Village is self-insured for the first \$95,000 for liability claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current year. The Village's self-insurance activities for general liability are reported in governmental activities.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported.

A reconciliation of general claims liability for the past three fiscal years follows:

	<b>2021</b>	<b>2020</b>	<b>2019</b>
Claims payable, beginning of year	\$ 553,714	\$ 1,167,487	\$ 345,298
Claims incurred	833,053	186,850	1,793,363
Claim payments	<u>(188,544)</u>	<u>(800,623)</u>	<u>(971,174)</u>
Claims payable, end of year	<u>\$ 1,198,223</u>	<u>\$ 553,714</u>	<u>\$ 1,167,487</u>

Pursuant to State Statute, the Village is required to pay 100% of the health insurance premium for disabled pensioners for life. See Notes related to Other Postemployment Benefits.

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**Note 9: Interfund Transactions**

***Due From/to Other Funds***

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Due From</u>
Waterworks and sewerage	General	\$ 200
West Regional Stormwater Fund	General	4
	Total enterprise funds	<u>204</u>
Police Pension	General	2,300,300
Fire Pension	General	1,975,826
	Total fiduciary funds	<u>4,276,126</u>
		<u>\$ 4,276,330</u>

The outstanding balances between funds result mainly from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) collections of revenues in a fund not yet transferred to the fund where it is recognized.

***Advances From/to Other Funds***

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Due From</u>
General	Waterworks and sewerage	\$ 2,384,747
General	Westside regional stormwater	5,418,477
General	Airport	1,434,862
General	Internal service	11,281,451
General	Debt service	1,800,858
General	Refuse and Recycling Fund	11,811,811
General	Nonmajor governmental	3,966,227
	Total General Fund	<u>38,098,433</u>
Debt service	Airport	<u>2,289,221</u>
Nonmajor governmental		
Motor fuel tax fund	Westside regional stormwater	20,751
2007 Bond	General	1,067,440
Capital improvement	General	20
2004 Bond	Airport	294,237
	Total nonmajor governmental funds	<u>1,382,448</u>
		<u>\$ 41,770,102</u>

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Significant advance balances include the Health Insurance Sub-Fund of \$11,281,451. The Village is self-insured and pays all medical and dental claims after a stop loss per employee. The stop loss for the calendar year 2021 was at \$95,000. Although employees contribute via monthly premiums, the actual claims have exceeded the employee and employer premiums and the \$12,169,940 fund deficit is a cumulative balance since inception of the self-insured plan.

Other advances are due to the timing of reimbursements to or from the General Corporate Fund not made as of April 30, 2021, or advances that are longer term.

**Transfers**

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 5,042,674	\$ 8,858,187
Debt Service Fund	8,000,000	-
911 Emergency Fund	-	42,674
Westside Regional Stormwater Fund	858,187	5,000,000
	<u>\$ 13,900,861</u>	<u>\$ 13,900,861</u>

Following interfund transfer occurred in 2021:

- \$5,000,000 was transferred from Westside Regional Stormwater Fund to the General Fund. The General Fund added \$3,000,000 and transferred it to the Debt Service Fund to cover additional funds to refund the 2002B Capital Appreciation Bonds, 2013A General Obligation Current Interest Bonds, 2013A General Obligation Capital Appreciation Bonds and Partial refunding of 2014A General Obligation Current Interest Bonds
- \$42,674 was transferred from 911 Emergency Fund to the General Fund to reimburse the expenses paid by the General Fund for the 911 Emergency Fund.
- \$858,187 was transferred from the General Fund to Westside Regional Stormwater Fund for the payment of its annual insurance coverage and fund various expenses of the Westside Regional Stormwater Fund.

**Note 10: Defined Benefit Pension Plans**

The Village provides retirement benefits to its employees under four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer defined benefit pension plan; the IMRF-Sheriff's Law Enforcement Personnel Fund (SLEP), the Police Pension Plan, a single-employer defined benefit pension plan and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all four plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans

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do not issue separate reports on the pension plans. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained online at [www.imrf.org](http://www.imrf.org).

The aggregate totals for all pension items for the five plans are as follows. The SLEP plan have been combined with IMRF in the table due to the small size of the pension items. Allocations to the governmental and business-type activities are based on covered payroll.

	<b>Governmental Activities</b>	<b>Business-Type Activities*</b>	<b>Total Village</b>
Net pension liability(asset)			
IMRF - Regular	\$ (3,666,198)	\$ (547,823)	\$ (4,214,021)
IMRF - SLEP	163,072	-	163,072
Police	57,218,504	-	57,218,504
Firefighters	50,417,333	-	50,417,333
	<u>\$ 104,132,711</u>	<u>\$ (547,823)</u>	<u>\$ 103,584,888</u>
Deferred outflows of resources			
IMRF	\$ 789,606	\$ 116,909	\$ 906,515
Police	5,848,061	-	5,848,061
Firefighters	5,454,408	-	5,454,408
	<u>\$ 12,092,075</u>	<u>\$ 116,909</u>	<u>\$ 12,208,984</u>
Deferred inflows of resources			
IMRF	\$ 6,850,265	\$ 1,010,267	\$ 7,860,532
Police	12,116,505	-	12,116,505
Firefighters	7,880,684	-	7,880,684
	<u>\$ 26,847,454</u>	<u>\$ 1,010,267</u>	<u>\$ 27,857,721</u>
Pension expense			
IMRF	\$ (663,012)	\$ (97,283)	\$ (760,295)
Police	4,842,902	-	4,842,902
Firefighters	5,958,220	-	5,958,220
	<u>\$ 10,138,110</u>	<u>\$ (97,283)</u>	<u>\$ 10,040,827</u>

\*Same amounts are also reported in the proprietary fund statements.

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***Illinois Municipal Retirement Fund***

***Plan Description***

The Village's defined benefit pension plan for Regular employees (other than those covered by the Police or Firefighters' Pension Plans), provides retirement, disability, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Village also maintains accounts for Regular employees, for Sheriff's Law Enforcement Personnel (SLEP). A summary of IMRF's pension benefits is provided in the "Benefits Provided" described below. Details of all benefits are available from IMRF. The Illinois Pension Code establishes the benefit provisions of the plan which can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at [www.imrf.org/pubs/](http://www.imrf.org/pubs/) or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

***Benefits Provided***

All employees (other than those covered by the Police or Firefighters' Pension Plans) 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 8 years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with 8 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. Members receive an annual 3% increase based upon the original amount of the annuity.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. Members receive an annual increase based upon the original amount of the annuity of 3% or one-half of the increase in the consumer price index, whichever is less. These benefit provisions and all other requirements are established by state statute.

The Sheriff's Law Enforcement Personnel Fund (SLEP) members, having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after July 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earnings rate for the next 10 years of credited service and 1.00% for

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each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. Members receive an annual increase based upon the original amount of the annuity of 3% or one-half of the increase in the consumer price index, whichever is less. These benefit provisions and all other requirements are established by State statutes. For the SLEP plan, members are required to contribute 7.50% of their annual covered salary.

***Employees Covered by Benefit Terms***

At December 31, 2020, the measurement date for the net pension liability, the following employees were covered by the benefit terms:

	<b>Regular</b>	<b>SLEP</b>
Retirees and beneficiaries currently receiving benefits	159	1
Terminated employees entitled to but not yet receiving benefits	81	1
Current employees	121	-
	361	2

***Contributions***

As set by statute, employees participating in the IMRF plan are required to contribute 4.50% of their annual covered salary. The member rate is also established by State statute. The Village is required to contribute at an actuarially determined rate. The employer annual required contribution rate for calendar years 2021 and 2020 was 11.33% and 13.38 %, respectively. For the year ended April 30, 2021, the Village contributed \$1,199,150 to the plan. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. For the SLEP plan, members are required to contribute 7.50% of their annual covered salary. The employer rate for calendar year 2021 and 2020 was 14.10% and 14.04%, respectively. For the year ended April 30, 2021, the Village contributed \$22,494 to the SLEP Plan.

***Net Pension Liability***

The Village’s net pension liability as of April 30, 2021, 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.

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***Actuarial Assumptions***

The following are the methods and assumptions used to determine the net pension liability as of April 30, 2021:

Actuarial valuation date	December 31, 2020
Measurement date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% - 13.75%, including inflation
Investment rate of return	7.25% (Regular and SLEP)
Asset valuation method	Market value of assets

Retirement age is based on Experienced-Based Table of Rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.

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

***Assumption Changes***

The assumptions below were changed from the prior year in determining the total pension liability.

- Municipal bond rate used in the calculation of discount rate changed from 2.75% in 2019 to 2.00% in 2020.
- Price inflation decreased from 2.50% in 2019 to 2.25% in 2020.
- Salary increase changes from 3.35% - 14.25% in 2019 to 2.85% - 13.75% in 2020.

**Village of Bolingbrook, Illinois**  
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**Investments**

The long-term expected rate of return on pension plan investments of 7.25% (same as last year) 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 long-term expected rate of return on pension plan investments of 7.25% was determined using a target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic equities	37.0%	5.00%
International equities	18.0%	6.00%
Fixed income	28.0%	1.30%
Real estate	9.0%	6.20%
Alternative investments	7.0%	2.85% - 6.95%
Cash equivalents	1.0%	0.70%
	<u>100%</u>	

**Discount Rate**

A single discount rate (SDR) of 7.25% (same as last year) for the Regular Plan and 7.25% (same as last year) for the SLEP Fund was used to measure the total pension liability. The projection of cash flows used to determine the SDR 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. Based on those assumptions, the Regular and SLEP Plans' fiduciary net position were all projected to be sufficient to make all projected future benefit payments of current plan members. Therefore, the expected rate of return on plan investments for the plans of 7.25% was used as the discount rate.



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***Changes in Net Pension Liability – Regular Plan***

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (Asset) (a)-(b)</b>
Balance, beginning of year	\$ 72,379,047	\$ 69,524,686	\$ 2,854,361
Changes for the year			
Service cost	968,940	-	968,940
Interest	5,169,487	-	5,169,487
Differences between expected and actual experience	(998,544)	-	(998,544)
Changes of assumptions	(739,555)	-	(739,555)
Contributions - employer	-	1,210,754	(1,210,754)
Contributions - employee	-	408,075	(408,075)
Net investment income	-	9,802,602	(9,802,602)
Benefit payments, including refunds of employees' contributions	(3,120,507)	(3,120,507)	-
Other (net transfer)	-	47,279	(47,279)
Net changes	1,279,821	8,348,203	(7,068,382)
Balance, end of year	\$ 73,658,868	\$ 77,872,889	\$ (4,214,021)

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***Changes in Net Pension Liability – SLEP***

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balance, beginning of year	\$ 1,118,257	\$ 877,697	\$ 240,560
Changes for the year			
Service cost	-	-	-
Interest	77,458	-	77,458
Differences between expected and actual experience	17,398	-	17,398
Changes of assumptions	3,481	-	3,481
Contributions - employer	-	22,927	(22,927)
Contributions - employee	-	-	-
Net investment income	-	132,958	(132,958)
Benefit payments, including refunds of employees' contributions	(99,751)	(99,751)	-
Administrative expenses			
Other (net transfer)	-	19,940	(19,940)
Net changes	(1,414)	76,074	(77,488)
Balance, end of year	<u>\$ 1,116,843</u>	<u>\$ 953,771</u>	<u>\$ 163,072</u>

***Discount Rate Sensitivity***

The following is an analysis of the sensitivity of the Village's net pension liability (asset) to changes in the discount rate. The table below represents the net pension liability (asset) of the Village's Regular Plan and SLEP Fund calculated using the discount rate of 7.25%, respectively, as well as what the Village's net pension liability would be if it were calculated using discount rates that are one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

***Regular Plan***

	<b>1% Decrease 6.25%</b>	<b>Current Discount Rate 7.25%</b>	<b>1% Increase 8.25%</b>
Village's net pension liability/(asset)	\$ 4,741,677	\$ (4,214,021)	\$ (11,230,884)

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*SLEP*

	<b>1% Decrease 6.25%</b>	<b>Current Discount Rate 7.25%</b>	<b>1% Increase 8.25%</b>
Village's net pension liability	\$ 240,597	\$ 163,072	\$ 94,796

***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial 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 (income) of (\$748,334) and (\$11,961) for the Regular Plan and SLEP, respectively. At April 30, 2021, the Village reported deferred outflows of resources related to pensions from the following sources:

<b>Deferred Outflows Related to Pensions</b>	<b>Regular Plan</b>	<b>SLEP</b>	<b>Total</b>
Differences between expected and actual experience	\$ 319,025	\$ -	\$ 319,025
Changes of assumptions	198,803	-	198,803
Total deferred amounts to be recognized in pension expense in future periods	517,828	-	517,828
Pension contributions made subsequent to the measurement date	381,478	7,209	388,687
	<b>\$ 899,306</b>	<b>\$ 7,209</b>	<b>\$ 906,515</b>

<b>Deferred Inflows Related to Pensions</b>	<b>Regular Plan</b>	<b>SLEP</b>	<b>Total</b>
Differences between expected and actual experience	\$ 1,398,692	\$ -	\$ 1,398,692
Changes of assumptions	511,424	-	511,424
Net differences between projected and actual earnings on pension plan investments	5,861,170	89,246	5,950,416
Total deferred amounts to be recognized in pension expense in future periods	<b>\$ 7,771,286</b>	<b>\$ 89,246</b>	<b>\$ 7,860,532</b>

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At April 30, 2021, the Village reported \$381,478 for the Regular Plan and \$7,209 for SLEP of deferred outflows of resources related to pensions resulting from Village contributions made subsequent to the measurement date that will be recognized as a reduction of net pension liability in the year ended April 30, 2022. Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<b>Year Ending April 30,</b>	<b>Regular</b>	<b>SLEP</b>	<b>Total</b>
2022	\$ (2,471,388)	\$ (29,464)	\$ (2,500,852)
2023	(1,354,240)	(10,146)	(1,364,386)
2024	(2,464,874)	(35,357)	(2,500,231)
2025	(962,956)	(14,279)	(977,235)
	<u>\$ (7,253,458)</u>	<u>\$ (89,246)</u>	<u>\$ (7,342,704)</u>

**Police Pension**

*Plan Description and Provisions*

Police sworn personnel are covered by the Police Pension Plan, which is a single-employer defined benefit pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a standalone financial statement.

*Benefits Provided*

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to 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 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the

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Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (*i.e.*, 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

***Employees Covered by Benefit Terms***

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

Inactive plan members currently receiving benefits	74
Inactive plan members entitled but not yet receiving benefits	14
Active plan members	113
	201

***Contributions***

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village’s contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded. Administrative expenses are generally paid from plan assets. For the year ended April 30, 2021, the Village contributed \$5,843,019 to the Police Pension Plan.

***Investment Policy***

The deposits and investments of the pension funds are held separately from those of other Village funds. In addition to the aforementioned investments in Note 2, pension funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the fund’s investments
- Bonds issued by any county, city, township, incorporated town, municipal corporation or school district in Illinois
- Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois

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- Equity accounts up to a limit of 45% of the aggregate fair value of the fund’s assets
- Direct obligations of the State of Israel

In addition, pension funds with net position of \$2.5 million or more may invest up to 35% of plan net position in a separate account of life insurance companies and mutual funds. If pension funds have net position of at least \$5 million and have an appointed investment advisor, the pension funds may, through that investment advisor, invest up to 35% of the plan’s net position in common and preferred stocks which meet specific restrictions.

The Police Pension Fund’s investment policy in accordance with ILCS establishes the following ranges and target allocation across asset classes:

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
Fixed income	50.00%	1.30%
U.S. large cap equities	35.00%	5.70%
U.S. small cap equities	10.00%	7.50%
International equity	5.00%	7.00%
	<u>100.00%</u>	

The long-term expected rate of return of the Police Pension Fund’s investments of 7.00% was determined using an asset allocation study conducted by the Police Pension Fund’s investment manager consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund’s target asset allocation as of April 30, 2021, are listed in the table above.

***Valuation of Investments***

All investments in the plan are stated at fair value and recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds.

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The following table presents the fair value measurements of assets and liabilities recognized in the accompanying Statement of Fiduciary Net Position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2021:

<b>Investment Type</b>	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Debt securities</b>				
U.S. Treasuries	\$ 5,915,500	\$ 5,915,500	\$ -	\$ -
U.S. agencies	24,723,620	-	24,723,620	-
Certificates of deposit	860,829	860,829	-	-
Corporate bonds	6,975,162	-	6,975,162	-
Municipal bonds	6,171,470	-	6,171,470	-
	<u>44,646,581</u>	<u>6,776,329</u>	<u>37,870,252</u>	<u>-</u>
<b>Equity securities</b>				
Mutual fund - equity	48,905,101	48,905,101	-	-
	<u>\$ 93,551,682</u>	<u>\$ 55,681,430</u>	<u>\$ 37,870,252</u>	<u>\$ -</u>

**Level 1** Includes quoted prices in active markets for an identical asset or liability that a government can access at the measurement date.

**Level 2** Includes inputs other than quoted prices included with Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3** Includes unobservable inputs for an asset or liability.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

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*Investment Rate of Return*

For the year ended April 30, 2021, the annual money-weighted rate of return on the Police Pension Plan investments, net of pension plan investment expense, was 22.30%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits With Financial Institutions*

None of the Police Pension Fund's deposits of \$1,726,453 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Plan's name.

*Interest Rate Risk*

As of April 30, 2021, the Police Pension Fund has the following investments and maturities:

	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>More Than 10 Years</u>
U.S. Treasury securities	\$ 5,915,500	\$ 709,258	\$ 4,576,578	\$ 629,664	\$ -
Federal National Mortgage Association	405,608	-	405,608	-	-
Federal Farm Credit Bank	16,871,700	202,247	6,193,612	10,475,841	-
Federal Home Loan Bank	6,879,321	273,632	2,896,993	3,708,696	-
Tennessee Valley Authority	566,991	-	566,991	-	-
Certificates of deposit	860,829	-	426,883	433,946	-
Corporate bonds	6,975,162	349,312	2,868,956	3,756,894	-
Municipal bonds	6,171,470	398,844	3,095,529	2,318,029	359,068
Total	44,646,581	<u>\$ 1,933,293</u>	<u>\$ 21,031,150</u>	<u>\$ 21,323,070</u>	<u>\$ 359,068</u>
Investments not sensitive to interest rate risk					
Mutual funds	<u>48,905,101</u>				
Total investments	<u>\$ 93,551,682</u>				

The Police Pension Fund's investment policy does not limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. The objective is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk.

*Credit Risk*

The Police Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The investments in securities of the U.S. government and agency obligations were rated AAA by Moody's Investors Service. The investments in corporate bonds were rated Aaa to Baa2 by Moody's Investors Service.



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*Custodial Credit Risk*

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

*Net Pension Liability*

The Village's net pension liability was measured as of April 30, 2021, 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 above was determined by an actuarial valuation performed as of April 30, 2021, using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2021
Measurement date	April 30, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	7.00%
Asset valuation method	Market value of assets

Mortality rates are based on RP 2014 Base Rates with Blue Collar Adjustment Projected from 2013 with Scale MP 2020 Fully Generational.

*Assumption Change*

The assumption below was changed from the prior year in determining the total pension liability.

- The long-term municipal bond rate was changed from 2.91% in 2020 to 2.12% in 2021.

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*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% (same as last year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

*Changes in Net Pension Liability*

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balance, beginning of year	\$ 145,995,219	\$ 78,835,412	\$ 67,159,807
Changes for the year			
Service cost	3,096,070	-	3,096,070
Interest	10,010,356	-	10,010,356
Benefit changes	-	-	-
Differences between expected and actual experience	2,237,013	-	2,237,013
Changes of assumptions	(651,459)	-	(651,459)
Contributions - employer	-	5,843,019	(5,843,019)
Contributions - employee	-	1,408,028	(1,408,028)
Net investment income	-	17,382,236	(17,382,236)
Benefit payments, including refunds of employees' contributions	(5,520,248)	(5,520,248)	-
Administrative expenses	(113,050)	(113,050)	-
Net changes	<u>9,058,682</u>	<u>18,999,985</u>	<u>(9,941,303)</u>
Balance, end of year	<u>\$ 155,053,901</u>	<u>\$ 97,835,397</u>	<u>\$ 57,218,504</u>

Changes in assumptions related to retirement age, disability rates, termination and mortality and long-term municipal bond rate were made since the prior measurement date.

*Discount Rate Sensitivity*

The following is an analysis of the sensitivity of the Village's net pension liability to changes in the discount rate. The table below represents the net pension liability of the Village calculated using the discount rate of 7.00% as well as what the Village's net pension liability would be if it

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were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	<b>1% Decrease 6.00%</b>	<b>Current Discount Rate 7.00%</b>	<b>1% Increase 8.00%</b>
Village's net pension liability	\$ 80,658,950	\$ 57,218,504	\$ 38,203,563

***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 \$4,842,902. At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,909,111	\$ 3,990,289
Changes of assumptions	2,938,950	776,463
Net differences between projected and actual earnings on plan investments	-	7,349,753
	\$ 5,848,061	\$ 12,116,505

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

<b>Year Ending April 30,</b>	<b>Amount</b>
2022	\$ (1,547,449)
2023	(1,281,248)
2024	(1,423,176)
2025	(2,227,710)
2026	211,139
	\$ (6,268,444)

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***Firefighters' Pension***

*Plan Description and Provisions*

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial statement.

*Benefits Provided*

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to 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. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement, and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (*i.e.*, 1/2% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

**Village of Bolingbrook, Illinois**  
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*Employees Covered by Benefit Terms*

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

Inactive plan members currently receiving benefits	79
Inactive plan members entitled but not yet receiving benefits	5
Active plan members	88
	172

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan, as actuarially determined by an enrolled actuary. By the year 2040, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded. Administrative expenses are generally paid from plan assets. For the year ended April 30, 2021, the Village contributed \$4,806,534 to the Firefighters' Pension Plan.

*Investment Policy*

The deposits and investments of the pension funds are held separately from those of other Village funds. In addition to the aforementioned investments in Note 2, pension funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the fund's investments
- Bonds issued by any county, city, township, incorporated town, municipal corporation or school district in Illinois
- Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois
- Equity accounts up to a limit of 45% of the aggregate fair value of the fund's assets
- Direct obligations of the State of Israel

In addition, pension funds with net position of \$2.5 million or more may invest up to 35% of plan net position in a separate account of life insurance companies and mutual funds. If pension funds have net position of at least \$5 million and have an appointed investment advisor, the pension funds may, through that investment advisor, invest up to 35% of the plan's net position in common and preferred stocks which meet specific restrictions.

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The Firefighters' Pension Fund's investment policy in accordance with ILCS establishes the following ranges and target allocation across asset classes:

<b>Asset Class</b>	<b>Portfolio Target Percentage</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic equity	41.00%	8.50%
International equity	13.00%	8.40%
Fixed income	38.50%	4.50%
Real estate	5.00%	6.40%
High yield	2.50%	6.00%
	<u>100.00%</u>	

The long-term expected rate of return of the Firefighters' Pension Fund's investments of 7.00% was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment manager consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2021, are listed in the table above.

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*Valuation of Investments*

All investments in the plan are stated at fair value and recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds. The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of fiduciary net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at April 30, 2021:

<b>Investment Type</b>	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Debt securities</b>				
U.S. Treasuries	\$ 7,319,479	\$ 7,319,479	\$ -	\$ -
U.S. agencies	1,636,332	-	1,636,332	-
Municipal bonds	396,257	-	396,257	-
Corporate bonds	11,498,314	-	11,498,314	-
	<u>20,850,382</u>	<u>7,319,479</u>	<u>13,530,903</u>	<u>-</u>
<b>Equity securities</b>				
Common and preferred stocks	7,821,962	7,821,962	-	-
Mutual fund - equity	35,613,770	35,613,770	-	-
	<u>43,435,732</u>	<u>43,435,732</u>	<u>-</u>	<u>-</u>
	<u>\$ 64,286,114</u>	<u>\$ 50,755,211</u>	<u>\$ 13,530,903</u>	<u>\$ -</u>

The valuation method for investment measure at the net asset value (NAV) per share (or its equivalent) is presented in the following table:

	<b>Investment Measured at the NAV</b>			
	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency (if currently eligible)</b>	<b>Redemption Notice Period</b>
Insurance contract - real estate	\$ 2,530,421	\$ -	N/A	N/A

**Level 1** Includes quoted prices in active markets for an identical asset or liability that a government can access at the measurement date.

**Level 2** Includes inputs other than quoted prices included with Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that

**Village of Bolingbrook, Illinois**  
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are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3** Includes unobservable inputs for an asset or liability.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

*Investment Rate of Return*

For the year ended April 30, 2021, the annual money-weighted rate of return on the Firefighters' Pension Plan investments, net of pension plan investment expense, was 26.06%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits With Financial Institutions*

None of the Firefighters' Pension Fund's deposits of \$4,780,720 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the Plan's name.

*Interest Rate Risk*

As of April 30, 2021, the Firefighters' Pension Fund has the following investments and maturities:

	Fair Value	Investment Maturities in Years			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury securities	\$ 7,319,479	\$ 535,178	\$ 4,591,345	\$ 2,192,956	\$ -
Government National Mortgage Association	157,417	-	61,725	-	95,692
Other government agencies	301,375	-	-	176,258	125,117
Federal Home Loan Mortgage Corporation	500,642	1,649	134,774	101,088	263,131
Federal National Mortgage Association	676,898	5,106	26,279	237,070	408,443
Municipal bonds	396,257	-	199,215	172,564	24,478
Corporate bonds	11,498,314	773,334	7,875,890	2,429,972	419,118
Insurance contract - real estate	2,530,421	2,530,421	-	-	-
<b>Total</b>	<b>23,380,803</b>	<b>\$ 3,845,688</b>	<b>\$ 12,889,228</b>	<b>\$ 5,309,908</b>	<b>\$ 1,335,979</b>
Investments not sensitive to interest rate risk					
Mutual funds	35,613,770				
Common and preferred stock	7,821,962				
<b>Total investments</b>	<b>\$ 66,816,535</b>				



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*Interest Rate Risk*

The Firefighters' Pension Fund's investment policy does not limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. The objective is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk.

*Credit Risk*

The Firefighters' Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The investments in securities of the U.S. government were rated AAA by Moody's Investors Service. The investments in municipal bonds were rated Aa2 to Baa3 by Moody's Investors Service. The investments in corporate bonds were rated Aaa to Baa3 by Moody's Investors Service.

*Custodial Credit Risk*

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

*Net Pension Liability*

The Village's net pension liability was measured as of April 30, 2021, 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 above was determined by an actuarial valuation performed as of April 30, 2021, using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2021
Measurement date	April 30, 2021
Actuarial cost method	Entry-age normal

**Village of Bolingbrook, Illinois**  
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Assumptions	
Salary increases	Graded by years of service
Investment rate of return	7.00%
Cost of living increases	3.00%
Asset valuation method	Market value

Mortality rates are based on RP 2014 Base Rates with Blue Collar Adjustment Projected from 2013 with Scale MP 2020 Fully Generational.

***Assumption Change***

The assumption below was changed from the prior year in determining the total pension liability.

- The long-term municipal bond rate was changed from 2.91% in 2020 to 2.12% in 2021.

***Discount Rate***

The discount rate used to measure the total pension liability was 7.00% (same as last year). The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**Village of Bolingbrook, Illinois**  
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*Changes to Net Pension Liability*

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
Balance, beginning of year	\$ 117,241,470	\$ 58,430,972	\$ 58,810,498
Changes for the year			
Service cost	2,606,073	-	2,606,073
Interest	8,019,567	-	8,019,567
Differences between expected and actual experience	1,841,043	-	1,841,043
Changes of assumptions	(582,155)	-	(582,155)
Contributions - employer	-	4,806,534	(4,806,534)
Contributions - employee	-	870,709	(870,709)
Net investment income	-	14,568,610	(14,568,610)
Benefit payments, including refunds of employees' contributions	(4,940,739)	(4,940,739)	-
Administrative expenses	(103,751)	(71,911)	(31,840)
Net changes	<u>6,840,038</u>	<u>15,233,203</u>	<u>(8,393,165)</u>
Balance, end of year	<u>\$ 124,081,508</u>	<u>\$ 73,664,175</u>	<u>\$ 50,417,333</u>

Changes in assumptions related to retirement age, disability rates, termination and mortality and long-term municipal bond rate were made since the prior measurement date.

*Discount Rate Sensitivity*

The following is an analysis of the sensitivity of the Village's net pension liability to changes in the discount rate. The table below represents the net pension liability of the Village calculated using the discount rate of 7.00% 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 (6.00%) or one percentage point higher (8.00%) than the current rate:

	<b>1% Decrease 6.00%</b>	<b>Current Discount Rate 7.00%</b>	<b>1% Increase 8.00%</b>
Village's net pension liability	\$ 68,706,315	\$ 50,417,333	\$ 35,551,971

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*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 \$5,958,220. At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Deferred Amounts Related to Pensions</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 3,180,024	\$ 1,790,030
Changes of assumptions	2,274,384	707,720
Net differences between projected and actual earnings		
On plan investments	<u>-</u>	<u>5,382,934</u>
	<u>\$ 5,454,408</u>	<u>\$ 7,880,684</u>

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

<b>Year Ending April 30,</b>	<b>Amount</b>
2022	\$ (318,910)
2023	(238,242)
2024	(435,330)
2025	(1,664,882)
2026	205,560
Thereafter	<u>25,528</u>
	<u>\$ (2,426,276)</u>

**Village of Bolingbrook, Illinois**  
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**Note 11: Pension Trust Funds – Financial Data**

***Schedule of Fiduciary Net Plan Position as of April 30, 2021:***

	<b>Police Pension Fund</b>	<b>Firefighters' Pension Fund</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 1,726,453	\$ 4,780,720	\$ 6,507,173
Investments			
U.S. treasury securities	5,915,500	7,319,479	13,234,979
U.S. agency securities	24,723,620	1,636,332	26,359,952
Municipal bonds	6,171,470	396,257	6,567,727
Corporate bonds	6,975,162	11,498,314	18,473,476
Mutual funds	48,905,101	35,613,770	84,518,871
Certificates of deposit	860,829	-	860,829
Common and preferred stock	-	7,821,962	7,821,962
Insurance contract - real estate	-	2,530,421	2,530,421
Accrued interest receivable	273,099	122,507	395,606
Due from Village	2,300,300	1,975,826	4,276,126
Prepays	8,079	1,466	9,545
	<u>97,859,613</u>	<u>73,697,054</u>	<u>171,556,667</u>
<b>Total assets</b>			
	<u>97,859,613</u>	<u>73,697,054</u>	<u>171,556,667</u>
<b>Liabilities</b>			
Other payables	<u>24,216</u>	<u>32,879</u>	<u>57,095</u>
<b>Net Position</b>			
Restricted for pensions	<u>\$ 97,835,397</u>	<u>\$ 73,664,175</u>	<u>\$ 171,499,572</u>

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**Schedule of Changes in Fiduciary Net Plan Position for the Year Ended April 30, 2021:**

	<b>Police Pension Fund</b>	<b>Firefighters' Pension Fund</b>	<b>Total</b>
<b>Additions</b>			
Contributions			
Employer	\$ 5,843,019	\$ 4,806,534	\$ 10,649,553
Plan members	<u>1,408,028</u>	<u>870,709</u>	<u>2,278,737</u>
Total contributions	<u>7,251,047</u>	<u>5,677,243</u>	<u>12,928,290</u>
Investment earnings			
Investment income	17,651,553	14,731,141	32,382,694
Investment fees	<u>(269,317)</u>	<u>(162,531)</u>	<u>(431,848)</u>
Total investment earnings	<u>17,382,236</u>	<u>14,568,610</u>	<u>31,950,846</u>
Total additions	<u>24,633,283</u>	<u>20,245,853</u>	<u>44,879,136</u>
<b>Deductions</b>			
Benefits and refunds	5,520,248	4,940,739	10,460,987
Administration	<u>113,050</u>	<u>71,911</u>	<u>184,961</u>
Total deductions	<u>5,633,298</u>	<u>5,012,650</u>	<u>10,645,948</u>
<b>Change in Net Position</b>	18,999,985	15,233,203	34,233,188
<b>Net Position Restricted for Pensions, Beginning of Year</b>	<u>78,835,412</u>	<u>58,430,972</u>	<u>137,266,384</u>
<b>Net Position Restricted for Pensions, End of Year</b>	<u>\$ 97,835,397</u>	<u>\$ 73,664,175</u>	<u>\$ 171,499,572</u>

**Significant Investments**

It is the policy of the Police Pension and Firefighters' Pension Funds to diversify their investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer or class of securities. According to the Pension Funds' investment policy, the Pension Funds will diversify their investments by security type and institution.

At April 30, 2021, none of the plan's investments (other than U.S. government, U.S. government-guaranteed obligations and the insurance contract) represented 5% or more of each plan's investments.

**Village of Bolingbrook, Illinois**  
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***Police Pension and Firefighters' Pension***

*Basis of Accounting*

The financial statements are prepared using the accrual basis of accounting. Under this method, additions to net position are recorded when earned and deductions from net position are recorded when the time related liabilities/deferred inflows are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

*Method Used to Value Investments*

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

*Related Party Transactions*

There are no securities of the employer or any other related parties included in plan assets, including any loans.

**Note 12: Other Postemployment Benefits**

***Health Insurance Plan for Retired Employees and Benefits***

The Village provides postemployment health insurance benefits to its full-time employees under local ordinance. Individuals become eligible for these benefits upon retirement and a minimum of six to eight years' service to the Village, depending on retirement age. Premium equivalents are developed using blended claim experience for both the active and retired populations, trend data and administrative costs.

The Village contributes at an annual rate of 3.30% as determined by an enrolled actuary. The plan members are required to contribute an amount established by collective bargaining agreements with the employer's union employees. Current employee contribution rates are 1.00% - 2.50% of payroll after tax to the retiree fund.

The Village's Retiree Health Employee Benefits Plan is a single-employer defined benefit OPEB healthcare plan administered by the Village of Bolingbrook. This plan provides the continuation of health care benefits to employees who retire from the Village. The plan is not accounted for as a trust

**Village of Bolingbrook, Illinois**  
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fund, as no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate report.

*Eligibility*

Police and Fire

Tier 1	Age 50 and 20 years of service or age 60 and 8 years of service
Tier 2	Normal retirement: Age 55 and 10 years of service Early retirement: Age 50 and 10 years of service

PSEBA Disability Benefits

Police officers who become disabled in the line of duty are eligible for PSEBA disability benefits after one year of service.

IMRF

Tier 1	Normal retirement Age 55 and 35 years of service or Age 60 and 8 years of service or  Early retirement Age 55 and 8 years of service
Tier 2	Normal retirement Age 62 and 35 years of service or Age 67 and 10 years of service or  Early retirement Age 62 and 10 years of service

*Employees Covered by Benefit Terms*

At April 30, 2021, the following Village employees were covered by the benefit terms:

Retired participants	48
Disabled participants	28
Active plan members	237
	<hr/>
	<u>313</u>



**Village of Bolingbrook, Illinois**  
**Notes to the Financial Statements**  
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*Total OPEB Liability*

The Village's total OPEB liability of \$45,397,098 was measured as of April 30, 2021.

*Changes in Total OPEB Liability*

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Balance at May 1, 2020	\$ 43,580,291	\$ 137,680	\$ 43,717,971
Changes for the year			
Service cost	1,538,834	2,618	1,541,452
Interest	1,247,832	3,942	1,251,774
Differences between expected and actual	(3,309,587)	(10,456)	(3,320,043)
Assumption changes	3,597,941	11,367	3,609,308
Benefit payments	(1,398,944)	(4,420)	(1,403,364)
Net changes in total OPEB liability	<u>1,676,076</u>	<u>3,051</u>	<u>1,679,127</u>
Balance at April 30, 2021	<u>\$ 45,256,367</u>	<u>\$ 140,731</u>	<u>\$ 45,397,098</u>

Changes in assumptions reflect a change the discount rate from 2.91% in 2020 to 2.12% in 2021.

*OPEB Expense and Deferred Inflows of Resource Related to OPEB*

For the year ended April 30, 2021, the Village recognized OPEB expense of \$3,523,453 (Governmental Activities \$3,512,446 and Business-Type Activities \$11,097). At April 30, 2021, the Village reported deferred outflows of resources related to OPEB from the following source:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Deferred Outflows of Resources			
Assumption changes	\$ 7,415,723	\$ 23,060	\$ 7,438,783
Deferred Inflows of Resources			
Difference between expected and actual non-investment experience	<u>(2,976,873)</u>	<u>(9,257)</u>	<u>(2,986,130)</u>
Net	<u>\$ 4,438,850</u>	<u>\$ 13,803</u>	<u>\$ 4,452,653</u>

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

<b>Year Ending April 30,</b>	<b>Amount</b>
2022	\$ 730,227
2023	730,227
2024	730,227
2025	730,227
2026	730,227
Thereafter	891,518
	\$ 4,542,653

***Actuarial Assumption and Other Inputs***

The total OPEB liability in the April 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	April 30, 2021
Actuarial cost method	Entry-age normal
Discount rate	2.91% used as of April 30, 2020 2.12% used as of April 30, 2021
Salary increase	3.00% per annum
Mortality	Probabilities of death for participants were according to RP2014 Blue Collar base rates projected to 2021 using scale MP2020 for Police and Fire. For all others the RP2014 base rates projected to 2021 using scale MP2020 was used. No additional provision (besides those already embedded) were included for mortality improvements beyond 2021
Healthcare cost trend rates	Starting at 7.00% decreasing to an ultimate rate of 4.00% for 2033 and after

***Assumption Changes***

The assumptions below were changed from the prior year in determining the total OPEB liability.

- The long-term municipal bond rate and discount rate changed from 2.91% in 2020 to 2.12% in 2021.

**Village of Bolingbrook, Illinois**  
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- Mortality tables were updated
- Healthcare cost trend rates changed from a table starting at 7.50% decreasing to an ultimate rate of 4.00% for 2033 and after to a table starting at 7.00% decreasing to an ultimate rate of 4.00% for 2033 and after.

**Rate Sensitivity**

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The table below presents the total OPEB liability of the Village calculated using the discount rate of 2.12% as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12) or 1 percentage point higher (3.12%) the current rate:

	<b>1% Decrease (1.12%)</b>	<b>Current Discount Rate (2.12%)</b>	<b>1% Increase (3.12%)</b>
Village's total OPEB liability	\$ 50,700,267	\$ 45,397,098	\$ 40,876,823

The table below illustrates the sensitivity of the Total OPEB Liability to the Healthcare Cost Trend Rates assumption for a 1% decrease and a 1% increase in the rates.

	<b>1% Decrease 6.0% Decreasing to 3.0%</b>	<b>Current Discount Rate 7.0% Decreasing to 4.0%</b>	<b>1% Increase 8.0% Decreasing to 5.0%</b>
Village's total OPEB liability	\$ 40,068,411	\$ 45,397,098	\$ 51,834,739

**Note 13: Asset Swap With Illinois-American Water Company**

During fiscal year 2003, the Village completed an asset swap agreement with Illinois-American Water Company. Under the terms of the agreement, the Village relinquished its rights to its water capital assets in exchange for the rights to Illinois-American Water Company's sewer capital assets. This activity was represented as both additions and deletions to the capital assets. In addition to the sewer assets, the Village received scheduled cash payments from Illinois-American Water Company through fiscal year 2014. These payments have been made in full in prior fiscal years.

In further consideration for the conveyance of the water system, Illinois-American Water Company will pay the Village \$550 for each new water customer who connects to the system and resides in the Village. The total number of payments will not exceed 8,000 connections. Illinois-American Water Company made a minimum payment to the Village equal to 500 new customers each year until fiscal year 2008. If the actual number of connections is less than 500, the excess can be used to reduce payments after fiscal year 2008.

**Village of Bolingbrook, Illinois**  
**Notes to the Financial Statements**  
**April 30, 2021**

**Note 14: Future Pronouncements**

The Governmental Accounting Standards Board (GASB) recently issued the following standards:

**GASB Statement No. 87, Leases (GASB 87)**

In June 2017, GASB published Statement No. 87, *Leases*. The standard was the result of a multi-year project to reexamine the accounting and financial reporting for leases. The new standard establishes a single model for lease accounting based on the principle that leases represent the financing of the right to use an underlying asset. Specifically, GASB 87 includes the following accounting guidance for lessees and lessors:

Lessee Accounting - A lessee will recognize a liability measured at the present value of payments expected to be made for the lease term, and an intangible asset measured at the amount of the initial lease liability, plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs. A lessee will reduce the liability as payments are made and recognize an outflow of resources for interest on the liability. The asset will be amortized by the lessee over the shorter of the lease term or the useful life of the asset.

Lessor Accounting - A lessor will recognize a receivable measured at the present value of the lease payments expected for the lease term and a deferred inflow of resources measured at the value of the lease receivable plus any payments received at or prior to the beginning of the lease that relate to future periods. The lessor will reduce the receivable as payments are received and recognize an inflow of resources from the deferred inflow of resources in a systematic and rational manner over the term of the lease. A lessor will not derecognize the asset underlying the lease. There is an exception for regulated leases for which certain criteria are met, such as airport-aeronautical agreements.

The lease term used to measure the asset or liability is based on the period in which the lessee has the noncancelable right to use the underlying asset. The lease term also contemplates any lease extension or termination option that is reasonably certain of being exercised.

GASB 87 does not apply to leases for intangible assets, biological assets (*i.e.*, timber and living plants and animals), service concession agreements or leases in which the underlying asset is financed with conduit debt that is reported by the lessor. Additionally, leases with a maximum possible term of 12 months or less are excluded. The effective date is for periods beginning after June 15, 2021.

**GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period (GASB 89)**

GASB 89 requires that interest costs incurred before the end of a construction period be recognized as expenses in the period in which the costs are incurred. As a result, the interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. GASB 89 is effective for financial

**Village of Bolingbrook, Illinois**  
**Notes to the Financial Statements**  
**April 30, 2021**

statements for fiscal years beginning after December 15, 2020. Earlier application is encouraged. GASB 89 will be applied prospectively to interest incurred after the date of adoption.

**GASB Statement No. 92, *Omnibus 2020* (GASB 92)**

GASB 92 addresses practice issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to leases, intra-entity transfers, fiduciary activities and fair value disclosures. GASB 92 is effective for reporting periods based on individual topics discussed therein. Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with an individual topic are implemented simultaneously.

**GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96)**

GASB 96 provides guidance on governments are utilizing more cloud-based solutions for their information technology (IT) needs and paying for the use of third-parties' IT software on a subscription basis. The accounting and financial reporting for what the GASB refers to as subscription-based information technology arrangements (SBITAs) has been inconsistent because of a lack of authoritative guidance. The standard is effective for reporting periods after June 15, 2022, and all reporting periods thereafter, with early implementation encouraged. The statement would be applied retroactively, using the facts and circumstances that exist at the beginning of the fiscal year of implementation. Due to the COVID-19 pandemic, the effective date was delayed one year from that originally proposed.

**Required Supplementary Information  
(Unaudited)**

**Village of Bolingbrook, Illinois**  
**Required Supplemental Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual – General Fund**  
**Year Ended April 30, 2021**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
<b>Revenues</b>				
Taxes	\$ 27,238,391	\$ 27,238,391	\$ 24,192,513	\$ (3,045,878)
Licenses and permits	2,370,600	2,370,600	2,115,448	(255,152)
Charges for services	5,466,257	5,466,257	5,564,334	98,077
Fines and forfeitures	1,124,845	1,124,845	1,400,811	275,966
Contributions	700,000	700,000	696,169	(3,831)
Intergovernmental	42,942,500	42,944,145	49,090,432	6,146,287
Interest	1,370,000	1,370,000	427,114	(942,886)
Miscellaneous	92,000	92,000	3,397,955	3,305,955
Total revenues	<u>81,304,593</u>	<u>81,306,238</u>	<u>86,884,776</u>	<u>5,578,538</u>
<b>Expenditures</b>				
Current				
General government	12,136,378	12,400,354	10,785,740	(1,614,614)
Public safety	48,201,899	48,415,728	48,098,956	(316,772)
Highways and streets	13,210,175	17,615,420	10,674,157	(6,941,263)
Culture and recreation	3,656,717	3,671,117	2,407,774	(1,263,343)
Economic development	5,695,087	5,695,087	5,236,671	(458,416)
Total expenditures	<u>82,900,256</u>	<u>87,797,706</u>	<u>77,203,298</u>	<u>(10,594,408)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,595,663)</u>	<u>(6,491,468)</u>	<u>9,681,478</u>	<u>16,172,946</u>
<b>Other Financing Sources (Uses)</b>				
Sale of assets	20,000	20,000	163,973	143,973
Transfers in	1,590,282	1,590,282	5,042,674	3,452,392
Transfers out	-	-	(8,858,187)	(8,858,187)
Total other financing sources (uses)	<u>1,610,282</u>	<u>1,610,282</u>	<u>(3,651,540)</u>	<u>(5,261,822)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 14,619</u>	<u>\$ (4,881,186)</u>	<u>6,029,938</u>	<u>\$ 10,911,124</u>
<b>Fund Balance, Beginning of Year</b>			<u>81,996,897</u>	
<b>Fund Balance, End of Year</b>			<u>\$ 88,026,835</u>	

**Village of Bolingbrook, Illinois**  
**Required Supplemental Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual – Refuse and Recycling Fund**  
**Year Ended April 30, 2021**

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget Over (Under)</b>
<b>Revenues</b>			
Refuse charges	\$ 5,697,240	\$ 5,785,754	\$ 5,785,754
Interest	250	-	(250)
Total revenues	5,697,490	5,785,754	5,785,504
<b>Expenditures</b>			
Current			
Sanitation	5,697,490	5,889,190	191,700
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>\$ -</b>	<b>(103,436)</b>	<b>\$ (103,436)</b>
<b>Fund Balance, Beginning of Year</b>		<b>(1,427,235)</b>	
<b>Fund Balance, End of Year</b>		<b>\$ (1,530,671)</b>	



**Village of Bolingbrook, Illinois**  
**Note to Required Supplementary Information**  
**April 30, 2021**

**Legal Compliance and Accountability**

***Budgets***

All departments of the Village submit requests for appropriation to the Village's Budget Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service (except the Westside Storm Sewer Management Fund), Waterworks and Sewerage, Westside Regional Stormwater and Pension Trust Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. The Budget Officer is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that alter the total expenditures of any fund.

The Budget Officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

The budget may be amended by the Village Board of Trustees.

Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, (except the Westside Storm Sewer Management Fund), Waterworks and Sewerage, Westside Regional Stormwater, Internal Service and Pension Trust Funds. All annual appropriations lapse at fiscal year-end.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations were approved in various funds.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Illinois Municipal Retirement Fund – Regular Plan**  
**Schedule of Changes in the Village’s Net Pension Liability and Related Ratios**  
**April 30, 2021**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Total pension liability						
Service cost	\$ 968,940	\$ 986,736	\$ 847,136	\$ 885,295	\$ 957,523	\$ 926,187
Interest	5,169,487	5,091,667	4,650,482	4,628,103	4,445,702	4,186,240
Differences between expected and actual experience	(998,544)	(1,923,073)	3,413,351	(477,373)	(505,680)	465,086
Change of assumptions	(739,555)	-	2,127,071	(2,063,744)	(161,684)	158,428
Benefit payments, including refunds of member contributions	(3,120,507)	(3,025,603)	(2,743,150)	(2,566,487)	(2,285,963)	(1,981,297)
Net change in total pension liability	1,279,821	1,129,727	8,294,890	405,794	2,449,898	3,754,644
Total pension liability - beginning	72,379,047	71,249,320	62,954,430	62,548,636	60,098,738	56,344,094
Total pension liability - ending	<u>\$ 73,658,868</u>	<u>\$ 72,379,047</u>	<u>\$ 71,249,320</u>	<u>\$ 62,954,430</u>	<u>\$ 62,548,636</u>	<u>\$ 60,098,738</u>
Plan fiduciary net position						
Contributions - Village	\$ 1,210,754	\$ 760,495	\$ 1,135,103	\$ 1,047,275	\$ 990,084	\$ 1,036,926
Contributions - members	408,075	446,922	428,019	397,701	374,003	415,725
Net investment income	9,802,602	11,151,568	(3,315,160)	9,789,552	3,616,677	269,684
Benefit payments, including refunds of member contributions	(3,120,507)	(3,025,603)	(2,743,150)	(2,566,487)	(2,285,963)	(1,981,297)
Other	47,279	214,350	453,683	(1,043,181)	678,324	(921,785)
Net change in plan fiduciary net position	8,348,203	9,547,732	(4,041,505)	7,624,860	3,373,125	(1,180,747)
Plan net position - beginning	69,524,686	59,976,954	64,018,459	56,393,599	53,020,474	54,201,221
Plan net position - ending	<u>\$ 77,872,889</u>	<u>\$ 69,524,686</u>	<u>\$ 59,976,954</u>	<u>\$ 64,018,459</u>	<u>\$ 56,393,599</u>	<u>\$ 53,020,474</u>
Village’s net pension liability	<u>\$ (4,214,021)</u>	<u>\$ 2,854,361</u>	<u>\$ 11,272,366</u>	<u>\$ (1,064,029)</u>	<u>\$ 6,155,037</u>	<u>\$ 7,078,264</u>
Plan fiduciary net position as a percentage of the total pension liability	105.72%	96.06%	84.18%	101.69%	90.16%	88.22%
Covered payroll	\$ 9,048,979	\$ 9,151,573	\$ 9,511,530	\$ 8,308,979	\$ 8,311,178	\$ 8,725,464
Village’s net pension liability (asset) as a percentage of covered payroll	(46.57)%	31.19%	118.51%	(12.81)%	74.06%	81.12%

*Notes to the Required Supplementary Information*

Changes in Assumptions

Municipal bond rate used in the calculation of discount rate changed from 2.75% in 2019 to 2.00% in 2020.  
Salary increase changes from 3.35% - 14.25% in 2019 to 2.85% - 13.75% in 2020.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

This information is presented as of the measurement date, which is December 31 of the fiscal year.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Illinois Municipal Retirement Fund – Sheriff’s Law Enforcement Personnel Fund**  
**Schedule of Changes in the Village’s Net Pension Liability and Related Ratios**  
**April 30, 2021**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Total pension liability						
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	77,458	77,699	79,047	81,277	82,495	81,322
Differences between expected and actual experience	17,398	17,878	15,548	14,646	(65,205)	25,103
Change of assumptions	3,481	-	20,348	(30,152)	(87,753)	(7,721)
Benefit payments, including refunds of member contributions	(99,751)	(98,053)	(96,344)	(94,663)	(93,074)	(91,410)
Net change in total pension liability	(1,414)	(2,476)	18,599	(28,892)	(163,537)	7,294
Total pension liability - beginning	1,118,257	1,120,733	1,102,134	1,131,026	1,294,563	1,287,269
Total pension liability - ending	<u>\$ 1,116,843</u>	<u>\$ 1,118,257</u>	<u>\$ 1,120,733</u>	<u>\$ 1,102,134</u>	<u>\$ 1,131,026</u>	<u>\$ 1,294,563</u>
Plan fiduciary net position						
Contributions - Village	22,927	21,001	23,578	45,360	49,097	49,607
Net investment income	132,958	159,776	(61,344)	153,897	53,819	3,639
Benefit payments, including refunds of member contributions	(99,751)	(98,053)	(96,344)	(94,663)	(93,074)	(91,410)
Other	19,940	12,744	34,517	(23,266)	12,020	68,013
Net change in plan fiduciary net position	76,074	95,468	(99,593)	81,328	21,862	29,849
Plan net position - beginning	877,697	782,229	881,822	800,494	778,632	748,783
Plan net position - ending	<u>\$ 953,771</u>	<u>\$ 877,697</u>	<u>\$ 782,229</u>	<u>\$ 881,822</u>	<u>\$ 800,494</u>	<u>\$ 778,632</u>
Village’s net pension liability	<u>\$ 163,072</u>	<u>\$ 240,560</u>	<u>\$ 338,504</u>	<u>\$ 220,312</u>	<u>\$ 330,532</u>	<u>\$ 515,931</u>
Plan fiduciary net position as a percentage of the total pension liability	85.40%	78.49%	69.80%	80.01%	70.78%	60.15%
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village’s net pension liability as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*Notes to the Required Supplementary Information*

Changes in Assumptions

Municipal bond rate used in the calculation of discount rate changed from 2.75% in 2019 to 2.00% in 2020.

Salary increase changes from 3.35% - 14.25% in 2019 to 2.85% - 13.75% in 2020.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. This pronouncement was adopted in 2016.

This information is presented as of the measurement date, which is December 31 of the fiscal year.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Police Pension Fund**

**Schedule of Changes in the Village's Net Pension Liability and Related Ratios**  
**April 30, 2021**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total pension liability							
Service cost	\$ 3,096,070	\$ 2,889,064	\$ 3,329,172	\$ 2,913,901	\$ 1,731,360	\$ 2,472,355	\$ 2,066,132
Interest	10,010,356	9,596,899	8,984,706	8,287,462	8,807,742	7,938,566	7,019,569
Changes in benefit terms	-	52,094	-	-	-	-	-
Differences between expected and actual experience	2,237,013	(1,199,430)	(1,864,920)	2,968,111	(11,055,526)	(1,945,748)	1,416,533
Change of assumptions	(651,459)	(374,138)	3,310,579	214,463	5,915,062	7,172,613	5,423,146
Benefit payments, including refunds of member contributions	(5,520,248)	(4,870,394)	(4,508,127)	(4,234,907)	(3,960,102)	(3,807,438)	(3,536,744)
Refunds	-	(5,539)	-	-	-	-	-
Administrative expense	(113,050)	(96,462)	-	(83,533)	(333,932)	-	-
Net change in total pension liability	9,058,682	5,992,094	9,251,410	10,065,497	1,104,604	11,830,348	12,388,636
Total pension liability - beginning	145,995,219	140,003,125	130,751,715	120,686,218	119,581,614	107,751,266	95,362,630
Total pension liability - ending	<u>\$ 155,053,901</u>	<u>\$ 145,995,219</u>	<u>\$ 140,003,125</u>	<u>\$ 130,751,715</u>	<u>\$ 120,686,218</u>	<u>\$ 119,581,614</u>	<u>\$ 107,751,266</u>
Plan fiduciary net position							
Contributions - Village	\$ 5,843,019	\$ 5,208,793	\$ 5,177,824	\$ 5,419,514	\$ 5,624,946	\$ 3,631,064	\$ 2,976,417
Contributions - members	1,408,028	1,135,458	1,168,499	1,199,674	1,045,144	1,055,143	1,158,171
Net investment income	17,382,236	2,232,565	4,722,578	2,791,190	3,593,994	622,537	3,566,179
Benefit payments, including refunds of member contributions	(5,520,248)	(4,875,933)	(4,508,127)	(4,234,907)	(3,960,102)	(3,807,438)	(3,536,744)
Administrative expense	(113,050)	(96,073)	(76,263)	(83,533)	(94,377)	(118,265)	(84,670)
Net change in plan fiduciary net position	18,999,985	3,604,810	6,484,511	5,091,938	6,209,605	1,383,041	4,079,353
Plan net position - beginning	78,835,412	75,230,602	68,746,091	63,654,153	57,444,548	56,061,507	51,982,154
Plan net position - ending	<u>\$ 97,835,397</u>	<u>\$ 78,835,412</u>	<u>\$ 75,230,602</u>	<u>\$ 68,746,091</u>	<u>\$ 63,654,153</u>	<u>\$ 57,444,548</u>	<u>\$ 56,061,507</u>
Village's net pension liability	<u>\$ 57,218,504</u>	<u>\$ 67,159,807</u>	<u>\$ 64,772,523</u>	<u>\$ 62,005,624</u>	<u>\$ 57,032,065</u>	<u>\$ 62,137,066</u>	<u>\$ 51,689,759</u>
Plan fiduciary net position as a percentage of the total pension liability	63.10%	54.00%	53.73%	52.58%	52.74%	48.04%	52.03%
Covered payroll	\$ 12,398,527	\$ 11,506,869	\$ 11,689,218	\$ 11,326,087	\$ 10,604,216	\$ 10,809,204	\$ 10,650,577
Village's net pension liability as a percentage of covered payroll	461.5%	583.6%	554.1%	547.5%	537.8%	574.9%	485.3%

*Notes to the Required Supplementary Information*

Changes in Assumptions

The long-term municipal bond rate was changed from 2.91% in 2020 to 2.12% in 2021.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Firefighters' Pension Fund**

**Schedule of Changes in the Village's Net Pension Liability and Related Ratios**  
**April 30, 2021**

	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Total pension liability							
Service cost	\$ 2,606,073	\$ 2,367,998	\$ 2,809,252	\$ 2,474,659	\$ 2,314,733	\$ 1,922,614	\$ 1,879,783
Interest	8,019,567	7,520,343	7,054,718	6,667,888	6,875,864	6,232,214	5,647,964
Changes in benefit terms	-	25,602	-	-	-	-	-
Differences between expected and actual experience	1,841,043	2,225,782	(2,912,059)	589,019	(2,303,247)	(2,199,757)	534,324
Change of assumptions	(582,155)	(297,297)	4,390,314	(83,474)	760,973	6,278,286	3,122,475
Benefit payments, including refunds of member contributions	(4,940,739)	(4,443,754)	(4,129,242)	(3,912,345)	(3,583,028)	(3,421,119)	(3,367,964)
Administrative expense	(103,751)	(122,310)	(236,914)	(121,435)	(309,558)	-	-
Net change in total pension liability	6,840,038	7,276,364	6,976,069	5,614,312	3,755,737	8,812,238	7,816,582
Total pension liability - beginning	117,241,470	109,965,106	102,989,037	97,374,725	93,618,988	84,806,750	76,990,168
Total pension liability - ending	<u>\$ 124,081,508</u>	<u>\$ 117,241,470</u>	<u>\$ 109,965,106</u>	<u>\$ 102,989,037</u>	<u>\$ 97,374,725</u>	<u>\$ 93,618,988</u>	<u>\$ 84,806,750</u>
Plan fiduciary net position							
Contributions - Village	\$ 4,806,534	\$ 4,201,936	\$ 4,272,124	\$ 4,420,022	\$ 4,451,055	\$ 3,140,863	\$ 2,548,066
Contributions - members	870,709	831,451	801,332	846,012	725,348	747,357	757,675
Net investment income	14,568,610	(369,974)	3,238,090	2,554,222	2,724,733	(918,990)	1,967,762
Benefit payments, including refunds of member contributions	(4,940,739)	(4,443,754)	(4,129,242)	(3,912,345)	(3,583,028)	(3,421,119)	(3,367,963)
Administrative expense	(71,911)	(94,073)	(109,436)	(121,435)	(78,323)	(61,145)	(53,816)
Net change in plan fiduciary net position	15,233,203	125,586	4,072,868	3,786,476	4,239,785	(513,034)	1,851,724
Plan net position - beginning	58,430,972	58,305,386	54,232,518	50,446,042	46,206,257	46,719,291	44,867,567
Plan net position - ending	<u>73,664,175</u>	<u>58,430,972</u>	<u>58,305,386</u>	<u>54,232,518</u>	<u>50,446,042</u>	<u>46,206,257</u>	<u>46,719,291</u>
Village's net pension liability	<u>\$ 50,417,333</u>	<u>\$ 58,810,498</u>	<u>\$ 51,659,720</u>	<u>\$ 48,756,519</u>	<u>\$ 46,928,683</u>	<u>\$ 47,412,731</u>	<u>\$ 38,087,459</u>
Plan fiduciary net position as a percentage of the total pension liability	59.37%	49.84%	53.02%	52.66%	51.81%	49.36%	55.09%
Covered payroll	\$ 9,219,473	\$ 8,824,032	\$ 8,436,387	\$ 8,143,725	\$ 7,696,943	\$ 7,797,589	\$ 7,685,026
Village's net pension liability as a percentage of covered payroll	546.86%	666.48%	612.34%	598.70%	609.71%	608.04%	495.61%

*Notes to the Required Supplementary Information*

**Changes in Assumptions**

The long-term municipal bond rate was changed from 2.91% in 2020 to 2.12% in 2021.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. This pronouncement was adopted by the Pension Plan in 2015.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Schedule of Changes in the Village's Total OPEB Liability and Related Ratios**  
**April 30, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability			
Service cost	\$ 1,541,452	\$ 1,252,511	\$ 1,307,963
Interest	1,251,774	1,436,896	1,533,752
Benefit changes	(3,320,043)	(1,178,196)	(2,915,440)
Assumption changes	3,609,308	5,017,457	749,561
Benefit payments	<u>(1,403,364)</u>	<u>(1,447,045)</u>	<u>(1,346,088)</u>
Net change in total OPEB liability	1,679,127	5,081,623	(670,252)
Total OPEB liability - beginning of year	<u>43,717,971</u>	<u>38,636,348</u>	<u>39,306,600</u>
Total OPEB liability - end of year	<u>\$ 45,397,098</u>	<u>\$ 43,717,971</u>	<u>\$ 38,636,348</u>
Covered employee payroll	\$ 24,785,886	\$ 24,519,072	\$ 23,804,924
Total OPEB liability as a percentage of covered-employee payroll	183.16%	178.30%	162.30%

Changes in Assumptions

The long-term municipal bond rate and discount rate changed from 2.91% in 2020 to 2.12% in 2021.

Mortality tables were updated from previous valuation.

Healthcare cost trend rates were changed and updated from previous valuation.

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

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Illinois Municipal Retirement Fund – Regular Plan**  
**Schedule of Village Contributions**  
**April 30, 2021**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/2021	\$ 1,199,150	\$ 1,199,150	\$ -	\$ 9,655,988	12.42%
4/30/2020	902,694	902,694	-	9,140,048	9.88%
4/30/2019	954,738	954,738	-	8,888,489	10.74%
4/30/2018	1,103,626	1,103,626	-	9,245,932	11.94%
4/30/2017	970,193	970,193	-	8,229,307	11.79%
4/30/2016	982,142	982,142	-	8,323,747	11.80%

*Notes to the Required Supplementary Information*

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

*Methods and Assumptions Used to Determine 2020 Contribution Rates*

Actuarial cost method	Aggregate entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23-years closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.25%
Price inflation	2.50% approximate; no explicit price inflation assumption is used in this valuation.
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 2014-2016.
Mortality	For nondisabled 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 nondisabled 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	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2018 actuarial valuation; note two year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Illinois Municipal Retirement Fund – Sheriff’s Law Enforcement Personnel Fund**  
**Schedule of Village Contributions**  
**April 30, 2021**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/2021	\$ 22,494	\$ 22,494	\$ -	\$ -	0.00%
4/30/2020	21,643	21,643	-	-	0.00%
4/30/2019	22,719	22,719	-	-	0.00%
4/30/2018	38,099	38,099	-	-	0.00%
4/30/2017	47,851	47,851	-	-	0.00%
4/30/2016	49,437	49,437	-	-	0.00%

*Notes to the Required Supplementary Information*

Valuation date Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments. One in the current year and one in the subsequent fiscal year.

*Methods and Assumptions Used to Determine 2020 Contribution Rates*

Actuarial cost method	Aggregate entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23-years closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.25%
Price inflation	2.50% approximate; no explicit price inflation assumption is used in this valuation.
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 2014-2016.
Mortality	For nondisabled 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 nondisabled 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	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2018 actuarial valuation; note two year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in 2016.



**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Police Pension Fund**  
**Schedule of Village Contributions**  
**April 30, 2021**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/2021	\$ 5,288,600	\$ 5,843,019	\$ 554,419	\$ 12,398,527	47.13%
4/30/2020	6,104,799	5,208,793	(896,006)	11,506,869	45.27%
4/30/2019	5,588,536	5,177,824	(410,712)	11,689,218	44.30%
4/30/2018	5,104,578	5,419,514	314,936	11,326,087	47.85%
4/30/2017	4,694,038	5,624,946	930,908	10,604,216	53.04%
4/30/2016	3,215,658	3,631,064	415,406	10,809,204	33.59%
4/30/2015	3,090,537	2,976,417	(114,120)	10,650,577	27.95%

*Notes to the Required Supplementary Information*

Valuation date Actuarially determined contribution rates are calculated as of April 30 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments. One in the current year and one in the subsequent fiscal year.

*Methods and Assumptions Used to Determine 2021 Contribution Rates*

Valuation date Actuarially determined contribution rates are calculated as of January 1 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	19 years
Asset valuation method	Market value
Price inflation	2.50%
Salary increases	Graded by years of service
Investment rate of return	7.00%
Retirement age	Graded by age Tier 1 - 15% at 50 to 100% at age 65 Tier 2 - 5% at 50 to 100% at age 65
Mortality	RP2014 base rates with blue collar adjustment projected to from 2013 with Scale MP2020 Fully Generational

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Firefighters' Pension Fund**  
**Schedule of Village Contributions**  
**April 30, 2021**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/2021	\$ 4,258,169	\$ 4,806,534	\$ 548,365	\$ 9,219,473	52.13%
4/30/2020	4,888,874	4,201,936	(686,938)	8,824,032	47.62%
4/30/2019	4,507,545	4,272,124	(235,421)	8,436,387	50.64%
4/30/2018	4,281,564	4,420,022	138,458	8,143,725	54.28%
4/30/2017	3,637,712	4,451,055	813,343	7,696,943	57.83%
4/30/2016	2,622,349	3,140,863	518,514	7,797,589	40.28%
4/30/2015	2,622,349	2,548,067	(74,282)	7,685,026	33.16%

*Notes to the Required Supplementary Information*

Valuation Date Actuarially determined contribution rates are calculated as of April 30 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution is included in the property tax levy for the current year. The levy is collected in two installments. One in the current year and one in the subsequent fiscal year.

*Methods and Assumptions Used to Determine 2021 Contribution Rates*

Valuation date Actuarially determined contribution rates are calculated as of January 1 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of pay, closed
Remaining amortization period	19 years
Asset valuation method	Market value
Price inflation	3.00%
Salary increases	Graded by years of service
Investment rate of return	7.00%
Retirement age	Graded by age Tier 1 - 10% at 50 to 100% at age 65 Tier 2 - 3% at 50 to 100% at age 65
Mortality	RP2014 base rates with blue collar adjustment projected to from 2013 with Scale MP2020 Fully Generational

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Police Pension Fund**  
**Schedule of Investment Returns**  
**April 30, 2021**

<b>Fiscal Year Ended</b>	<b>Annual Money-Weighted Rate of Return Net of Investment Expense</b>
4/30/2021	22.30%
4/30/2020	2.92%
4/30/2019	6.68%
4/30/2018	4.26%
4/30/2017	6.16%
4/30/2016	1.11%
4/30/2015	6.51%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

**Village of Bolingbrook, Illinois**  
**Required Supplementary Information**  
**Firefighters' Pension Fund**  
**Schedule of Investment Returns**  
**April 30, 2021**

<b>Year Ended</b>	<b>Annual Money-Weighted Rate of Return Net of Investment Expense</b>
4/30/2021	26.06%
4/30/2020	(0.27)%
4/30/2019	6.20%
4/30/2018	5.00%
4/30/2017	6.37%
4/30/2016	(5.23)%
4/30/2015	4.59%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted by the Pension Plan in 2015.

## **Combining Financial Statements**

## **Governmental Fund Types**

**Nonmajor Governmental Funds –  
Combining Statements**

**Village of Bolingbrook, Illinois**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**April 30, 2021**

	<u>Special Revenue Funds</u>			
	<b>Motor Fuel Tax Fund</b>	<b>Community Development Block Grant Fund</b>	<b>911 Emergency Fund</b>	<b>Road and Bridge Fund</b>
<b>Assets</b>				
Cash, cash equivalents and investments	\$ 13,782,264	\$ -	\$ -	\$ -
Property taxes receivable	-	-	-	3,759
Accounts receivables, net of allowances	194,906	-	-	-
Accrued interest receivable	4,730	-	-	-
Intergovernmental receivable	481,413	-	-	-
Advances to other funds	20,751	-	-	-
Restricted cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 14,484,064</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,759</u>
<b>Liabilities</b>				
Accounts payable	\$ 144,458	\$ -	\$ -	\$ -
Accrued payroll	6,309	-	-	-
Advances from other funds	14,460	301	-	269,630
Other payables	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>165,227</u>	<u>301</u>	<u>-</u>	<u>269,630</u>
<b>Fund Balance</b>				
Restricted for				
Streets	14,318,837	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	(301)	-	(265,871)
	<u>-</u>	<u>(301)</u>	<u>-</u>	<u>(265,871)</u>
Total fund balances	<u>14,318,837</u>	<u>(301)</u>	<u>-</u>	<u>(265,871)</u>
Total liabilities and fund balances	<u>\$ 14,484,064</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,759</u>



Debt Service Funds			Capital Projects Funds			
2007 Bond Fund	1995 Beaconridge TIF Bond Fund	1988 Bond Fund	2002 Bond Fund	East Side Special Service Area Fund	Mortgage Revenue Capital Improvement Fund	Westside Storm Sewer Management Fund
\$ -	\$ 5,250	\$ 625,561	\$ -	\$ 789,537	\$ 1,024,796	\$ 147,577
-	-	-	-	-	-	-
-	-	-	1	-	-	-
-	-	-	-	-	-	-
1,067,440	-	-	-	-	-	-
5,792,782	-	-	2,009,678	-	-	-
<u>\$ 6,860,222</u>	<u>\$ 5,250</u>	<u>\$ 625,561</u>	<u>\$ 2,009,679</u>	<u>\$ 789,537</u>	<u>\$ 1,024,796</u>	<u>\$ 147,577</u>
\$ -	\$ 4,744	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	369,505	3,312,331	-	-	-
-	-	144,775	-	-	-	-
-	4,744	514,280	3,312,331	-	-	-
-	-	-	-	-	-	-
-	506	-	-	-	-	-
6,860,222	-	111,281	-	789,537	1,024,796	147,577
-	-	-	(1,302,652)	-	-	-
<u>6,860,222</u>	<u>506</u>	<u>111,281</u>	<u>(1,302,652)</u>	<u>789,537</u>	<u>1,024,796</u>	<u>147,577</u>
<u>\$ 6,860,222</u>	<u>\$ 5,250</u>	<u>\$ 625,561</u>	<u>\$ 2,009,679</u>	<u>\$ 789,537</u>	<u>\$ 1,024,796</u>	<u>\$ 147,577</u>

(Cont.)

**Village of Bolingbrook, Illinois**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**April 30, 2021**

<u>Capital Projects Funds</u>				
<b>1997 Bond Fund</b>	<b>2004 Bond Fund</b>	<b>2006 A &amp; B Bond Fund</b>	<b>Capital Improvement Fund</b>	<b>Total Nonmajor Government Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 16,374,985
-	-	-	-	3,759
-	-	-	-	194,906
-	-	-	-	4,731
-	-	-	-	481,413
-	294,237	-	20	1,382,448
<u>29,271</u>	<u>1,654,749</u>	<u>2,655,458</u>	<u>-</u>	<u>12,141,938</u>
<u>\$ 29,271</u>	<u>\$ 1,948,986</u>	<u>\$ 2,655,458</u>	<u>\$ 20</u>	<u>\$ 30,584,180</u>
\$ -	\$ -	\$ -	\$ -	\$ 149,202
-	-	-	-	6,309
-	-	-	-	3,966,227
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,775</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,266,513</u>
-	-	-	-	14,318,837
-	-	-	-	506
29,271	1,948,986	2,655,458	20	13,567,148
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,568,824)</u>
<u>29,271</u>	<u>1,948,986</u>	<u>2,655,458</u>	<u>20</u>	<u>26,317,667</u>
<u>\$ 29,271</u>	<u>\$ 1,948,986</u>	<u>\$ 2,655,458</u>	<u>\$ 20</u>	<u>\$ 30,584,180</u>

**Village of Bolingbrook, Illinois**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year Ended April 30, 2021**

	<b>Special Revenue Funds</b>			
	<b>Motor Fuel Tax Fund</b>	<b>Community Development Block Grant Fund</b>	<b>911 Emergency Fund</b>	<b>Road and Bridge Fund</b>
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ 8,699
Charges for services	11,417	-	-	-
Intergovernmental	5,264,559	12,890	-	-
Interest	24,595	80	-	-
Total revenues	<u>5,300,571</u>	<u>12,970</u>	<u>-</u>	<u>8,699</u>
<b>Expenditures</b>				
Current				
Public safety	-	8,666	202	-
Highways and streets	1,748,858	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>1,748,858</u>	<u>8,666</u>	<u>202</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over expenditures</b>	3,551,713	4,304	(202)	8,699
<b>Other Financing Sources</b>				
Transfers out	-	-	(42,674)	-
<b>Net Change in Fund Balances</b>	3,551,713	4,304	(42,876)	8,699
<b>Fund Balance, Beginning of Year</b>	10,767,124	(4,605)	42,876	(274,570)
<b>Fund Balance, End of Year</b>	<u>\$ 14,318,837</u>	<u>\$ (301)</u>	<u>\$ -</u>	<u>\$ (265,871)</u>

Debt Service Funds			Capital Projects Funds			
2007 Bond Fund	1995 Beaconridge TIF Bond Fund	1988 Bond Fund	2002 Bond Fund	East Side Special Service Area Fund	Mortgage Revenue Capital Improvement Fund	Westside Storm Sewer Management Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,671	1	61	-	248	162	48
<u>1,671</u>	<u>1</u>	<u>61</u>	<u>-</u>	<u>248</u>	<u>162</u>	<u>48</u>
-	-	-	-	-	-	-
-	-	-	7,356	-	-	-
23,922	-	-	-	-	-	-
<u>23,922</u>	<u>-</u>	<u>-</u>	<u>7,356</u>	<u>-</u>	<u>-</u>	<u>-</u>
(22,251)	1	61	(7,356)	248	162	48
-	-	-	-	-	-	-
(22,251)	1	61	(7,356)	248	162	48
6,882,473	505	111,220	(1,295,296)	789,289	1,024,634	147,529
<u>\$ 6,860,222</u>	<u>\$ 506</u>	<u>\$ 111,281</u>	<u>\$ (1,302,652)</u>	<u>\$ 789,537</u>	<u>\$ 1,024,796</u>	<u>\$ 147,577</u>

(Cont.)

**Village of Bolingbrook, Illinois**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year Ended April 30, 2021**

<u>Capital Projects Funds</u>				
<u>1997 Bond Fund</u>	<u>2004 Bond Fund</u>	<u>2006 A &amp; B Bond Fund</u>	<u>Capital Improvement Fund</u>	<u>Total Nonmajor Government Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,699
-	-	-	-	11,417
-	-	-	-	5,277,449
<u>10</u>	<u>661</u>	<u>2,316</u>	<u>-</u>	<u>29,853</u>
<u>10</u>	<u>661</u>	<u>2,316</u>	<u>-</u>	<u>5,327,418</u>
-	-	-	-	8,868
-	-	-	-	1,756,214
<u>-</u>	<u>-</u>	<u>801,205</u>	<u>-</u>	<u>825,127</u>
<u>-</u>	<u>-</u>	<u>801,205</u>	<u>-</u>	<u>2,590,209</u>
10	661	(798,889)	-	2,737,209
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,674)</u>
10	661	(798,889)	-	2,694,535
<u>29,261</u>	<u>1,948,325</u>	<u>3,454,347</u>	<u>20</u>	<u>23,623,132</u>
<u>\$ 29,271</u>	<u>\$ 1,948,986</u>	<u>\$ 2,655,458</u>	<u>\$ 20</u>	<u>\$ 26,317,667</u>

## **Fiduciary Funds**

**Village of Bolingbrook, Illinois**  
**Fiduciary Funds**  
**Combining Statement of Fiduciary Net Position – Pension Trust Funds**  
**April 30, 2021**

	<b>Police Pension Fund</b>	<b>Firefighters' Pension Fund</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 1,726,453	\$ 4,780,720	\$ 6,507,173
Investments			
U.S. treasury securities	5,915,500	7,319,479	13,234,979
U.S. agency securities	24,723,620	1,636,332	26,359,952
Municipal bonds	6,171,470	396,257	6,567,727
Corporate bonds	6,975,162	11,498,314	18,473,476
Mutual funds	48,905,101	35,613,770	84,518,871
Certificates of deposit	860,829	-	860,829
Common and preferred stock	-	7,821,962	7,821,962
Insurance contract - real estate	-	2,530,421	2,530,421
Accrued interest receivable	273,099	122,507	395,606
Due from Village	2,300,300	1,975,826	4,276,126
Prepays	8,079	1,466	9,545
	<u>97,859,613</u>	<u>73,697,054</u>	<u>171,556,667</u>
Total assets			
<b>Liabilities</b>			
Other payables	<u>24,216</u>	<u>32,879</u>	<u>57,095</u>
<b>Net Position</b>			
Restricted for pensions	<u>\$ 97,835,397</u>	<u>\$ 73,664,175</u>	<u>\$ 171,499,572</u>

**Village of Bolingbrook, Illinois**  
**Fiduciary Funds**  
**Combining Statement of Changes in Fiduciary Net Position –**  
**Pension Trust Funds**  
**April 30, 2021**

	<b>Police Pension Fund</b>	<b>Firefighters' Pension Fund</b>	<b>Total</b>
<b>Additions</b>			
Contributions			
Employer	\$ 5,843,019	\$ 4,806,534	\$ 10,649,553
Plan members	1,408,028	870,709	2,278,737
Total contributions	<u>7,251,047</u>	<u>5,677,243</u>	<u>12,928,290</u>
Investment earnings			
Investment income	17,651,553	14,731,141	32,382,694
Investment fees	(269,317)	(162,531)	(431,848)
Total investment earnings	<u>17,382,236</u>	<u>14,568,610</u>	<u>31,950,846</u>
Total additions	<u>24,633,283</u>	<u>20,245,853</u>	<u>44,879,136</u>
<b>Deductions</b>			
Benefits and refunds	5,520,248	4,940,739	10,460,987
Administration	113,050	71,911	184,961
Total deductions	<u>5,633,298</u>	<u>5,012,650</u>	<u>10,645,948</u>
<b>Change in Net Position</b>	18,999,985	15,233,203	34,233,188
<b>Net Position Restricted for Pensions, Beginning of Year</b>	<u>78,835,412</u>	<u>58,430,972</u>	<u>137,266,384</u>
<b>Net Position Restricted for Pensions, End of Year</b>	<u>\$ 97,835,397</u>	<u>\$ 73,664,175</u>	<u>\$ 171,499,572</u>