

# VILLAGE OF NORTHFIELD, ILLINOIS

---

## COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
APRIL 30, 2020

**VILLAGE OF NORTHFIELD, ILLINOIS**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**  
**APRIL 30, 2020**

Issued by the Finance Department

Steven C. Noble  
Finance Director

Mark LoPiccolo  
Assistant Finance Director

# VILLAGE OF NORTHFIELD, ILLINOIS

## TABLE OF CONTENTS

### PAGE

#### INTRODUCTORY SECTION

List of Principal Officials	1
Organization Chart	2
Transmittal Letter	3 - 7
Certificate of Achievement for Excellence in Financial Reporting	8

#### FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	9 - 10
------------------------------	--------

MANAGEMENT'S DISCUSSION AND ANALYSIS	11 - 24
--------------------------------------	---------

#### BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements	
Statement of Net Position	25 - 26
Statement of Activities	27 - 28
Fund Financial Statements	
Balance Sheet – Governmental Funds	29 - 30
Reconciliation of Total Governmental Fund Balance to the	
Statement of Net Position – Governmental Activities	31
Statement of Revenues, Expenditures and Changes in	
Fund Balances – Governmental Funds	32 - 33
Reconciliation of the Statement of Revenues, Expenditures and Changes in	
Fund Balances to the Statement of Activities – Governmental Activities	34
Statement of Net Position – Proprietary Funds	35 - 36
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	37
Statement of Cash Flows – Proprietary	38
Statement of Fiduciary Net Position	39
Statement of Changes in Fiduciary Net Position	40
Notes to Financial Statements	41 - 83

#### REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	84
Police Pension Fund	85
Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	86 - 87
Police Pension Fund	88 - 89

## VILLAGE OF NORTHFIELD, ILLINOIS

### TABLE OF CONTENTS

---

---

#### PAGE

#### FINANCIAL SECTION - Continued

#### REQUIRED SUPPLEMENTARY INFORMATION - Continued

Schedule of Investment Returns	
Police Pension Fund	90
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefit Plan	91 - 92
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	93
Motor Fuel Tax - Special Revenue Fund	94

#### COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Schedule of Revenues – Budget and Actual - General Fund	95 - 96
Schedule of Expenditures – Budget and Actual - General Fund	97 - 98
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Debt Service Fund	99
Equipment Replacement - Capital Projects Fund	100
Storm Sewer Improvement - Capital Projects Fund	101
2017 GO Bond Project - Capital Projects Fund	102
Combining Balance Sheet – Nonmajor Governmental Funds	103 - 104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental Funds	105 - 106
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Foreign Fire Insurance Tax - Special Revenue Fund	107
2016 GO Bond - Debt Service Fund	108
2017 GO Bond - Debt Service Fund	109
SSA Debt Service - Debt Service Fund	110
Water and Sanitary Sewer - Enterprise Fund	111
Schedule of Changes in Fiduciary Net Position - Budget and Actual	
Police Pension - Pension Trust Fund	112

## VILLAGE OF NORTHFIELD, ILLINOIS

### TABLE OF CONTENTS

---

---

#### PAGE

#### FINANCIAL SECTION - Continued

#### SUPPLEMENTAL SCHEDULES

Long-Term Debt Requirements	
General Obligation (Alternate Revenue Source) Park Bonds of 2009	113
Special Service Area General Obligation Bonds of 2014	114
General Obligation Refunding Bonds of 2015	115
General Obligation Bonds of 2016	116
General Obligation Bonds of 2017	117
Special Service Area General Obligation Bonds of 2018	118
General Obligation Bonds of 2019A	119
Ambulance Installment Contract of 2016	120
Truck Installment Contract of 2019	121

#### STATISTICAL SECTION (Unaudited)

Net Position by Component – Last Ten Fiscal Years	122	-	123
Changes in Net Position – Last Ten Fiscal Years	124	-	125
Fund Balances of Governmental Funds – Last Ten Fiscal Years	126	-	127
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	128	-	129
Assessed Value and Actual Value of Taxable Property – Last Ten Levy Years	130	-	131
Property Tax Rates Direct and Overlapping Governments – Last Ten Levy Years	132	-	133
Principal Property Tax Payers – Current Fiscal Year and Nine Levy Years Ago			134
Property Tax Levies and Collections – Last Ten Fiscal Years			135
Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Last Ten Calendar Years	136	-	137
Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years			138
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years			139
Ratios Of General Bonded Debt Outstanding - Last Ten Fiscal Years			140
Direct and Overlapping Governmental Activities Debt			141
Legal Debt Margin Information - Last Ten Fiscal Years			142
Demographic and Economic Statistics - Last Ten Fiscal Years			143
Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago			144
Full - Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years	145	-	146
Operating Indicators by Function - Last Ten Fiscal Years	147	-	148
Capital Asset Statistics by Function - Last Ten Fiscal Years	149	-	150

## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of Northfield including: List of Principal Officials, Organizational Chart, Transmittal Letter and Certificate of Achievement for Excellence in Financial Reporting.

# VILLAGE OF NORTHFIELD, ILLINOIS

## List of Principal Officials April 30, 2020

---

### **PRESIDENT**

Joan Frazier

### **BOARD OF TRUSTEES**

John Goodwin  
Todd Fowler  
Gregory Lungmus

Charles Orth  
Thomas Terrill  
Tom Whittaker

### **CLERK**

Stacy Alberts Sigman

### **VILLAGE ATTORNEY**

Everett M. Hill Jr.

### **TREASURER**

Steven C. Noble

### **VILLAGE MANAGER**

Stacy Alberts Sigman

### **FINANCE DIRECTOR**

Steven C. Noble

### **FIRE CHIEF/PUBLIC WORKS DIRECTOR**

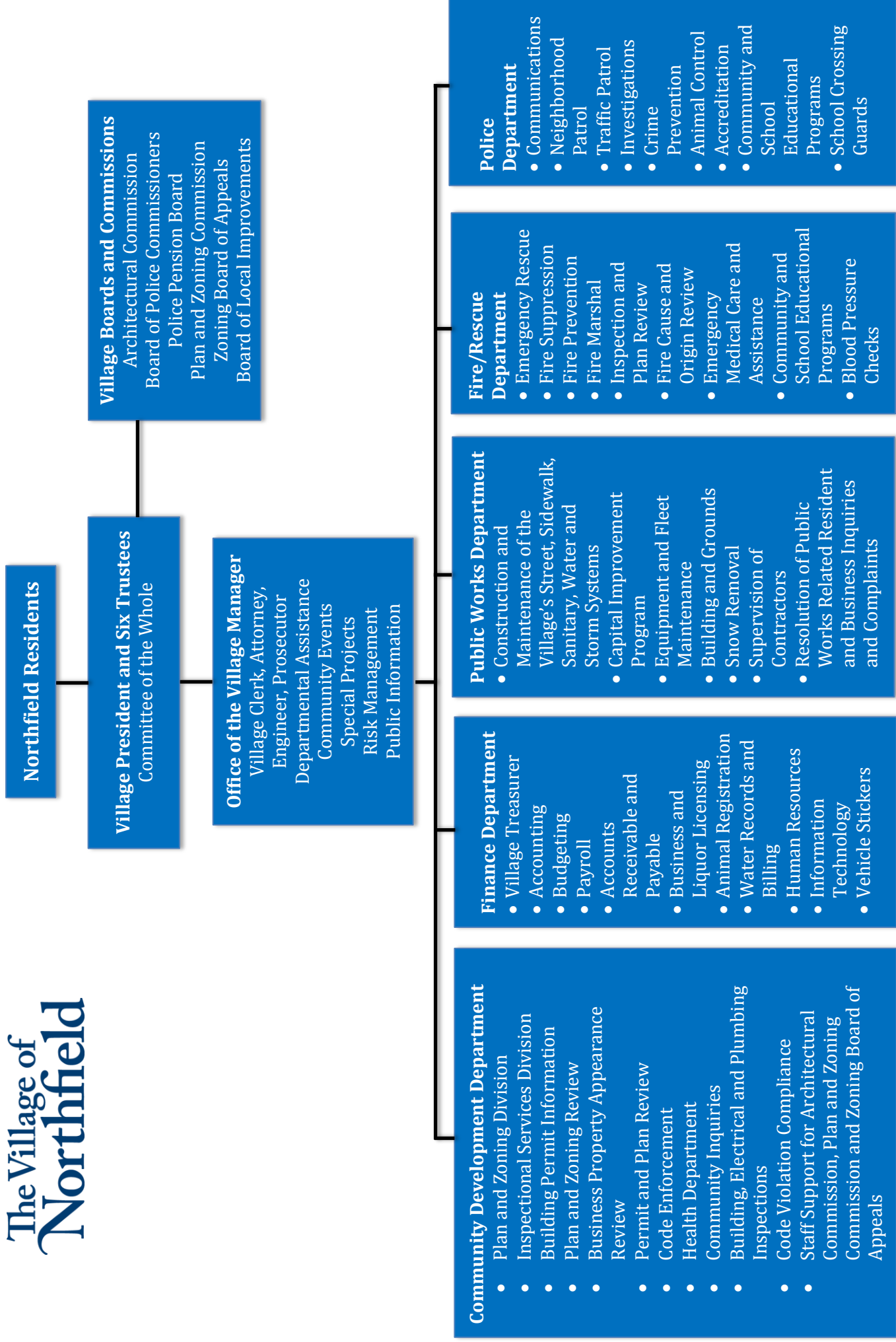
Michael S. Nystrand

### **POLICE CHIEF**

William K. Lustig

### **COMMUNITY DEVELOPMENT DIRECTOR**

Steven V. Gutierrez







August 27, 2020

The Honorable Village President  
Members of the Board of Trustees and Village Manager  
Village of Northfield  
Northfield, Illinois 60093

The Comprehensive Annual Financial Report (CAFR) of the Village of Northfield, Illinois, (Village) for the fiscal year ended April 30, 2020, is hereby submitted as mandated by local ordinance and state statute. These ordinances and statutes require that the Village annually issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS) by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Northfield. The Village is responsible for the accuracy and fairness of the presentation of the financial statements and other information as presented herein. The Village believes the data presented is accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the Village's financial activities have been included. To provide a reasonable basis for making these representations, the Village has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the Village of Northfield's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village has designed a comprehensive framework of internal controls to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. None of the Village's financial policies had a significant impact on the current period's financial statements.

The Village's financial statements have been audited by Lauterbach & Amen, LLP, an independent firm of licensed certified public accountants. The goal of the audit is to provide reasonable assurance that the financial statements of the Village of Northfield for the fiscal year ended April 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2020 are fairly presented in conformity with generally accepted accounting principles (GAAP). The auditor's report is presented as the first component of the financial section of this report. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the auditors.



### **The Reporting Entity and Its Services**

The Village of Northfield is an established community with above average wealth and housing values. Among the Village's advantages are its outstanding schools, proximity to Lake Michigan and Chicago, recreational opportunities, and relaxed small town atmosphere. A wide range of housing is available including condominiums and townhomes; quaint single family neighborhoods; and large multi-acre estates. In 2012, Bloomberg listed the community as one of "Where the Richest Retirees Reside". In 2015, Nerdwallet rated Northfield as one of the top ten places in Illinois to start a business and in 2016, Chicago Magazine rated our grade schools among the top five in the state. In 2012, the Village was awarded a AAA bond rating from Standard & Poor's.

Policy making and legislative authority is vested in the Village Board, which consists of the President and six trustees. The Board is responsible, for passing ordinances, adopting the budget, appointing committees and hiring the Village manager. The Village's manager is responsible for carrying out the policies and ordinances of the Village Board, overseeing the day-to-day operations of the Village, and for appointing the heads of each department. The Board is elected on a non-partisan basis. Board members are elected to four-year staggered terms with three Board members elected every two years. The President is elected to a four-year term. The President and Village Trustees are elected at large.

The Village provides a full range of services including police and fire protection, streets, community development, general services administration, and the operation of a water and sanitary sewer system.

The annual budget serves as the foundation for the Village's financial planning and control. All departments are required to submit their budget requests to the Village Manager and Budget Officer in January of each year. The Village Manager and staff use these requests as the starting point for developing a proposed budget based on anticipated revenues. A draft budget is then presented to the Village Board in February. The Village Board is required to hold a public hearing on the proposed budget and to adopt a final budget no later than April 30<sup>th</sup>; the close of the Village's previous fiscal year.

### **Major Initiatives**

In 2019-20, the Village continued its emphasis on maintaining and improving its infrastructure and facilities. The Capital Improvement Plan (CIP) included \$3.7 million in projects. The Village repaved streets, completed repairs to life safety facilities, and completed a series of streetscape improvements.

The Village was also active with several storm sewer improvements including completion of the Thackery-Bosworth water main. The Phase One of the portion of the West Central drainage improvements were completed. A water system condition and rate assessment was completed and a recommendation will come forward to the Board in the 2020-2021 fiscal year.

The Village remains an active at searching out grant opportunities. The Village secured a grant to complete a water system analysis at no cost to the Village. Resurfacing of Northfield Road was completed with \$1.35 million in grant funds. Secured \$300,000 for future storm water improvements and an additional \$239,876 in miscellaneous grants.

In addition to these infrastructure improvements, the Village is also in the process of updating its Comprehensive Plan. The new plan will guide the Village for the next twenty years.



### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Village operates.

Local Economy. The Village's experience in the local economy continues to be better than that of the county, and state. The 2013-2017 American Community Survey indicates the Village's high income and housing values. The Village's median family income is 184% of the national median family income and 168% of the state median income. The Village's median home value was 304% of the statewide and 308% of the national median value. In addition, a large percentage of the Village's workforce represents leaders of business and professional services with over 62% categorized as "Management, Business, Science, and Arts Related Occupations."

The state shared sales tax comprises the largest percentage of revenue generated for the Village of Northfield outside of property taxes. The major "industry" in the Village is automobile sales. Auto related sales account for over 50% of the Village's sales tax base. The Village actively works to protect and enhance its retail tax base. In 2017, the Village welcomed another significant sales tax producer, Medline Industries, and over 2,000 of their employees to our community. Medline occupies the former Kraft corporate headquarters campus.

Debt Administration. As of April 30, 2020, the Village held a AAA bond rating from Standard & Poor's and had nine outstanding debt issues:

- In 2004, the Village issued \$1,885,000 in Special Service Area Bonds. These bonds were issued to extend sanitary sewer service and road resurfacing to the Longmeadow Special Service Area. The Bonds are payable solely from property taxes levied against all property in the area. These bonds were refunded in 2014 and reduced interest expense by \$129,393 with a net present value benefit of \$112,805 or 10.5% of the refunded principal.
- In 2007, the Village issued \$3.5 million in general obligation alternate revenue bonds to finance improvements to the Village's water system. These bonds were refunded in 2015 and reduced interest expense by \$258,389 with a net present value benefit of \$222,478 or 9.1% of the refunded principal. The bonds are payable solely from water revenues.
- In 2009, the Village issued \$1,565,000 in general obligation alternate revenue bonds to finance street resurfacing projects throughout the Village. The bonds are payable solely from the Village's state motor fuel tax allotment.
- In 2015, the Village entered in an installment contract for \$566,939 to purchase a new phone system, fire SCBA equipment, a sidewalk plow, and a backhoe that will be paid from the equipment replacement fund through 2020.
- In 2016, the Village entered in an installment contract for \$200,906 to purchase an ambulance that will be paid from the equipment replacement fund through 2021.
- In 2016, the Village issued \$2.2 million in general obligation bonds to improve the community's roadways, storm water system, life safety and streetscape infrastructure. The bonds are payable from property taxes and were authorized by referendum in 2016.
- In 2017, the Village issued \$3.9 million in general obligation bonds to improve the community's roadways, storm water system, life safety and streetscape infrastructure. The bonds are payable from property taxes and were authorized by referendum in 2016.
- In 2018, the Village issued \$1.15 million in Special Tax Bonds to extend water and storm sewer services; improve the sanitary sewer system, and; resurface the private Rolling Ridge Road. The Bonds are payable solely from property taxes levied against all property in the special service area and backed by a pledge of the Village's sales tax.



- In 2019, the Village entered in an installment contract for \$242,137 to purchase a replacement step van and sidewalk machine that will be paid from the equipment replacement fund through 2023.
- In 2019, the Village issued \$1.4 million in general obligation bonds to improve the community's roadways, storm water system, life safety and streetscape infrastructure. The bonds are payable from property taxes and were authorized by referendum in 2016.

### **Long-Term Financial Planning**

Infrastructure-related projects have been and will continue to be a top priority for the near future. The Village's CIP has identified over \$13.8 million in water, sanitary and storm sewer, and roadway projects. Bond proceeds, General Fund reserves, Motor Fuel Tax, and other funds will be put towards these improvements. Water and sanitary sewer improvements will be paid from the revenues in the Water/Sewer Fund.

### **Cash Management**

The Village operates under a written investment policy approved by the Board. In accordance with that policy, the Village invests temporarily idle cash in U.S. Treasuries, certificates of deposit, the Illinois State Treasurer's Pool (Illinois Funds), and the Illinois Metropolitan Investment Fund (IMET). Maturities range from being immediately accessible (Illinois Funds), up to two years (Certificates of Deposit). Investment income includes market appreciation in the fair value of investments. The Police Pension Fund operates under a separate written investment policy and has retained an investment advisor. The Police Pension Fund is permitted to invest in equities as well as fixed income bonds with longer maturities.

### **Risk Management**

The Village continues to participate in a public entity risk pool to protect against casualty losses. The Intergovernmental Risk Management Agency (IRMA) insures first party property losses, third party liability claims, worker's compensation claims and Public Official Liability claims. They also implement control techniques, including employee accident prevention training to minimize losses.

The Village utilizes a self-insurance model through a municipal cooperative for its health care program. The North Suburban Employee Benefit Cooperative is a pooled insurance cooperative with eleven suburban municipal members. The cooperative strives to contain costs and provide greater oversight by employing a hired plan administrator/benefits consultant and works through a third party administrator to manage claims.

### **Pension Benefits**

The Village has a single-employer defined benefit pension plan for its police officers as required by State Statute. Each year, an independent actuary calculates the amount of the annual contribution that the Village must make to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. The Village fully funds each year's annual required contribution to the pension plan as determined by the actuary. In fact, in two of the last three fiscal years, the Village has contributed an additional \$700,000 over the actuarially determined contribution to the pension plan to improve its funding level. The Village has also lowered its assumed rate of return from 7.25% to 6.75% over the past several years to better reflect market conditions. The plan is currently 55.7% funded. The remaining unfunded amount will be funded over the next 20 years as part of the annual required contribution calculated by the actuary.



The Village provides pension benefits for its non-police employees through a statewide plan managed by the Illinois Municipal Retirement Fund (IMRF). The Village has no obligation in connection with employee benefits offered through this plan beyond its contractual payments to IMRF. Additional information on the Village's pension arrangements can be found in Note 4 in the financial statements.

### **Awards & Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Northfield for its comprehensive annual financial report for the fiscal year ended April 30, 2019. This was the thirteenth consecutive year that the Village achieved this prestigious award. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that the 2020 CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting the report to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to Assistant Finance Director, Mark LoPiccolo, and members of the department who assisted and contributed to the preparation of this report.

In closing, I would like to thank the Village President, Board of Trustees and Village Manager, Stacy Sigman, for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Northfield's finances.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Steven C. Noble", with a stylized flourish at the end.

Steven C. Noble  
Finance Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Northfield  
Illinois**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

April 30, 2019

*Christopher P. Morrell*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

## **INDEPENDENT AUDITORS' REPORT**

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





## **INDEPENDENT AUDITORS' REPORT**

August 27, 2020

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

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 Northfield, Illinois, as of and for the year ended April 30, 2020, 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 of 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 Village'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 Village'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 Northfield, Illinois, as of April 30, 2020, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary 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 Northfield, Illinois' basic financial statements. The introductory section, other supplementary information, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF NORTHFIELD, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**April 30, 2020**

---

This Management Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position and ability to address future challenges, (4) identify any material deviations from the approved budget, and (5) identify individual fund issues or concerns. The information presented here should be considered in conjunction with the Village's financial statements beginning on page 25.

**FINANCIAL HIGHLIGHTS**

- The assets/deferred outflows of the Village exceeded its liabilities/deferred inflows at April 30, 2020 by \$15,191,690 (net position).
- The Village's total net position decreased by \$112,816 or less than one percent during the fiscal year ending April 30, 2020 as compared to beginning net position. Governmental net position decreased by \$270,677 and business-type activities increased by \$157,861.
- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$12,128,471, an increase of \$144,748 as compared with the prior year.
- At the end of the current fiscal year, unassigned fund balance in the General Fund was \$6,936,769 or 65.2% of total General Fund expenditures.
- The Village has nine outstanding debt issues: \$1,725,000 in general obligation bonds that will be paid from water system revenues; \$1,780,000, \$3,440,000, and \$1,400,000 in referendum approved general obligation bonds that will be paid from property taxes; \$605,000 in general obligation bonds that will be paid from state motor fuel tax allotments; \$393,000 and \$1,023,190 in special service area general obligation bonds that will be repaid with property taxes paid by residents within the special service area; \$25,674 in an installment contract to purchase an ambulance that will be paid from the equipment replacement fund, and; \$183,434 in an installment contract to purchase a step van and sidewalk plow that will also be paid from the equipment replacement fund.

**USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT**

**Overview of the Financial Statements**

The financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. This discussion and analysis is intended to serve as an introduction to the Village of Northfield's basic financial statements, which consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information.

**Government-Wide Financial Statements**

The government-wide financial statements on pages 25-28 include information about the overall finances of the Village. These statements are intended to emulate the statements produced in the private sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Village.

## USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT –Continued

The Statement of Net Position on pages 25-26 presents information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Village's financial position is improving or deteriorating. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities on pages 27-28 presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenue and expenses are reported in this statement for some items that will result in cash flows in future periods (e.g., uncollected taxes). This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Statement of Net Position and the Statement of Activities distinguish functions of the Village that are principally supported by taxes, intergovernmental revenues and charges for services (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities reflect the Village's basic services, including police, fire/rescue, public works, building and community development and general administration. These sources are financed primarily by property, sales, utility, telecommunications and income taxes. The business-type activities reflect private sector type operations in the Water Fund and Sewerage Fund, where the fee for services typically covers all or most of the cost of operation, including depreciation.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate fiscal accountability. All of the Village's funds can be divided into three categories: governmental funds, enterprise funds and fiduciary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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.

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 government funds with similar information presented for governmental funds in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet on pages 29-30 and the governmental fund statement of revenues, expenditures, and changes in fund balances on pages 32-33 provide a reconciliation to facilitate this comparison between governmental funds and government activities.

The Village maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Motor Fuel Tax Fund, Debt Service Fund, Equipment Replacement Fund, Storm Sewer Improvement, 2017 G.O. Bond Project Fund, and 2019 G.O. Bond Project Fund, which are considered major governmental funds and the Foreign Fire Insurance Tax Fund, Rolling Ridge SSA Fund, 2016 G.O Bond Debt Service Fund, 2017 G.O Bond Debt Service Fund, 2019 G.O. Bond Debt Service Fund, and SSA Debt Service Fund which are considered non-major funds.

## USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT –Continued

**Enterprise Funds.** Enterprise fund financial statements are for those services for which the Village charges customers a fee. Enterprise fund financial statements provide the same type of information as the government-wide financial statement, only in more detail. The fund financial statements provide information for the Water Fund and Sanitary Sewer Fund, which is considered a major fund of the Village. The basic enterprise fund financial statements can be found on pages 35-38 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Village's only fiduciary fund, the Police Pension Fund, is not included in the government-wide financial statement because the resources of that fund are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for enterprise funds.

The basic fiduciary fund financial statements can be found on pages 39-40 of this report.

### **Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41-83 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, including budgetary schedules for the General Fund and the Motor Fuel Tax Fund, a major special revenue fund, and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 84-94 of this report.

The combining statements for non-major governmental funds and enterprise funds are presented immediately following the required supplementary information. Individual fund budgetary schedules can be found on pages 95-112 in the Supplementary Information Section.

### **Infrastructure Assets**

The Village's infrastructure including streets and storm sewers are reported within the Governmental column in the Government-Wide Statements. The Village depreciates its capital assets over their estimated useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

### Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. As of April 30, 2020, assets/deferred outflows for the Village of Northfield exceeded liabilities/deferred inflows by \$15.2 million. The following table reflects the condensed statement of net position:

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 16,070,461	16,082,298	1,247,405	1,340,394	17,317,866	17,422,692
Capital Assets	16,106,985	15,862,695	16,041,850	16,463,053	32,148,835	32,325,748
Total Assets	32,177,446	31,944,993	17,289,255	17,803,447	49,466,701	49,748,440
Deferred Outflows	2,780,662	2,499,520	142,011	497,477	2,922,673	2,996,997
Total Assets/ Def. Outflows	34,958,108	34,444,513	17,431,266	18,300,924	52,389,374	52,745,437
Long-Term Debt	27,262,991	26,561,768	2,322,977	3,074,164	29,585,968	29,635,932
Other Liabilities	2,515,409	2,524,141	374,657	774,013	2,890,066	3,298,154
Total Liabilities	29,778,400	29,085,909	2,697,634	3,848,177	32,476,034	32,934,086
Deferred Inflows	4,422,954	4,331,173	298,696	175,672	4,721,650	4,506,845
Total Liabilities/Deferred Inflows	34,201,354	33,417,082	2,996,330	4,023,849	37,197,684	37,440,931
Net Position						
Net Investment in Capital Assets	8,541,804	8,660,785	14,316,850	14,548,053	22,858,654	23,208,838
Restricted	2,118,535	823,925	-	-	2,118,535	823,925
Unrestricted (Deficit)	(9,903,585)	(8,457,279)	118,086	(270,978)	(9,785,499)	(8,728,257)
Total Net Position	756,754	1,027,431	14,434,936	14,277,075	15,191,690	15,304,506

For more detailed information, see the Statement of Net Position on pages 25-26.

The net position of the Village's business-type activities is \$14.4 million and the net position of governmental activities total \$756,754.

\$22.9 million of the Village's net position are invested in capital assets such as land, infrastructure, buildings, machinery and equipment, less any related outstanding debt used to acquire those assets. The Village uses these capital assets to provide services to its residents and businesses. Consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

The second component of the Village's net position is the restricted net position, which represents resources held for specific purposes. Of the Village's \$2,118,535 of restricted net position, \$42,892 is restricted for fire/rescue purposes, \$297,341 for roadways, \$583,581 for debt service, and \$1,194,721 for capital projects. Unrestricted net position of (\$9.8) million can be used to finance day-to-day operations.

### Normal Impacts

There are six basic 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 of Capital* – which will increase current assets and long-term debt.
- *Spending Borrowed Proceeds on New Capital* – which will reduce current assets and increase capital assets. There is a second impact, an increase in capital assets and an increase in related net debt, which will not change the net investment in capital assets.
- *Spending of Non-borrowed Current Assets on New Capital* – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase net investment in capital assets.
- *Principal Payment on Debt* – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.
- *Reduction of Capital Assets through Depreciation* – which will reduce capital assets and net investment in capital assets.



# **GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued**

## **Changes in Net Position**

The Village's total revenues and expenses for governmental and business-type activities for the FY2019-20 fiscal year are reflected in the following table:

	Changes in Net Position					
	Governmental		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 1,228,178	1,468,891	2,926,047	3,127,532	4,154,225	4,596,423
Operating Grants/Contrib.	138,966	311,672	-	-	138,966	311,672
Capital Grants/Contrib.	226,700	163,308	-	420,000	226,700	583,308
General Revenues						
Property Taxes	5,220,378	4,869,960	-	-	5,220,378	4,869,960
Replacement Taxes	75,413	57,288	-	-	75,413	57,288
State Income Taxes	533,246	560,727	-	-	533,246	560,727
State Sales Taxes	3,637,126	3,115,307	-	-	3,637,126	3,115,307
Utility Taxes	788,588	859,868	-	-	788,588	859,868
Other Taxes	339,489	315,444	-	-	339,489	315,444
911 Surcharge	266,347	268,991	-	-	266,347	268,991
Other General Revenues	446,572	386,768	11,787	18,507	458,359	405,275
Total Revenues	12,901,003	12,378,224	2,937,834	3,566,039	15,838,837	15,944,263
<b>Expenses</b>						
General Government	1,277,098	1,451,540	-	-	1,277,098	1,451,540
Public Works	2,695,861	1,834,875	-	-	2,695,861	1,834,875
Building/Community Development	879,744	951,168	-	-	879,744	951,168
Police Department	5,885,236	5,347,930	-	-	5,885,236	5,347,930
Fire/ Rescue	2,327,393	2,618,410	-	-	2,327,393	2,618,410
Interest on Long-Term Debt	232,368	205,385	-	-	232,368	205,385
Water and Sanitary Sewer	-	-	2,653,953	2,723,131	2,653,953	2,723,131
Total Expenses	13,297,700	12,409,308	2,653,953	2,723,131	15,951,653	15,132,439
<b>Change in Net Position</b>						
Before Transfers	(396,697)	(31,084)	283,881	842,908	(112,816)	811,824
Transfers	126,020	107,070	(126,020)	(107,070)	-	-
Change in Net Position	(270,677)	75,986	157,861	735,838	(112,816)	811,824
Net Position-Beginning	1,027,431	951,445	14,277,075	13,541,237	15,304,506	14,492,682
Net Position-Ending	756,754	1,027,431	14,434,936	14,277,075	15,191,690	15,304,506

## GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

### Normal Impacts

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

#### 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 housing construction or home improvements, elective user fees and levels of consumption.
- *Increase/Decrease in Village approved rates* – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water and sanitary sewer, licenses and user fees).

The Village gained home rule status as a result of a referendum in November 2010. The Village voluntarily amended its municipal code to comply with the provisions of the Illinois Property Tax Extension Limitation Law (PTEL). The law limits the annual increase in property tax extensions to the lesser of 5% or the percentage increase in the Consumer Price Index during the calendar year preceding the levy year.

- *Changing patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)* – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.
- *Market Impacts on Investment Income* – the Village's investment portfolio is structured to meet certain liabilities as they become due and the income generated is subject to market conditions that may cause the investment income to fluctuate.

#### Expenses:

- *Introduction of New Programs* – within the functional expense categories (Public Safety, Public Works, General Administration, 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 approximately 71.7% of the Village's total operating expenses.
- *Salary Increases (annual adjustments and merit)* – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.
- *Inflation* – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity-specific increases.

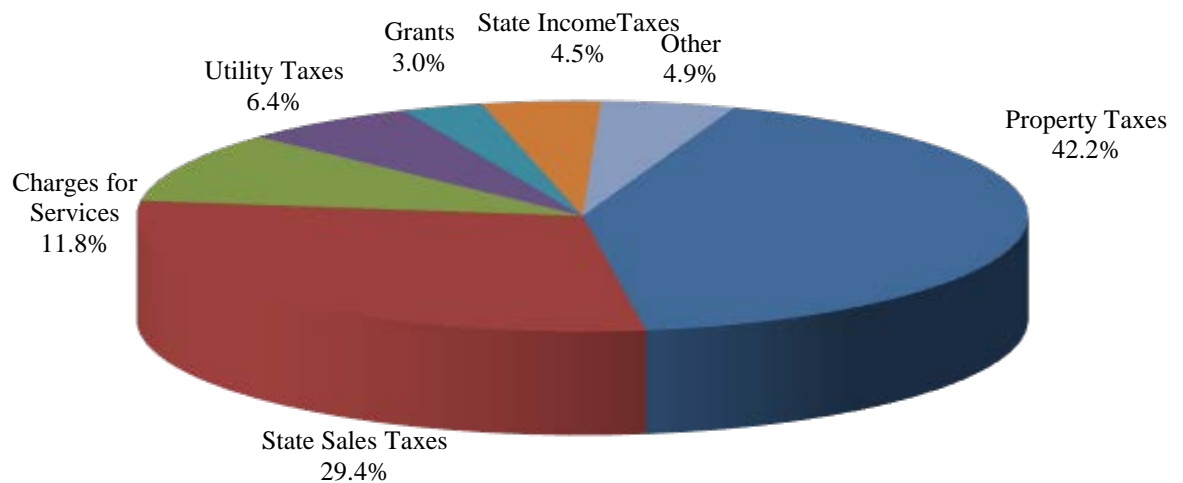
## GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

### Current Year Impacts

#### Governmental Activities

##### Revenues:

#### FY2019-20 Governmental Activities Revenues by Function



For the fiscal year ended April 30, 2020, revenues from all governmental activities totaled \$12.9 million. During the fiscal year, taxes other than property taxes continued to be a significant source of revenue at \$5.6 million or 43.7% of total governmental activity revenue. Within this category, state-shared sales/use tax, and home rule sales tax, reflects economic activity in the Village as well as the State of Illinois, totaled \$3.8 million. Utility, State income, replacement taxes, 911 surcharges and other taxes accounted for the other \$1.8 million. Property taxes accounted for \$5.2 million or 42.2% of all governmental activities' revenue. The Village has chosen to cap property tax increases at the lesser of 5% or the increase in the consumer price index during the calendar year preceding the levy year.

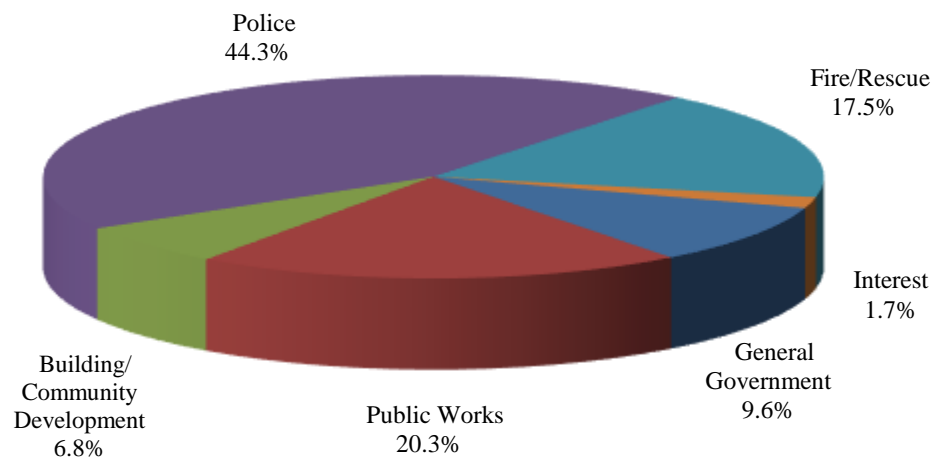
## GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

### Current Year Impacts – Continued

#### Governmental Activities – Continued

##### Expenses:

#### FY2019-20 Governmental Activities Expenses by Function



The Village's total expenses for governmental activities for the year ended April 30, 2020 were \$13.3 million. The largest share of total governmental expenses is attributable to Public Safety, including Police and Fire/Rescue, at 61.8% or \$8.2 million followed by Public Works at 20.3% or \$2.7 million, General Government at 9.6% or \$1.3 million, and Community Development at 6.6% or \$879,744. The Statement of Activities on pages 27 and 28 shows that \$1.2 million was financed by those who use the services, \$365,666 was financed by grants and contributions, and the balance from the Village's general revenues.

#### Business-Type Activities

##### Revenues:

For the fiscal year ended April 30, 2020, revenues from business-type activities totaled \$2.9 million. Revenues include charges for water and sanitary sewer services, permits, and interest income. Revenues from the water and sanitary sewer utilities are heavily dependent on weather conditions and are structured to cover the costs of providing these services.

##### Expenses:

For the fiscal year ended April 30, 2020, expenses from business-type activities totaled \$2.7 million. Expenses include personnel services, commodities, contractual services, depreciation, and the purchase of water from the Village of Winnetka.

## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

### Governmental Funds

At April 30, 2020 the governmental funds presented on the balance sheet on pages 29-30 reported a combined fund balance of \$12.1 million as follows:

#### Major Governmental Funds

General Fund.....	\$ 7.7 million
Motor Fuel Tax Fund.....	\$ 0.3 million
Debt Service.....	\$ 0.2 million
Equipment Replacement Fund.....	\$ 2.1 million
Storm Sewer Improvement Fund.....	\$ 0.05 million
2017 G.O. Bond Project Fund.....	\$ 0.0 million
2019 G.O. Bond Project Fund.....	\$ 1.2 million

#### Non-Major Governmental Funds

2016 G.O. Bond Debt Service Fund.....	\$ 0.1 million
2017 G.O. Bond Debt Service Fund.....	\$ 0.2 million
201 G.O. Bond Debt Service Fund.....	\$ 0.0 million
Rolling Ridge SSA Debt Service Fund.....	\$ 0.2 million
Rolling Ridge SSA Bond Project Fund.....	\$ 0.0 million
Foreign Fire Insurance Fund.....	\$ 0.0 million
Total.....	<u>\$12.1 million</u>

### Major Governmental Funds

#### General Fund

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery, which includes traditional governmental activities such as public safety, public works, building and community development and administration.

During the fiscal year and at the end of the fiscal year, the Village Board reviews the General Fund budget to determine if budget adjustments are needed in order to provide formal spending authority for activity that took place during the year that was not anticipated when the original budget document was prepared. There was one budget amendment for the year ended April 30, 2020.

The table that follows reflects the revenues and expenditures in the General Fund for the current and prior year.

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

### Major Governmental Funds – Continued

#### General Fund Summary (in thousands)

	FY2019-20	Percent of Total	FY2018-19	Dollar Change	Percent Change
<b>Revenues:</b>					
Property Taxes	\$ 4,488.3	36.3%	\$ 3,925.1	\$ 563.2	14.3%
Sales Taxes	3,637.1	28.8%	3,115.3	521.8	16.7%
Utility Taxes	788.5	8.0%	859.8	(71.3)	(8.3)%
State Income Taxes	533.2	5.2%	560.7	(27.5)	(4.9)%
Licenses and Permits	651.7	8.1%	872.7	(221.0)	(25.3)%
Fines and Forfeitures	79.7	0.8%	83.2	(3.5)	(4.2)%
Services	496.7	4.7%	513.0	(16.3)	(3.2)%
911 Surcharge	266.4	2.5%	269.0	(2.6)	(1.0)%
Other	779.0	5.7%	611.0	168.0	27.5%
<b>Total</b>	<b>\$ 11,720.6</b>	<b>100.0%</b>	<b>\$ 10,809.8</b>	<b>\$ 910.8</b>	<b>8.4%</b>
<b>Expenditures:</b>					
General Administration	\$ 1,399.6	11.1%	\$ 1,201.5	\$ 198.1	16.5%
Public Works	1,157.6	10.3%	1,108.3	49.3	4.4%
Bldg/Community Development	828.6	7.8%	841.0	(12.4)	(1.5)%
Police	5,229.7	47.8%	5,163.8	65.9	1.3%
Fire/Rescue	2,023.7	17.9%	1,933.3	90.4	4.7%
<b>Total</b>	<b>\$ 10,639.2</b>	<b>100.0%</b>	<b>\$ 10,247.9</b>	<b>\$ 391.3</b>	<b>3.8%</b>
Excess (Deficiency) of Revenues over Expenditures	\$ 1,081.4		\$ 561.9	\$ 519.5	92.5%
Transfers in					
Transfers out	\$ (895.2)		\$ (373.3)	\$ (521.9)	139.8%
Excess(Deficiency)Revenues over Expenditures & Transfers	\$ 1,976.6		\$ 935.2	\$ 1,041.4	

Including transfers, the General Fund ended the fiscal year with a \$186,246 surplus. Excluding voluntary transfers to the Equipment Replacement Fund, revenues exceeded expenditures by \$1,081,466. The transfers to the Equipment Replacement Fund provide funding for future equipment purchases and for capital projects not budgeted for in other funds. The FY2019-20 General Fund operating surplus of \$186,246 compares with an operating deficit of \$188,569 in FY2018-19.

The one of the largest dollar increase in General Fund revenue is attributable to Sales Tax which grew \$521,800 or 16.7% over the prior year. The largest dollar decreases in revenue came from Licenses and Permits which decreased \$221,000 or 25.3%. The decline was due to many one-time permit fees in FY 2018-2019 that did not occur in FY 2019-2020. General Fund expenditures for FY2019-20 increased 3.8% or \$391,300 over the prior year. The Building Department saw a 1.5% or \$12,400 decrease in expenditures due in part to continued efficiencies of the department.

#### Equipment Replacement Fund

This fund was established to replace Village equipment and for capital costs not financed in other funds. Revenues and other financing sources of \$1.2 million were derived primarily from transfers from other funds and intergovernmental grants. The \$2.1 million balance in this fund is assigned to future equipment replacement and capital projects.

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

### 2017 GO Bond Project Fund

This fund was established to fund projects including street resurfacing and reconstruction, storm sewer improvements, sidewalk and streetscape improvements, and the rehabilitation of life safety facilities. Fund balance decreased \$1,023,094 due to projects being completed and the fund balance currently sits at \$1,367.

### 2019 GO Bond Project Fund

This fund was established to fund projects in and for the Village. Fund balance increased \$1,194,721 due to debt issuance and the fund being established in FY2020. The fund balance currently sits at \$1,194,721.

### Storm Sewer Improvement Fund

This fund was established to fund projects related to future storm sewer projects. Fund balance decreased \$735,364 due to projects being completed and the fund balance currently sits at \$50,541.

### Enterprise Fund

The Water/Sanitary Sewer Fund is the Village's enterprise fund. This fund accounts for all operations of the municipal water and sanitary sewer systems. The Village purchases water from the Village of Winnetka at a rate of \$1.294 per 100 cubic feet and water is sold to all municipal customers. The combined water/sanitary sewer rate is \$7.60 per 100 cubic feet of water consumed.

The tables that follow include the revenues and expenses for the Water and Sewerage Funds for the current and prior year.

#### Water/Sanitary Sewer Fund (in thousands)

	FY2019-20	FY2018-19	Dollar Change	Percent Change
Revenues:				
Water/Sewer Sales & Fees	\$ 2,877.9	\$ 3,046.8	\$ (168.9)	(5.5)%
Other	48.2	80.7	(32.5)	(40.3)%
Total	\$ 2,926.1	\$ 3,127.5	\$ (201.4)	(6.4)%
Expenses:				
Personnel	\$ 909.8	\$ 948.7	\$ (38.9)	(4.1)%
Water purchases	874.9	877.5	(2.6)	(0.3)%
Depreciation	488.5	491.4	(2.9)	(0.6)%
Other	338.2	357.9	(19.7)	(5.5)%
Total	\$ 2,611.4	\$ 2,675.5	\$ (64.1)	(2.4)%
Operating Income (loss)	314.7	452.0	(137.3)	(30.4)%
Nonoperating Income (Expense)	(30.8)	283.8	(314.6)	(110.9)%
Net Income (loss)	\$ 283.9	\$ 735.8	\$ (451.9)	
Transfer Out	(126.0)	-	(126.0)	0.0%
Change in Net Position	\$ 157.90	\$ 735.80	\$ (577.90)	

Net income of \$283,881 in the Water/Sanitary Sewer Fund for FY2019-20 compares to net income of \$735,838 in FY2018-19 and reflects a 6.4% decrease in revenues as well as a 2.4% decrease in operating expenses. The decrease in revenue reflects a decrease in the use of water by the residents of Northfield. The Village has fully implemented GASB Statement No. 68 and Statement No. 75 which requires the net pension liability for IMRF and the total OPEB liability to be recorded.

## CAPITAL ASSETS

At the end of FY 2019-20, the Village had a combined total of capital assets net of accumulated depreciation of \$32.1 million invested in a broad range of capital assets, of which \$16.1 million was related to governmental activities and \$16.0 million to business-type activities. This investment in capital assets includes land, buildings, machinery and equipment, and infrastructure. This amount represents a net decrease for the year (including additions, deletions and depreciation) of \$0.2 million. Information regarding the change in capital assets is included in the table below and in the Notes to the Financial Statements on pages 58-59.

### Capital Assets Summary (in thousands)

	Capital Assets at Year End Net of Depreciation					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 2,704	\$ 2,871	\$ 300	\$ 300	\$ 3,004	\$ 3,171
Land improvements	7,037	6,391	-	-	7,037	6,391
Buildings	3,891	4,062	-	-	3,891	4,062
Machinery and equipment	2,475	2,539	150	181	2,625	2,720
Water/Sewer Infrastructure	-	-	15,592	15,982	15,592	15,982
<b>Total</b>	<b>\$ 16,107</b>	<b>\$ 15,863</b>	<b>\$ 16,042</b>	<b>\$ 16,463</b>	<b>\$ 32,149</b>	<b>\$ 32,326</b>

## LONG –TERM DEBT

The Village has nine outstanding debt issues: \$1,725,000 in general obligation bonds that will be paid from water system revenues; \$1,780,000, \$3,440,000, and \$1,400,000 in referendum approved general obligation bonds that will be paid from property taxes; \$605,000 in general obligation bonds that will be paid from state motor fuel tax allotments; \$393,000 and \$1,023,190 in special service area general obligation bonds that will be repaid with property taxes paid by residents within the special service areas; \$25,674 in an installment contract to purchase an ambulance that will also be paid from the equipment replacement fund, and; \$183,434 to purchase a step van and sidewalk plow that will also be paid from the equipment replacement fund .

Information regarding the change in long-term debt is included in the Notes to the Financial Statements on pages 60-64.

## ECONOMIC FACTORS

The Village economy continues to stabilize and is in a strong position. The Village’s central business district, although small, is successful and maintains very high occupancy rates. In addition, the Village’s car dealerships continue to contribute significantly to the Village’s sales tax revenue along with Medline Industries. The Village has also seen an increase in reinvestment in both residential and commercial properties which has resulted in increased assessed valuation.

The Village’s property taxes, sales taxes and utility taxes continue to represent the largest portion of General Corporate Fund revenue. Because of self-imposed property tax caps, the Village has found it increasingly important to protect its sales tax base and to develop new sources of revenue in order to diversify its revenue structure.



## **REQUESTS FOR ADDITIONAL INFORMATION**

This financial report is designed to provide a general overview of the Village's finances and to demonstrate the Village's commitment to public accountability. Questions concerning this report or requests for additional financial information should be directed to the Village's Finance Director, 361 Happ Road, Northfield IL 60093.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Fund

Fiduciary Fund

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

# VILLAGE OF NORTHFIELD, ILLINOIS

## Statement of Net Position April 30, 2020

	Primary Government		
	Governmental Activities	Business- Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 11,620,845	832,098	12,452,943
Receivables - Net of Allowances	3,602,446	392,134	3,994,580
Due from Other Governments	31,310	-	31,310
Prepays	815,860	23,173	839,033
Total Current Assets	16,070,461	1,247,405	17,317,866
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	2,703,898	300,000	3,003,898
Depreciable Capital Assets	26,911,342	24,426,215	51,337,557
Accumulated Depreciation	(13,508,255)	(8,684,365)	(22,192,620)
Total Noncurrent Assets	16,106,985	16,041,850	32,148,835
Total Assets	32,177,446	17,289,255	49,466,701
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	598,421	142,011	740,432
Deferred Items - Police Pension	2,182,241	-	2,182,241
Total Deferred Outflows of Resources	2,780,662	142,011	2,922,673
Total Assets and Deferred Outflows of Resources	34,958,108	17,431,266	52,389,374

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

	Primary Government		
	Governmental Activities	Business- Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 469,257	79,134	548,391
Accrued Payroll	180,099	26,589	206,688
Deposits Payable	707,804	-	707,804
Interest Payable	91,333	16,675	108,008
Unearned Revenues	1,110	14,108	15,218
Current Portion of Long-Term Debt	1,065,806	238,151	1,303,957
Total Current Liabilities	2,515,409	374,657	2,890,066
Noncurrent Liabilities			
Compensated Absences Payable	838,626	152,602	991,228
Net Pension Liability - IMRF	1,908,354	452,869	2,361,223
Net Pension Liability - Police Pension	15,229,232	-	15,229,232
Total OPEB Liability - RBP	1,292,631	192,506	1,485,137
Installment Contracts	124,087	-	124,087
General Obligation Bonds Payable	7,870,061	1,525,000	9,395,061
Total Noncurrent Liabilities	27,262,991	2,322,977	29,585,968
Total Liabilities	29,778,400	2,697,634	32,476,034
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	1,258,683	298,696	1,557,379
Deferred Items - Police Pension	582,615	-	582,615
Property Taxes	2,581,656	-	2,581,656
Total Deferred Inflows of Resources	4,422,954	298,696	4,721,650
Total Liabilities and Deferred Inflows of Resources	34,201,354	2,996,330	37,197,684
<b>NET POSITION</b>			
Net Investment in Capital Assets	8,541,804	14,316,850	22,858,654
Restricted - Streets and Bridges	297,341	-	297,341
Restricted - Fire/Rescue	42,892	-	42,892
Restricted - Debt Service	583,581	-	583,581
Restricted - Capital Projects	1,194,721	-	1,194,721
Unrestricted (Deficit)	(9,903,585)	118,086	(9,785,499)
Total Net Position	756,754	14,434,936	15,191,690

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

# VILLAGE OF NORTHFIELD, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended April 30, 2020

		Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 1,277,098	604,875	-	-
Building/Community Development	879,744	287,352	-	200,007
Police Department	5,885,236	174,415	-	-
Fire/Rescue	2,327,393	156,413	-	26,693
Public Works	2,695,861	5,123	138,966	-
Interest on Long-Term Debt	232,368	-	-	-
Total Governmental Activities	13,297,700	1,228,178	138,966	226,700
Business-Type Activities				
Water and Sanitary Sewer	2,653,953	2,926,047	-	-
Total Primary Government	15,951,653	4,154,225	138,966	226,700

### General Revenues

#### Taxes

Property Taxes

Replacement Taxes

Utility Taxes

Other

Intergovernmental - Unrestricted

State Income Taxes

State Sales Taxes

Use Taxes

911 Surcharge Taxes

Interest Income

Miscellaneous

Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(672,223)	-	(672,223)
(392,385)	-	(392,385)
(5,710,821)	-	(5,710,821)
(2,144,287)	-	(2,144,287)
(2,551,772)	-	(2,551,772)
(232,368)	-	(232,368)
(11,703,856)	-	(11,703,856)
-	272,094	272,094
(11,703,856)	272,094	(11,431,762)
5,220,378	-	5,220,378
75,413	-	75,413
788,588	-	788,588
149,827	-	149,827
533,246	-	533,246
3,637,126	-	3,637,126
189,662	-	189,662
266,347	-	266,347
216,839	11,787	228,626
229,733	-	229,733
126,020	(126,020)	-
11,433,179	(114,233)	11,318,946
(270,677)	157,861	(112,816)
1,027,431	14,277,075	15,304,506
756,754	14,434,936	15,191,690

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

**VILLAGE OF NORTHFIELD, ILLINOIS****Balance Sheet - Governmental Funds  
April 30, 2020**

	General	Special Revenue Motor Fuel Tax	Debt Service
<b>ASSETS</b>			
Cash and Investments	\$ 7,240,750	281,266	199,071
Receivables - Net of Allowances			
Property Taxes	2,267,086	-	64,185
Other Taxes	757,209	-	-
Accounts	128,889	-	-
Due from Other Governments	-	16,075	-
Due from Other Funds	96,897	-	-
Prepays	815,860	-	-
Total Assets	11,306,691	297,341	263,256
<b>LIABILITIES</b>			
Accounts Payable	428,057	-	-
Accrued Payroll	180,099	-	-
Deposits Payable	707,804	-	-
Due to Other Funds	4,809	-	-
Other Payables	3,174	-	-
Total Liabilities	1,323,943	-	-
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	2,230,119	-	64,185
Total Liabilities and Deferred Inflows of Resources	3,554,062	-	64,185
<b>FUND BALANCES</b>			
Nonspendable	815,860	-	-
Restricted	-	297,341	199,071
Assigned	-	-	-
Unassigned	6,936,769	-	-
Total Fund Balances	7,752,629	297,341	199,071
Total Liabilities, Deferred Inflows of Resources and Fund Balances	11,306,691	297,341	263,256

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

Capital Projects					
Equipment Replacement	Storm Sewer Improvement	2017 GO Bond Project	2019 GO Bond Project	Nonmajor	Totals
2,125,331	50,541	-	1,204,740	519,146	11,620,845
-	-	-	-	287,352	2,618,623
-	-	-	-	-	757,209
828	-	96,897	-	-	226,614
15,235	-	-	-	-	31,310
-	-	4,809	-	-	101,706
-	-	-	-	-	815,860
2,141,394	50,541	101,706	1,204,740	806,498	16,172,167
27,328	-	3,442	10,019	411	469,257
-	-	-	-	-	180,099
-	-	-	-	-	707,804
-	-	96,897	-	-	101,706
-	-	-	-	-	3,174
27,328	-	100,339	10,019	411	1,462,040
-	-	-	-	287,352	2,581,656
27,328	-	100,339	10,019	287,763	4,043,696
-	-	-	-	-	815,860
-	-	-	1,194,721	518,735	2,209,868
2,114,066	50,541	1,367	-	-	2,165,974
-	-	-	-	-	6,936,769
2,114,066	50,541	1,367	1,194,721	518,735	12,128,471
2,141,394	50,541	101,706	1,204,740	806,498	16,172,167

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



## VILLAGE OF NORTHFIELD, ILLINOIS

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

April 30, 2020

---

---

<b>Total Governmental Fund Balances</b>	<b>\$ 12,128,471</b>
---	----------------------

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	16,106,985
---	------------

Various Village tax revenues 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.

Drug Forfeitures	2,064
------------------	-------

Deferred outflows (inflows) of resources related to the pensions not reported  
in the funds.

Deferred Items - IMRF	(660,262)
Deferred Items - Police Pension	1,599,626

Long-term liabilities are not due and payable in the current  
period and therefore are not reported in the funds.

Compensated Absences Payable	(1,048,282)
Net Pension Liability - IMRF	(1,908,354)
Net Pension Liability - Police Pension	(15,229,232)
Total OPEB Liability - RBP	(1,292,631)
General Obligation Bonds Payable	(8,641,190)
Installment Contracts	(209,108)
Accrued Interest Payable	(91,333)

<b>Net Position of Governmental Activities</b>	<b>756,754</b>
--	----------------

---

---

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

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended April 30, 2020**

---

**See Following Page**

# VILLAGE OF NORTHFIELD, ILLINOIS

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2020

	General	Special Revenue Motor Fuel Tax	Debt Service
Revenues			
Property Taxes	\$ 4,488,264	-	131,680
Other Taxes	1,013,828	-	-
Licenses and Permits	651,740	-	-
Intergovernmental	4,360,034	200,007	-
Charges for Services	496,699	-	-
911 Surcharge	266,347	-	-
Fines and Forfeitures	79,739	-	-
Interest Income	159,666	4,158	3,910
Miscellaneous	204,348	-	-
Total Revenues	11,720,665	204,165	135,590
Expenditures			
Current			
General Government	1,399,602	-	-
Building/Community Development	828,569	-	-
Police Department	5,229,747	-	-
Fire/Rescue	2,023,680	-	-
Public Works	1,157,601	-	-
Capital Outlay	-	-	-
Debt Service			
Principal Retirement	-	110,000	124,000
Interest and Fiscal Charges	-	28,060	9,168
Total Expenditures	10,639,199	138,060	133,168
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,081,466	66,105	2,422
Other Financing Sources (Uses)			
Disposal of Capital Assets	-	-	-
Debt Issuance	-	-	-
Transfers In	-	-	-
Transfers Out	(895,220)	-	-
	(895,220)	-	-
Net Change in Fund Balances	186,246	66,105	2,422
Fund Balances - Beginning	7,566,383	231,236	196,649
Fund Balances - Ending	7,752,629	297,341	199,071

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

Capital Projects					
Equipment Replacement	Storm Sewer Improvement	2017 GO Bond Project	2019 GO Bond Project	Nonmajor	Totals
-	-	-	-	600,434	5,220,378
-	-	-	-	-	1,013,828
-	-	-	-	-	651,740
138,966	-	-	-	26,693	4,725,700
-	-	-	-	-	496,699
-	-	-	-	-	266,347
-	-	-	-	-	79,739
25,536	4,214	9,799	228	9,328	216,839
-	25,385	-	-	-	229,733
164,502	29,599	9,799	228	636,455	12,901,003
40,578	-	-	-	-	1,440,180
45,139	-	-	-	-	873,708
75,602	-	-	-	-	5,305,349
34,196	-	101,419	-	31,596	2,190,891
400,081	764,963	931,252	182,507	-	3,436,404
-	-	-	-	3,429	3,429
182,520	-	-	-	439,296	855,816
6,749	-	222	23,000	154,433	221,632
784,865	764,963	1,032,893	205,507	628,754	14,327,409
(620,363)	(735,364)	(1,023,094)	(205,279)	7,701	(1,426,406)
45,134	-	-	-	-	45,134
-	-	-	1,400,000	-	1,400,000
1,021,240	-	-	-	30,974	1,052,214
-	-	-	-	(30,974)	(926,194)
1,066,374	-	-	1,400,000	-	1,571,154
446,011	(735,364)	(1,023,094)	1,194,721	7,701	144,748
1,668,055	785,905	1,024,461	-	511,034	11,983,723
2,114,066	50,541	1,367	1,194,721	518,735	12,128,471

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended April 30, 2020

---

---

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 144,748</b>
---	-------------------

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	1,525,292
Depreciation Expense	(1,281,002)
Disposals - Cost	(183,279)
Disposals - Accumulated Depreciation	183,279

The net effect of deferred outflows (inflows) of resources related to the pensions  
not reported in the funds.

Change in Deferred Items - IMRF	(1,923,429)
Change in Deferred Items - Police Pension	2,076,641
Change in Deferred Items - RBP	(79,234)

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(107,002)
Change to Net Pension Liability - IMRF	1,971,209
Change in Net Pension Liability - Police Pension	(2,489,039)
Change in Total OPEB Liability - RBP	446,059
Issuance of Debt	(1,400,000)
Retirement of Debt	855,816

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

(10,736)
----------

**Changes in Net Position of Governmental Activities**

<u>(270,677)</u>
------------------

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

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Statement of Net Position - Proprietary Funds**

**April 30, 2020**

---

**See Following Page**

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Statement of Net Position - Proprietary Funds**  
**April 30, 2020**

	<u>Business-Type Activities - Enterprise Water and Sanitary Sewer</u>
<b>ASSETS</b>	
Current Assets	
Cash and Investments	\$ 832,098
Receivables - Net of Allowances Accounts	392,134
Prepays	23,173
Total Current Assets	<u>1,247,405</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable Capital Assets	300,000
Depreciable Capital Assets	24,426,215
Accumulated Depreciation	<u>(8,684,365)</u>
Total Noncurrent Assets	<u>16,041,850</u>
Total Assets	17,289,255
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>142,011</u>
Total Assets and Deferred Outflows of Resources	<u>17,431,266</u>

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

	Business-Type Activities - Enterprise <u>Water and Sanitary Sewer</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts Payable	\$ 79,134
Accrued Payroll	26,589
Interest Payable	16,675
Other Payables	14,108
Compensated Absences Payable	38,151
General Obligation Bonds Payable	200,000
Total Current Liabilities	<u>374,657</u>
Noncurrent Liabilities	
Compensated Absences Payable	152,602
Net Pension Liability - IMRF	452,869
Total OPEB Liability - RBP	192,506
General Obligation Bonds Payable	1,525,000
Total Noncurrent Liabilities	<u>2,322,977</u>
Total Liabilities	2,697,634
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Items - IMRF	<u>298,696</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,996,330</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	14,316,850
Unrestricted	<u>118,086</u>
Total Net Position	<u><u>14,434,936</u></u>

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



## VILLAGE OF NORTHFIELD, ILLINOIS

### Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended April 30, 2020

	Business-Type Activities - Enterprise <u>Water and Sanitary Sewer</u>
Operating Revenues	
Charges for Services	\$ 2,877,856
Miscellaneous	48,191
Total Operating Revenues	<u>2,926,047</u>
Operating Expenses	
Operations	2,122,858
Depreciation	488,526
Total Operating Expenses	<u>2,611,384</u>
Operating Income	<u>314,663</u>
Nonoperating Revenues (Expenses)	
Interest Income	11,787
Interest and Fiscal Charges	(42,569)
	<u>(30,782)</u>
Income Before Transfers	283,881
Transfers Out	<u>(126,020)</u>
Change in Net Position	157,861
Net Position - Beginning	<u>14,277,075</u>
Net Position - Ending	<u><u>14,434,936</u></u>

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended April 30, 2020

	Business- Type Activities - Enterprise <u>Water and Sanitary Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 3,034,775
Payments to Employees	(726,166)
Payments to Suppliers	<u>(1,878,745)</u>
	<u>429,864</u>
Cash Flows from Noncapital Financing Activities	
Transfers Out	<u>(126,020)</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(67,323)
Interest on Capital Debt	(42,569)
Principal on Capital Debt	<u>(190,000)</u>
	<u>(299,892)</u>
Cash Flows from Investing Activities	
Interest Received	<u>11,787</u>
Net Change in Cash and Cash Equivalents	15,739
Cash and Cash Equivalents - Beginning	<u>816,359</u>
Cash and Cash Equivalents - Ending	<u><u>832,098</u></u>
Reconciliation of Operating Income to Net Cash	
Provided (Used) by Operating Activities	
Operating Income	<u>314,663</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	488,526
Other Expenses	(89,807)
(Increase) Decrease in Current Assets	108,728
Increase (Decrease) in Current Liabilities	<u>(392,246)</u>
Net Cash Provided by Operating Activities	<u><u>429,864</u></u>

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

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Statement of Fiduciary Net Position**  
**April 30, 2020**

	<u>Police Pension</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,098,414
Investments	
U.S. Treasuries	2,309,753
U.S. Agencies	1,104,840
Corporate Bonds	2,342,516
Municipal Bonds	159,580
Common Stock	2,696,511
Mutual Funds	9,295,844
Illinois Funds	7,464
Receivables	
Accrued Interest	<u>126,906</u>
Total Assets	19,141,828
<b>LIABILITIES</b>	
Accounts Payable	<u>14,284</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u><u>19,127,544</u></u>

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Statement of Changes Fiduciary in Net Position For the Fiscal Year Ended April 30, 2020

	Pension Trust
Additions	
Contributions - Employer	\$ 1,249,000
Contributions - Plan Members	274,563
Total Contributions	<u>1,523,563</u>
Investment Income	
Interest Income	604,069
Net Change in Fair Value	(1,114,049)
	<u>(509,980)</u>
Less Investment Expenses	(51,267)
Net Investment Income	<u>(561,247)</u>
Total Additions	<u>962,316</u>
Deductions	
Administration	27,432
Benefits and Refunds	1,378,067
Total Deductions	<u>1,405,499</u>
Change in Fiduciary Net Position	(443,183)
Net Position Restricted for Pensions	
Beginning	<u>19,570,727</u>
Ending	<u><u>19,127,544</u></u>

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

# **VILLAGE OF NORTHFIELD, ILLINOIS**

## **Notes to the Financial Statements**

**April 30, 2020**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Northfield (Village), Illinois, was incorporated in 1926. Effective with a November 2010 referendum, the Village is a home-rule municipality under the 1970 Illinois Constitution. The Village is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance, building code enforcement, water and sewer services and general administrative services.

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

#### **REPORTING ENTITY**

The Village's financial reporting entity comprises the following:

Primary Government:

Village of Northfield

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

#### **Police Pension Employees Retirement System**

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

# **VILLAGE OF NORTHFIELD, ILLINOIS**

## **Notes to the Financial Statements April 30, 2020**

---

### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

#### **BASIS OF PRESENTATION**

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

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and fire safety, highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water and sanitary sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

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

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, income taxes, interest income, etc.).

This government-wide focus is more on the sustainability of the Village as an entity and the change in the Village's net position resulting from the current year's activities.

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements

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

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

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

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

##### Governmental Funds

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

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Governmental Funds – Continued

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Motor Fuel Tax Fund, which is used to account for the maintenance and construction of streets and roads as approved by the Illinois Department of Transportation. Restricted motor fuel tax allotments fund the annual expenditures. The Village also maintains one nonmajor special revenue fund, the Foreign Fire Insurance Tax Fund.

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one major debt service fund, the Debt Service Fund, which is used to account for the principal and interest payments made on the Special Service Area General Obligation Bonds of 2014. The Village also maintains four nonmajor debt service funds, the 2016 GO Bond Fund, the 2017 GO Bond Fund, the 2019 GO Bond Fund, and the Rolling Ridge SSA Debt Service Fund.

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds) and the purchase of equipment. The Village maintains four major capital projects funds, the Equipment Replacement Fund, the Storm Sewer Improvement Fund, 2017 GO Bond Project Fund, and the 2019 GO Bond Project Fund. The Equipment Replacement Fund is used to account for financial resources to be used for the acquisition or construction of major capital assets (other than those financed by proprietary funds) and the purchase of equipment. The Storm Sewer Improvement Fund is used to account for funds for future storm sewer projects. Future funding will come from storm sewer management fees. The 2017 GO Bond Project Fund is used to account for the bond proceeds to be used for the capital improvement project in and for the Village. The 2019 GO Bond Project Fund is used to account for the bond proceeds to be used for the capital improvement project in and for the Village. The Village also maintains one nonmajor capital projects fund, the Rolling Ridge SSA Bond Fund.

##### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:



# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Proprietary Funds – Continued

*Enterprise Funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund, the Water and Sanitary Sewer Fund. The Water and Sanitary Sewer Fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, and billing and collections.

##### Fiduciary Funds

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

*Pension Trust Funds* are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force.

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

### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

#### Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

###### Measurement Focus – Continued

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

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

###### Basis of Accounting

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

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

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, income taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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

## **VILLAGE OF NORTHFIELD, ILLINOIS**

### **Notes to the Financial Statements**

**April 30, 2020**

---

#### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

##### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued**

###### **Basis of Accounting – Continued**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services.

The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

###### **Cash and Investments**

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

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

###### **Interfund Receivables, Payables and Activity**

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

###### Prepays

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

###### Receivables

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

###### Capital Assets

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities) the government chose to include all such items regardless of their acquisition date. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Capital Assets – Continued

Infrastructure assets acquired prior to May 1, 2004 are not capitalized as allowed for “Level 3” governments by GASB Statement No. 34.

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

Land Improvements	20 Years
Buildings	45 Years
Machinery and Equipment	10 - 20 Years
Water and Sewer Infrastructure	75 Years

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

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

##### Deferred Outflows/Inflows of Resources

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

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Long-Term Obligations

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

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

##### Net Position

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

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

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

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

## **VILLAGE OF NORTHFIELD, ILLINOIS**

### **Notes to the Financial Statements**

**April 30, 2020**

---

## **NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for most funds. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The Village staff submits to the Board a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures, expenses and the means of financing them.
- A public budget hearing is conducted.
- The budget is legally enacted through passage of an ordinance.
- The budget may be amended by the Board of Trustees and the Budget Officer.
- During the year, no supplementary appropriations were necessary.

The level of control (level at which expenditures may not exceed budget) is each individual fund. The Village Board of trustees has delegated authority to the Budget Office to delete, add to, change or create sub-classes within object-classes budgeted previously, with the exception of salaries specifically approved by the Board. By vote of two-thirds, the budget may be revised by the Board of Trustees. Budgets were adopted for all funds (except the 2019 GO Bond Project Fund, the 2019 GO Bond Fund, and the Rolling Ridge SSA Fund) on a basis of accounting consistent with GAAP.

## **NOTE 3 – DETAIL NOTES ON ALL FUNDS**

### **DEPOSITS AND INVESTMENTS**

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

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

## **VILLAGE OF NORTHFIELD, ILLINOIS**

### **Notes to the Financial Statements**

**April 30, 2020**

---

#### **NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

##### **DEPOSITS AND INVESTMENTS – Continued**

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

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

The Illinois Metropolitan Investment Fund is a non-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.



## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

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

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$7,392,747 and the bank balances totaled \$7,665,419.

*Investments.* The Fund has the following investment fair values and maturities:

Investment Instrument	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 1,504,173	1,504,173	-	-	-
Illinois Funds	3,554,718	3,554,718	-	-	-
IMET	1,305	1,305	-	-	-
	5,060,196	5,060,196	-	-	-

The Village has the following recurring fair value measurements as of April 30, 2020:

- U.S. Treasuries of \$1,504,173 are valued using quoted market prices (Level 1 inputs)
- Illinois Funds of \$3,554,718 are measured at the net asset value per share as determined by the pool
- IMET of \$1,305 are measured at the net asset value per share as determined by the pool

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits maturities on investments to 10 years or less. Illinois Funds and IMET have average maturities of less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under State Statute, the Village's investment policy does not further limit investment choices to mitigate credit risk. At year-end, the Village's investment in the Illinois Funds is rated AAAM by Standard & Poor's and the Village's investment in the IMET Convenience Fund is not rated. Also, the U.S. Treasury Bonds are rated Aaa by Moody's.

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements April 30, 2020

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

#### Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires third party collateralization of all deposits in excess of FDIC limits, collateral must be 110% of the excess and is held by a third-party custodian. At year-end, the entire amount of the bank balance of deposits was covered by FDIC insurance or sufficiently collateralized. For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not mitigate custodial credit risk for investments. At year-end, the Village's investment in the Illinois Funds and IMET were not subject to custodial credit risk.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy requires diversification of investments to eliminate the risk of loss resulting from over concentration of a specific issuer or class of securities. At year-end, the Village does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

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

*Deposits.* At year-end, the carrying amount of the Fund's deposits totaled \$1,098,414 and the bank balances totaled \$1,098,414.

*Investments.* The Fund has the following investment fair values and maturities:

Investment Instrument	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 2,309,753	-	929,501	1,380,252	-
U.S. Agencies	1,104,840	-	132,078	53,134	919,628
Corporate Bonds	2,342,516	351,588	1,361,138	629,790	-
Municipal Bonds	159,580	45,983	88,080	25,517	-
Illinois Funds	7,464	7,464	-	-	-
	5,924,153	405,035	2,510,797	2,088,693	919,628

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements April 30, 2020

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

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

The Fund has the following recurring fair value measurements as of April 30, 2020:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level	Totals			
Debt Securities				
U.S. Treasuries	\$ 2,309,753	2,309,753	-	-
U.S. Agencies	1,104,840	-	1,104,840	-
Corporate Bonds	2,342,516	-	2,342,516	-
Municipal Bonds	159,580	-	159,580	-
Equity Securities				
Common Stock	2,696,511	2,696,511	-	-
Mutual Funds	9,295,844	9,295,844	-	-
Total Investments by Fair Value Level	17,909,044	14,302,108	3,606,936	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	7,464			
Total Investments Measured at Fair Value	17,916,508			

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

*Interest Rate Risk.* The Fund's investment policy states that to the extent possible, investments shall be matched to actuarial assumptions.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

##### **Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued**

*Credit Risk.* Besides investing in investment instruments authorized under State Statute, the Fund's investment policy does not further mitigate credit risk. At year-end, the Fund's investments in U.S. Treasuries were rated Aaa, the U.S. Agencies were not rated, the corporate bonds were rated Baa3 to not rated by Moody's and Standard & Poor's, the municipal bonds were rated A3 to Aa2 by Moody's and Standard & Poor's, and the Illinois Funds is rated AAAM by Standard & Poor's.

*Custodial Credit Risk.* The Fund's investment policy states that deposits in excess of \$100,000 in financial institutions will be collateralized with treasury notes and bonds with maturities no more the five years longer than the maturity of the investment, at a minimum of 110% of the fair market value of the investment. Treasury notes and bonds with maturities of no more than ten years will be collateralized at 115% of fair market value. All investments will be in the name of the Fund and will be held in a custodial trust account at a commercial bank. Safekeeping account receipts will be held by the Village's Finance Department or the President of the Fund. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

*Concentration Risk.* The Fund's investment policy mitigates concentration risk by stating not more than 10% of the pension fund monies shall be invested in any one single security or maturity fund, funds deposited at an institution shall not exceed 5% of the capital stock and surplus of the at entity, investments in mutual funds must have at least \$250 million in assets and have been in operation for at least five years, direct investments in common or preferred stock must be made through a registered investment advisor, and total equity investments in separate accounts, mutual funds and direct stock investments shall not exceed 50%.

In addition to the securities and fair values listed above, the Fund also has \$2,696,511 invested in common stock and \$9,295,844 invested in mutual funds. At year-end, the Fund has no investment over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

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

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	45.00%	7.50%
Equities	53.00%	11.80%
Cash and Cash Equivalents	2.00%	4.20%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2020 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April, 30, 2020 are listed in the table above.

##### Rate of Return

For the year ended April 30, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (2.72%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF NORTHFIELD, ILLINOIS****Notes to the Financial Statements  
April 30, 2020****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****CAPITAL ASSETS****Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,703,898	-	-	2,703,898
Construction in Progress	166,977	-	166,977	-
	<u>2,870,875</u>	<u>-</u>	<u>166,977</u>	<u>2,703,898</u>
Depreciable Capital Assets				
Land Improvements	8,503,000	1,136,837	-	9,639,837
Buildings	9,287,579	-	-	9,287,579
Machinery and Equipment	7,611,773	555,432	183,279	7,983,926
	<u>25,402,352</u>	<u>1,692,269</u>	<u>183,279</u>	<u>26,911,342</u>
Less Accumulated Depreciation				
Land Improvements	2,112,060	490,468	-	2,602,528
Buildings	5,225,939	170,658	-	5,396,597
Machinery and Equipment	5,072,533	619,876	183,279	5,509,130
	<u>12,410,532</u>	<u>1,281,002</u>	<u>183,279</u>	<u>13,508,255</u>
Total Net Depreciable Capital Assets	<u>12,991,820</u>	<u>411,267</u>	<u>-</u>	<u>13,403,087</u>
Total Net Capital Assets	<u>15,862,695</u>	<u>411,267</u>	<u>166,977</u>	<u>16,106,985</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 144,521
Public Works	781,320
Building/Community Development	6,036
Police Department	212,623
Fire/Rescue	136,502
	<u>1,281,002</u>

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### CAPITAL ASSETS – Continued

##### Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 300,000	-	-	300,000
Depreciable Capital Assets				
Machinery and Equipment	686,947	-	-	686,947
Water and Sewer Infrastructure	23,671,945	67,323	-	23,739,268
	24,358,892	67,323	-	24,426,215
Less Accumulated Depreciation				
Machinery and Equipment	506,151	31,335	-	537,486
Water and Sewer Infrastructure	7,689,688	457,191	-	8,146,879
	8,195,839	488,526	-	8,684,365
Total Net Depreciable Capital Assets	16,163,053	(421,203)	-	15,741,850
Total Net Capital Assets	16,463,053	(421,203)	-	16,041,850

Depreciation expense was charged to business-type as follows:

Water and Sanitary Sewer	<u>\$ 488,526</u>
--------------------------	-------------------

##### PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and September 1. The County collects such taxes and remits them periodically.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	2017 GO Bond Project	\$ 96,897
2017 GO Bond Project	General	<u>4,809</u>
		<u>101,706</u>

##### INTERFUND TRANSFERS

Transfer In	Transfer Out	Amount
Equipment Replacement	General	\$ 895,220 (3)
Equipment Replacement	Water and Sanitary Sewer	126,020 (1)
Nonmajor Governmental	Nonmajor Governmental	<u>30,974 (2)</u>
		<u>1,052,214</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

##### LONG-TERM DEBT

###### Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. "The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts." To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.



## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT – Continued

##### General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation (Alternate Revenue Source) Bonds of 2009 - due in annual installments of \$85,000 to \$130,000 plus interest at 2.00% to 4.10% through December 1, 2024.	Motor Fuel Tax	\$ 715,000	-	110,000	605,000
Special Service Area General Obligation Bonds of 2014 - due in annual installments of \$118,000 to \$135,000 plus interest at 1.778% through December 1, 2022.	Debt Service	517,000	-	124,000	393,000
General Obligation Refunding Bonds of 2015 - due in annual installments of \$170,000 to \$235,000 plus interest at 2.32% through December 1, 2027.	Water and Sanitary Sewer	1,915,000	-	190,000	1,725,000
General Obligation Bonds of 2016 - due in annual installments of \$135,000 to \$175,000 plus interest at 1.8397% through December 1, 2030.	2016 GO Bond	1,925,000	-	145,000	1,780,000
General Obligation Bonds of 2017 - due in annual installments of \$230,000 to \$310,000 plus interest at 2.40% through December 1, 2032.	2017 GO Bond	3,670,000	-	230,000	3,440,000

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements April 30, 2020

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### LONG-TERM DEBT – Continued

##### General Obligation Bonds – Continued

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Special Service Area General Obligation Bonds of 2018 - due in annual installments of \$62,514 to \$92,649 plus interest at 2.85% through December 1, 2032.	SSA Debt Service	\$ 1,087,486	-	64,296	1,023,190
General Obligation Bonds of 2019 - due in annual installments of \$85,000 to \$115,000 plus interest at 2.50% through December 1, 2033.	2019 GO Bond	-	1,400,000	-	1,400,000
		9,829,486	1,400,000	863,296	10,366,190

##### Installment Contracts

Installment Contracts are utilized to acquire capital equipment. Installment Contracts currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Chase Equipment Installment Contract of 2015 - due in annual installments of \$72,840 to \$143,967 plus interest at 1.584% through September 16, 2019.	Equipment Replacement	\$ 72,840	-	72,840	-
Ambulance Installment Contract of 2016 - due in annual installments of \$24,492 to \$50,978 plus interest at 1.456% through May 3, 2020.	Equipment Replacement	76,651	-	50,977	25,674
Truck Installment Contract of 2019 - due in installments on March 1st and September 1st of \$32,185 plus interest at 2.9% through March 1, 2023.	Equipment Replacement	242,137	-	58,703	183,434
		391,628	-	182,520	209,108

**VILLAGE OF NORTHFIELD, ILLINOIS****Notes to the Financial Statements  
April 30, 2020****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****LONG-TERM DEBT – Continued****Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 941,280	214,004	107,002	1,048,282	209,656
Net Pension Liability - IMRF	3,879,563	-	1,971,209	1,908,354	-
Net Pension Liability - Police	12,740,193	2,489,039	-	15,229,232	-
Total OPEB Liability - RBP	1,738,690	-	446,059	1,292,631	-
Special Service Area -					
General Obligation Bonds	1,604,486	-	188,296	1,416,190	191,129
Motor Fuel Tax -					
General Obligation Bonds	715,000	-	110,000	605,000	115,000
General Obligation Bonds	5,595,000	1,400,000	375,000	6,620,000	465,000
Installment Contracts	391,628	-	182,520	209,108	85,021
	<u>27,605,840</u>	<u>4,103,043</u>	<u>3,380,086</u>	<u>28,328,797</u>	<u>1,065,806</u>
<b>Business-Type Activities</b>					
Compensated Absences	169,365	42,776	21,388	190,753	38,151
Net Pension Liability - IMRF	951,689	-	498,820	452,869	-
Total OPEB Liability - RBP	261,983	-	69,477	192,506	-
General Obligation Bonds	1,915,000	-	190,000	1,725,000	200,000
	<u>3,298,037</u>	<u>42,776</u>	<u>779,685</u>	<u>2,561,128</u>	<u>238,151</u>

For governmental activities, the compensated absences, the net pension liabilities, and the total OPEB liability are liquidated by the General Fund. The Motor Fuel Tax Fund, the Debt Service Fund, the 2016 GO Bond Fund, the 2017 GO Bond Fund, the 2019 GO Bond Fund, and the SSA Debt Service Fund make payments on the general obligation bonds. The Equipment Replacement Fund makes payments on the installment contracts.

For business-type activities, the compensated absences, the net pension liability, and the total OPEB liability are liquidated by the Water and Sanitary Sewer Fund. The Water and Sanitary Sewer Fund makes payments on the general obligation bonds.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### LONG-TERM DEBT – Continued

##### Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities				Business-Type Activities	
	General		Installment		General	
	Obligation Bonds		Contracts		Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 771,129	212,991	85,021	5,210	200,000	40,020
2022	786,013	191,650	61,127	3,243	205,000	35,380
2023	809,952	172,222	62,960	1,410	200,000	30,624
2024	686,945	152,166	-	-	215,000	25,984
2025	708,996	134,134	-	-	220,000	20,996
2026	586,105	115,376	-	-	220,000	15,892
2027	603,273	101,768	-	-	230,000	10,788
2028	615,504	87,761	-	-	235,000	5,452
2029	632,799	73,479	-	-	-	-
2030	645,158	58,766	-	-	-	-
2031	662,585	43,774	-	-	-	-
2032	500,082	28,348	-	-	-	-
2033	517,649	15,830	-	-	-	-
2034	115,000	2,875	-	-	-	-
Totals	8,641,190	1,391,140	209,108	9,863	1,725,000	185,136

##### FUND BALANCE CLASSIFICATIONS

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

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

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

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### FUND BALANCE CLASSIFICATIONS – Continued

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

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

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

*Minimum Fund Balance Policy.* The Village's policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal to six months of budgeted operating expenditures.

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

	General	Special Revenue Motor Fuel Tax	Debt Service	Equipment Replacement	Storm Sewer Improvement	2017 GO Bond Project	2019 GO Bond Project	Nonmajor	Totals
Fund Balances									
Nonspendable									
Prepays	\$ 815,860	-	-	-	-	-	-	-	815,860
Restricted									
Debt Service									
Bond Covenants	-	-	99,300	-	-	-	-	278,557	377,857
Debt Service	-	-	99,771	-	-	-	-	197,286	297,057
Streets and Bridges	-	297,341	-	-	-	-	-	-	297,341
Capital Projects	-	-	-	-	-	-	1,194,721	-	1,194,721
Fire/Rescue	-	-	-	-	-	-	-	42,892	42,892
	-	297,341	199,071	-	-	-	1,194,721	518,735	2,209,868
Assigned									
Capital Projects	-	-	-	2,114,066	50,541	1,367	-	-	2,165,974
Unassigned	6,936,769	-	-	-	-	-	-	-	6,936,769
Total Fund Balances	7,752,629	297,341	199,071	2,114,066	50,541	1,367	1,194,721	518,735	12,128,471

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 16,106,985
Plus: Unspent Bond Proceeds	1,285,117
Less Capital Related Debt:	
General Obligation Bonds of 2009	(605,000)
General Obligation Bonds of 2016	(1,780,000)
General Obligation Bonds of 2017	(3,440,000)
General Obligation Bonds of 2019	(1,400,000)
Installment Contract of 2016	(25,674)
Installment Contract of 2019	(183,434)
Special Service Area General Obligation Bonds of 2014	(393,000)
Special Service Area General Obligation Bonds of 2018	<u>(1,023,190)</u>
Net Investment in Capital Assets	<u>8,541,804</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 16,041,850
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2015	<u>(1,725,000)</u>
Net Investment in Capital Assets	<u>14,316,850</u>

## **VILLAGE OF NORTHFIELD, ILLINOIS**

### **Notes to the Financial Statements April 30, 2020**

---

#### **NOTE 4 – OTHER INFORMATION**

##### **RISK MANAGEMENT**

###### **Intergovernmental Risk Management Agency (IRMA)**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through a limited self-insurance program and private insurance coverage. The Village currently reports all its risk management activities in its self-insurance fund.

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village assumes the first \$25,000 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level.

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

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

###### **North Suburban Employee's Benefit Cooperative**

The Village participates in the North Suburban Employee's Benefit Cooperative (NSEBC), an agency of governmental entities created to finance and administer medical and dental care benefits to employees of its member organizations. Each municipality appoints one representative to serve on the Board of Directors. The Board determines the general policies, which includes approval of the annual budget. Members are contractually obligated to make all monthly payments and to fund any deficit upon dissolution of the pool. They will share in any surplus of the pool based on a decision by the Board. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years. The Village reports insurance activities within the General Fund. The Village's total payments for the year ended April 30, 2020 were \$605,525.

## **VILLAGE OF NORTHFIELD, ILLINOIS**

### **Notes to the Financial Statements**

**April 30, 2020**

---

#### **NOTE 4 – OTHER INFORMATION – Continued**

##### **CONTINGENT LIABILITIES**

###### **Deferred Compensation Plan**

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan are held in trust on behalf of the employees. Accordingly, the assets are not reported in these financial statements.

###### **Litigation**

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

###### **Grants**

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

###### **Financial Impact from COVID-19**

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

##### **COMMITMENTS**

###### **Incentive Agreements**

The Village of Northfield has entered into various tax rebate agreements with local developers and corporations under municipal code. Under these agreements, the Village rebates a portion of sales taxes. For the fiscal year ended April 30, 2020, the Village rebated a total of \$457,066 in taxes under these agreements.



## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

##### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The Police Pension Plan does not issue separate reports. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefit, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amount recognized for the two pension plans is:

	Expenses	Net Pension Liabilities	Deferred Outflows	Deferred Inflows
IMRF	\$ 423,371	2,361,223	720,432	1,557,379
Police Pension	1,661,398	15,229,232	2,182,241	582,615
	2,084,769	17,590,455	2,902,673	2,139,994

##### Illinois Municipal Retirement Fund (IMRF)

###### Plan Descriptions

*Plan Administration.* All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

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

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Illinois Municipal Retirement Fund (IMRF) – Continued

##### Plan Descriptions

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

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

*Plan Membership.* As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	64
Inactive Plan Members Entitled to but not yet Receiving Benefits	29
Active Plan Members	<u>53</u>
Total	<u><u>146</u></u>

*Contributions.* As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2020, the Village's contribution was 12.98% of covered payroll.

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Plan Descriptions – Continued

#### *Actuarial Assumptions – Continued.*

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.35% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

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

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Plan Descriptions – Continued

#### *Actuarial Assumptions – Continued.*

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.25%
Domestic Equities	37.00%	5.75%
International Equities	18.00%	6.50%
Real Estate	9.00%	5.20%
Blended	7.00%	3.60% - 7.60%
Cash and Cash Equivalents	1.00%	1.85%

#### Discount Rate

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

#### Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/ (Asset)	\$ 6,124,193	2,361,223	(735,325)

**VILLAGE OF NORTHFIELD, ILLINOIS****Notes to the Financial Statements****April 30, 2020****NOTE 4 – OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued****Illinois Municipal Retirement Fund (IMRF) – Continued****Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	\$ 28,723,077	23,891,825	4,831,252
Changes for the Year:			
Service Cost	376,109	-	376,109
Interest on the Total Pension Liability	2,047,924	-	2,047,924
Difference Between Expected and Actual Experience of the Total Pension Liability	220,907	-	220,907
Changes of Assumptions	-	-	-
Contributions - Employer	-	471,792	(471,792)
Contributions - Employees	-	166,281	(166,281)
Net Investment Income	-	4,400,872	(4,400,872)
Benefit Payments, including Refunds of Employee Contributions	(1,327,802)	(1,327,802)	-
Other (Net Transfer)	-	76,024	(76,024)
Net Changes	1,317,138	3,787,167	(2,470,029)
Balances at December 31, 2019	30,040,215	27,678,992	2,361,223

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

For the year ended April 30, 2020, the Village recognized pension expense of \$423,371. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements April 30, 2020

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Illinois Municipal Retirement Fund (IMRF) – Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 163,682	(264,376)	(100,694)
Change in Assumptions	377,465	(205,399)	172,066
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(1,087,604)	(1,087,604)
Total Pension Expense to be Recognized in Future Periods	541,147	(1,557,379)	(1,016,232)
Pension Contributions Made Subsequent to the Measurement Date	199,285	-	199,285
Total Deferred Amounts Related to IMRF	740,432	(1,557,379)	(816,947)

\$199,285 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/(Inflow) of Resources
2021	\$ (420,478)
2022	(221,287)
2023	163,726
2024	(538,193)
2025	-
Thereafter	-
Total	(1,016,232)

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements

April 30, 2020

---

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Police Pension Plan

##### Plan Descriptions

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At April 30, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	22
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>19</u>
Total	<u><u>42</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Police Pension Plan – Continued

##### Plan Descriptions – Continued

*Benefits Provided – Continued.* Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 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 officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2020, the Village's contribution was 57.15% of covered payroll.

*Concentrations.* At year end, the Pension Plan has no investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.



## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

##### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

###### Police Pension Plan – Continued

###### Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.75% - 8.34%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates are based on the Pub-2010 adjusted for Plan Status, Demographics, and Illinois Public Pension Data.

###### Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Police Pension Plan – Continued

##### Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate 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 or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 20,540,140	15,229,232	10,963,724

##### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2019	\$ 32,310,920	19,570,727	12,740,193
Changes for the Year:			
Service Cost	612,253	-	612,253
Interest on the Total Pension Liability	2,134,478	-	2,134,478
Changes of Benefit Terms	78,879	-	78,879
Difference Between Expected and Actual Experience of the Total Pension Liability	156,897	-	156,897
Changes of Assumptions	441,416	-	441,416
Contributions - Employer	-	1,249,000	(1,249,000)
Contributions - Employees	-	274,563	(274,563)
Net Investment Income	-	(561,247)	561,247
Benefit Payments, including Refunds of Employee Contributions	(1,378,067)	(1,378,067)	-
Administrative Expense	-	(27,432)	27,432
Net Changes	2,045,856	(443,183)	2,489,039
Balances at April 30, 2020	34,356,776	19,127,544	15,229,232

# VILLAGE OF NORTHFIELD, ILLINOIS

## Notes to the Financial Statements April 30, 2020

### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Police Pension Plan – Continued

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

For the year ended April 30, 2020, the Village recognized pension expense of \$1,661,398. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 131,006	(456,507)	(325,501)
Change in Assumptions	391,164	(126,108)	265,056
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,660,071	-	1,660,071
Total Deferred Amounts Related to Police Pension	2,182,241	(582,615)	1,599,626

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

Fiscal Year	Net Deferred Outflow of Resources
2021	\$ 202,266
2022	334,999
2023	514,369
2024	443,339
2025	98,732
Thereafter	5,921
Total	1,599,626

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

##### OTHER POST-EMPLOYMENT BENEFITS

###### General Information about the OPEB Plan

*Plan Description.* The Village's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* RBP provides medical benefits for full-time IMRF retirees and their dependent/spouse. Retirees pay the full cost of health insurance continuation at the employer rate. Dependent/spousal coverage may continue should retiree coverage end due to coverage termination, death, or Medicare eligibility with dependent/spouse. Retirees are not eligible for vision or life insurance in retirement. There is no dental coverage offered to Retirees.

*Plan Membership.* As of April 30, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	15
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>44</u>
Total	<u><u>59</u></u>

###### Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2020, and was determined by an actuarial valuation as of April 30, 2019.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

##### OTHER POST-EMPLOYMENT BENEFITS – Continued

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the April 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	2.75%
Discount Rate	2.56%
Healthcare Cost Trend Rates	The initial trend rate is based on the 2020 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range (Paragraph 57a of GASB 74).
Retirees' Share of Benefit-Related Costs	100% of the Blended Cost of Coverage

The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the RP-2014 study, with blue collar adjustments. These rates are improved generationally using MP-2016 improvement rates.

##### Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2019	<u>\$ 2,000,673</u>
Changes for the Year:	
Service Cost	12,409
Interest on the Total Pension Liability	49,334
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	(655,287)
Changes of Assumptions or Other Inputs	166,305
Benefit Payments	<u>(88,297)</u>
Net Changes	<u>(515,536)</u>
Balance at April 30, 2020	<u><u>1,485,137</u></u>

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements

April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

##### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 2.56%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

		1% Decrease (1.56%)	Current Discount Rate (2.56%)	1% Increase (3.56%)
Total OPEB Liability	\$	1,648,911	1,485,137	1,346,783

##### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a varied Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

		1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$	1,329,754	1,485,137	1,667,427

## VILLAGE OF NORTHFIELD, ILLINOIS

### Notes to the Financial Statements April 30, 2020

---

#### NOTE 4 – OTHER INFORMATION – Continued

##### OTHER POST-EMPLOYMENT BENEFITS – Continued

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

For the year ended April 30, 2020, the Village recognized OPEB revenue of \$336,066. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB. At April 30, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	-	-
Change in Assumptions	-	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	-	-	-

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

Fiscal Year	Net Deferred Outflows of Resources
2021	\$ -
2022	-
2023	-
2024	-
2025	-
Thereafter	-
Total	-

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Employer Contributions  
    Illinois Municipal Retirement Fund  
    Police Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability  
    Illinois Municipal Retirement Fund  
    Police Pension Fund
- Schedule of Investment Returns  
    Police Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability  
    Retiree Benefit Plan
- Budgetary Comparison Schedules  
    General Fund  
    Motor Fuel Tax – Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.



## VILLAGE OF NORTHFIELD, ILLINOIS

### Illinois Municipal Retirement Fund

#### Required Supplementary Information

#### Schedule of Employer Contributions

April 30, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 493,727	\$ 493,727	\$ -	\$ 3,379,384	14.61%
2017	542,055	542,055	-	3,655,126	14.83%
2018	514,870	516,625	1,755	3,577,854	14.44%
2019	507,201	520,775	13,574	3,615,148	14.41%
2020	483,420	483,420	-	3,723,674	12.98%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

#### Note:

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Police Pension Fund

#### Required Supplementary Information

#### Schedule of Employer Contributions

April 30, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 750,796	\$ 827,220	\$ 76,424	\$ 1,968,344	42.03%
2016	1,023,143	1,523,140	499,997	2,164,505	70.37%
2017	1,125,211	1,325,211	200,000	2,037,589	65.04%
2018	1,149,851	1,149,851	-	2,087,456	55.08%
2019	1,162,537	1,162,537	-	2,116,646	54.92%
2020	1,248,919	1,249,000	81	2,185,437	57.15%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	Market
Inflation	2.50%
Salary Increases	4.00% - 8.59%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	Independent Actuary 2016 Illinois Police Mortality Rates

#### Note:

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Illinois Municipal Retirement Fund

#### Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2020

	12/31/2015
Total Pension Liability	
Service Cost	\$ 378,706
Interest	1,808,530
Differences Between Expected and Actual Experience	(14,309)
Change of Assumptions	32,086
Benefit Payments, Including Refunds of Member Contributions	(1,057,274)
Net Change in Total Pension Liability	1,147,739
Total Pension Liability - Beginning	24,517,497
Total Pension Liability - Ending	25,665,236
Plan Fiduciary Net Position	
Contributions - Employer	\$ 493,727
Contributions - Members	152,073
Net Investment Income	106,406
Benefit Payments, Including Refunds of Member Contributions	(1,057,274)
Other (Net Transfer)	248,188
Net Change in Plan Fiduciary Net Position	(56,880)
Plan Net Position - Beginning	21,486,901
Plan Net Position - Ending	21,430,021
Employer's Net Pension Liability	\$ 4,235,215
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.50%
Covered Payroll	\$ 3,379,384
Employer's Net Pension Liability as a Percentage of Covered Payroll	125.33%

Note:

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019
373,854	385,766	356,391	376,109
1,889,236	2,013,039	2,015,302	2,047,924
562,756	(175,027)	(481,809)	220,907
(101,599)	(887,791)	812,333	-
(1,122,360)	(1,238,979)	(1,343,271)	(1,327,802)
1,601,887	97,008	1,358,946	1,317,138
25,665,236	27,267,123	27,364,131	28,723,077
27,267,123	27,364,131	28,723,077	30,040,215
542,055	521,131	531,549	471,792
178,335	164,659	161,341	166,281
1,478,659	3,947,462	(1,358,822)	4,400,872
(1,122,360)	(1,238,979)	(1,343,271)	(1,327,802)
85,278	(447,459)	362,226	76,024
1,161,967	2,946,814	(1,646,977)	3,787,167
21,430,021	22,591,988	25,538,802	23,891,825
22,591,988	25,538,802	23,891,825	27,678,992
4,675,135	1,825,329	4,831,252	2,361,223
82.85%	93.33%	83.18%	92.14%
3,655,126	3,379,384	3,559,838	3,695,127
127.91%	54.01%	135.72%	63.90%

## VILLAGE OF NORTHFIELD, ILLINOIS

### Police Pension Fund

#### Required Supplementary Information Schedule of Changes in the Employer's Net Pension Liability April 30, 2020

	2015
Total Pension Liability	
Service Cost	\$ 421,416
Interest	1,682,192
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	364,191
Change of Assumptions	2,265,948
Benefit Payments, Including Refunds of Member Contributions	(1,216,968)
Net Change in Total Pension Liability	3,516,779
Total Pension Liability - Beginning	25,529,846
Total Pension Liability - Ending	29,046,625
Plan Fiduciary Net Position	
Contributions - Employer	\$ 827,220
Contributions - Members	185,512
Contributions - Other	89,022
Net Investment Income	1,128,816
Benefit Payments, Including Refunds of Member Contributions	(1,216,968)
Administrative Expense	(25,245)
Net Change in Plan Fiduciary Net Position	988,357
Plan Net Position - Beginning	14,300,300
Plan Net Position - Ending	15,288,657
Employer's Net Pension Liability	\$ 13,757,968
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.63%
Covered Payroll	\$ 1,968,344
Employer's Net Pension Liability as a Percentage of Covered Payroll	698.96%

#### Note:

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

2016	2017	2018	2019	2020
435,368	525,879	561,376	558,328	612,253
1,918,935	1,968,249	1,982,781	2,066,943	2,134,478
-	-	-	-	78,879
(590,737)	(628,369)	(32,017)	(287,697)	156,897
224,679	(386,132)	7,395	-	441,416
(1,235,926)	(1,279,392)	(1,249,279)	(1,296,089)	(1,378,067)
752,319	200,235	1,270,256	1,041,485	2,045,856
29,046,625	29,798,944	29,999,179	31,269,435	32,310,920
29,798,944	29,999,179	31,269,435	32,310,920	34,356,776
1,523,140	1,325,211	1,149,851	1,162,537	1,249,000
194,344	198,143	206,944	209,760	274,563
11,277	39,569	-	-	-
(161,373)	1,519,854	1,268,514	799,070	(561,247)
(1,235,926)	(1,279,392)	(1,249,279)	(1,296,089)	(1,378,067)
(19,043)	(28,674)	(26,624)	(29,744)	(27,432)
312,419	1,774,711	1,349,406	845,534	(443,183)
15,288,657	15,601,076	17,375,787	18,725,193	19,570,727
15,601,076	17,375,787	18,725,193	19,570,727	19,127,544
14,197,868	12,623,392	12,544,242	12,740,193	15,229,232
52.35%	57.92%	59.88%	60.57%	55.67%
2,164,505	2,037,589	2,087,456	2,116,646	2,185,437
655.94%	619.53%	600.93%	601.90%	696.85%

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information**

**Schedule of Investment Returns**

**April 30, 2020**

---

---

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	7.87%
2016	(0.81%)
2017	10.28%
2018	7.70%
2019	4.50%
2020	(2.72%)

**Note:**

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Retiree Benefit Plan

#### Required Supplementary Information

#### Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2020

	2018
Total OPEB Liability	
Service Cost	\$ 29,242
Interest	74,666
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	-
Benefit Payments	(121,289)
Net Change in Total OPEB Liability	(17,381)
Total OPEB Liability - Beginning	1,941,395
Total OPEB Liability - Ending	1,924,014
Covered Payroll	\$ 4,291,271
Total OPEB Liability as a Percentage of Covered Payroll	44.84%

#### Notes:

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

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2018, 2019 and 2020.



2019	2020
30,403	12,409
73,794	49,334
-	-
-	(655,287)
102,893	166,305
(130,431)	(88,297)
76,659	(515,536)
1,924,014	2,000,673
2,000,673	1,485,137
4,931,122	4,699,487
40.57%	31.60%

## VILLAGE OF NORTHFIELD, ILLINOIS

### General Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2020

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 4,389,250	4,389,250	4,488,264
Other Taxes	1,045,000	1,045,000	1,013,828
Licenses and Permits	808,800	808,800	651,740
Intergovernmental	3,917,920	3,917,920	4,360,034
Charges for Services	530,230	530,230	496,699
911 Surcharge	250,000	250,000	266,347
Fines and Forfeitures	124,500	124,500	79,739
Interest Income	120,000	120,000	159,666
Miscellaneous	91,160	91,160	204,348
Total Revenues	11,276,860	11,276,860	11,720,665
Expenditures			
General Government	1,380,100	1,380,100	1,399,602
Building/Community Development	867,880	867,880	828,569
Police Department	5,276,950	5,276,950	5,229,747
Fire/Rescue	2,011,370	2,011,370	2,023,680
Public Works	1,138,650	1,138,650	1,157,601
Total Expenditures	10,674,950	10,674,950	10,639,199
Excess (Deficiency) of Revenues Over (Under) Expenditures	601,910	601,910	1,081,466
Other Financing (Uses)			
Transfers Out	(445,220)	(445,220)	(895,220)
Net Change in Fund Balance	156,690	156,690	186,246
Fund Balance - Beginning			7,566,383
Fund Balance - Ending			7,752,629

## VILLAGE OF NORTHFIELD, ILLINOIS

### Motor Fuel Tax - Special Revenue Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2020

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Motor Fuel Allotment	\$ 137,940	137,940	200,007
Interest Income	1,500	1,500	4,158
Total Revenues	139,440	139,440	204,165
Expenditures			
Capital Outlay			
Road Rehabilitation	35,000	35,000	-
Debt Service			
Principal Retirement	110,000	110,000	110,000
Interest and Fiscal Charges	28,060	28,060	28,060
Total Expenditures	173,060	173,060	138,060
Net Change in Fund Balance	(33,620)	(33,620)	66,105
Fund Balance - Beginning			231,236
Fund Balance - Ending			297,341

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedule – Enterprise Fund
- Budgetary Comparison Schedule – Pension Trust Fund

## **INDIVIDUAL FUND DESCRIPTIONS**

---

### **GENERAL FUND**

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

---

### **SPECIAL REVENUE FUNDS**

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

#### **Motor Fuel Tax Fund**

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

#### **Foreign Fire Insurance Tax Fund**

The Foreign Fire Insurance Fund, a nonmajor fund, is used to account for the expenditures of a 2% tax on premiums for fire insurance policies covering property in the Village that are sold by insurance companies not incorporated in Illinois.

---

### **DEBT SERVICE FUNDS**

The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

#### **Debt Service Fund**

The Debt Service Fund, a major fund, is used to account for the principal and interest payments made on the Special Service Area General Obligation Bonds of 2014.

#### **2016 GO Bond Fund**

The 2016 GO Bond Fund, a nonmajor fund, is used to account for the principal and interest payments made on the General Obligation Bonds of 2016.

#### **2017 GO Bond Fund**

The 2017 GO Bond Fund, a nonmajor fund, is used to account for the principal and interest payments made on the General Obligation Bonds of 2017.

## **INDIVIDUAL FUND DESCRIPTIONS**

---

### **DEBT SERVICE FUNDS – Continued**

#### **2019 GO Bond Fund**

The 2019 GO Bond Fund, a nonmajor fund, is used to account for the principal and interest payments made on the General Obligation Bonds of 2019.

#### **SSA Debt Service Fund**

The SSA Debt Service Fund, a nonmajor fund, is used to account for the principal and interest payments made on the Special Service Area General Obligation Bonds of 2018.

---

### **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

#### **Equipment Replacement Fund**

The Equipment Replacement Fund, a major fund, is used to account for financial resources to be used for the acquisition or construction of major capital assets (other than those financed by proprietary funds) and the purchase of equipment.

#### **Storm Sewer Improvement Fund**

The Storm Sewer Improvement Fund, a major fund, is used to account for the accumulation of funds expressly for future storm sewer projects.

#### **2017 GO Bond Project Fund**

The 2017 GO Bond Project Fund, a major fund, is used to account for the bond proceeds to be used for the capital improvement project in and for the Village.

#### **2019 GO Bond Project Fund**

The 2019 GO Bond Project Fund, a major fund, is used to account for the bond proceeds to be used for the capital improvement project in and for the Village.

#### **Rolling Ridge SSA Fund**

The Rolling Ridge SSA Fund, a nonmajor fund, is used to account for the bond proceeds to be used for the capital improvement project in the definded Rolling Ridge SSA.

---

## **INDIVIDUAL FUND DESCRIPTIONS**

---

### **ENTERPRISE FUND**

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The Village's enterprise funds are both major funds.

#### **Water and Sanitary Sewer Fund**

The Water and Sanitary Sewer Fund, a major fund, is used to account for the provision of water and sanitary sewer services to 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, and billing and collection.

---

### **TRUST FUND**

#### **PENSION TRUST FUND**

##### **Police Pension Fund**

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

---

## VILLAGE OF NORTHFIELD, ILLINOIS

### General Fund

#### Schedule of Revenues - Budget and Actual For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Property Taxes			
Property Tax	\$ 4,324,250	4,324,250	4,381,734
Road and Bridge Tax	65,000	65,000	106,530
	4,389,250	4,389,250	4,488,264
Other Taxes			
Replacement Tax	55,000	55,000	75,413
Electric Utility Tax	365,000	365,000	346,553
Natural Gas Utility Tax	225,000	225,000	214,629
Telecommunication Tax	250,000	250,000	227,406
Cable Franchise Fee	150,000	150,000	149,827
	1,045,000	1,045,000	1,013,828
Licenses and Permits			
Vehicle Licenses	205,000	205,000	192,844
Business Licenses	23,000	23,000	22,745
Liquor Licenses	29,400	29,400	29,480
Building Permits	376,000	376,000	287,352
Landscape/Tree Preservation Fee	1,000	1,000	1,250
Electrical Permits	64,000	64,000	36,133
Alarm Permits	7,000	7,000	7,895
Elevator Inspection Fees	12,000	12,000	6,925
Health Inspection Fees	1,400	1,400	950
HVAC Permits	48,000	48,000	17,479
Plumbing Permits	42,000	42,000	48,687
	808,800	808,800	651,740
Intergovernmental			
Sales Tax	2,180,920	2,180,920	2,382,412
Home Rule Sales Tax	1,020,000	1,020,000	1,254,714
Local Use Tax	171,000	171,000	189,662
Income Tax	546,000	546,000	533,246
	3,917,920	3,917,920	4,360,034



# VILLAGE OF NORTHFIELD, ILLINOIS

## General Fund

### Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Charges for Services			
Condominium Rent	\$ 73,330	73,330	68,693
Lease Revenue	174,900	174,900	171,794
Police Service Contracts	96,000	96,000	83,756
Public Works Service Contracts	6,000	6,000	5,123
Ambulance Service	165,000	165,000	156,413
Police Special Details	15,000	15,000	10,920
	530,230	530,230	496,699
911 Surcharge			
911 Surcharge	250,000	250,000	266,347
Fines and Forfeitures			
Red Light Photo Enforcement	500	500	3,878
Circuit Court Fines	60,000	60,000	44,431
DUI Fines	3,000	3,000	1,447
Compliance Fines	50,000	50,000	20,339
Parking Fines	10,000	10,000	9,644
Local Adjudication	1,000	1,000	-
	124,500	124,500	79,739
Interest Income			
Interest Income	120,000	120,000	159,666
Miscellaneous			
Grants	1,000	1,000	4,450
IRMA Reimbursements	75,000	75,000	186,156
Garbage Service Fee	2,160	2,160	2,147
Other	13,000	13,000	11,595
	91,160	91,160	204,348
Total Revenues	11,276,860	11,276,860	11,720,665

# VILLAGE OF NORTHFIELD, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
General Government			
Salaries	\$ 635,880	635,880	647,844
Benefits	169,700	169,700	176,934
Contractual	481,370	481,370	530,562
Commodities	46,450	46,450	42,542
Capital Outlay	46,700	46,700	1,720
	1,380,100	1,380,100	1,399,602
Building/ Community Development			
Salaries	444,770	444,770	510,271
Benefits	162,570	162,570	169,500
Contractual	251,340	251,340	141,156
Commodities	9,200	9,200	7,642
	867,880	867,880	828,569
Police Department			
Salaries	2,725,920	2,725,920	2,701,138
Benefits	1,881,930	1,881,930	1,904,605
Contractual	553,830	553,830	515,446
Commodities	106,970	106,970	101,750
Capital Outlay	8,300	8,300	6,808
	5,276,950	5,276,950	5,229,747
Fire/Rescue			
Salaries	1,429,230	1,429,230	1,430,208
Benefits	320,190	320,190	288,732
Contractual	193,350	193,350	206,530
Commodities	49,600	49,600	85,798
Capital Outlay	19,000	19,000	12,412
	2,011,370	2,011,370	2,023,680

# VILLAGE OF NORTHFIELD, ILLINOIS

## General Fund

### Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Public Works			
Salaries	\$ 614,310	614,310	596,216
Benefits	215,720	215,720	223,072
Contractual	168,620	168,620	190,194
Commodities	110,000	110,000	111,849
Capital Outlay	30,000	30,000	36,270
	1,138,650	1,138,650	1,157,601
 Total Expenditures	 10,674,950	 10,674,950	 10,639,199

## VILLAGE OF NORTHFIELD, ILLINOIS

### Debt Service Fund

#### Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2020

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 133,100	133,100	131,680
Interest Income	4,300	4,300	3,910
Total Revenues	137,400	137,400	135,590
Expenditures			
Debt Service			
Principal Retirement	124,000	124,000	124,000
Interest and Fiscal Charges	9,200	9,200	9,168
Total Expenditures	133,200	133,200	133,168
Net Change in Fund Balance	4,200	4,200	2,422
Fund Balance - Beginning			196,649
Fund Balance - Ending			199,071

**VILLAGE OF NORTHFIELD, ILLINOIS****Equipment Replacement - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Grants	\$ -	-	138,966
Interest Income	30,000	30,000	25,536
Total Revenues	30,000	30,000	164,502
Expenditures			
Current			
General Administration	67,000	67,000	40,578
Public Works	525,840	525,840	400,081
Building/Community Development	70,890	70,890	45,139
Police Department	115,000	115,000	75,602
Fire/Rescue	117,700	117,700	34,196
Debt Service			
Principal Retirement	-	-	182,520
Interest and Fiscal Charges	-	-	6,749
Total Expenditures	896,430	896,430	784,865
Excess (Deficiency) of Revenues Over (Under) Expenditures	(866,430)	(866,430)	(620,363)
Other Financing Sources			
Debt Issuance	255,000	255,000	-
Disposal of Capital Assets	7,500	7,500	45,134
Transfers In	571,240	571,240	1,021,240
	833,740	833,740	1,066,374
Net Change in Fund Balance	(32,690)	(32,690)	446,011
Fund Balance - Beginning			1,668,055
Fund Balance - Ending			2,114,066

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Storm Sewer Improvement - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Interest Income	\$ 5,000	5,000	4,214
Miscellaneous	37,000	37,000	25,385
Total Revenues	42,000	42,000	29,599
Expenditures			
Current			
Public Works	785,000	785,000	764,963
Net Change in Fund Balance	<u>(743,000)</u>	<u>(743,000)</u>	(735,364)
Fund Balance - Beginning			<u>785,905</u>
Fund Balance - Ending			<u>50,541</u>

**VILLAGE OF NORTHFIELD, ILLINOIS****2017 GO Bond Project - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Interest Income	\$ 10,000	10,000	9,799
Expenditures			
Current			
Public Works	1,643,210	1,643,210	931,252
Fire/Rescue	235,000	235,000	101,419
Debt Service			
Interest and Fiscal Charges	50	50	222
Total Expenditures	1,878,260	1,878,260	1,032,893
Net Change in Fund Balance	(1,868,260)	(1,868,260)	(1,023,094)
Fund Balance - Beginning			1,024,461
Fund Balance - Ending			1,367

# VILLAGE OF NORTHFIELD, ILLINOIS

## Nonmajor Governmental Funds

### Combining Balance Sheet

April 30, 2020

	Special Revenue <u>Foreign Fire Insurance Tax</u>
<b>ASSETS</b>	
Cash and Investments	\$ 43,303
Receivables - Net of Allowances Property Taxes	<u>-</u>
Total Assets	<u><u>43,303</u></u>
<b>LIABILITIES</b>	
Accounts Payable	411
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	411
<b>FUND BALANCES</b>	
Restricted	<u>42,892</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>43,303</u></u>



Debt Service				Capital Projects	
2016	2017	2019	SSA	Rolling	
GO Bond	GO Bond	GO Bond	Debt Service	Ridge SSA	Totals
102,607	180,042	-	193,194	-	519,146
78,518	142,616	55,905	10,313	-	287,352
181,125	322,658	55,905	203,507	-	806,498
-	-	-	-	-	411
78,518	142,616	55,905	10,313	-	287,352
78,518	142,616	55,905	10,313	-	287,763
102,607	180,042	-	193,194	-	518,735
181,125	322,658	55,905	203,507	-	806,498

## VILLAGE OF NORTHFIELD, ILLINOIS

### Nonmajor Governmental Funds

#### Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended April 30, 2020

	Special Revenue Foreign Fire Insurance Tax
Revenues	
Property Taxes	\$ -
Intergovernmental	26,693
Interest Income	966
Total Revenues	<u>27,659</u>
Expenditures	
Current	
Fire/Rescue	31,596
Capital Outlay	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>31,596</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,937)</u>
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	-
	<u>-</u>
Net Change in Fund Balances	(3,937)
Fund Balances - Beginning	<u>46,829</u>
Fund Balances - Ending	<u><u>42,892</u></u>

Debt Service			Capital Projects		
2016	2017	2019	SSA	Rolling	
GO Bond	GO Bond	GO Bond	Debt Service	Ridge SSA	Totals
181,751	315,759	-	102,924	-	600,434
-	-	-	-	-	26,693
1,866	3,156	-	3,334	6	9,328
183,617	318,915	-	106,258	6	636,455
-	-	-	-	-	31,596
-	-	-	-	3,429	3,429
145,000	230,000	-	64,296	-	439,296
35,406	88,034	-	30,993	-	154,433
180,406	318,034	-	95,289	3,429	628,754
3,211	881	-	10,969	(3,423)	7,701
-	-	-	30,974	-	30,974
-	-	-	-	(30,974)	(30,974)
-	-	-	30,974	(30,974)	-
3,211	881	-	41,943	(34,397)	7,701
99,396	179,161	-	151,251	34,397	511,034
102,607	180,042	-	193,194	-	518,735

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Foreign Fire Insurance Tax - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental			
Foreign Fire Insurance Tax	\$ 25,000	25,000	26,693
Interest Income	700	700	966
Total Revenues	25,700	25,700	27,659
Expenditures			
Current			
Fire/Rescue	33,500	33,500	31,596
Net Change in Fund Balance	(7,800)	(7,800)	(3,937)
Fund Balance - Beginning			46,829
Fund Balance - Ending			42,892

**VILLAGE OF NORTHFIELD, ILLINOIS****2016 GO Bond - Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 180,000	180,000	181,751
Interest Income	2,300	2,300	1,866
Total Revenues	182,300	182,300	183,617
Expenditures			
Debt Service			
Principal Retirement	145,000	145,000	145,000
Interest and Fiscal Charges	35,420	35,420	35,406
Total Expenditures	180,420	180,420	180,406
Net Change in Fund Balance	1,880	1,880	3,211
Fund Balance - Beginning			99,396
Fund Balance - Ending			102,607

**VILLAGE OF NORTHFIELD, ILLINOIS**

**2017 GO Bond - Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 318,080	318,080	315,759
Interest Income	1,900	1,900	3,156
Total Revenues	319,980	319,980	318,915
Expenditures			
Debt Service			
Principal Retirement	230,000	230,000	230,000
Interest and Fiscal Charges	88,080	88,080	88,034
Total Expenditures	318,080	318,080	318,034
Net Change in Fund Balance	1,900	1,900	881
Fund Balance - Beginning			179,161
Fund Balance - Ending			180,042

**VILLAGE OF NORTHFIELD, ILLINOIS****SSA Debt Service - Debt Service Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Property Taxes	\$ 95,290	95,290	102,924
Interest Income	2,000	2,000	3,334
Total Revenues	97,290	97,290	106,258
Expenditures			
Debt Service			
Principal Retirement	64,296	64,296	64,296
Interest and Fiscal Charges	31,004	31,004	30,993
Total Expenditures	95,300	95,300	95,289
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,990	1,990	10,969
Other Financing Sources			
Transfers In	-	-	30,974
Net Change in Fund Balance	1,990	1,990	41,943
Fund Balance - Beginning			151,251
Fund Balance - Ending			193,194

**VILLAGE OF NORTHFIELD, ILLINOIS****Water and Sanitary Sewer - Enterprise Fund****Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 3,107,650	3,107,650	2,877,856
Miscellaneous	40,100	40,100	48,191
Total Operating Revenues	3,147,750	3,147,750	2,926,047
Operating Expenses			
Operations			
Salaries and Benefits	984,000	984,000	909,790
Contractual	1,380,020	1,380,020	1,061,243
Commodities	106,580	106,580	137,831
Capital Outlay	405,000	405,000	13,994
Depreciation	-	-	488,526
Total Operating Expenses	2,875,600	2,875,600	2,611,384
Operating Income	272,150	272,150	314,663
Nonoperating Revenues (Expenses)			
Interest Income	16,000	16,000	11,787
Interest and Fiscal Charges	(44,430)	(44,430)	(42,569)
	(28,430)	(28,430)	(30,782)
Income Before Transfers	243,720	243,720	283,881
Transfers Out	(126,020)	(126,020)	(126,020)
Change in Net Position	117,700	117,700	157,861
Net Position - Beginning			14,277,075
Net Position - Ending			14,434,936



**VILLAGE OF NORTHFIELD, ILLINOIS****Police Pension - Pension Trust Fund****Schedule of Changes in Fiduciary Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2020**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 1,201,000	1,201,000	1,249,000
Contributions - Plan Members	207,000	207,000	274,563
Total Contributions	1,408,000	1,408,000	1,523,563
Investment Income			
Interest Income	603,000	603,000	604,069
Net Change in Fair Value	-	-	(1,114,049)
	603,000	603,000	(509,980)
Less Investment Expenses	(48,500)	(48,500)	(51,267)
Net Investment Income	554,500	554,500	(561,247)
Total Additions	1,962,500	1,962,500	962,316
Deductions			
Administration	26,590	26,590	27,432
Benefits and Refunds	1,437,200	1,437,200	1,378,067
Total Deductions	1,463,790	1,463,790	1,405,499
Change in Fiduciary Net Position	498,710	498,710	(443,183)
Net Position Restricted for Pensions			
Beginning			19,570,727
Ending			19,127,544

## **SUPPLEMENTAL SCHEDULES**

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation (Alternate Revenue Source) Bonds of 2009 April 30, 2020

---

---

Date of Issue	June 16, 2009
Date of Maturity	December 1, 2024
Authorized Issue	\$1,565,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.10%
Interest Date	December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Bank, N. A.

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 115,000	24,100	139,100
2022	115,000	19,730	134,730
2023	120,000	15,130	135,130
2024	125,000	10,330	135,330
2025	130,000	5,330	135,330
	605,000	74,620	679,620

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### Special Service Area General Obligation Bonds of 2014

#### Special Service Area Number 04-1

April 30, 2020

---

---

Date of Issue	November 13, 2014
Date of Maturity	December 1, 2022
Authorized Issue	\$993,000
Denomination of Bonds	\$5,000
Interest Rate	1.778%
Interest Date	December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase Bank, N.A.

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 125,000	6,987	131,987
2022	133,000	4,765	137,765
2023	135,000	2,400	137,400
	<hr/>		
	393,000	14,152	407,152

---

---

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Refunding Bonds of 2015

April 30, 2020

---

---

Date of Issue	October 15, 2015
Date of Maturity	December 1, 2027
Authorized Issue	\$2,455,000
Denomination of Bonds	\$5,000
Interest Rate	2.32%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase Bank, N.A.

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 200,000	40,020	240,020
2022	205,000	35,380	240,380
2023	200,000	30,624	230,624
2024	215,000	25,984	240,984
2025	220,000	20,996	240,996
2026	220,000	15,892	235,892
2027	230,000	10,788	240,788
2028	235,000	5,452	240,452
	<u>1,725,000</u>	<u>185,136</u>	<u>1,910,136</u>

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Bonds of 2016

April 30, 2020

---

---

Date of Issue	October 6, 2016
Date of Maturity	December 1, 2030
Authorized Issue	\$2,200,000
Denomination of Bonds	\$5,000
Interest Rate	1.8397%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase Bank, N.A.

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 145,000	32,752	177,752
2022	150,000	30,084	180,084
2023	155,000	27,324	182,324
2024	155,000	24,472	179,472
2025	160,000	21,620	181,620
2026	160,000	18,676	178,676
2027	165,000	15,732	180,732
2028	170,000	12,696	182,696
2029	170,000	9,568	179,568
2030	175,000	6,440	181,440
2031	175,000	3,220	178,220
	<hr/>		
	1,780,000	202,584	1,982,584

---

---

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Bonds of 2017

April 30, 2020

---

---

Date of Issue	December 6, 2017
Date of Maturity	December 1, 2032
Authorized Issue	\$3,900,000
Denomination of Bonds	\$5,000
Interest Rate	2.40%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	JP Morgan Chase Bank, N.A.

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 235,000	82,560	317,560
2022	235,000	76,920	311,920
2023	240,000	71,280	311,280
2024	245,000	65,520	310,520
2025	250,000	59,640	309,640
2026	255,000	53,640	308,640
2027	260,000	47,520	307,520
2028	265,000	41,280	306,280
2029	275,000	34,920	309,920
2030	280,000	28,320	308,320
2031	290,000	21,600	311,600
2032	300,000	14,640	314,640
2033	310,000	7,440	317,440
	3,440,000	605,280	4,045,280

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### Special Service Area General Obligation Bonds of 2018

#### Special Service Area Number 17-01

April 30, 2020

---

---

Date of Issue	February 27, 2018
Date of Maturity	December 1, 2032
Authorized Issue	\$1,150,000
Denomination of Bonds	\$100,000
Interest Rate	2.85%
Interest Date	December 1
Principal Maturity Date	December 1
Payable at	Northbrook Bank & Trust

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 66,129	29,161	95,290
2022	68,013	27,276	95,289
2023	69,952	25,338	95,290
2024	71,945	23,344	95,289
2025	73,996	21,294	95,290
2026	76,105	19,185	95,290
2027	78,273	17,016	95,289
2028	80,504	14,785	95,289
2029	82,799	12,491	95,290
2030	85,158	10,131	95,289
2031	87,585	7,704	95,289
2032	90,082	5,208	95,290
2033	92,649	2,640	95,289
	1,023,190	215,573	1,238,763



## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### General Obligation Bonds of 2019A

April 30, 2020

---

---

Date of Issue	November 6, 2019
Date of Maturity	December 1, 2033
Authorized Issue	\$1,400,000
Denomination of Bonds	\$5,000
Interest Rate	2.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Northbrook Bank & Trust

#### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 85,000	37,431	122,431
2022	85,000	32,875	117,875
2023	90,000	30,750	120,750
2024	90,000	28,500	118,500
2025	95,000	26,250	121,250
2026	95,000	23,875	118,875
2027	100,000	21,500	121,500
2028	100,000	19,000	119,000
2029	105,000	16,500	121,500
2030	105,000	13,875	118,875
2031	110,000	11,250	121,250
2032	110,000	8,500	118,500
2033	115,000	5,750	120,750
2034	115,000	2,875	117,875
	<u>1,400,000</u>	<u>278,931</u>	<u>1,678,931</u>

**VILLAGE OF NORTHFIELD, ILLINOIS**

**Long-Term Debt Requirements**

**Ambulance Installment Contract of 2016  
April 30, 2020**

---

---

Date of Issue	April 27, 2016
Date of Maturity	May 3, 2020
Authorized Issue	\$200,906
Interest Rate	1.456%
Interest Date	May 3 and November 3
Principal Maturity Date	May 3
Payable at	PNC Equipment Finance, LLC

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2021	\$ 25,674	187	25,861

## VILLAGE OF NORTHFIELD, ILLINOIS

### Long-Term Debt Requirements

#### Truck Installment Contract of 2019

April 30, 2020

---

---

Date of Issue	April 29, 2019
Date of Maturity	March 1, 2023
Authorized Issue	\$242,137
Interest Rate	2.9%
Interest Date	March 1 and September 1
Principal Maturity Date	March 1
Payable at	PNC Equipment Finance, LLC

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2021	\$ 59,347	5,023	64,370
2022	61,127	3,243	64,370
2023	62,960	1,410	64,370
	183,434	9,676	193,110

## **STATISTICAL SECTION**

### **(Unaudited)**

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

#### **Revenue Capacity**

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

## VILLAGE OF NORTHFIELD, ILLINOIS

### Net Position by Component - Last Ten Fiscal Years\* April 30, 2020 (Unaudited)

	2011	2012	2013
Governmental Activities			
Net Investment in Capital Assets	\$ 8,902,892	8,844,383	9,021,122
Restricted	836,048	828,575	843,054
Unrestricted	7,898,339	8,168,890	8,410,345
Total Governmental Activities Net Position	17,637,279	17,841,848	18,274,521
Business-Type Activities			
Net Investment in Capital Assets	11,328,470	11,095,579	11,646,347
Unrestricted	1,556,400	1,715,440	1,606,776
Total Business-Type Activities Net Position	12,884,870	12,811,019	13,253,123
Total Primary Government			
Net Investment in Capital Assets	20,231,362	19,939,962	20,667,469
Restricted	836,048	828,575	843,054
Unrestricted	9,454,739	9,884,330	10,017,121
Total Primary Government Net Position	30,522,149	30,652,867	31,527,644

Source: Village Records

\*Accrual Basis of Accounting

2014	2015	2016	2017	2018	2019	2020
9,754,101	9,638,015	10,454,055	10,038,460	9,284,588	8,660,785	8,541,804
704,785	646,041	621,191	460,349	590,060	823,925	2,118,535
9,029,861	9,068,798	(7,700,950)	(7,146,671)	(9,165,423)	(8,457,279)	(9,903,585)
19,488,747	19,352,854	3,374,296	3,352,138	709,225	1,027,431	756,754
12,330,417	12,399,716	12,994,314	13,169,700	13,510,583	14,548,053	14,316,850
976,453	1,137,659	390,505	183,922	272,874	(270,978)	118,086
13,306,870	13,537,375	13,384,819	13,353,622	13,783,457	14,277,075	14,434,936
22,084,518	22,037,731	23,448,369	23,208,160	22,795,171	23,208,838	22,858,654
704,785	646,041	621,191	460,349	590,060	823,925	2,118,535
10,006,314	10,206,457	(7,310,445)	(6,962,749)	(8,892,549)	(8,728,257)	(9,785,499)
32,795,617	32,890,229	16,759,115	16,705,760	14,492,682	15,304,506	15,191,690

VILLAGE OF NORTHFIELD, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years\*  
April 30, 2020 (Unaudited)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental Activities										
General Government	\$ 1,480,927	1,323,869	1,466,127	1,330,622	1,251,738	1,795,104	1,979,580	1,784,720	1,451,540	1,277,098
Public Works	1,310,332	1,231,751	1,364,529	1,758,380	1,599,151	1,119,520	1,165,847	1,791,555	1,834,875	2,695,861
Building/Community Devel.	776,118	893,331	858,164	795,171	800,020	939,883	904,315	835,359	951,168	879,744
Police Department	4,446,588	4,238,497	4,397,195	4,445,366	4,769,877	6,826,626	5,366,047	5,290,824	5,347,930	5,885,236
Fire/Rescue	1,916,035	1,847,143	1,835,377	2,057,385	1,933,580	2,216,174	2,239,370	2,389,418	2,618,410	2,327,393
Emergency Management	-	26,982	2,395	-	-	-	-	-	-	-
Interest On Long-Term Debt	99,494	136,935	110,828	109,582	125,462	49,524	111,801	187,910	205,385	232,368
	<u>10,029,494</u>	<u>9,698,508</u>	<u>10,034,615</u>	<u>10,496,506</u>	<u>10,479,828</u>	<u>12,946,831</u>	<u>11,766,960</u>	<u>12,279,786</u>	<u>12,409,308</u>	<u>13,297,700</u>
Business-Type Activities										
Water	1,552,719	1,494,143	1,617,876	1,625,641	-	-	-	-	-	-
Sewerage	641,545	840,259	580,658	679,895	-	-	-	-	-	-
Water and Sanitary Sewer	-	-	-	-	2,153,293	2,347,675	2,637,974	2,366,694	2,723,131	2,653,953
	<u>2,194,264</u>	<u>2,334,402</u>	<u>2,198,534</u>	<u>2,305,536</u>	<u>2,153,293</u>	<u>2,347,675</u>	<u>2,637,974</u>	<u>2,366,694</u>	<u>2,723,131</u>	<u>2,653,953</u>
Total Primary Government Expenses	<u>12,223,758</u>	<u>12,032,910</u>	<u>12,233,149</u>	<u>12,802,042</u>	<u>12,633,121</u>	<u>15,294,506</u>	<u>14,404,934</u>	<u>14,646,480</u>	<u>15,132,439</u>	<u>15,951,653</u>
<b>Program Revenues</b>										
Governmental Activities										
Charges for Services										
General Government	652,581	681,701	686,777	751,098	712,953	708,063	810,254	605,908	695,605	604,875
Public Works	12,400	5,790	9,810	15,025	7,560	3,970	5,994	4,015	10,056	5,123
Building/Community Devel.	250,017	309,424	265,985	388,618	412,041	393,465	470,999	278,973	403,810	287,352
Police Department	1,049,379	439,837	974,308	273,434	231,683	333,778	292,103	225,154	195,843	174,415
Fire/Rescue	148,173	162,681	159,860	150,991	166,535	173,332	137,093	160,894	163,577	156,413
Operating Grants and Contributions	-	173,884	142,854	18,757	10,354	-	28,888	54,306	311,672	138,966
Capital Grants and Contributions	195,820	183,256	270,223	930,408	286,586	1,024,022	892,020	165,232	163,308	226,700
	<u>2,308,370</u>	<u>1,956,573</u>	<u>2,509,817</u>	<u>2,528,331</u>	<u>1,827,712</u>	<u>2,636,630</u>	<u>2,637,351</u>	<u>1,494,482</u>	<u>1,943,871</u>	<u>1,593,844</u>
Business-Type Activities										
Charges for Services										
Water	1,756,344	1,702,724	1,920,662	1,800,628	-	-	-	-	-	-
Sewerage	591,605	604,425	767,655	712,621	-	-	-	-	-	-
Water and Sanitary Sewer	-	-	-	-	2,453,356	2,526,176	2,660,841	2,831,099	3,127,532	2,926,047
Capital Grants and Contributions	-	-	-	-	-	50,641	-	43,345	420,000	-
	<u>2,347,949</u>	<u>2,307,149</u>	<u>2,688,317</u>	<u>2,513,249</u>	<u>2,453,356</u>	<u>2,576,817</u>	<u>2,660,841</u>	<u>2,874,444</u>	<u>3,547,532</u>	<u>2,926,047</u>
Total Primary Government Program Revenues	<u>4,656,319</u>	<u>4,263,722</u>	<u>5,198,134</u>	<u>5,041,580</u>	<u>4,281,068</u>	<u>5,213,447</u>	<u>5,298,192</u>	<u>4,368,926</u>	<u>5,491,403</u>	<u>4,519,891</u>

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expenses)/Revenues										
Governmental Activities	\$ (7,721,124)	(7,741,935)	(7,524,798)	(7,968,175)	(8,652,116)	(10,310,201)	(9,129,609)	(10,785,304)	(10,465,437)	(11,703,856)
Business-Type Activities	153,685	(27,253)	489,783	207,713	300,063	229,142	22,867	507,750	824,401	272,094
Total Primary Government Net Revenues (Expenses)	<u>(7,567,439)</u>	<u>(7,769,188)</u>	<u>(7,035,015)</u>	<u>(7,760,462)</u>	<u>(8,352,053)</u>	<u>(10,081,059)</u>	<u>(9,106,742)</u>	<u>(10,277,554)</u>	<u>(9,641,036)</u>	<u>(11,431,762)</u>
General Revenues										
Governmental Activities										
Taxes										
Property	3,647,585	3,946,833	3,623,481	3,973,696	3,994,835	4,131,306	4,237,947	4,371,036	4,869,960	5,220,378
Sales	1,667,670	1,922,395	2,271,059	2,920,164	2,354,382	2,513,745	2,685,028	2,929,577	3,115,307	3,637,126
Income and Use	443,118	538,306	598,776	612,509	655,550	679,510	511,040	635,753	725,512	722,908
Utility	1,134,359	943,240	913,824	1,012,190	967,470	942,379	839,364	844,192	859,868	788,588
Other	266,059	361,825	377,338	378,798	384,636	413,666	552,817	406,593	476,938	491,587
Investment Earnings	97,653	59,442	43,769	37,659	(4,059)	(4,650)	30,674	105,466	239,931	216,839
Miscellaneous	262,470	121,463	76,224	91,405	92,709	69,115	191,021	248,359	146,837	229,733
Transfers	53,000	53,000	53,000	155,980	70,700	102,550	59,560	87,510	107,070	126,020
	<u>7,571,914</u>	<u>7,946,504</u>	<u>7,957,471</u>	<u>9,182,401</u>	<u>8,516,223</u>	<u>8,847,621</u>	<u>9,107,451</u>	<u>9,628,486</u>	<u>10,541,423</u>	<u>11,433,179</u>
Business-Type Activities										
Investment Earnings	9,989	6,402	5,321	2,014	1,142	999	5,496	9,595	18,507	11,787
Transfers	(53,000)	(53,000)	(53,000)	(155,980)	(70,700)	(102,550)	(59,560)	(87,510)	(107,070)	(126,020)
	<u>(43,011)</u>	<u>(46,598)</u>	<u>(47,679)</u>	<u>(153,966)</u>	<u>(69,558)</u>	<u>(101,551)</u>	<u>(54,064)</u>	<u>(77,915)</u>	<u>(88,563)</u>	<u>(114,233)</u>
Total Primary Government	<u>7,528,903</u>	<u>7,899,906</u>	<u>7,909,792</u>	<u>9,028,435</u>	<u>8,446,665</u>	<u>8,746,070</u>	<u>9,053,387</u>	<u>9,550,571</u>	<u>10,452,860</u>	<u>11,318,946</u>
Change in Net Position										
Governmental Activities	(149,210)	204,569	432,673	1,214,226	(135,893)	(1,462,580)	(22,158)	(1,156,818)	75,986	(270,677)
Business-Type Activities	110,674	(73,851)	442,104	53,747	230,505	127,591	(31,197)	429,835	735,838	157,861
Total Primary Government	<u>(38,536)</u>	<u>130,718</u>	<u>874,777</u>	<u>1,267,973</u>	<u>94,612</u>	<u>(1,334,989)</u>	<u>(53,355)</u>	<u>(726,983)</u>	<u>811,824</u>	<u>(112,816)</u>

Source: Village Records

\*Accrual Basis of Accounting



## VILLAGE OF NORTHFIELD, ILLINOIS

### Fund Balances of Governmental Funds - Last Ten Fiscal Years\* April 30, 2020 (Unaudited)

	2011	2012	2013	2014
General Fund				
Reserved	\$ 667,376	-	-	-
Unreserved	5,169,573	-	-	-
Nonspendable	-	660,561	685,958	727,294
Unassigned	-	5,487,220	6,065,204	6,826,174
Total General Fund	5,836,949	6,147,781	6,751,162	7,553,468
All Other Governmental Funds				
Reserved	340,980	-	-	-
Unreserved, Reported in				
Special Revenue Fund	523,276	-	-	-
Capital Project Funds	3,075,289	-	-	-
Restricted	-	877,185	887,986	747,173
Assigned	-	3,090,223	2,753,481	2,628,371
Total All Other				
Governmental Funds	3,939,545	3,967,408	3,641,467	3,375,544
Total Governmental Funds	9,776,494	10,115,189	10,392,629	10,929,012

Source: Village Records

Note: April 30, 2012 was the first year the Village implemented GASB No. 54.

\*Modified Accrual Basis of Accounting

2015	2016	2017	2018	2019	2020
-	-	-	-	-	-
-	-	-	-	-	-
759,784	751,451	687,651	742,595	746,569	815,860
7,021,984	6,837,842	6,914,133	6,635,219	6,819,814	6,936,769
7,781,768	7,589,293	7,601,784	7,377,814	7,566,383	7,752,629
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
688,538	645,356	505,897	668,057	904,522	2,209,868
2,429,858	2,075,391	3,848,677	5,994,947	3,512,818	2,165,974
3,118,396	2,720,747	4,354,574	6,663,004	4,417,340	4,375,842
10,900,164	10,310,040	11,956,358	14,040,818	11,983,723	12,128,471

# VILLAGE OF NORTHFIELD, ILLINOIS

## Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\* April 30, 2020 (Unaudited)

	2011	2012	2013
Revenues			
Taxes	\$ 7,158,791	5,073,192	4,727,194
Licenses and Permits	676,265	761,176	715,257
Intergovernmental	195,820	2,817,841	3,282,912
Fines and Forfeitures	993,737	378,008	1,091,668
Charges for Services	627,138	638,955	477,264
Interest	97,653	59,442	43,769
Miscellaneous	77,880	121,463	76,224
Total Revenues	9,827,284	9,850,077	10,414,288
Expenditures			
Current			
General Government	1,313,176	1,240,472	1,371,549
Public Works	1,058,865	1,428,783	1,323,517
Building/Community Development	769,654	948,865	905,846
Police Department	4,397,598	4,207,758	4,311,456
Fire/Rescue	1,786,671	1,716,742	2,309,829
Emergency Management	-	26,982	2,003
Capital Outlay	259,585	2,168	11,093
Debt Service			
Principal	175,000	257,154	382,138
Interest and Fiscal Charges	122,205	116,533	114,506
Total Expenditures	9,882,754	9,945,457	10,731,937
Excess (Deficiency) of Revenues Over (Under) Expenditures	(55,470)	(95,380)	(317,649)
Other Financing Sources (Uses)			
Debt Issuance	-	323,110	536,214
Payment to Escrow Agent	-	-	-
Sale of Capital Assets	7,400	57,965	5,875
Transfers In	373,890	373,890	373,890
Transfers Out	(320,890)	(320,890)	(320,890)
	60,400	434,075	595,089
Net Change in Fund Balances	4,930	338,695	277,440
Debt Service as a Percentage of Noncapital Expenditures	3.1%	4.0%	5.1%

Source: Village Records

\*Modified Accrual Basis of Accounting

2014	2015	2016	2017	2018	2019	2020
5,180,540	5,168,582	5,290,642	5,299,915	5,426,221	5,937,775	6,234,206
900,843	882,091	847,078	1,029,680	647,319	872,727	651,740
4,481,838	3,306,872	4,217,277	4,250,614	3,784,868	4,315,799	4,725,700
187,827	138,807	215,407	181,843	116,690	83,200	79,739
674,640	688,233	746,832	701,495	706,535	781,955	763,046
37,659	(4,059)	(4,650)	30,674	105,466	239,931	216,839
91,405	92,709	69,115	191,021	248,359	146,837	229,733
11,554,752	10,273,235	11,381,701	11,685,242	11,035,458	12,378,224	12,901,003
1,223,462	1,203,547	1,390,633	1,820,120	3,134,841	1,382,827	1,440,180
2,203,013	1,198,566	2,323,860	1,495,677	1,461,126	3,062,993	3,436,404
789,718	816,704	934,430	898,871	852,111	945,199	873,708
4,560,034	4,723,394	5,379,573	5,417,231	5,261,336	5,236,229	5,305,349
1,941,756	1,851,768	2,092,793	2,150,232	2,648,013	2,490,612	2,190,891
-	-	-	-	-	-	-
173,801	8,962	14,280	147,286	30,887	639,656	3,429
357,618	370,372	450,099	485,855	545,233	852,723	855,816
112,126	103,103	67,856	90,418	155,461	202,785	221,632
11,361,528	10,276,416	12,653,524	12,505,690	14,089,008	14,813,024	14,327,409
193,224	(3,181)	(1,271,823)	(820,448)	(3,053,550)	(2,434,800)	(1,426,406)
-	993,000	566,939	2,400,906	5,050,000	242,137	1,400,000
-	(1,092,250)	-	-	-	-	-
187,179	2,883	12,210	6,300	500	28,498	45,134
584,751	385,040	447,870	440,310	526,609	480,380	1,052,214
(428,771)	(314,340)	(345,320)	(380,750)	(439,099)	(373,310)	(926,194)
343,159	(25,667)	681,699	2,466,766	5,138,010	377,705	1,571,154
536,383	(28,848)	(590,124)	1,646,318	2,084,460	(2,057,095)	144,748
4.6%	4.7%	4.8%	5.0%	5.9%	8.6%	8.4%

## VILLAGE OF NORTHFIELD, ILLINOIS

### Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2020 (Unaudited)

Tax Levy Year	Residential Property	Commercial Property	Industrial Property
2010	\$ 457,043,844	\$ 135,831,255	\$ 25,843,727
2011	414,749,775	120,933,748	24,664,436
2012	386,848,559	112,374,472	23,060,254
2013	337,974,392	104,170,689	21,712,807
2014	344,297,421	121,885,807	7,353,992
2015	336,056,112	116,907,561	7,252,364
2016	414,066,817	118,025,156	7,633,222
2017	425,367,938	128,801,352	7,037,744
2018	413,681,994	122,270,071	6,177,913
2018	N/A	N/A	N/A

N/A - Not Available

Source: Office of the County Clerks and Township Assessors

Note: Property is assessed at 33 1/3% of actual value; property taxes are per \$100 of assessed valuation.  
Property is assessed on a triennial basis.

						Ratio of Total Assessed Value to Total Estimated Actual Value
Other Property		Total Assessed Value		Total Direct Tax Rate	Estimated Actual Value	
\$	170,007	\$	618,888,833	0.5904	\$ 1,856,685,066	33.333%
	178,594		560,526,553	0.6290	1,681,596,475	33.333%
	197,724		522,481,009	0.7083	1,567,458,702	33.333%
	213,786		464,071,674	0.8178	1,392,228,944	33.333%
	212,123		473,749,343	0.8245	1,421,262,242	33.333%
	254,754		460,470,791	0.8694	1,421,248,029	33.333%
	529,216		540,254,411	0.7771	1,620,763,233	33.333%
	264,470		561,471,504	0.8217	1,684,414,512	33.333%
	284,199		542,414,177	0.8929	1,627,242,531	33.333%
	N/A		599,919,356	0.8441	1,799,758,068	33.333%

## VILLAGE OF NORTHFIELD, ILLINOIS

### Property Tax Rates (Per \$100 of EAV) Direct and Overlapping Governments - Last Ten Tax Levy Years April 30, 2020 (Unaudited)

Taxing Body	2010	2011	2012	2013
Direct Rates				
Corporate	0.1645	0.1810	0.5745	0.8178
Bond and Interest	0.0000	0.0000	0.0000	0.0000
Police Pension	0.1256	0.1173	0.1338	0.0000
Fire Protection	0.1315	0.0863	0.0000	0.0000
Police Protection	0.1656	0.2444	0.0000	0.0000
Auditing	0.0032	0.0000	0.0000	0.0000
Total Direct Rate	0.5904	0.6290	0.7083	0.8178
Overlapping Rates				
School District #29	2.1730	2.4500	2.7010	3.0770
School District #37	2.0220	2.2810	2.5570	2.9370
New Trier Twsp. H.S. #203	1.4740	1.6740	1.8640	2.1110
Winnetka Library	0.1640	0.1870	0.2030	0.2300
Northfield Park District	0.1890	0.2090	0.2270	0.2540
Winnetka Park District	0.2710	0.3100	0.3470	0.3910
Oakton CC District #535	0.1600	0.1960	0.2190	0.2560
General Assit - New Trier	0.0040	0.0050	0.0060	0.0070
General Assit - Northfield	0.0110	0.0080	0.0090	0.0080
Northfield Township	0.0130	0.0200	0.0240	0.0310
New Trier Township	0.0370	0.0420	0.0470	0.0540
North Shore Mosq Abatement	0.0090	0.0100	0.0100	0.0070
Metropolitan Sanitary District	0.2740	0.3200	0.3700	0.4170
Road & Bridge - Northfield	0.0360	0.0410	0.0460	0.0530
Consolidated Elections	0.0000	0.0250	0.0000	0.0310
Cook County Forest Preserve	0.0510	0.0580	0.0630	0.0690
Cook County & Health Facility	0.4230	0.4620	0.5310	0.5600

Note: Cook County property taxes are levied and collected one year in arrears of the assessment year.

Source: Office of the County Clerk

2014	2015	2016	2017	2018	2019
0.8245	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0336	0.0891	0.0937	0.1045
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.2672	0.2209	0.2100	0.2351	0.2210
0.0000	0.6022	0.5226	0.5226	0.5641	0.5186
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.8245	0.8694	0.7771	0.8217	0.8929	0.8441
3.0680	3.1970	2.7620	2.7270	2.9060	2.7180
2.9570	3.0940	2.6620	2.6610	2.8200	2.6460
2.2680	2.3800	1.9740	1.9930	2.1110	2.0280
0.2330	0.2460	0.2090	0.2100	0.2250	0.2170
0.2540	0.2640	0.2290	0.2320	0.2460	0.2300
0.3950	0.4190	0.3540	0.3570	0.3830	0.3750
0.2560	0.2710	0.2310	0.2320	0.2460	0.2210
0.0040	0.0080	0.0070	0.0070	0.0080	0.0080
0.0090	0.0070	0.0060	0.0060	0.0070	0.0070
0.0032	0.0280	0.0240	0.0230	0.0240	0.0210
0.0550	0.0580	0.0490	0.0500	0.0530	0.0510
0.0110	0.0120	0.0100	0.0100	0.0100	0.0090
0.4300	0.4260	0.4060	0.4020	0.3960	0.3890
0.0540	0.0570	0.0490	0.0490	0.0520	0.0470
0.0000	0.0340	0.0000	0.0310	0.0000	0.0300
0.0690	0.0690	0.0630	0.0620	0.0600	0.0590
0.5680	0.5520	0.5330	0.4960	0.4890	0.4540



## VILLAGE OF NORTHFIELD, ILLINOIS

### Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2020 (Unaudited)

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Medline Industries, Inc (formly Kraft)	\$ 33,863,444	1	5.64%	\$ 48,416,259	1	6.79%
Northfield PI Prop LLC	9,639,016	2	1.61%	N/A	N/A	N/A
College American Pathologists	6,999,712	3	1.17%	10,625,912	2	1.49%
Fields Auto Group	6,661,731	4	1.11%	5,868,241	5	0.82%
Stepan Co.	6,480,047	5	1.08%	5,427,708	7	0.76%
Roundy's (formerly Dominicks)	6,154,218	6	1.03%	5,967,416	4	0.84%
Sunset Ridge Country Club	5,684,364	7	0.95%	4,522,101	8	0.63%
Lock Up Storage	5,373,252	8	0.90%	N/A	N/A	N/A
Imperial Realty	5,017,725	9	0.84%	8,100,878	3	1.14%
191 Waukegan Road LLC	4,720,351	10	0.79%	5,212,938	6	0.77%
	<u>90,593,860</u>		<u>15.10%</u>	<u>94,141,453</u>		<u>13.24%</u>

Source: Office of the County Clerk

#### Notes:

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

## VILLAGE OF NORTHFIELD, ILLINOIS

### Property Tax Levies and Collections - Last Ten Tax Levy Years April 30, 2020 (Unaudited)

Levy Year	Total Extended Levy	Collected within the Fiscal Year of the Levy		Collections/ Refunds in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2010	\$ 3,653,400	\$ 3,598,601	98.50%	\$ N/A	\$ 3,598,601	98.50%
2011	3,525,820	3,459,793	98.13%	N/A	3,459,793	98.13%
2012	3,701,000	3,656,428	98.80%	N/A	3,656,428	98.80%
2013	3,795,000	3,771,385	99.38%	N/A	3,771,385	99.38%
2014	3,906,000	3,826,066	97.95%	N/A	3,826,066	97.95%
2015	4,003,660	3,913,493	97.75%	N/A	3,913,493	97.75%
2016	4,196,664	4,059,476	96.73%	N/A	4,059,476	96.73%
2017	4,113,000	4,090,352	99.45%	N/A	4,090,352	99.45%
2018	4,335,000	4,306,341	99.34%	N/A	4,306,341	99.34%
2019	4,437,000	2,169,914	48.90%	N/A	2,169,914	48.90%

Note: Illinois property taxes are levied and collected one year in arrears of the assessment year.

Source: Office of the County Clerk

## VILLAGE OF NORTHFIELD, ILLINOIS

### Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Last Ten Calendar Years April 30, 2020 (Unaudited)

	2010	2011	2012	2013
Food	\$ 32,143	32,036	32,119	31,159
Drinking and Eating Places	12,181	13,189	11,845	12,464
Apparel	2,736	2,512	2,370	1,646
Furniture & H.H. & Radio	1,032	1,011	825	1,716
Lumber, Building, Hardware	2,384	3,076	4,132	3,537
Automobile and Filling Stations	83,619	109,371	119,891	116,300
Drugs and Miscellaneous Retail	21,330	20,951	21,187	19,648
Agriculture and All Others	8,516	9,528	8,145	9,970
Manufacturers	107	253	408	410
Totals	164,048	191,927	200,922	196,850
Total Number of Payers	257	251	254	269
Village Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%
*Home Rule Sales Tax	0.00%	0.00%	0.75%	0.75%

Data Source: Illinois Department of Revenue

#### Notes:

Blank categories have less than 4 individual taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers; totals include censored data.

\*Home Rule Sales Tax was implemented at 0.75% in July of 2012 and increased to 1.00% in July of 2018.

2014	2015	2016	2017	2018	2019
37,433	36,384	32,678	32,509	31,274	29,921
15,110	14,636	11,639	12,371	12,410	13,012
1,437	1,612	1,584	1,594	1,803	2,328
2,509	2,112	1,543	1,378	2,011	1,610
2,666	2,564	2,408	1,666	2,523	1,258
92,116	124,192	136,861	127,041	137,093	137,682
18,340	17,689	19,191	19,032	20,062	18,428
10,363	11,721	15,003	57,140	57,648	59,580
507	1,946	509	461	483	20,550
180,481	212,856	221,416	253,192	265,307	284,369
283	299	295	303	305	288
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
0.75%	0.75%	0.75%	0.75%	1.00%	1.00%

## VILLAGE OF NORTHFIELD, ILLINOIS

### Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Fiscal Year	State Rate	RTA Rate	County Home Rule Rate	Total Sales Tax Rate	% Distributed to Village	Home Rule
2011	6.25%	1.00%	1.25%	8.50%	1.00%	0.00%
2012	6.25%	1.00%	1.00%	8.25%	1.00%	0.00%
2013	6.25%	1.00%	0.75%	8.00%	1.00%	0.75% *
2014	6.25%	1.00%	0.75%	8.00%	1.00%	0.75%
2015	6.25%	1.00%	0.75%	8.00%	1.00%	0.75%
2016	6.25%	1.00%	1.75%	9.00%	1.00%	0.75%
2017	6.25%	1.00%	1.75%	9.00%	1.00%	0.75%
2018	6.25%	1.00%	1.75%	9.00%	1.00%	0.75%
2019	6.25%	1.00%	1.75%	9.00%	1.00%	1.00% **
2020	6.25%	1.00%	1.75%	9.00%	1.00%	1.00%

\*Implemented in July of 2012.

\*\*Increased to 1.00% July 2018

Data Source: Village and County Records

## VILLAGE OF NORTHFIELD, ILLINOIS

### Ratios of Outstanding Debt by Type - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Installment Contracts	General Obligation Bonds				
2011	\$ 2,965,000	\$ -	\$ 3,140,000		\$ 6,105,000	1.76%	\$ 1,122
2012	2,775,000	255,956	3,010,000		6,040,956	1.74%	1,105
2013	2,585,000	600,032	2,875,000		6,060,032	1.39%	1,105
2014	2,390,000	437,414	2,735,000		5,562,414	1.63%	1,015
2015	2,108,000	272,042	2,585,000		4,965,042	1.34%	906
2016	1,895,000	601,882	2,455,000		4,951,882	1.38%	903
2017	3,877,000	534,933	2,285,000		6,696,933	1.92%	1,227
2018	8,573,000	343,700	2,105,000		11,021,700	2.76%	2,015
2019	7,914,486	391,628	1,915,000		10,221,114	2.72%	1,885
2020	8,641,190	209,108	1,725,000		10,575,298	2.97%	1,951

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

\*See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: Village Records

## VILLAGE OF NORTHFIELD, ILLINOIS

### Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Debr Service Available	Totals	Percentage of Equalized Assessed Value of Property*	Per Capita**
2011	\$ 6,105,000	\$ 312,772	\$ 5,792,228	0.81%	1,064
2012	5,785,000	335,827	5,449,173	0.88%	997
2013	5,460,000	335,818	5,124,182	0.98%	935
2014	5,125,000	294,315	4,830,685	1.04%	881
2015	4,693,000	193,951	4,499,049	0.95%	821
2016	4,350,000	184,034	4,165,966	0.90%	760
2017	6,162,000	154,327	6,007,673	1.11%	1,101
2018	10,678,000	315,031	10,362,969	1.85%	1,895
2019	9,829,486	545,860	9,283,626	1.71%	1,712
2020	10,366,190	583,581	9,782,609	1.63%	1,805

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

\*See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

\*\*See the Schedule of Demographic and Economic Statistics for population data.

Source: Village Records

## VILLAGE OF NORTHFIELD, ILLINOIS

### Direct and Overlapping Governmental Activities Debt April 30, 2020 (Unaudited)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Share of Overlapping Debt
Direct			
Village of Northfield	\$ 8,850,298	100.00%	\$ 8,850,298
Overlapping			
Sunset Ridge School District No. 29	21,755,000	86.64%	18,848,532
Avoca School District No. 37	8,865,000	27.10%	2,402,415
Community School District No. 34	18,380,000	0.98%	180,124
New Trier High School District No. 203	81,970,000	10.06%	8,246,182
Northfield Township High School No. 225	68,151,706	0.35%	238,531
Community College District No. 535	30,000,000	2.35%	705,000
Cook County incl. Forest Preserve District	2,888,176,751	0.36%	10,397,436
Northfield Longmeadow SSA	-	100.00%	-
Metropolitan Water Reclamation District	2,669,344,316	0.37%	9,876,574
Winnetka Park District	5,640,000	6.49%	366,036
Glenview Park District	22,165,000	0.78%	172,887
Total Overlapping Debt	5,814,447,773		51,433,717
Total Direct and Overlapping Debt	5,823,298,071		60,284,015

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

Source: Cook County Clerk



## **VILLAGE OF NORTHFIELD, ILLINOIS**

### **Legal Debt Margin**

**April 30, 2020 (Unaudited)**

---

The Government is a home rule municipality.

Article VII, Section 6(k) of the Illinois Constitution governs computation of the legal debt margin.

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

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

Data Source: Village Records

## VILLAGE OF NORTHFIELD, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Fiscal Year	Population	Per Capita Income	Total Personal Income	Equalized Assessed Value (EAV)	Per Capita EAV	Unemployment Rate
2011	5,443	\$ 63,857	\$ 346,551,939	\$ 713,139,518	\$ 131,575	6.9%
2012	5,468	79,491	347,573,651	618,888,833	114,186	6.3%
2013	5,482	62,124	434,656,788	522,481,009	97,115	4.4%
2014	5,482	77,471	340,563,768	464,071,674	84,106	4.1%
2015	5,483	67,551	370,382,133	473,749,343	86,403	2.1%
2016	5,484	65,638	359,958,792	460,470,791	83,966	N/A
2017	5,456	63,983	349,091,248	539,984,411	98,970	N/A
2018	5,470	73,035	399,501,450	561,471,534	102,646	N/A
2019	5,422	69,338	375,950,636	542,414,177	100,040	N/A
2020	5,420	65,638	355,758,636	599,919,356	110,686	N/A

Data Source: American Community Survey

N/A - Not Available

## VILLAGE OF NORTHFIELD, ILLINOIS

### Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2020 (Unaudited)

Employer	2020			2011		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Medline Industries	2,131	1	38.5%	1,300	1	23.0%
College of American Pahtologists	630	3	11.4%	575	2	10.0%
Stepan Co.	350	4	6.3%	400	3	7.0%
New Trier High School District No. 203	193	2	3.5%	209	4	4.0%
Sunset Ridge Country Club	160	6	2.9%	140	6	2.0%
Mariano's (formerly Dominick's)	151	5	2.7%	125	8	2.0%
Fields Auto Group	140	7	2.5%	180	5	3.0%
Sunset Ridge School District No. 29	110	9	2.0%	106	9	2.0%
Village of Northfield	103	8	1.9%	105	10	2.0%
North Shore Senior Center	92	10	1.7%	130	7	2.0%
	<u>4,060</u>		<u>73.3%</u>	<u>3,270</u>		<u>57.0%</u>

Source: Reference USA as of August 2020

## VILLAGE OF NORTHFIELD, ILLINOIS

### Full-Time Village Government Employees by Function - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Function	2011	2012	2013	2014
General Government				
Administration	7.0	7.0	7.0	7.0
Community Development	3.0	3.0	3.0	3.0
Public Safety				
Police				
Officers	19.0	19.0	19.0	19.0
Civilians	7.0	7.0	6.0	6.0
Public Works				
Public Works Administration	3.0	3.0	3.0	3.0
Streets Department	4.0	4.0	4.0	4.0
Vehicle Maintenance	2.0	2.0	2.0	2.0
Water				
Water and Sewerage	4.0	4.0	4.0	4.0
Totals	49.0	49.0	48.0	48.0

Source: Village Records

2015	2016	2017	2018	2019	2020
7.0	7.0	6.0	6.0	6.0	6.0
3.0	3.0	3.0	3.0	3.0	3.0
19.0	19.0	19.0	19.0	19.0	19.0
6.0	6.0	6.0	3.0	3.0	3.0
3.0	3.0	3.0	3.0	3.0	3.0
4.0	4.0	4.0	4.0	4.0	4.0
2.0	2.0	2.0	2.0	2.0	2.0
4.0	4.0	4.0	4.0	4.0	4.0
48.0	48.0	47.0	44.0	44.0	44.0

## VILLAGE OF NORTHFIELD, ILLINOIS

### Operating Indicators by Function - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Function	2011	2012	2013	2014
General Government				
Community Development				
Building Permits Issued	74	82	82	90
Construction Value (\$)	16,164	16,241	15,235	28,318
Public Safety				
Police				
Physical Arrests	212	195	153	193
Parking Violations	936	764	995	530
Traffic Violations	1,721	1,580	1,983	2,107
Public Works				
Streets				
Street Resurfacing (Miles)	1.2	-	-	1.8
Water				
New Connections (Tap-Ons)	2	11	12	14
Average Daily Consumption (Calendar Year)	1,055	948	1,011	937
Peak Daily Consumption (Thousands of Gallons)	1,691	1,620	2,022	1,698

Source: Village Records

2015	2016	2017	2018	2019	2020
103	110	91	86	123	96
21,431	24,235	27,632	14,621	20,714	14,549
186	166	256	127	93	102
493	523	502	284	197	471
1,441	1,703	1,764	1,255	1,745	878
-	-	2.6	4.7	3.5	-
18	10	9	13	61	10
847	823	835	900	860	829
1,163	1,821	1,640	1,542	1,671	1,671

## VILLAGE OF NORTHFIELD, ILLINOIS

### Capital Asset Statistics by Function - Last Ten Fiscal Years April 30, 2020 (Unaudited)

Function	2011	2012	2013	2014
Public Safety				
Police				
Stations	1	1	1	1
Patrol Units	10	10	10	10
Public Works				
Streets				
Streets (Miles)	42.1	42.1	42.1	42.1
Streetlights	88	88	88	88
Water				
Water Mains (Miles)	41	41	41	41
Fire Hydrants	554	554	554	554
Storage Capacity (Thousands of Gallons)	1,000	1,000	1,000	1,000
Wastewater				
Sanitary Sewer (Miles)	33.0	33.0	33.0	33.0

Source: Various Village Departments



2015	2016	2017	2018	2019	2020
1 10	1 10	1 10	1 10	1 10	1 10
42.1 88	42.1 105	42.1 105	42.1 105	42.1 105	42.1 105
41 576 1,000	48 576 1,000	48 576 1,000	48 559 1,000	48 587 1,000	48 587 1,000
33.0	33.0	33.0	33.0	33.0	33.0