



City of Hickory Hills, Illinois

Annual Financial Report

April 30, 2023



City of Hickory Hills, Illinois

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Financial Section

Independent Auditor's Report

Independent Auditor's Report

Mayor and City Aldermen
City of Hickory Hills, Illinois

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hickory Hills, Illinois (City), as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to the 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 City of Hickory Hills, Illinois, as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Utility Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 5 to the financial statements, in 2023, the City adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Other Matter – Prior-Year Comparative Information

We have previously audited the City's 2022 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated November 14, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended April 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived. As discussed in Note 1, such information does not include all of the information or sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended April 30, 2022, from which such information was derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with GAAS, the basic financial statements of the City as of and for the year ended April 30, 2022 (not presented herein), and have issued our report thereon dated November 14, 2023, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended April 30, 2022, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial

statements or to those financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended April 30, 2022.

Forvis Mazars, LLP

**Chicago, Illinois
May 22, 2025**

Basic Financial Statements

City of Hickory Hills, Illinois
Statement of Net Position
April 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and cash equivalents	\$ 12,042,703	\$ 4,269,926	\$ 16,312,629
Restricted cash	817,241	-	817,241
Certificates of deposit	1,002,325	-	1,002,325
Investments	5,348,091	1,342,950	6,691,041
Receivables			
Property taxes	2,096,715	-	2,096,715
Intergovernmental	1,479,975	-	1,479,975
Accounts (net of allowance)	107,612	774,675	882,287
Leases	140,539	-	140,539
Interest	768	114	882
Other	278,561	-	278,561
Prepaid items	8,286	-	8,286
Total current assets	<u>23,322,816</u>	<u>6,387,665</u>	<u>29,710,481</u>
Noncurrent Assets			
Capital assets not being depreciated			
Land	2,378,784	854,882	3,233,666
Construction in progress	29,994	-	29,994
Capital assets depreciable, net			
Buildings and improvements	1,983,701	830,779	2,814,480
Water distribution system and improvements	-	1,309,032	1,309,032
Sewer system and improvements	-	2,459,654	2,459,654
Machinery, equipment and vehicles	457,109	258,976	716,085
Infrastructure	6,932,470	-	6,932,470
Total capital assets	<u>11,782,058</u>	<u>5,713,323</u>	<u>17,495,381</u>
Leases Receivable	1,227,902	-	1,227,902
Other Assets	-	15,918	15,918
Total assets	<u>36,332,776</u>	<u>12,116,906</u>	<u>48,449,682</u>
Deferred Outflows of Resources			
Related to pensions	<u>5,308,663</u>	<u>672,875</u>	<u>5,981,538</u>
Total assets and deferred outflows of resources	<u>\$ 41,641,439</u>	<u>\$ 12,789,781</u>	<u>\$ 54,431,220</u>

(Cont.)

City of Hickory Hills, Illinois
Statement of Net Position
April 30, 2023

	Governmental Activities	Business-Type Activities	Total
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts payable	\$ 240,673	\$ 154,234	\$ 394,907
Deposits payable	113,695	52,425	166,120
Other liabilities	561,694	22,029	583,723
Accrued interest	134,830	-	134,830
Unearned grant revenue	1,392,592	-	1,392,592
Compensated absences	321,824	32,067	353,891
Total OPEB liability - current	29,523	4,411	33,934
General obligation bonds	755,000	-	755,000
Total current liabilities	<u>3,549,831</u>	<u>265,166</u>	<u>3,814,997</u>
Noncurrent Liabilities			
Compensated absences	321,824	32,065	353,889
Net pension liability	2,134,885	678,668	2,813,553
Total OPEB liability	750,995	112,218	863,213
General obligation bonds	14,380,436	-	14,380,436
Total noncurrent liabilities	<u>17,588,140</u>	<u>822,951</u>	<u>18,411,091</u>
Total liabilities	<u>21,137,971</u>	<u>1,088,117</u>	<u>22,226,088</u>
Deferred Inflows of Resources			
Leases	1,333,221	-	1,333,221
Related to pensions	1,379,403	9,159	1,388,562
Total deferred inflows of resources	<u>2,712,624</u>	<u>9,159</u>	<u>2,721,783</u>
Net Position			
Net investment in capital assets	11,451,622	5,713,323	17,164,945
Restricted for highways and streets	1,865,441	-	1,865,441
Restricted for debt service	113,968	-	113,968
Restricted for economic development	824,355	-	824,355
Restricted pension stabilization	807,137	-	807,137
Unrestricted	2,728,321	5,979,182	8,707,503
Total net position	<u>\$ 17,790,844</u>	<u>\$ 11,692,505</u>	<u>\$ 29,483,349</u>

City of Hickory Hills, Illinois
Statement of Activities
Year Ended April 30, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 2,812,859	\$ 794,229	\$ -	\$ -
Public safety	7,481,185	2,456,668	61,748	-
Highways and streets	2,408,798	-	988,604	663,789
Economic development	360,573	-	-	-
Interest expense and bond issue cost	824,020	-	-	-
Total governmental activities	<u>13,887,435</u>	<u>3,250,897</u>	<u>1,050,352</u>	<u>663,789</u>
Business-Type Activities				
Waterworks Fund	2,981,044	3,274,373	-	-
Sewer Fund	604,015	817,848	-	-
Senior Citizen Housing Fund	357,904	576,464	-	-
Environmental Fund	26,059	-	-	-
Total business-type activities	<u>3,969,022</u>	<u>4,668,685</u>	<u>-</u>	<u>-</u>
	<u>\$ 17,856,457</u>	<u>\$ 7,919,582</u>	<u>\$ 1,050,352</u>	<u>\$ 663,789</u>

General Revenues

- Taxes
 - Property
 - Utility
 - Other
- Intergovernmental
 - Sales and use tax
 - Income tax
 - Replacement tax
- Investment income
- Miscellaneous

Transfers

Total general revenues and transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

**Net (Expense), Revenue and
Changes in Net Assets**

Governmental Activities	Business-Type Activities	Total
\$ (2,018,630)	\$ -	\$ (2,018,630)
(4,962,769)	-	(4,962,769)
(756,405)	-	(756,405)
(360,573)	-	(360,573)
(824,020)	-	(824,020)
<u>(8,922,397)</u>	<u>-</u>	<u>(8,922,397)</u>
-	293,329	293,329
-	213,833	213,833
-	218,560	218,560
-	(26,059)	(26,059)
<u>-</u>	<u>699,663</u>	<u>699,663</u>
<u>(8,922,397)</u>	<u>699,663</u>	<u>(8,222,734)</u>
3,404,215	-	3,404,215
967,982	-	967,982
1,142,385	-	1,142,385
2,622,166	-	2,622,166
2,243,668	-	2,243,668
112,058	-	112,058
96,099	19,948	116,047
417,269	-	417,269
(421,935)	421,935	-
<u>10,583,907</u>	<u>441,883</u>	<u>11,025,790</u>
1,661,510	1,141,546	2,803,056
<u>16,129,334</u>	<u>10,550,959</u>	<u>26,680,293</u>
<u>\$ 17,790,844</u>	<u>\$ 11,692,505</u>	<u>\$ 29,483,349</u>

City of Hickory Hills, Illinois
Balance Sheet – Governmental Funds
April 30, 2023

	General Fund	Utility Tax Fund	Capital Projects Fund	Water Capital Projects Fund	Working Cash Capital Fund	95 th Street TIF Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 4,810,583	\$ 2,405,855	\$ -	\$ 1,857,175	\$ 571,785	\$ 229,691	\$ 2,167,614	\$ 12,042,703
Restricted cash	817,241	-	-	-	-	-	-	817,241
Certificates of deposit	-	1,002,325	-	-	-	-	-	1,002,325
Investments	1,372,635	1,782,939	-	-	607,606	932,022	652,889	5,348,091
Receivables								
Property tax	2,010,928	-	-	-	-	-	85,787	2,096,715
Intergovernmental	1,217,714	-	-	75,416	-	-	186,845	1,479,975
Accounts (net of allowance for doubtful accounts)	107,612	-	-	-	-	-	-	107,612
Leases	1,368,441	-	-	-	-	-	-	1,368,441
Interest	168	225	-	-	60	106	209	768
Other	52,154	167,034	-	-	-	-	59,373	278,561
Prepaid items	8,286	-	-	-	-	-	-	8,286
Due from other funds	142,682	-	-	-	-	-	-	142,682
Total assets	\$ 11,908,444	\$ 5,358,378	\$ -	\$ 1,932,591	\$ 1,179,451	\$ 1,161,819	\$ 3,152,717	\$ 24,693,400
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 179,182	\$ 819	\$ 23,020	\$ 6,437	\$ 279	\$ -	\$ 30,936	\$ 240,673
Other liabilities	-	-	-	-	-	337,464	12,872	350,336
Accrued payroll	190,111	-	-	-	-	-	-	190,111
Payroll taxes payable	21,247	-	-	-	-	-	-	21,247
Due to other funds	-	-	70,491	-	-	-	72,191	142,682
Deposits payable	113,695	-	-	-	-	-	-	113,695
Unearned grant revenue	-	-	-	1,392,592	-	-	-	1,392,592
Total liabilities	504,235	819	93,511	1,399,029	279	337,464	115,999	2,451,336
Deferred Inflows of Resources								
Leases	1,333,221	-	-	-	-	-	-	1,333,221
Unavailable revenue								
Property taxes	2,010,928	-	-	-	-	-	85,787	2,096,715
Intergovernmental revenue	347,529	65,489	-	-	-	-	134,416	547,434
Total deferred inflows of resources	3,691,678	65,489	-	-	-	-	220,203	3,977,370
Fund Balances								
Nonspendable								
Prepaid items	8,286	-	-	-	-	-	-	8,286
Restricted								
Restricted for highways and streets	-	-	-	-	-	-	1,865,441	1,865,441
Restricted for debt service	10,104	-	-	-	-	-	228,590	238,694
Restricted for pension stabilization	807,137	-	-	-	-	-	-	807,137
Restricted for economic development	-	-	-	-	-	824,355	-	824,355
Committed								
Capital purposes	-	-	-	-	1,179,172	-	-	1,179,172
Working cash purposes	-	-	-	-	-	-	661,651	661,651
Assigned								
Capital purposes	-	4,292,070	-	533,562	-	-	126,634	4,952,266
City obligations	-	1,000,000	-	-	-	-	-	1,000,000
Refuse obligations	66,281	-	-	-	-	-	-	66,281
Unassigned	6,820,723	-	(93,511)	-	-	-	(65,801)	6,661,411
Total fund balances (deficit)	7,712,531	5,292,070	(93,511)	533,562	1,179,172	824,355	2,816,515	18,264,694
Total liabilities, deferred inflows of resources and fund balances	\$ 11,908,444	\$ 5,358,378	\$ -	\$ 1,932,591	\$ 1,179,451	\$ 1,161,819	\$ 3,152,717	\$ 24,693,400

City of Hickory Hills, Illinois
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2023

Total Fund Balances - Governmental Funds	\$ 18,264,694
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.	11,782,058
Various taxes receivable are not available to pay for current period expenditures and, therefore, are deferred in the funds.	2,644,149
Interest on long-term liabilities is shown as an expenditure when paid by the funds, but accrued in the statement of net position.	(134,830)
Some items reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These activities consist of	
Deferred outflows of resources - pension related	5,308,663
Deferred inflows of resources - pension related	(1,379,403)
General obligation bonds payable	(15,135,436)
Net pension liability	(2,134,885)
Total OPEB obligation	(780,518)
Compensated absences	(643,648)
Net Position of Governmental Activities	<u>\$ 17,790,844</u>

City of Hickory Hills, Illinois
Statement of Revenues, Expenditures and Changes in
Fund Balances – Governmental Funds
Year Ended April 30, 2023

	General Fund	Utility Tax Fund	Capital Projects Fund	Water Capital Projects Fund	Working Cash Capital Fund	95 th Street TIF Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Taxes	\$ 2,344,287	\$ 848,739	\$ -	\$ -	\$ -	\$ 28,377	\$ 105,780	\$ 3,327,183
Licenses	326,119	-	-	-	-	-	-	326,119
Permits and inspections	283,687	-	-	-	-	-	-	283,687
Intergovernmental	6,095,668	-	26,520	521,269	-	-	1,169,430	7,812,887
Reimbursements	-	-	-	-	-	-	169,081	169,081
Fines and forfeits	640,800	-	-	-	-	-	-	640,800
Rental income	172,621	-	-	-	-	-	-	172,621
Charges for services	1,712,199	-	-	-	-	-	-	1,712,199
Investment income	70,847	5,643	-	-	6,378	6,110	7,121	96,099
Miscellaneous	309,734	-	6,388	-	-	-	101,147	417,269
Total revenues	<u>11,955,962</u>	<u>854,382</u>	<u>32,908</u>	<u>521,269</u>	<u>6,378</u>	<u>34,487</u>	<u>1,552,559</u>	<u>14,957,945</u>
Expenditures								
Current								
General government	2,854,853	10,650	-	-	3,281	8,506	3,485	2,880,775
Public safety	19,457,361	-	-	-	-	-	273,670	19,731,031
Highways and streets	880,418	-	-	-	-	-	676,824	1,557,242
Economic development	-	-	-	-	-	360,573	-	360,573
Capital outlay	-	-	270,638	502,059	-	452,779	183,814	1,409,290
Principal payments	930,000	-	-	-	-	-	90,000	1,020,000
Interest payments	345,196	-	-	-	-	-	32,576	377,772
Bond issue cost	323,749	-	-	-	-	-	-	323,749
Total expenditures	<u>24,791,577</u>	<u>10,650</u>	<u>270,638</u>	<u>502,059</u>	<u>3,281</u>	<u>821,858</u>	<u>1,260,369</u>	<u>27,660,432</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,835,615)</u>	<u>843,732</u>	<u>(237,730)</u>	<u>19,210</u>	<u>3,097</u>	<u>(787,371)</u>	<u>292,190</u>	<u>(12,702,487)</u>
Other Financing Sources (Uses)								
Issuance of debt	15,095,000	-	-	-	-	-	-	15,095,000
Transfers in	-	-	148,015	531,571	-	-	191,268	870,854
Transfers out	(16,268)	(688,147)	-	-	-	-	-	(704,415)
Total other financing sources (uses)	<u>15,078,732</u>	<u>(688,147)</u>	<u>148,015</u>	<u>531,571</u>	<u>-</u>	<u>-</u>	<u>191,268</u>	<u>15,261,439</u>
Net Change in Fund Balances	2,243,117	155,585	(89,715)	550,781	3,097	(787,371)	483,458	2,558,952
Fund Balances (Deficit), Beginning	<u>5,469,414</u>	<u>5,136,485</u>	<u>(3,796)</u>	<u>(17,219)</u>	<u>1,176,075</u>	<u>1,611,726</u>	<u>2,333,057</u>	<u>15,705,742</u>
Fund Balances (Deficit), Ending	<u>\$ 7,712,531</u>	<u>\$ 5,292,070</u>	<u>\$ (93,511)</u>	<u>\$ 533,562</u>	<u>\$ 1,179,172</u>	<u>\$ 824,355</u>	<u>\$ 2,816,515</u>	<u>\$ 18,264,694</u>

City of Hickory Hills, Illinois
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended April 30, 2023

Net Change in Fund Balances - Total Governmental Funds	\$ 2,558,952
<p>Amounts reported for governmental activities in the statement of activities are different because</p>	
<p>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. This is the amount by which depreciation expense (\$883,618) exceeded capital outlays (\$790,541) in the current period.</p>	(93,077)
<p>Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	1,020,000
<p>Issuance of long-term debt that provides current financial resources in the governmental fund, however, has no effect on net position.</p>	(15,095,000)
<p>Tax and other revenues that do not provide current financial resources are reported as deferred revenue in the governmental funds, but are recognized as revenue in the statement of activities.</p>	1,012,935
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of</p>	
Change in deferred outflows related to pensions	1,412,354
Change in deferred inflows related to pensions	2,030,101
Change in accrued interest payable	(128,731)
Change in bond premium amortization	6,232
Change in net pension liability	8,806,716
Change in total OPEB liability	85,899
Change in compensated absences	45,129
	45,129
Change in Net Position of Governmental Activities	\$ 1,661,510

City of Hickory Hills, Illinois
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023
(With Summarized Comparative Actual Amounts
for Year Ended April 30, 2022)

	2023			2022 Actual
	Original and Final Budget	Actual	Variance From Final Budget Over (Under)	
Revenues				
Taxes	\$ 2,535,700	\$ 2,344,287	\$ (191,413)	\$ 2,422,683
Licenses	351,100	326,119	(24,981)	366,338
Permits and inspections	260,000	283,687	23,687	1,249,976
Intergovernmental	4,467,000	6,095,668	1,628,668	5,711,387
Fines and forfeits	343,500	640,800	297,300	197,216
Rental income	242,500	172,621	(69,879)	238,423
Charges for services	1,624,000	1,712,199	88,199	1,659,939
Investment income (loss)	15,100	70,847	55,747	(77,939)
Miscellaneous	320,000	309,734	(10,266)	282,642
Total revenues	<u>10,158,900</u>	<u>11,955,962</u>	<u>1,797,062</u>	<u>12,050,665</u>
Expenditures				
Current				
General government	2,619,000	2,854,853	235,853	2,534,028
Public safety	7,170,945	19,457,361	12,286,416	7,087,346
Highways and streets	1,436,000	880,418	(555,582)	1,220,371
Debt Service				
Principal	-	930,000	930,000	-
Interest	-	345,196	345,196	-
Issuance costs	-	323,749	323,749	-
Total expenditures	<u>11,225,945</u>	<u>24,791,577</u>	<u>13,565,632</u>	<u>10,841,745</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,067,045)</u>	<u>(12,835,615)</u>	<u>(11,768,570)</u>	<u>1,208,920</u>
Other Financing Sources (Uses)				
Bond proceeds	-	15,095,000	15,095,000	-
Sale of assets	11,000	-	(11,000)	-
Transfers in	1,399,095	-	(1,399,095)	7,000
Transfers out	(343,050)	(16,268)	326,782	(126,720)
Total other financing sources (uses)	<u>1,067,045</u>	<u>15,078,732</u>	<u>14,011,687</u>	<u>(119,720)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>2,243,117</u>	<u>\$ 2,243,117</u>	<u>1,089,200</u>
Fund Balance, Beginning		<u>5,469,414</u>		<u>4,380,214</u>
Fund Balance, Ending		<u>\$ 7,712,531</u>		<u>\$ 5,469,414</u>

City of Hickory Hills, Illinois
Utility Tax Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023
(With Summarized Comparative Actual Amounts
for Year Ended April 30, 2022)

	2023		Variance From Final Budget Over (Under)	2022 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 755,000	\$ 848,739	\$ 93,739	\$ 838,163
Intergovernmental	930,000	-	(930,000)	27,275
Investment income (loss)	25,000	5,643	(19,357)	(99,591)
Total revenues	<u>1,710,000</u>	<u>854,382</u>	<u>(855,618)</u>	<u>765,847</u>
Expenditures				
General government				
Miscellaneous	<u>10,000</u>	<u>10,650</u>	<u>650</u>	<u>9,833</u>
Excess of Revenues Over Expenditures	1,700,000	843,732	(856,268)	756,014
Other Financing Uses				
Transfers out	<u>(1,822,595)</u>	<u>(688,147)</u>	<u>1,134,448</u>	<u>(513,252)</u>
Net Change in Fund Balance	<u>\$ (122,595)</u>	155,585	<u>\$ 278,180</u>	242,762
Fund Balance, Beginning		<u>5,136,485</u>		<u>4,893,723</u>
Fund Balance, Ending		<u>\$ 5,292,070</u>		<u>\$ 5,136,485</u>

City of Hickory Hills, Illinois
Statement of Net Position – Proprietary Funds
April 30, 2023
(With Summarized Comparative Totals at April 30, 2022)

	Business-Type Activities				Total	
	Waterworks Fund	Sewer Fund	Senior Citizen Housing Fund	EPA Fund	2023	2022
Assets						
Current Assets						
Cash and cash equivalents	\$ 2,118,605	\$ 796,825	\$ 1,354,496	\$ -	\$ 4,269,926	\$ 3,327,224
Investments	575,164	383,217	384,569	-	1,342,950	1,332,819
Accounts receivable (net of allowance for doubtful accounts)	625,763	148,912	-	-	774,675	815,914
Interest receivable	56	29	29	-	114	4,431
Due from other funds	-	-	-	-	-	62,550
Total current assets	<u>3,319,588</u>	<u>1,328,983</u>	<u>1,739,094</u>	<u>-</u>	<u>6,387,665</u>	<u>5,542,938</u>
Capital Assets, Net	1,472,329	2,168,645	1,581,975	490,374	5,713,323	5,481,105
Net Pension Asset	-	-	-	-	-	751,532
Other Assets	-	-	15,918	-	15,918	15,918
Total assets	<u>4,791,917</u>	<u>3,497,628</u>	<u>3,336,987</u>	<u>490,374</u>	<u>12,116,906</u>	<u>11,791,493</u>
Deferred Outflows of Resources						
Related to pensions	407,803	244,682	20,390	-	672,875	87,656
Total assets and deferred outflows of resources	<u>5,199,720</u>	<u>3,742,310</u>	<u>3,357,377</u>	<u>490,374</u>	<u>12,789,781</u>	<u>11,879,149</u>
Liabilities						
Current Liabilities						
Accounts payable	145,839	1,546	6,849	-	154,234	172,805
Compensated absences payable	13,365	18,702	-	-	32,067	48,399
Total OPEB liability - current	1,697	2,714	-	-	4,411	6,778
Due to other funds	-	-	-	-	-	31,787
Deposits payable	3,381	-	49,044	-	52,425	51,650
Other payables	21,105	-	924	-	22,029	19,519
Total current liabilities	<u>185,387</u>	<u>22,962</u>	<u>56,817</u>	<u>-</u>	<u>265,166</u>	<u>330,938</u>
Noncurrent Liabilities						
Net pension liability	411,314	246,788	20,566	-	678,668	-
Total OPEB liability	43,160	69,058	-	-	112,218	122,686
Compensated absences payable	13,364	18,701	-	-	32,065	48,398
Total noncurrent liabilities	<u>467,838</u>	<u>334,547</u>	<u>20,566</u>	<u>-</u>	<u>822,951</u>	<u>171,084</u>
Total liabilities	<u>653,225</u>	<u>357,509</u>	<u>77,383</u>	<u>-</u>	<u>1,088,117</u>	<u>502,022</u>
Deferred Inflows of Resources						
Related to pensions	5,550	3,331	278	-	9,159	826,168
Total liabilities and deferred inflows of resources	<u>658,775</u>	<u>360,840</u>	<u>77,661</u>	<u>-</u>	<u>1,097,276</u>	<u>1,328,190</u>
Net Position						
Net investment in capital assets	1,472,329	2,168,645	1,581,975	490,374	5,713,323	5,481,105
Restricted for net pension asset	-	-	-	-	-	751,532
Unrestricted	3,068,616	1,212,825	1,697,741	-	5,979,182	4,318,322
Total net position	<u>\$ 4,540,945</u>	<u>\$ 3,381,470</u>	<u>\$ 3,279,716</u>	<u>\$ 490,374</u>	<u>\$ 11,692,505</u>	<u>\$ 10,550,959</u>

City of Hickory Hills, Illinois
Statement of Revenues, Expenses and Changes in Net Position –
Proprietary Funds
Year Ended April 30, 2023
(With Summarized Comparative Totals for Year Ended April 30, 2022)

	Business-Type Activities				Total	
	Waterworks	Sewer	Senior	EPA	2023	2022
	Fund	Fund	Citizen	Fund		
Operating Revenues						
Charges for services	\$ 3,222,350	\$ 805,585	\$ -	\$ -	\$ 4,027,935	\$ 4,076,539
Fines and forfeits	34,534	7,692	-	-	42,226	35,602
Rental income	-	-	573,970	-	573,970	562,318
Laundry income	-	-	2,339	-	2,339	5,275
Miscellaneous	17,489	4,571	155	-	22,215	36,824
Total operating revenues	<u>3,274,373</u>	<u>817,848</u>	<u>576,464</u>	<u>-</u>	<u>4,668,685</u>	<u>4,716,558</u>
Operating Expenses						
Capital equipment	10,161	4,387	-	-	14,548	61,330
Personnel services	493,319	241,505	19,704	-	754,528	762,475
Contractual services	79,461	37,995	202,493	-	319,949	332,382
Commodities	103,405	52,657	15,217	-	171,279	166,650
Benefits, insurance, audit and legal	233,701	168,218	4,212	-	406,131	101,674
Water purchases	1,928,815	-	-	-	1,928,815	1,920,901
Miscellaneous	2,026	1,737	1,719	-	5,482	88,368
Depreciation	130,156	97,516	114,559	26,059	368,290	417,051
Total operating expenses	<u>2,981,044</u>	<u>604,015</u>	<u>357,904</u>	<u>26,059</u>	<u>3,969,022</u>	<u>3,850,831</u>
Operating Income (Loss)	293,329	213,833	218,560	(26,059)	699,663	865,727
Nonoperating Revenues						
Investment income (loss)	6,749	6,517	6,682	-	19,948	(85,902)
Income (Loss) Before Transfers	300,078	220,350	225,242	(26,059)	719,611	779,825
Capital Contributions	445,854	142,520	-	-	588,374	-
Transfers In	-	-	-	-	-	388,438
Transfers Out	(66,439)	(100,000)	-	-	(166,439)	(173,000)
Change in Net Position	679,493	262,870	225,242	(26,059)	1,141,546	995,263
Net Position, Beginning of Year	3,861,452	3,118,600	3,054,474	516,433	10,550,959	9,555,696
Net Position, End of Year	<u>\$ 4,540,945</u>	<u>\$ 3,381,470</u>	<u>\$ 3,279,716</u>	<u>\$ 490,374</u>	<u>\$ 11,692,505</u>	<u>\$ 10,550,959</u>

City of Hickory Hills, Illinois
Statement of Cash Flows – Proprietary Funds
Year Ended April 30, 2023

	Business-Type Activities				Total
	Waterworks Fund	Sewer Fund	Senior Citizen Housing Fund	EPA Fund	
Cash Flows From Operating Activities					
Receipts from customers and tenants	\$ 3,322,778	\$ 810,682	\$ 576,464	\$ -	\$ 4,709,924
Payments to and for employees	(500,693)	(252,508)	(18,855)	-	(772,056)
Payments to vendors and others	(2,364,460)	(270,841)	(226,189)	-	(2,861,490)
Net cash provided by operating activities	<u>457,625</u>	<u>287,333</u>	<u>331,420</u>	<u>-</u>	<u>1,076,378</u>
Cash Flows From Investing Activities					
Interest received	8,986	7,959	8,129	-	25,074
Sales of investments	99,920	63,490	63,838	-	227,248
Purchases of investments	(102,128)	(68,046)	(68,286)	-	(238,460)
Net cash provided by investing activities	<u>6,778</u>	<u>3,403</u>	<u>3,681</u>	<u>-</u>	<u>13,862</u>
Cash Flows From Capital and Related Financing Activities					
Purchases of capital assets	-	-	(11,862)	-	(11,862)
Cash Flows From Noncapital Financing Activities					
Transfers out	(66,439)	(100,000)	-	-	(166,439)
Interfund borrowings, net	13,253	17,638	(128)	-	30,763
Net cash used by noncapital financing activities	<u>(53,186)</u>	<u>(82,362)</u>	<u>(128)</u>	<u>-</u>	<u>(135,676)</u>
Net Change in Cash and Cash Equivalents	411,217	208,374	323,111	-	942,702
Cash and Cash Equivalents, Beginning	<u>1,707,388</u>	<u>588,451</u>	<u>1,031,385</u>	<u>-</u>	<u>3,327,224</u>
Cash and Cash Equivalents, Ending	<u>\$ 2,118,605</u>	<u>\$ 796,825</u>	<u>\$ 1,354,496</u>	<u>\$ -</u>	<u>\$ 4,269,926</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ 293,329	\$ 213,833	\$ 218,560	\$ (26,059)	\$ 699,663
Items not requiring cash					
Depreciation expense	130,156	97,516	114,559	26,059	368,290
Deferred outflows of resources - pension	(354,678)	(212,807)	(17,734)	-	(585,219)
Deferred inflows of resources - pension	(495,158)	(297,094)	(24,757)	-	(817,009)
Net pension liability	866,788	520,072	43,340	-	1,430,200
Total OPEB liability	(4,937)	(7,898)	-	-	(12,835)
Changes in assets and liabilities					
Accounts receivable	48,405	(7,166)	-	-	41,239
Accounts payable and accrued liabilities	(6,891)	(5,847)	(2,548)	-	(15,286)
Compensated absences	(19,389)	(13,276)	-	-	(32,665)
Net cash provided by operating activities	<u>\$ 457,625</u>	<u>\$ 287,333</u>	<u>\$ 331,420</u>	<u>\$ -</u>	<u>\$ 1,076,378</u>
Schedule of Noncash Capital and Related Financing Activities					
Contributions of capital assets	\$ 445,854	\$ 142,520	\$ -	\$ -	\$ 588,374

City of Hickory Hills, Illinois
Statement of Fiduciary Net Position – Fiduciary Funds
April 30, 2023

	<u>Pension Trust Fund</u>	<u>Custodial Fund</u>	
	Police Pension Fund	S.W.A.T Fund	Total Fiduciary Funds
Assets			
Cash - unrestricted	\$ 130,050	\$ 36,186	\$ 166,236
Pooled investment account, at NAV	45,641,855		45,641,855
Prepayments	955	-	955
	<u>45,772,860</u>	<u>36,186</u>	<u>45,809,046</u>
Liabilities			
Accounts payable	3,170	-	3,170
Net Position			
Net position restricted for pensions	45,769,690	-	45,769,690
Net position restricted for public safety	-	36,186	36,186
	<u>\$ 45,769,690</u>	<u>\$ 36,186</u>	<u>\$ 45,805,876</u>

City of Hickory Hills, Illinois
Statement of Changes in Fiduciary Net Position –
Fiduciary Funds
Year Ended April 30, 2023

	Pension Trust Fund	Custodial Fund	
	Police Pension Fund	S.W.A.T Fund	Total Fiduciary Funds
Additions			
Contributions			
Employer contributions	\$ 14,064,397	\$ -	\$ 14,064,397
Employee contributions	271,508	-	271,508
Other member revenue	260,183	-	260,183
Total contributions	<u>14,596,088</u>	<u>-</u>	<u>14,596,088</u>
Investment income			
Interest and dividend income	376,964	13	376,977
Net decrease in fair value of pension plan investments	653,000	-	653,000
Less investment expense	(89,841)	-	(89,841)
Total investment income	<u>940,123</u>	<u>13</u>	<u>940,136</u>
Total additions	<u>15,536,211</u>	<u>13</u>	<u>15,536,224</u>
Deductions			
Personnel services			
Retirement benefits	1,980,959	-	1,980,959
Disability benefits	188,973	-	188,973
Contractual services			
Administrative expenses	69,202	-	69,202
Total deductions	<u>2,239,134</u>	<u>-</u>	<u>2,239,134</u>
Change in Net Position	13,297,077	13	13,297,090
Net Position, Beginning	<u>32,472,613</u>	<u>36,173</u>	<u>32,508,786</u>
Net Position, Ending	<u>\$ 45,769,690</u>	<u>\$ 36,186</u>	<u>\$ 45,805,876</u>

City of Hickory Hills, Illinois

Notes to Financial Statements

Year Ended April 30, 2023

Note 1: Summary of Significant Accounting Policies

The accounting policies of the City of Hickory Hills, Illinois (City), as reflected in the accompanying financial statements for the year ended April 30, 2023, conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies:

Description of Reporting Entity

The City of Hickory Hills (City) was incorporated in 1951. The City operates under an Aldermanic-Mayor form of government and provides the following services: public safety (police), highways and streets, water distribution, public improvements, planning and zoning, water and sewer utility and general administrative services.

As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. Component units are entities for which the City is considered to be financially accountable. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government.

Police Pension Fund

The City's police employees participate in the Police Pension Fund, a fiduciary component unit of the City. The Police Pension Fund functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected by pension beneficiaries and two elected by active police employees constitute the pension board. The City is obligated to fund all Police Pension Fund costs not funded by the Police Pension Fund participants based upon actuarial valuations, which creates a financial burden on the City. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the Police Pension Fund being fiscally dependent upon the City. The Police Pension Fund is considered a fiduciary component unit and reported as a pension trust fund. The fund does not issue a separate annual financial report.

Fund Accounting

The accounts of the City are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

City of Hickory Hills, Illinois

Notes to Financial Statements

Year Ended April 30, 2023

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental Funds are used to account for all or most of a City's general activities, including the collection and disbursement of restricted or committed monies (Special Revenue Funds), the funds committed, restricted or assigned for servicing of general long-term debt (Debt Service Funds) and the funds committed, restricted or assigned for acquisition and construction of major capital projects (Capital Projects Funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (Enterprise Funds) or to other departments or agencies primarily within the City.

Fiduciary Funds are used to account for net position held on behalf of outside parties, including other governments, or on behalf of other funds within the City. The pension trust fund is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. This includes the recognition of contributions, benefits paid and refunds paid.

Government-Wide and Fund Financial Statements

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The City reports the following major governmental funds:

General Fund – The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

City of Hickory Hills, Illinois

Notes to Financial Statements

Year Ended April 30, 2023

Utility Tax Fund – This special revenue fund reports the collection and use of the City’s tax on gas, electric and telecommunications utilities. These resources are generally used for capital projects and debt service expenditures.

Capital Projects Fund – This capital projects fund reports the resources used for capital projects financed primarily by the Utility Tax Fund, as well as other sources.

Water Capital Projects Fund – This capital project fund reports the resources used for capital projects financed and used by the Waterworks Fund.

Working Cash Capital Fund – This capital projects fund accounts for the receipt of bond proceeds and their distribution for the City to repair, rehabilitate, and construct capital improvements.

95th Street TIF Fund – This capital projects fund reports the resources accumulated and payments made for the developments within the Tax Increment Financing (TIF) District.

The City reports the following major proprietary funds:

Waterworks Fund and the Sewer Fund – These enterprise funds account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in these funds including, but not limited to, administration, operation, maintenance, financing and related debt service, and billing and collection.

Senior Citizen Housing Fund – This enterprise fund accounts for the activities pertaining to the senior citizen apartments.

EPA Fund – This enterprise fund accounts for resources related to Environmental Protection Agency funding.

The City reports the following fiduciary funds:

Police Pension Fund – This pension (and other employee benefit) trust fund accounts for the activities of the City’s Police Pension plan, which accumulates resources held in trust for pension and other employee benefit payments to qualified beneficiaries.

SWAT Fund – This custodial fund accounts for donated funds that the City holds for processing, at the request of the donor on behalf of the 5th District SWAT Team, which includes participating police departments from various local municipalities.

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenue in the year for which they are levied (*i.e.*, intended to finance). Grants and similar items are recognized as revenue as

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

soon as all eligibility requirements imposed by the provider have been met. Interfund activity and balances have been eliminated in the consolidation of these financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognizable as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, income taxes, franchise taxes, licenses, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due and compensated absences which are recognized in governmental funds only if they have not matured (for example, as a result of resignation or termination).

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

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended April 30, 2022, from which the summarized information was derived.

Budgetary Control

Budgetary Data

The City uses the following procedures in establishing the annual budget as reflected in the accompanying financial statements.

1. The chairman of the Finance Committee, an elected official, will submit to the City Council the proposed operating budget. The budget will contain detail of expected revenues, as well as how funds will be expended.
2. Budget hearings are conducted with all council members invited, as well as being open to the public.
3. The budget will then be sent to the City Attorney to be drafted as an ordinance. This proposed budget must be voted on in a regularly scheduled City Council meeting and approved by a majority of the voting members of the Council.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

4. In the event the budget needs to be amended, new hearings must take place and the amended budget adopted by a majority of the voting members in a regular council meeting.

The budget for each fund is prepared on the cash basis of accounting which does not differ materially from the method of accounting described in Note 1, except for the Waterworks and Sewer Funds which budget for capital expenditures as expenses and do not budget for depreciation. Annual budgets are adopted for the General Fund, Utility Tax Fund, Motor Fuel Tax Fund, 911 Service Operating Fund, Street and Water G.O. Bond Fund, Capital Projects Fund, Water Capital Projects Fund, Sewer Capital Improvements Fund, 95th Street TIF District Fund, Working Cash Capital Fund and the Waterworks, Sewer and Senior Citizen Housing Funds.

The legal level of control (level at which expenditures may not exceed budget) is at the fund level. The City Council is not allowed to add, delete or change the approved budget without creating an amendment to the budget. Appropriations lapse at year end.

Restricted Cash

Restricted cash includes \$807,137 for pension stabilization and \$10,104 for debt service.

Certificates of Deposit

Certificates of deposit are presented separately from cash and cash equivalents if the original maturities are greater than three months.

Investments

Investments with a maturity of one year or less are stated at cost plus or minus amortized discount or premium. Investments with a maturity greater than one year are stated at fair value.

Interfund Transactions

Numerous transactions between funds occur during the normal course of operations, including expenditures and transfers of resources to provide services, construct capital assets and service debt. The financial statements generally reflect such transactions as transfers. Interfund receivables and payables remaining at the balance sheet date are classified as “due from other funds” and “due to other funds.”

Lease Receivables

The City is a lessor for noncancellable leases of certain tower equipment and recognizes a related lease receivable and a deferred inflow of resources. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Capital Assets

Capital assets which include land, buildings, sanitary sewers, water mains and vehicles are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$10,000 and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

The City completed an inventory of capital assets, including infrastructure. These assets have been valued at their estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. All capital asset additions for the year ended April 30, 2023, are recorded at cost, or acquisition value as of the date donated, as applicable.

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

Depreciation of capital assets is recorded in the statement of activities with accumulated depreciation reflected in the statement of net position and is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	30 years
Machinery and equipment	5 - 10 years
Infrastructure, waterworks and sewer systems	10 - 50 years

Gains and losses from sales or retirements of capital assets are included in operations on the statement of activities.

Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Statement of Cash Flows

For purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

Compensated Absences

The City does not record a liability for nonvesting accumulated rights to receive vacation leave and sick pay or compensatory time benefits. However, a liability and expense are recognized in the entity-wide financial statements for benefits that are allowed to be taken as severance pay or otherwise expected to be paid at separation. Vacation leave does not accumulate from year to year; therefore, a long-term liability is not recorded.

Deferred Inflows/Outflows of Resources

The City reports deferred outflows of resources on its statement of net position. Deferred outflows of resources represent a consumption of net assets that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure/reduction of liability) until then. The deferred outflows of resources related to pensions represent pension related items that will be recognized in future periods.

The City also reports deferred inflows of resources on its statement of net position. Deferred inflows of resources represent an acquisition of net assets that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, deferred inflows related to leases that represents items that will be recognized as rent income in future periods and deferred inflows related to pensions, which represents pension items that will be recognized in future periods and deferred inflows related to leases that represents items that will be recognized as rent income in future periods. The balance sheet - governmental funds reports deferred inflows of resources for unavailable revenues in accordance with GASB Statement No. 65 and for leases that represents items that will be recognized as rent income in future periods.

Accounting Estimates

Management has made a number of estimates and assumptions relating to the reporting of assets, deferred outflows of resources, liabilities and deferred inflows of resources to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

Fund Equity

There are five classifications of fund balance:

- (1) Nonspendable - amounts that are not in spendable form (such as inventory or prepaid items) or are required to be maintained intact.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

- (2) Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority. 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.
- (4) Assigned - amounts a government intends to use for a specific purpose. Intent can be expressed by the City Treasurer.
- (5) Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund, an agent multiple-employer defined benefit plan (IMRF) and the Police Pension Plan, a single-employer defined benefit pension plan (together, the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits

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

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Comparative Data

Certain prior-year summarized comparative information has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the City’s assets, deferred outflows, liabilities, deferred inflows, fund balance/net position, revenues and expenditures/expenses. Such prior year information is not presented at a level of detail, nor are prior year notes to the financial statements included herein, necessary for a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such prior year information should be read in conjunction with the City’s financial statements for the year ended April 30, 2022, from which partial information was derived.

Reclassifications

Certain reclassifications have been made to the 2022 comparative amounts to conform to the 2023 financial statement presentation. These reclassifications had no effect on change in fund balance/net position.

Change in Accounting Principle

The City adopted the provisions of GASB Statement No. 87, *Leases*, for the fiscal year ended April 30, 2023. As described elsewhere in Note 5, under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The adoption had no impact on the City’s beginning net position/fund balance.

Note 2: Legal Compliance and Accountability

Deficit Fund Balances of Individual Funds

The following funds reported a deficit in fund balance as of April 30, 2023:

Fund	Deficit Amount
Capital Projects Fund	\$ 93,511
911 Service Operating Fund	65,801

These deficits are expected to be financed by future operating transfers and other sources.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Excess of Actual Expenditures/Expenses Over Budget in Individual Funds

The following funds had an excess of actual expenses (exclusive of depreciation) over budget for the fiscal year:

Fund	Excess Amount
General Fund	\$ 13,565,632
Utility Tax Fund	650
95th Street TIF District Fund	620,858
Working Cash Capital Fund	781
Senior Citizen Housing Fund	10,045

Note 3: Deposits and Investments

The City maintains cash and investment accounts for each fund. The deposits and investments of the pension trust funds are held separately from those of other funds. Cash on hand is included in the amounts shown below.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds Money Market Fund and the Illinois Metropolitan Investment Fund.

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City customarily limits the terms of governmental and business-type activities investments to maturities of one year or less, except for U.S. government and agencies obligations.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The City’s policy prescribes to the “prudent person” rule which states, “All investments shall be made with sound judgment and extraordinary care by persons of prudence, discretion and intelligence. The primary objectives of the investment policy shall be 1) safety, 2) liquidity and 3) return on investment (yield).” The City’s investments in U.S. treasuries and agencies were all rated AAA at April 30, 2023.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC but does operate in a manner consistent with Rule 2a-7 of the *Investment Company Act of 1940*, and has an affirmed AAAM Standard & Poor’s credit quality rating. The fair value of the position of this pool is the same as the value of the pool shares. The yield on the Illinois Funds Money Market Fund was 4.92% at April 30, 2023. The Fund issues a publicly available financial report. That report may be obtained by writing to Office of the State Treasurer, Illinois Funds Administrative Office, 1 East Old State Capital Plaza, Springfield, Illinois 62701.

Deposits

At year-end the carrying amount of the City’s deposits totaled \$17,597,082, excluding cash on hand of \$3,635 and the bank balances totaled \$17,890,363.

At April 30, 2023, the City’s and fiduciary funds’ deposits were as follows:

Governmental activities	\$ 13,290,970
Business-type activities	4,269,926
Custodial Fund	36,186
	\$ 17,597,082

Certificates of deposit totaling \$1,002,325 are included above but are presented separately from cash and cash equivalents in the financial statements since the original maturities are greater than three months.

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The Treasurer shall maintain a list of acceptable collateral and may require collateralization of any investment or deposit. The Treasurer shall have the right to determine the collateralization ratio and may require third party safekeeping of collateral. As of April 30, 2023, the City’s deposits were not subject to custodial credit risk as balances were either insured or collateralized with investments held by the City or its agent in the City’s name.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Investments

At April 30, 2023, the City's investments were as follows:

	Fair Value	Less Than One Year	1 to 5 Years	6 to 10 Years
City				
U.S. treasuries	\$ 5,729,067	\$ 1,496,622	\$ 4,232,445	\$ -
U.S. agencies	707,370	-	464,407	242,963
Municipal bonds	254,604	-	-	254,604
Total	6,691,041	<u>\$ 1,496,622</u>	<u>\$ 4,696,852</u>	<u>\$ 497,567</u>
Investments not subject to interest rate risk (City Funds)				
Illinois Funds	<u>567,664</u>			
	<u>\$ 7,258,705</u>			

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy requires structuring investments so that securities mature to meet cash requirements for ongoing operations without selling or cashing in securities on the open market prior to maturity. Since all possible cash demands cannot be anticipated, consideration is given to investment in securities with active secondary or resale markets. A portion of the investment portfolio may be placed in money market and mutual funds or local government investment pools which offer same day liquidity for short term funds.

The City's investment policy requires diversification to eliminate the risk of loss resulting from concentration in a specific maturity, issuer, or class of securities.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Fair Value Measurement

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

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

At April 30, 2023, the City’s investments were classified as follows:

	Fair Value	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. treasuries	\$ 5,729,067	\$ 5,729,067	\$ -	\$ -
U.S. agencies	707,370	-	707,370	-
Municipal bonds	254,604	-	254,604	-
Total debt securities	<u>\$ 6,691,041</u>	<u>\$ 5,729,067</u>	<u>\$ 961,974</u>	<u>\$ -</u>

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 4: Receivables

The following is a breakdown of Intergovernmental and Other Receivables for Governmental Funds as of April 30, 2023:

	General Fund	Utility Tax Fund	Water Capital Projects Fund	Nonmajor Governmental Funds	Total
Intergovernmental					
Income tax	\$ 348,921	\$ -	\$ -	\$ -	\$ 348,921
Sales tax	620,789	-	-	-	620,789
Motor fuel tax	-	-	-	51,524	51,524
Replacement tax	15,502	-	-	-	15,502
Local use tax	140,306	-	-	-	140,306
Video gaming	92,196	-	-	-	92,196
Grants	-	-	75,416	-	75,416
Dispatch services	-	-	-	135,321	135,321
	<u>1,217,714</u>	<u>-</u>	<u>75,416</u>	<u>186,845</u>	<u>1,479,975</u>
Other					
Municipal motor fuel sales tax	-	-	-	59,373	59,373
Franchise fees	52,154	-	-	-	52,154
Telecommunications	-	42,119	-	-	42,119
Utility carriers	-	49,928	-	-	49,928
Property damage	-	74,987	-	-	74,987
	<u>52,154</u>	<u>167,034</u>	<u>-</u>	<u>59,373</u>	<u>278,561</u>
	<u>\$ 1,269,868</u>	<u>\$ 167,034</u>	<u>\$ 75,416</u>	<u>\$ 246,218</u>	<u>\$ 1,758,536</u>

The total allowance of accounts receivable is \$23,198 as of April 30, 2023.

Note 5: Lease Receivables and Change in Accounting Principle

The City leases a portion of its property and water towers to various third-party communication companies, the terms of which expire 2029 through 2032. Lease payments are due monthly or on an annual basis. Payments increase annually based on an agreed amount or percentage stipulated in the contract.

As of April 30, 2023, the City's receivable for lease payments was \$1,368,441. Also, the City has a deferred inflow of resources associated with leases that will be recognized as revenue over the lease term. As of April 30, 2023, the balance of the deferred inflow of resources was \$1,333,221.

Revenue recognized under lease contracts during the year ended April 30, 2023, was \$229,742, which includes both lease revenue and interest.

The implementation of GASB Statement No. 87, Leases did not result in the restatement of fund balances or net position beginning balances.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 6: Property Tax Revenue Recognition

The City's property tax is levied each calendar year on all taxable real property located in the City. Property tax revenue is recognized to the extent of taxes due and collected within the current year. Net taxes receivable are reflected as deferred inflows of resources in governmental funds, but recognized as revenue in the entity-wide financial statements.

The County Assessor is responsible for assessment of all taxable real property within Cook County except for certain railroad property which is assessed by the State. One-third of the County is reassessed each year on a repeating triennial schedule established by the County Assessor.

The County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the County Collector as the basis for issuing tax bills to all taxpayers in the County.

Property taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the units their respective shares of the collections. Taxes levied in one year become due and payable in two installments on approximately March 1 and August 1 during the following year. The first installment is an estimated bill and is one-half of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization and any changes from the prior year will be reflected in the second installment bill. The City must file its tax levy by the last Tuesday of December each year. The owner of real property on January 1 of each year is liable for taxes of that year.

The 2022 property tax levy, net of current year collections, is recorded as a receivable. Based upon collection histories, the City has not provided an allowance for uncollectible real property taxes. The 2022 property tax levy has been recognized as revenue to the extent that the distributions are available in the governmental fund statements.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 7: Capital Assets

Governmental Activities

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

	Balances May 1	Additions	Disposals	Balances April 30
Capital assets not being depreciated				
Land	\$ 1,965,784	\$ 413,000	\$ -	\$ 2,378,784
Construction in progress	29,994	-	-	29,994
	<u>1,995,778</u>	<u>413,000</u>	<u>-</u>	<u>2,408,778</u>
Capital assets being depreciated				
Buildings and improvements	6,456,615	185,025	-	6,641,640
Machinery, equipment and vehicles	4,155,189	78,831	-	4,234,020
Infrastructure	32,736,106	113,685	-	32,849,791
	<u>43,347,910</u>	<u>377,541</u>	<u>-</u>	<u>43,725,451</u>
Less accumulated depreciation for				
Buildings and improvements	4,466,464	191,475	-	4,657,939
Machinery, equipment and vehicles	3,726,352	50,559	-	3,776,911
Infrastructure	25,275,737	641,584	-	25,917,321
	<u>33,468,553</u>	<u>883,618</u>	<u>-</u>	<u>34,352,171</u>
Total capital assets being depreciated, net	<u>9,879,357</u>	<u>(506,077)</u>	<u>-</u>	<u>9,373,280</u>
Governmental activities capital assets, net	<u>\$ 11,875,135</u>	<u>\$ (93,077)</u>	<u>\$ -</u>	<u>\$ 11,782,058</u>

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Business-Type Activities

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

	Balances May 1	Additions	Transfer/ Disposals	Balances April 30
Capital assets not being depreciated				
Land	\$ 854,882	\$ -	\$ -	\$ 854,882
Construction in progress	292,151	-	292,151	-
	<u>1,147,033</u>	<u>-</u>	<u>292,151</u>	<u>854,882</u>
Capital assets being depreciated				
Buildings	4,184,011	12,133	-	4,196,144
Water distribution system and improvements	4,091,908	738,006	-	4,829,914
Sewer system and improvements	5,402,728	142,520	-	5,545,248
Machinery, equipment and vehicles	1,978,844	-	-	1,978,844
	<u>15,657,491</u>	<u>892,659</u>	<u>-</u>	<u>16,550,150</u>
Less accumulated depreciation for				
Buildings	3,245,137	120,228	-	3,365,365
Water distribution system and improvements	3,422,400	98,482	-	3,520,882
Sewer system and improvements	2,972,765	112,829	-	3,085,594
Machinery, equipment and vehicles	1,683,117	36,751	-	1,719,868
	<u>11,323,419</u>	<u>368,290</u>	<u>-</u>	<u>11,691,709</u>
Total capital assets being depreciated, net	<u>4,334,072</u>	<u>524,369</u>	<u>-</u>	<u>4,858,441</u>
Business-type activities capital assets, net	<u>\$ 5,481,105</u>	<u>\$ 524,369</u>	<u>\$ 292,151</u>	<u>\$ 5,713,323</u>

Certain revisions have been made to the May 1 balances above for business-type activities to conform to the 2023 financial statement presentation. These revisions had no effect on the business-type activities capital assets, net total.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Depreciation

Depreciation expense was charged to functions/programs of the City as follows:

Governmental activities	
General government	\$ 46,073
Public safety	178,422
Highways and streets	659,123
	\$ 883,618
Business-type activities	
Waterworks Fund	\$ 130,156
Sewer Fund	97,516
Senior Citizen Housing Fund	114,559
EPA Fund	26,059
	\$ 368,290

Note 8: Long-Term Obligations

General Obligation Bonds - Governmental Activities

The City generally issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In fiscal year 2023, the City issued a pension obligation bond to help fund the unfunded portion of the police pension liability. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

The following is a summary of long-term debt activities of the City for the year ended April 30, 2023:

Issue	Fund Debt Retired By	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
\$900,000 General Obligation (Limited Tax) Bond Series 2010, due in annual principal installments of \$60,000 to \$90,000 through December 15, 2022, interest at 2.15% to 4.65%. Proceeds were used to retire 2002 G.O. Bonds and provide for future capital assets.	Sewer and Water G.O. Bonds Fund	\$ 90,000	\$ -	\$ 90,000	\$ -	\$ -
\$945,000 General Obligation (Limited Tax) Bond Series 2020, due in annual principal installments of \$10,000 to \$135,000 through December 15, 2031, interest at 3.00%.	Street and Water G.O. Bonds Fund	945,000	-	-	945,000	100,000
\$15,095,000 Taxable General Obligation Bonds (Alternate Revenue Source), Series 2022, due in annual principal installments of \$655,000 to \$1,215,000 through December 1, 2038, interest at 2.75% to 5.20%.	General Fund	-	15,095,000	930,000	14,165,000	655,000
		\$ 1,035,000	\$ 15,095,000	\$ 1,020,000	\$ 15,110,000	\$ 755,000

Legal Debt Margin

Assessed valuation - 2022 levy	\$ 300,673,644
Legal debt limit - 8.625% of assessed valuation	\$ 25,933,102
Amount of debt applicable to debt limit	15,110,000
Legal debt margin	\$ 10,823,102

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

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Changes in Long-Term Liabilities

Governmental Activities

Issue	Balances May 1	Increases	Retirements	Balances April 30	Due Within One Year
General obligation bonds	\$ 1,035,000	\$ 15,095,000	\$ 1,020,000	\$ 15,110,000	\$ 755,000
Bond premium	31,668	-	6,232	25,436	-
Compensated absences	688,777	643,648	688,777	643,648	321,824
	<u>\$ 1,755,445</u>	<u>\$ 15,738,648</u>	<u>\$ 1,715,009</u>	<u>\$ 15,779,084</u>	<u>\$ 1,076,824</u>

Compensated absences are generally paid from the General Fund.

Business-Type Activities

Issue	Balances May 1	Increases	Retirements	Balances April 30	Due Within One Year
Compensated absences	\$ 96,797	\$ 64,132	\$ 96,797	\$ 64,132	\$ 32,067

Debt Service Requirements to Maturity

The annual requirements to amortize all governmental activity debt as of April 30, 2023, including interest payments are as follows:

April 30	General Obligation Bonds	
	Principal	Interest
2024	\$ 755,000	\$ 650,018
2025	780,000	627,368
2026	805,000	602,280
2027	835,000	575,003
2028	865,000	545,633
2029-2033	4,600,000	2,202,473
2034-2038	5,255,000	1,127,493
Thereafter	1,215,000	63,180
	<u>\$ 15,110,000</u>	<u>\$ 6,393,448</u>

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Note 9: Interfund Receivables/Payables and Transfers

The following is a schedule of interfund receivables and payables of April 30, 2023:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 70,491
	911 Service Operating Fund	72,191
		<u>\$ 142,682</u>

All amounts are due within one year.

The principal purpose of these interfunds is due to negative cash balances in certain funds and other cash related transactions. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

The following is a schedule of interfund transfers:

<u>Recipient Fund</u>	<u>Transferring Fund</u>	<u>Amount</u>
Water Capital Projects Fund	Waterworks Fund	\$ 66,439
	Utility Tax Fund	465,132
		<u>\$ 531,571</u>
Sewer Capital Improvements Fund	Utility Tax Fund	\$ 75,000
	Sewer Fund	100,000
		<u>\$ 175,000</u>
Capital Projects Fund	Utility Tax Fund	<u>\$ 148,015</u>
Street and Water G.O. Bond Fund	General Fund	<u>\$ 16,268</u>

The Capital Projects Fund received a transfer of \$148,015 from the Utility Tax Fund to fund various capital projects within the City.

The Water Capital Projects Fund received a transfer of \$66,439 from the Waterworks Fund and \$465,132 from the Utility Tax Fund to provide funding for projects.

The Sewer Capital Improvements Fund received transfers totaling \$175,000 from various funds to help fund projects.

The Street and Water G.O. Bond Fund received a transfer of \$16,268 from the General Fund to help pay for interest payments during the year.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Additionally, in the government wide statement of activities, capital contributions totaling \$588,374 and representing contributions of capital assets in the business-type activities (proprietary funds) that were funded by governmental activities (capital projects funds) are eliminated as transfers because they represent internal activity.

Note 10: Deferred Compensation Plan

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans permit eligible employees to defer a portion of their salary until future years. The City does not make any contributions to the plans for employees. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are held in trust for the exclusive benefit of all participants and beneficiaries. It is the opinion of the City's legal counsel that the City has no liability for losses under the plans but does have the duty of due care that would be required of an ordinary prudent investor. Since amounts held in trust are for the exclusive benefit of all participants, the City does not maintain the assets on the balance sheet.

Note 11: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of position; errors and omissions; injuries to employees and natural disasters. The City has purchased insurance from private insurance companies. Risks covered included general liability, worker's compensation, property, employee and dependent health, and other. Premiums have been displayed as expenditures in appropriate funds. There have been no reductions in coverage, or losses exceeding coverage, within the past three years.

Note 12: Defined Benefit Pension Plans

The City contributes to two defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer defined benefit pension plan, and the Police Pension Plan, which is a single-employer defined benefit pension plan. The benefits, benefit levels, employee contributions and employer contributions for all plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The pension plans do not issue separate reports. However, IMRF does issue a publicly available report that includes financial statements and supplementary information. That report may be obtained on-line at www.imrf.org.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Pension items are allocated between governmental and business-type activities on the basis of covered employee payroll. The aggregate totals for all pension items for the two plans are as follows:

	Governmental Activities	Business-Type Activities*	Total
Net pension liability			
IMRF	\$ 1,377,902	\$ 678,668	\$ 2,056,570
Police	756,983	-	756,983
	<u>\$ 2,134,885</u>	<u>\$ 678,668</u>	<u>\$ 2,813,553</u>
Deferred outflows of resources			
IMRF	\$ 1,366,141	\$ 672,875	\$ 2,039,016
Police	3,942,522	-	3,942,522
	<u>\$ 5,308,663</u>	<u>\$ 672,875</u>	<u>\$ 5,981,538</u>
Deferred inflows of resources			
IMRF	\$ 18,596	\$ 9,159	\$ 27,755
Police	1,360,807	-	1,360,807
	<u>\$ 1,379,403</u>	<u>\$ 9,159</u>	<u>\$ 1,388,562</u>
Pension expense			
IMRF	\$ 205,290	\$ 101,113	\$ 306,403
Police	1,758,435	-	1,758,435
	<u>\$ 1,963,725</u>	<u>\$ 101,113</u>	<u>\$ 2,064,838</u>

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

Illinois Municipal Retirement Fund

Plan Description

The employer's defined benefit pension plan for Regular employees provides retirement and disability benefits, post-retirement increases and death benefits to plan members and beneficiaries. The employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Benefits Provided

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 8 years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 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.

Employees Covered by Benefit Terms

As of December 31, 2022, the measurement date for the net pension liability(asset), the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	62
Inactive plan members entitled to but not yet receiving benefits	46
Active plan members	55
	163

Contributions

As set by statute, the City plan members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar 2022 was 9.35%. The contribution rate for calendar year 2023 is 6.30%. For the year ended April 30, 2023, the City contributed \$221,640 to the plan. The City also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Investments

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

Asset Class	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	35.5%	6.50%
International equity	18.0%	7.60%
Fixed income	25.5%	4.90%
Real estate	10.5%	6.20%
Alternative investments	9.5%	6.25 - 9.90%
Cash equivalents	1.0%	4.00%
	<u>100.0%</u>	

Net Pension Liability

The City’s net pension liability at April 30, 2023, was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The net pension liability as of April 30, 2023, is \$2,056,570.

Actuarial Assumptions

The following are the methods and assumptions used to determine the net pension liability (asset) as of April 30, 2023:

Actuarial valuation date	December 31, 2022
Measurement date	December 31, 2022
Actuarial cost method	Entry-age normal

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Asset valuation method	Market value of assets

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

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

Discount Rate

A single discount rate (SDR) of 7.25% (same in prior year) was used to measure the total pension liability. The projection of cash flows used to determine the SDR assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Changes in Net Pension Liability (Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a)-(b)
Balance, beginning of year	\$ 19,186,123	\$ 21,463,492	\$ (2,277,369)
Changes for the year			
Service cost	231,848	-	231,848
Interest	1,362,410	-	1,362,410
Differences between expected and actual experience	501,692	-	501,692
Contributions - employer	-	249,671	(249,671)
Contributions - employee	-	120,163	(120,163)
Net investment income	-	(2,754,742)	2,754,742
Benefit payments, including refunds of employees' contributions	(1,020,373)	(1,020,373)	-
Other (net transfer)	-	146,919	(146,919)
Net changes	<u>1,075,577</u>	<u>(3,258,362)</u>	<u>4,333,939</u>
Balance, end of year	<u>\$ 20,261,700</u>	<u>\$ 18,205,130</u>	<u>\$ 2,056,570</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the City's net pension liability to changes in the discount rate. The table below represents the net pension liability of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Single Discount Rate Assumption (7.25%)	1% Increase (8.25%)
City's net pension liability	\$ 4,277,202	\$ 2,056,570	\$ 317,836

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

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

For the year ended April 30, 2023, the City recognized IMRF pension expense of \$306,403 (\$205,290 for governmental activities and \$101,113 for business-type activities). At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023	
	(a) Deferred Outflows of Resources	(b) Deferred Inflows of Resources
Differences between expected and actual experience	\$ 449,184	\$ -
Changes of assumptions	-	27,755
Net difference between projected and actual earnings on plan investments	1,535,187	-
Pension contributions made subsequent to the measurement date	54,645	-
	\$ 2,039,016	\$ 27,755

Contributions subsequent to the December 31, 2022 measurement date through April 30, 2023, of \$54,645, included in deferred outflows of resources, will be reported as a reduction of the net pension liability at April 30, 2024.

Other 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:

Year Ending April 30,	Amount
2024	\$ 76,985
2025	427,554
2026	593,560
2027	858,517
	\$ 1,956,616

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued IMRF financial report – Schedule of Changes in Fiduciary net Position by Employer.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Police Pension

Plan Description

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer defined benefit pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund. The Plan does not issue a stand-alone financial report.

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of credited service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement 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% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$113,645, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (*i.e.*, 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Employees Covered by Benefit Terms

At April 30, 2023, the Police Pension Plan’s membership consisted of:

Retirees and beneficiaries	27
Active plan members	28
	55
	55

Basis of Accounting

The plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Plan as actuarially determined by an enrolled actuary. By the year 2040, the City’s contributions must accumulate to the point where 90% of past service costs are funded. For the year ended April 30, 2023, the City’s contribution was \$14,064,397 or 510.21% of covered payroll.

Police Pension Fund Investments

Investments of the Police’ Pension Plan are combined in a commingled external investment pool and held by the Illinois Police Officers’ Pension Investment Fund (IPOPIF). IPOPIF is an investment trust fund established by Illinois Public Act 101- 0610, which was effective as of January 1, 2020. Participation in IPOPIF is mandatory for Illinois police pension funds. IPOPIF consolidates the assets of the state's police pension fund assets under its management for the purpose of obtaining a total return on investments to provide pension benefits to the beneficiaries of the participating pension funds.

IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1 113.12 or Article 4 of the Illinois Pension Code.

For additional information on IPOPIF’s investments, please refer to their annual reports as of June 30, 2022 and 2023. A copy of the reports can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, IL 61602 or at www.IPOPIF.org. On December 17, 2021, the IPOPIF Board adopted its Investment Policy, which provided for a short-term asset allocation to accommodate the

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

initial transition of investment assets from Participating Pension Funds and the subsequent buildout of diversified strategies. The policy was revised and amended on April 12, 2024, to provide long-term allocation targets.

Target allocation within fixed income and equities asset class are as follows:

Asset Class	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
US Large	23.00%	4.15%
US Small	5.00%	4.54%
International Developed	18.00%	4.64%
International Developed Small	5.00%	(0.25)%
Emerging Markets	7.00%	5.31%
Private Equity (Direct)	7.00%	7.15%
Bank Loans	3.00%	2.48%
High Yield Corp. Credit	3.00%	2.48%
Emerging Market Debt	3.00%	2.82%
Private Credit	5.00%	4.37%
US TIPS	3.00%	(0.12)%
Real Estate/Infrastructure	8.00%	4.00%
Cash	1.00%	(0.27)%
Short-Term Gov't/Credit	3.00%	0.73%
US Treasury	3.00%	(0.60)%
Core Plus Fixed Income	3.00%	0.73%
	<u>100.00%</u>	

The long-term expected rate of return of the Police' Pension Fund's investments was determined using best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2023, are listed in the table above.

All investments in the plan are stated at fair value and recorded as of the trade date. Fair value measurements are categorized based on a hierarchy established by generally accepted accounting principles using one of three levels determined by valuation inputs used to measure the fair value of the asset.

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

Level 2 Includes inputs other than quoted prices included with Level 1, which are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Includes unobservable inputs for an asset or liability.

The Police' Pension Fund had no investments subject to these fair value measurements at April 30, 2023.

The valuation method for the pooled investment in IPOPIF is measured at the net asset value (NAV) per share (or its equivalent). The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$45,641,855 at April 30, 2023. The pooled investments consist of the investments as noted in the target allocation table available at www.IPOPIF.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2023. The Plan may redeem shares by submitting requests at least seven calendar days prior to the requested transfer date to ensure availability and to minimize costs. IPOPIF may, in its sole discretion and based on the circumstances, process cash withdrawal requests with fewer than seven calendar days before the requested transfer date. Multiple transactions can be entered up to 13 months in advance.

Deposits With Financial Institutions

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

Investment Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (10.00)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Net Pension Liability

The City’s net pension liability was measured as of April 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of May 1, 2022, rolled forward to April 30, 2023.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of May 1, 2022, using the following actuarial methods and assumptions.

Actuarial valuation date	May 1, 2022
Measurement date	April 30, 2023
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.75% to 12.25%
Investment rate of return	6.75%
Asset valuation method	Market value of assets

Mortality rates are developed from the Pub-2010 mortality table adjusted for plan status, demographics and Illinois Public Pension data as described. Retirement, disability and termination rates are based on the Lauterbach & Amen LLP data for Illinois Police Officers.

Discount Rate

The discount rate used to measure the total pension liability was 6.75% (same as in prior year). The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contributions rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, beginning of year	\$ 44,937,803	\$ 32,470,365	\$ 12,467,438
Changes for the year			
Service cost	705,093	-	705,093
Interest	2,966,621	-	2,966,621
Differences between expected and actual experience	117,172	-	117,172
Changes of benefit terms	(32,332)	-	(32,332)
Changes of assumptions	-	-	-
Contributions - employer	-	14,064,397	(14,064,397)
Contributions - employee	-	531,691	(531,691)
Net investment income	-	940,123	(940,123)
Benefit payments, including refunds of employees contributions	(2,169,932)	(2,169,932)	-
Administrative expenses	-	(69,202)	69,202
Net changes	<u>1,586,622</u>	<u>13,297,077</u>	<u>(11,710,455)</u>
Balance, end of year	<u>\$ 46,524,425</u>	<u>\$ 45,767,442</u>	<u>\$ 756,983</u>

Changes in assumptions related to the High-Quality 20 Year Tax Exempt General Obligation (G.O.) Bond Rate assumption was changed from 3.21% to 3.53% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. Index. The choice of Index is unchanged from the prior year. The rate has been updated to the current fiscal year based on changes in market conditions as reflected in the Index. The change was made to reflect the understanding of the requirements of GASB under Statement Nos. 67 and 68.

Discount Rate Sensitivity

The following is a sensitivity analysis of the City's net pension liability to changes in the discount rate. The table below represents the City's net pension liability calculated using the discount rate of 6.75% as well as what the net pension liability would be if it were calculated using a discount

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
City's net pension liability (asset)	\$ 7,136,405	\$ 756,983	\$ (4,489,273)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Police Pension

For the year ended April 30, 2023, the City recognized pension expense of \$1,758,435. At April 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023	
	(a) Deferred Outflows of Resources	(b) Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,000,837	\$ 1,360,807
Changes of assumptions	756,692	-
Net difference between projected and actual earnings on pension plan investments	2,184,993	-
	\$ 3,942,522	\$ 1,360,807

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

Year Ending April 30,	Amount
2024	\$ 863,660
2025	321,343
2026	1,290,967
2027	253,951
2028	(154,834)
Thereafter	6,628
	\$ 2,581,715

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is presented in the basic financial statements.

Note 13: Other Postemployment Benefits

Plan Description and Benefits

In addition to providing the pension benefits described in Note 11, the City also provides limited healthcare insurance for certain eligible retired employees. The statutory benefits provided, benefit levels, employee contributions and employer contributions are governed by the City, and may be amended by the City through its personnel manual and union contracts. The Plan provides an explicit premium subsidy to certain employees who meet eligibility conditions, and other coverage to certain employees as a function of their early retirement agreements.

The City’s Retiree Health Employee Benefit Plan is a single employer defined benefit OPEB healthcare plan administered by the City of Hickory Hills. The Plan provides the continuation of healthcare benefits to eligible employees who retire from the City. The plan operates on a pay-as-you-go funding basis. The Plan is not accounted for as a trust fund, as no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report.

Eligibility

Full-time Employees - IMRF

Tier 1 Age 55 and with at least 8 years of service.

Tier 2 Age 62 and with at least 10 years of service.

Full-time Employees - Police

Tier 1 Age 50 and at least 20 years of service.

Tier 2 Age 55 and at least 10 years of service.

City pays the full cost of coverage for life for a retiree who qualifies for PSEBA benefits.

Auxiliary Police Officers are not eligible for postemployment benefits.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Employees Covered by Benefit Terms

At April 30, 2023, the following City employees were covered by the benefit terms:

Total active employees	62
Inactive employees currently receiving benefit payments	1
	63
	63

Total OPEB Liability

The City’s total OPEB liability of \$897,147 was measured as of April 30, 2023, as determined by valuation procedures as of May 1, 2023.

The City has elected to use the alternative measurement method to measure its total OPEB liability as provided for under the provisions of GASB Statement No. 75 for employers with fewer than 100 employees (active and inactive) being provided benefits as of the beginning of the measurement period.

Changes in Total OPEB Liability

	Governmental Activities	Business Type Activities	Total
Balance at May 1, 2022	\$ 866,417	\$ 129,464	\$ 995,881
Changes for the year			
Service cost	28,468	4,254	32,722
Interest	27,339	4,085	31,424
Actuarial Experience	(113,640)	(16,981)	(130,621)
Changes of assumptions	1,457	218	1,675
Benefit payments	(29,523)	(4,411)	(33,934)
Net changes in total OPEB liability	(85,899)	(12,835)	(98,734)
Balance at April 30, 2023	\$ 780,518	\$ 116,629	\$ 897,147

Changes in assumptions reflect a change in the discount rate from 3.21% in 2022 to 3.53% in 2023.

Changes in Total OPEB Liability

For the year ended April 30, 2023, the City recognized OPEB expense (income) of (\$64,800).

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Funding Policy and Actuarial Assumptions

The total OPEB liability in the May 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	April 30, 2023
Actuarial cost method	Entry-age normal
Measurement method	Alternative measurement method, for plans with fewer than 100 covered members
Discount rate	3.53% used as of April 30, 2023 3.21% used as of April 30, 2022 The discount rate was based on the Bond Buyer 20-Bond G.O. Index at April 30, 2023 and April 30, 2022.
Salary increase	3.0% per annum
Mortality	IMRF Mortality- PubG-2010(B) Improved Generationally using MP-2020 Improvement, weighted per IMRF Experience Study dated December 14 2020; age 83 for males; age 87 for females Police Active Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generally using MP-2019 Improvement Rates. Police Disabled Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generally using MP-2019 Improvement Rates. Police Spousal Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employee was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
Healthcare cost trend rate	Starting at 7.40% for PPO and 7.00% for HMO decreasing to an ultimate rate of 5.0% for 2033.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and healthcare cost trend rates. The table below presents the total OPEB liability of the City calculated using the discount rate of 3.53% as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.53%) or 1 percentage point higher (4.53%) the current rate:

	1% Decrease (2.53%)	Current Discount Rate (3.53%)	1% Increase (4.53%)
City’s total OPEB liability	\$ 974,864	\$ 897,147	\$ 825,589

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

	1% Decrease	Current Healthcare Cost Trend Rates (Varies)	1% Increase
City’s total OPEB liability	\$ 792,678	\$ 897,147	\$ 1,020,121

Note 14: Segment Information

The City maintains four major enterprise funds, two of which account for the activities of providing water and sewer services to residents of the City. Segment information requirements are effectively met within the basic financial statements.

Note 15: Commitments and Subsequent Events

As part of its 95th Street TIF District, the City has an agreement with a developer to reimburse a portion of property taxes paid annually on the developer's property. Under the agreement, reimbursements are to be made over a twelve-year period beginning with tax year 2021. However, the project was not completed until 2022, so taxes did not begin until that year. For the first ten years, the reimbursement is 60% of taxes paid. The reimbursement is reduced to 40% for year eleven and ends at 20% of taxes paid in year twelve. For the year ended April 30, 2023, the amount reimbursable under the agreement was \$337,464 and is recognized as a liability at year end.

City of Hickory Hills, Illinois

Notes to Financial Statements

Year Ended April 30, 2023

Subsequent to year end the City entered to various construction contracts to spend down the *American Rescue Plan Act* (ARPA) funding received by the City. The unspent grant funding is currently presented as unearned revenue in the water capital projects fund (major fund) approximately amounting to \$1,400,000.

Note 16: Pronouncements Effective in Future Periods

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

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

GASB 92 addresses practice issues that have been identified during implementation and application of certain GASB statements. The statement addresses a variety of topics including issues related to leases, intra-entity transfers, fiduciary activities and fair value disclosures.

GASB 92 is effective for reporting periods based on individual topics discussed therein. Earlier application is encouraged and is permitted by individual topic to the extent that all requirements associated with an individual topic are implemented simultaneously.

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

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

GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100)

GASB 100 updates accounting and financial reporting requirements for accounting changes and error corrections to address current diversity in practice by amending GASB Statement No. 62. It defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The standard clarifies that a change to or within the financial reporting entity results from: the addition or removal of a fund that results from movement of continuing operations within the primary government, including its blended component units; change in fund presentation as major or nonmajor; generally, the addition or removal of a component unit to or from the financial reporting entity; or a change in the presentation (blended or discretely presented) of a component unit. For each type of accounting change and error correction, the standard addresses accounting and reporting requirements, display, including

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

display in the financial statements, note disclosures, and impact on required supplementary information (RSI) and supplementary information (SI). The standard is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 101, *Compensated Absences* (GASB 101)

GASB 101 updates the recognition and measurement guidance for compensated absences under a unified model. It defines compensated absences and requires that liabilities be recognized in financial statements prepared using the economic resources measurement focus for leave that has not been used and leave that has been used but not yet paid or settled. A liability for compensated absences should be accounted for and reported on a basis consistent with governmental fund accounting principles for financial statements prepared using the current financial resources measurement focus. GASB 101 also amends the disclosure requirements related to compensated absences. The standard is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, with early application encouraged.

GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102)

GASB 102 requires governments to disclose information about certain concentrations or constraints that could affect services provided or the ability to meet obligations as they come due. Governments should start planning for compliance by identifying potential constraints and concentrations, assessing risks related to these factors, developing processes to evaluate and monitor disclosure criteria, and preparing to gather and present the required information in financial statement notes. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103)

GASB 103 improves the financial reporting model by standardizing the presentation for various matters within governmental financial statements. The purpose is to eliminate diversity in practice and improve comparability. Impacted areas include management's discussion and analysis, unusual or infrequent items, the definitions and presentation of operating and nonoperating revenues and expenses in enterprise funds, presentation of major component units, presentation of budgetary comparison information, and financial trends information within the statistical section of separately issued financial reports. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. Changes are required to be made retroactively to the earliest period presented.

City of Hickory Hills, Illinois
Notes to Financial Statements
Year Ended April 30, 2023

GASB Statement No. 104, *Disclosure of Certain Capital Assets (GASB 104)*

GASB 104 requires certain types of capital assets to be disclosed separately in the capital assets note disclosures. GASB 104 requires lease assets recognized in accordance with Statement No. 87, *Leases*, intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, and intangible assets other than those three types to be disclosed separately by major class. In addition, GASB 104 requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The requirements of this Statement should be applied retroactively to all periods presented in the basic financial statements, if practicable.

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

**Required Supplementary Information
(Unaudited)**

City of Hickory Hills, Illinois
Illinois Municipal Retirement Fund – Regular Plan
Required Supplementary Information
Schedule of Changes in the City’s Net Pension Liability(Asset) and Related Ratios
April 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total pension liability								
Service cost	\$ 231,848	\$ 231,394	\$ 226,612	\$ 205,252	\$ 222,776	\$ 221,921	\$ 229,942	\$ 237,368
Interest	1,362,410	1,310,408	1,271,006	1,203,816	1,176,601	1,140,132	1,076,266	1,074,481
Differences between expected and actual experience	501,692	137,719	62,667	360,263	(87,948)	345,034	226,196	(703,058)
Change of assumptions	-	-	(134,495)	-	442,298	(455,868)	(35,249)	17,804
Benefit payments including refunds of member contributions	<u>(1,020,373)</u>	<u>(904,576)</u>	<u>(864,839)</u>	<u>(841,670)</u>	<u>(815,574)</u>	<u>(715,217)</u>	<u>(644,699)</u>	<u>(514,985)</u>
Net change in total pension liability	1,075,577	774,945	560,951	927,661	938,153	536,002	852,456	111,610
Total pension liability - beginning of year	19,186,123	18,411,178	17,850,227	16,922,566	15,984,413	15,448,411	14,595,955	14,484,345
Total pension liability - end of year	<u>\$ 20,261,700</u>	<u>\$ 19,186,123</u>	<u>\$ 18,411,178</u>	<u>\$ 17,850,227</u>	<u>\$ 16,922,566</u>	<u>\$ 15,984,413</u>	<u>\$ 15,448,411</u>	<u>\$ 14,595,955</u>
Plan fiduciary net position								
Contributions - City	\$ 249,671	\$ 348,716	\$ 311,535	\$ 235,176	\$ 286,757	\$ 268,531	\$ 285,378	\$ 268,558
Contributions - members	120,163	124,109	109,696	100,983	106,470	102,233	99,483	99,302
Net investment income	(2,754,742)	3,150,229	2,381,654	2,698,946	(832,450)	2,327,127	856,745	65,843
Benefit payments including refunds of member contributions	<u>(1,020,373)</u>	<u>(904,576)</u>	<u>(864,839)</u>	<u>(841,670)</u>	<u>(815,574)</u>	<u>(715,217)</u>	<u>(644,699)</u>	<u>(514,985)</u>
Other net transfer	146,919	107,593	128,770	105,009	174,582	(266,365)	313,641	(435,437)
Net change in plan fiduciary net position	(3,258,362)	2,826,071	2,066,816	2,298,444	(1,080,215)	1,716,309	910,548	(516,719)
Plan net position - beginning	21,463,492	18,637,421	16,570,605	14,272,161	15,352,376	13,636,067	12,725,519	13,242,238
Plan net position - ending	<u>\$ 18,205,130</u>	<u>\$ 21,463,492</u>	<u>\$ 18,637,421</u>	<u>\$ 16,570,605</u>	<u>\$ 14,272,161</u>	<u>\$ 15,352,376</u>	<u>\$ 13,636,067</u>	<u>\$ 12,725,519</u>
City’s net pension liability (asset)	<u>\$ 2,056,570</u>	<u>\$ (2,277,369)</u>	<u>\$ (226,243)</u>	<u>\$ 1,279,622</u>	<u>\$ 2,650,405</u>	<u>\$ 632,037</u>	<u>\$ 1,812,344</u>	<u>\$ 1,870,436</u>
Plan fiduciary net position as a percentage of the total pension liability	89.85%	111.87%	101.23%	92.83%	84.34%	96.05%	88.27%	87.19%
Covered payroll	\$ 2,670,287	\$ 2,757,974	\$ 2,437,674	\$ 2,244,056	\$ 2,365,993	\$ 2,271,846	\$ 2,200,292	\$ 2,206,722
City’s net pension liability (asset) as a percentage of covered payroll	77.02%	(82.57)%	(9.28)%	57.02%	112.02%	27.82%	82.37%	84.76%

There were no assumption changes since prior year valuation:

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. Information in this schedule has been determined as of the City’s measurement date (April 30) of the net pension liability.

City of Hickory Hills, Illinois
Police Pension Fund
Required Supplementary Information
Schedule of Changes in the City's Net Pension Liability and Related Ratios
April 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 705,093	\$ 673,702	\$ 680,516	\$ 634,263	\$ 612,080	\$ 672,482	\$ 629,960	\$ 610,998	\$ 601,286
Interest	2,966,621	2,863,244	2,879,405	2,647,106	2,537,667	2,340,216	2,151,082	2,155,710	1,906,355
Changes in benefit terms	(32,332)	-	-	253,154	-	-	-	-	-
Differences between expected and actual experience	117,172	(1,849,982)	1,102,551	5,283	185,891	(274,106)	523,949	(448,528)	299,534
Changes of assumptions	-	-	203,204	481,076	-	1,763,368	963,256	-	1,911,856
Benefit payments, including refunds	(2,169,932)	(2,007,577)	(1,942,772)	(1,803,499)	(1,625,144)	(1,528,376)	(1,296,151)	(1,203,835)	(1,117,046)
Net change in total pension liability	1,586,622	(320,613)	2,922,904	2,217,383	1,710,494	2,973,584	2,972,096	1,114,345	3,601,985
Total pension liability, beginning of year	44,937,803	45,258,416	42,335,512	40,118,129	38,407,635	35,434,051	32,461,955	31,347,610	27,745,625
Total pension liability, end of year	<u>\$ 46,524,425</u>	<u>\$ 44,937,803</u>	<u>\$ 45,258,416</u>	<u>\$ 42,335,512</u>	<u>\$ 40,118,129</u>	<u>\$ 38,407,635</u>	<u>\$ 35,434,051</u>	<u>\$ 32,461,955</u>	<u>\$ 31,347,610</u>
Plan fiduciary net position									
Contributions - employer	\$ 14,064,397	\$ 1,825,000	\$ 1,526,000	\$ 1,450,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 800,000	\$ 720,000
Contributions - employee	531,691	273,725	261,317	257,352	244,332	247,018	247,181	238,930	235,806
Net investment income	940,123	(2,424,337)	7,592,242	419,954	1,745,291	1,750,112	2,503,461	(772,900)	1,444,098
Benefit payments, including refunds	(2,169,932)	(2,007,577)	(1,942,772)	(1,803,499)	(1,625,144)	(1,528,376)	(1,296,151)	(1,203,835)	(1,117,046)
Other (net transfer)	(69,202)	(40,426)	(35,443)	(36,508)	(34,547)	(13,929)	(17,874)	(12,669)	(18,005)
Net change in plan fiduciary net position	13,297,077	(2,373,615)	7,401,344	287,299	1,529,932	1,654,825	2,636,617	(950,474)	1,264,853
Plan fiduciary net position, beginning of year	32,470,365	34,843,980	27,442,636	27,155,337	25,625,405	23,970,580	21,333,963	22,284,437	21,019,584
Plan fiduciary net position, end of year	<u>\$ 45,767,442</u>	<u>\$ 32,470,365</u>	<u>\$ 34,843,980</u>	<u>\$ 27,442,636</u>	<u>\$ 27,155,337</u>	<u>\$ 25,625,405</u>	<u>\$ 23,970,580</u>	<u>\$ 21,333,963</u>	<u>\$ 22,284,437</u>
City's net pension liability, end of year	<u>\$ 756,983</u>	<u>\$ 12,467,438</u>	<u>\$ 10,414,436</u>	<u>\$ 14,892,876</u>	<u>\$ 12,962,792</u>	<u>\$ 12,782,230</u>	<u>\$ 11,463,471</u>	<u>\$ 11,127,992</u>	<u>\$ 9,063,173</u>
Plan's fiduciary net position as a percentage of the total pension liability	98.37%	72.26%	76.99%	64.82%	67.69%	66.72%	67.65%	65.72%	71.09%
Covered payroll	\$ 2,756,574	\$ 2,762,141	\$ 2,636,939	\$ 2,669,964	\$ 2,624,929	\$ 2,578,501	\$ 2,497,338	\$ 2,462,888	\$ 2,387,155
City's net pension liability as a percentage of covered payroll	27.46%	451.37%	394.94%	557.79%	493.83%	495.72%	459.03%	451.83%	379.66%

Following are the assumption changes since the prior year valuation

- a. The assumed rate of High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 3.21% in the prior year to 3.53% for the current year.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. Information in this schedule has been determined as of the City's measurement date (April 30) of the net pension liability.

City of Hickory Hills, Illinois
Required Supplementary Information
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
April 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability					
Service cost	\$ 32,722	\$ 37,707	\$ 36,701	\$ 28,192	\$ 26,448
Interest on the total OPEB liability	31,424	25,272	30,780	37,404	38,371
Actuarial experience	(130,621)	-	(199,771)	-	-
Changes of assumptions	1,675	(154,312)	100,045	211,117	16,685
Benefit payments	<u>(33,934)</u>	<u>(52,140)</u>	<u>(61,508)</u>	<u>(61,437)</u>	<u>(60,427)</u>
Net change in total OPEB liability	(98,734)	(143,473)	(93,753)	215,276	21,077
Total OPEB liability - beginning	<u>995,881</u>	<u>1,139,354</u>	<u>1,233,107</u>	<u>1,017,831</u>	<u>996,754</u>
Total OPEB liability - ending	<u>\$ 897,147</u>	<u>\$ 995,881</u>	<u>\$ 1,139,354</u>	<u>\$ 1,233,107</u>	<u>\$ 1,017,831</u>
Covered-employee payroll	\$ 4,706,552	\$ 5,063,315	\$ 4,915,840	\$ 4,529,971	\$ 3,594,456
Total OPEB liability as a percentage of covered-employee payroll	19.06%	19.67%	23.18%	27.22%	28.32%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The discount rate changed as follows

2019 3.79%
2020 2.56%
2021 2.27%
2022 3.21%
2023 3.53%

*GASB Statement No. 75 requires presentation of ten years. As of April 30, 2023, only five years of information is available.

City of Hickory Hills, Illinois
Illinois Municipal Retirement Fund – Regular
Required Supplementary Information
Schedule of City Contributions
April 30, 2023

Date Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
4/30/2023	\$ 221,640	\$ 221,640	\$ -	\$ 2,653,424	8.4%
4/30/2022	317,312	317,312	-	2,719,980	11.7%
4/30/2021	326,513	326,513	-	2,584,459	12.6%
4/30/2020	257,067	257,067	-	2,292,743	11.2%
4/30/2019	267,747	267,747	-	2,308,830	11.6%
4/30/2018	278,782	278,782	-	2,338,457	11.9%
4/30/2017	274,965	274,965	-	2,184,497	12.6%
4/30/2016	275,946	275,946	-	2,218,581	12.4%

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

Methods and Assumptions Used to Determine 2022 Contribution Rates

Actuarial cost method	Aggregate entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21-year closed period
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75%, including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality	For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
Other	There were no benefit changes during the year.

Information above based on valuation assumptions used in the December 31, 2020 actuarial valuation; note two-year lag between valuation and rate setting.

GASB Statement No. 68 requires the presentation of ten fiscal years of data; however, the fiscal years completed prior to the adoption of this pronouncement are not required to be presented in this schedule. The pronouncement was adopted in fiscal year 2016. Information in this schedule has been determined as of the City's most recent fiscal year-end.

City of Hickory Hills, Illinois
Police Pension Fund
Required Supplementary Information
Schedule of Investment Returns
April 30, 2023

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2023	(10.00)%
2022	(7.00)%
2021	27.83%
2020	1.56%
2019	6.89%
2018	7.36%
2017	9.38%
2016	(3.44)%
2015	6.47%

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

Supplementary Information

**Combining and Individual Fund
Financial Statements and Schedules**

Governmental Fund Types

**Nonmajor Governmental Funds –
Combining Statements**

City of Hickory Hills, Illinois
Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2023

	Special Revenue			Debt Service
	911 Service Operating Fund	Motor Fuel Tax Fund	Total Special Revenue	Street and Water G.O. Bond Fund
Assets				
Cash and cash equivalents	\$ -	\$ 1,796,031	\$ 1,796,031	\$ 228,590
Investments	-	-	-	-
Receivables				
Property taxes	-	-	-	85,787
Intergovernmental	135,321	51,524	186,845	-
Interest	-	-	-	-
Other	-	59,373	59,373	-
Total assets	<u>\$ 135,321</u>	<u>\$ 1,906,928</u>	<u>\$ 2,042,249</u>	<u>\$ 314,377</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 308	\$ 22,822	\$ 23,130	\$ -
Other liabilities	12,872	-	12,872	-
Due to other funds	72,191	-	72,191	-
Unearned grant revenue	-	-	-	-
Total liabilities	<u>85,371</u>	<u>22,822</u>	<u>108,193</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue				
Property taxes	-	-	-	85,787
Intergovernmental revenue	115,751	18,665	134,416	-
Total deferred inflows of resources	<u>115,751</u>	<u>18,665</u>	<u>134,416</u>	<u>85,787</u>
Fund Balances				
Restricted for debt service	-	-	-	228,590
Restricted for highways and streets	-	1,865,441	1,865,441	-
Committed for working cash purposes	-	-	-	-
Assigned for capital purposes	-	-	-	-
Unassigned	(65,801)	-	(65,801)	-
Total fund balances	<u>(65,801)</u>	<u>1,865,441</u>	<u>1,799,640</u>	<u>228,590</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 135,321</u>	<u>\$ 1,906,928</u>	<u>\$ 2,042,249</u>	<u>\$ 314,377</u>

<u>Capital Projects</u>	<u>Permanent Fund</u>	
<u>Sewer Capital Improvements Fund</u>	<u>Working Cash</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 134,058	\$ 8,935	\$ 2,167,614
-	652,889	652,889
-	-	85,787
-	-	186,845
-	209	209
-	-	59,373
<u>\$ 134,058</u>	<u>\$ 662,033</u>	<u>\$ 3,152,717</u>

\$ 7,424	\$ 382	\$ 30,936
-	-	12,872
-	-	72,191
-	-	-
<u>7,424</u>	<u>382</u>	<u>115,999</u>

-	-	85,787
-	-	134,416
-	-	220,203

-	-	228,590
-	-	1,865,441
-	661,651	661,651
126,634	-	126,634
-	-	(65,801)
<u>126,634</u>	<u>661,651</u>	<u>2,816,515</u>

<u>\$ 134,058</u>	<u>\$ 662,033</u>	<u>\$ 3,152,717</u>
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City of Hickory Hills, Illinois
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended April 30, 2023

	<u>Special Revenue</u>			<u>Debt</u>
	<u>911 Service</u>	<u>Motor</u>	<u>Total</u>	<u>Service</u>
	<u>Operating</u>	<u>Fuel Tax</u>	<u>Special</u>	<u>Street and</u>
	<u>Fund</u>	<u>Fund</u>	<u>Revenue</u>	<u>Water G.O.</u>
				<u>Bond</u>
				<u>Fund</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 105,780
Intergovernmental	38,306	988,604	1,026,910	-
Reimbursements	169,081	-	169,081	-
Investment income	(14)	577	563	17
Miscellaneous	-	-	-	-
Total revenues	<u>207,373</u>	<u>989,181</u>	<u>1,196,554</u>	<u>105,797</u>
Expenditures				
Current				
General government	-	-	-	-
Public safety	273,670	-	273,670	-
Highways and streets	-	676,824	676,824	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	90,000
Interest	-	-	-	32,576
Total expenditures	<u>273,670</u>	<u>676,824</u>	<u>950,494</u>	<u>122,576</u>
Excess (Deficiency) of Revenues				
Over Expenditures	<u>(66,297)</u>	<u>312,357</u>	<u>246,060</u>	<u>(16,779)</u>
Other Financing Sources				
Transfers in	-	-	-	16,268
Net Change in Fund Balances	(66,297)	312,357	246,060	(511)
Fund Balances (Deficit), Beginning	<u>496</u>	<u>1,553,084</u>	<u>1,553,580</u>	<u>229,101</u>
Fund Balances (Deficit), Ending	<u>\$ (65,801)</u>	<u>\$ 1,865,441</u>	<u>\$ 1,799,640</u>	<u>\$ 228,590</u>

Capital Projects Sewer Capital Improvements Fund	Permanent Fund Working Cash	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 105,780
142,520	-	1,169,430
-	-	169,081
-	6,541	7,121
101,147	-	101,147
<u>243,667</u>	<u>6,541</u>	<u>1,552,559</u>
-	3,485	3,485
-	-	273,670
-	-	676,824
183,814	-	183,814
-	-	90,000
-	-	32,576
<u>183,814</u>	<u>3,485</u>	<u>1,260,369</u>
<u>59,853</u>	<u>3,056</u>	<u>292,190</u>
<u>175,000</u>	<u>-</u>	<u>191,268</u>
234,853	3,056	483,458
<u>(108,219)</u>	<u>658,595</u>	<u>2,333,057</u>
<u>\$ 126,634</u>	<u>\$ 661,651</u>	<u>\$ 2,816,515</u>

General Fund (Major Fund)

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

City of Hickory Hills, Illinois
General Fund
Schedule of Revenues – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Taxes			
Property taxes - current	\$ 2,535,700	\$ 2,344,287	\$ 2,422,683
Licenses			
Liquor	50,000	48,945	56,129
Vehicle	24,000	22,037	23,917
Business	70,000	62,509	77,985
Animal	100	74	96
Franchise	155,000	148,009	154,892
Other	52,000	44,545	53,319
	<u>351,100</u>	<u>326,119</u>	<u>366,338</u>
Permits and Inspections			
Building	218,000	243,660	1,202,476
Contractor	42,000	40,027	47,500
	<u>260,000</u>	<u>283,687</u>	<u>1,249,976</u>
Intergovernmental			
State income tax	1,720,000	2,264,607	2,295,006
Replacement tax	42,000	79,944	70,273
Sales tax	1,800,000	2,597,485	2,275,362
Coronavirus Relief Grant	-	2,503	10,000
County road and bridge tax	30,000	32,114	35,148
Other - IL local use tax	500,000	594,786	556,639
Other - video gaming	375,000	524,229	468,959
	<u>4,467,000</u>	<u>6,095,668</u>	<u>5,711,387</u>
Fines and Forfeits			
Court fines	25,000	19,352	44,936
Other fines	120,000	140,484	138,877
Fines and forfeitures	198,500	480,964	13,403
	<u>343,500</u>	<u>640,800</u>	<u>197,216</u>
Rental Income	<u>242,500</u>	<u>172,621</u>	<u>238,423</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Revenues – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Charges for Services			
Fuel reimbursement	\$ 9,000	\$ 11,802	\$ 8,563
Refuse	1,150,000	1,190,533	1,139,012
Dispatch services	415,000	482,425	453,018
Police services	50,000	27,439	59,346
	<u>1,624,000</u>	<u>1,712,199</u>	<u>1,659,939</u>
Investment Income (Loss)	<u>15,100</u>	<u>70,847</u>	<u>(77,939)</u>
Miscellaneous			
Miscellaneous income	32,500	92,444	11,979
Street fair revenue	12,000	30,620	320
Reimbursement - zoning board	2,500	-	-
Reimbursement - DEA O/T	8,000	9,790	12,040
Reimbursement - insurance	15,000	-	3,820
Employees insurance contributions	250,000	176,880	241,708
Other reimbursements	-	-	12,775
	<u>320,000</u>	<u>309,734</u>	<u>282,642</u>
Total revenues	<u>\$ 10,158,900</u>	<u>\$ 11,955,962</u>	<u>\$ 12,050,665</u>

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
General Government			
Administration			
Personnel services	\$ 264,900	\$ 262,062	\$ 256,004
Contractual services	13,800	48,884	12,000
	<u>278,700</u>	<u>310,946</u>	<u>268,004</u>
Finance department			
Personnel services	122,170	166,080	111,652
Contractual services	19,400	33,670	14,162
Commodities	1,500	1,539	1,022
Miscellaneous	-	8,935	-
Capital outlay	1,500	-	-
	<u>144,570</u>	<u>210,224</u>	<u>126,836</u>
Planning commission and zoning			
Personnel services	6,500	6,077	6,280
Contractual services	23,500	22,763	32,916
	<u>30,000</u>	<u>28,840</u>	<u>39,196</u>
Clerk's office			
Personnel services	207,850	190,062	184,996
Contractual services	15,400	19,250	12,329
Commodities	5,000	4,882	5,020
Miscellaneous	1,000	1,027	1,063
Capital outlay	4,000	-	8,745
	<u>233,250</u>	<u>215,221</u>	<u>212,153</u>
Building maintenance			
Contractual services	27,500	28,182	20,224
Commodities	1,500	444	177
Miscellaneous	500	250	5,141
Capital outlay	30,000	152,455	2,045
	<u>59,500</u>	<u>181,331</u>	<u>27,587</u>
Administration operating			
Personnel services	67,500	84,980	61,315
Contractual services	242,300	287,842	250,338
Commodities	1,000	286	379

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Miscellaneous	\$ 9,000	\$ 5,607	\$ 9,254
Capital outlay	5,000	2,000	4,352
	<u>324,800</u>	<u>380,715</u>	<u>325,638</u>
Building department			
Personnel services	136,180	133,233	130,813
Contractual services	65,200	64,408	143,110
Commodities	2,500	2,746	2,515
Miscellaneous	500	125	-
Capital outlay	1,000	-	-
	<u>205,380</u>	<u>200,512</u>	<u>276,438</u>
Beautification Commission and Community			
Miscellaneous	55,000	46,574	16,493
Refuse Committee			
Contractual services	1,204,100	1,201,784	1,169,930
Community Affairs Commission			
Miscellaneous	22,000	16,126	14,613
Community complex			
Personnel services	25,200	24,842	24,571
Contractual services	23,500	24,795	23,126
Commodities	4,000	1,866	1,486
Miscellaneous	2,500	460	683
Capital outlay	-	9,875	4,948
	<u>55,200</u>	<u>61,838</u>	<u>54,814</u>
Blood Donors Commission			
Miscellaneous	1,000	35	187
Task Force and Youth Commissions			
Miscellaneous	5,500	707	2,139
Total general government	<u>2,619,000</u>	<u>2,854,853</u>	<u>2,534,028</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Public Safety			
Board of Fire and Police Commissioners			
Personnel services	\$ 10,000	\$ 9,597	\$ 9,852
Contractual services	17,350	25,029	8,441
	<u>27,350</u>	<u>34,626</u>	<u>18,293</u>
Emergency services			
Contractual services	4,500	5,271	3,773
	<u>4,500</u>	<u>5,271</u>	<u>3,773</u>
Police department			
Personnel services	6,434,595	18,883,873	6,666,030
Contractual services	267,200	300,460	233,574
Commodities	132,800	78,519	78,575
Miscellaneous	219,000	75,781	48,951
Capital outlay	85,500	78,831	38,150
	<u>7,139,095</u>	<u>19,417,464</u>	<u>7,065,280</u>
Total public safety	<u>7,170,945</u>	<u>19,457,361</u>	<u>7,087,346</u>
Highways and Streets			
Public works - road department			
Personnel services	1,036,500	666,791	947,757
Contractual services	197,200	133,523	124,476
Commodities	146,300	62,778	102,631
Miscellaneous	5,000	5,243	313
Capital outlay	51,000	12,083	45,194
	<u>1,436,000</u>	<u>880,418</u>	<u>1,220,371</u>
Total highways and streets	<u>1,436,000</u>	<u>880,418</u>	<u>1,220,371</u>
Debt Service			
Principal	-	930,000	-
Interest	-	345,196	-
Issuance costs	-	323,749	-
Total debt service	<u>-</u>	<u>1,598,945</u>	<u>-</u>
Total expenditures	<u>\$ 11,225,945</u>	<u>\$ 24,791,577</u>	<u>\$ 10,841,745</u>

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
General Government			
Administration department			
Personnel services			
Salaries	\$ 226,720	\$ 225,565	\$ 216,232
Employee benefits	38,180	36,497	39,772
Total personnel services	<u>264,900</u>	<u>262,062</u>	<u>256,004</u>
Contractual services			
Legal	13,800	48,884	12,000
Total administration department	<u>278,700</u>	<u>310,946</u>	<u>268,004</u>
Finance department			
Personnel services			
Salaries	95,305	149,179	86,111
Employee benefits	26,865	16,901	25,541
Total personnel services	<u>122,170</u>	<u>166,080</u>	<u>111,652</u>
Contractual services			
Postage	1,000	1,157	1,003
Legal	7,000	14,041	5,223
Professional services	1,100	11,013	1,303
Telephone	500	240	220
Publishing	2,000	1,492	1,646
Printing	3,000	3,210	1,848
Dues	100	90	90
Maintenance services	500	262	274
Rental	2,000	1,857	1,907
Training	700	308	410
Travel expense	1,500	-	238
Total contractual services	<u>19,400</u>	<u>33,670</u>	<u>14,162</u>
Commodities			
Office supplies	1,500	1,539	1,022
Miscellaneous			
Miscellaneous	-	8,935	-
Capital outlay	1,500	-	-
Total finance department	<u>144,570</u>	<u>210,224</u>	<u>126,836</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Planning commission and zoning			
Personnel services			
Salaries	\$ 5,250	\$ 5,323	\$ 5,250
Employee benefits	1,250	754	1,030
Total personnel services	<u>6,500</u>	<u>6,077</u>	<u>6,280</u>
Contractual services			
Postage	200	37	43
Publishing/publications	500	-	202
Engineering expenses	1,500	2,021	-
Legal	14,000	16,005	26,271
Appointed positions	7,300	4,700	6,400
Total contractual services	<u>23,500</u>	<u>22,763</u>	<u>32,916</u>
Total planning commission and zoning	<u>30,000</u>	<u>28,840</u>	<u>39,196</u>
Clerk's office			
Personnel services			
Salaries	152,275	145,461	132,778
Employee benefits	27,875	19,720	26,153
Educational incentive	1,400	1,400	1,400
Health insurance	26,300	23,481	24,665
Total personnel services	<u>207,850</u>	<u>190,062</u>	<u>184,996</u>
Contractual services			
Maintenance service - equipment	3,000	334	1,748
Computer service	1,200	5,882	1,946
Legal	500	2,768	66
Professional services	1,500	2,937	1,811
Postage	600	347	382
Telephone	1,500	1,025	1,028
Publishing	500	859	573
Printing	2,000	2,524	2,481
Dues	300	85	260
Travel expense	1,500	-	-

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Training	\$ 500	\$ 30	\$ -
Fuel	300	181	127
Rentals	2,000	2,278	1,907
Total contractual services	<u>15,400</u>	<u>19,250</u>	<u>12,329</u>
Commodities			
Office supplies	<u>5,000</u>	<u>4,882</u>	<u>5,020</u>
Miscellaneous			
Petty cash	500	-	-
Miscellaneous	500	1,027	1,063
Total miscellaneous	<u>1,000</u>	<u>1,027</u>	<u>1,063</u>
Capital outlay	<u>4,000</u>	<u>-</u>	<u>8,745</u>
Total clerk's office	<u>233,250</u>	<u>215,221</u>	<u>212,153</u>
Building maintenance			
Contractual services			
Maintenance service - building	10,000	14,516	6,013
Maintenance service - equipment	5,000	1,069	2,912
Maintenance service - other	4,000	3,900	3,878
Janitorial service	7,000	7,744	6,574
Telephone	500	240	240
Utilities	1,000	713	607
Total contractual services	<u>27,500</u>	<u>28,182</u>	<u>20,224</u>
Commodities			
Maintenance supplies - building	1,000	-	-
General supplies	500	444	177
Total commodities	<u>1,500</u>	<u>444</u>	<u>177</u>
Miscellaneous	<u>500</u>	<u>250</u>	<u>5,141</u>
Capital outlay	<u>30,000</u>	<u>152,455</u>	<u>2,045</u>
Total building maintenance	<u>59,500</u>	<u>181,331</u>	<u>27,587</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Administration operating			
Personnel services			
Employee benefits	\$ 67,500	\$ 84,980	\$ 61,315
Contractual services			
Audit and accounting services	40,000	-	50,609
Legal services	50,000	48,790	36,945
Data processing service	5,000	14,601	6,421
Professional services	5,000	12,889	4,530
Health inspector	8,000	9,700	6,600
Communications consultant	4,800	4,800	4,800
Postage	4,000	1,428	3,262
Telephone	4,500	5,791	4,237
Publishing	1,000	679	679
Printing	10,000	6,332	4,115
Dues	15,000	15,250	14,261
Publications	-	19	15
Bank charges	10,000	9,221	20,914
General insurance	85,000	158,342	92,950
Total contractual services	<u>242,300</u>	<u>287,842</u>	<u>250,338</u>
Commodities			
Office supplies	<u>1,000</u>	<u>286</u>	<u>379</u>
Miscellaneous			
Community relations	5,500	4,438	5,471
Rental	1,000	743	653
Miscellaneous	<u>2,500</u>	<u>426</u>	<u>3,130</u>
Total miscellaneous	<u>9,000</u>	<u>5,607</u>	<u>9,254</u>
Capital outlay	<u>5,000</u>	<u>2,000</u>	<u>4,352</u>
Total administration operating	<u>324,800</u>	<u>380,715</u>	<u>325,638</u>
Building department			
Personnel services			
Salaries	108,080	109,358	103,045
Employee benefits	<u>28,100</u>	<u>23,875</u>	<u>27,768</u>
Total personnel services	<u>136,180</u>	<u>133,233</u>	<u>130,813</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Contractual services			
Maintenance service - equipment	\$ 500	\$ 149	\$ -
Data processing service	500	1,527	653
Engineering service	3,000	(841)	6,804
Postage	500	89	147
Telephone	500	240	240
Printing	1,000	1,420	540
Dues	200	145	145
Legal	15,000	9,918	13,528
Professional services	44,000	51,761	121,053
Total contractual services	<u>65,200</u>	<u>64,408</u>	<u>143,110</u>
Commodities			
General supplies	-	6	8
Office supplies	2,500	2,740	2,507
Total commodities	<u>2,500</u>	<u>2,746</u>	<u>2,515</u>
Miscellaneous			
Miscellaneous	500	125	-
Capital outlay	1,000	-	-
Total building department	<u>205,380</u>	<u>200,512</u>	<u>276,438</u>
Beautification Commission and Community			
Miscellaneous			
Community relations	55,000	46,574	16,493
Refuse Committee			
Contractual services			
Refuse disposal	1,204,100	1,201,784	1,169,930
Community Affairs Commission			
Miscellaneous			
Community relations	22,000	16,126	14,613

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Community Complex			
Personnel services			
Salaries part-time	\$ 20,700	\$ 21,360	\$ 20,041
Employee benefits	4,500	3,482	4,530
Total personnel services	<u>25,200</u>	<u>24,842</u>	<u>24,571</u>
Contractual services			
Maintenance service - building	8,000	6,382	9,507
Maintenance service - equipment	2,000	4,997	3,052
Maintenance service - snow	2,000	837	1,065
Maintenance service - other	3,000	2,365	2,029
Janitorial service	2,000	1,925	1,143
Data processing	500	1,477	531
Telephone	5,000	6,195	5,148
Utilities	1,000	617	651
Total contractual services	<u>23,500</u>	<u>24,795</u>	<u>23,126</u>
Commodities			
Maintenance supplies	2,000	120	188
General supplies	1,000	900	128
Office supplies	1,000	846	1,170
Operating supplies	-	-	-
Total commodities	<u>4,000</u>	<u>1,866</u>	<u>1,486</u>
Miscellaneous			
Petty cash	-	-	152
Community relations	1,500	508	200
Miscellaneous	1,000	(48)	331
Total miscellaneous	<u>2,500</u>	<u>460</u>	<u>683</u>
Capital outlay	-	9,875	4,948
Total community complex	<u>55,200</u>	<u>61,838</u>	<u>54,814</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Blood Donors Commission			
Miscellaneous			
Community relations	\$ 1,000	\$ 35	\$ 187
Task Force and Youth Commissions			
Miscellaneous	5,500	707	2,139
Total general government	<u>2,619,000</u>	<u>2,854,853</u>	<u>2,534,028</u>
Public Safety			
Board of Fire and Police			
Commissioners			
Personnel services			
Salaries	8,250	8,364	8,250
Employee benefits	1,750	1,233	1,602
Total personnel services	<u>10,000</u>	<u>9,597</u>	<u>9,852</u>
Contractual services			
Legal service	8,000	18,766	3,765
Other professional services/testing	5,700	3,525	3,750
Postage	-	11	25
Publishing	500	1,682	51
Dues	500	375	375
Training seminar	1,500	-	475
Office supplies	150.00	271	-
Medical services	1,000	399	-
Total contractual services	<u>17,350</u>	<u>25,029</u>	<u>8,441</u>
Total Board of Fire and Police Commissioners	<u>27,350</u>	<u>34,626</u>	<u>18,293</u>
Emergency services			
Contractual services			
ESDA Director	2,500	2,436	2,436
Maintenance services	2,000	2,835	1,337
Total emergency services	<u>4,500</u>	<u>5,271</u>	<u>3,773</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	<u>2023</u>		<u>2022</u> <u>Actual</u>
	<u>Original/Final</u> <u>Budget</u>	<u>Actual</u>	
Police department			
Personnel services			
Salaries	\$ 3,397,220	\$ 3,243,079	\$ 3,271,611
Salaries - part-time	145,000	113,451	85,169
Salaries - overtime	245,000	333,799	279,752
Salaries - sick time	132,000	118,345	81,457
Salaries - holiday	152,000	134,079	145,361
Health insurance	645,000	506,625	590,892
Employee benefits	347,875	307,983	321,413
Pension contributions	1,300,000	14,064,397	1,825,000
Educational incentive	18,500	16,600	18,500
Uniforms allowance	52,000	45,515	46,875
Total personnel services	<u>6,434,595</u>	<u>18,883,873</u>	<u>6,666,030</u>
Contractual services			
Maintenance service - building	19,000	17,246	14,285
Maintenance service - radio	4,500	2,377	1,880
Maintenance service - vehicle	46,000	43,719	50,016
Maintenance service - other	6,000	3,387	3,369
Legal service	45,000	103,131	46,971
Medical service	7,000	3,741	1,636
Janitorial service	20,000	23,844	15,993
Data processing service	15,000	7,841	15,665
Professional services	28,500	26,787	24,247
Postage	4,300	3,746	4,300
Telephone	12,000	10,331	11,902
Printing	4,500	7,179	4,047
Training	34,000	27,116	21,143
Tuition reimbursement	4,500	4,500	4,500
Water	2,500	2,584	2,007
Animal control	2,500	-	612
Prisoner expenses	2,500	1,719	1,363
Investigations	5,000	6,412	4,838
Counselor	4,400	4,800	4,800
Total contractual services	<u>267,200</u>	<u>300,460</u>	<u>233,574</u>
Commodities			
Building supplies	4,000	3,357	4,327
Maintenance supplies - radio	500	1,057	-
Maintenance supplies - vehicle	3,000	14	934
Office supplies	12,000	8,314	10,743

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Fuel and oil	\$ 105,000	\$ 57,064	\$ 55,813
Operating supplies	4,500	4,889	3,383
Janitorial supplies	3,800	3,824	3,375
Total commodities	<u>132,800</u>	<u>78,519</u>	<u>78,575</u>
Miscellaneous			
Community relations	2,000	1,836	1,943
Petty cash	2,500	1,240	1,573
Forfeitures	209,500	67,054	41,069
Miscellaneous	5,000	5,651	4,366
Total miscellaneous	<u>219,000</u>	<u>75,781</u>	<u>48,951</u>
Capital outlay			
Police equipment	12,000	-	1,647
Vehicles	73,500	78,831	36,503
Total capital outlay	<u>85,500</u>	<u>78,831</u>	<u>38,150</u>
Total police department	<u>7,139,095</u>	<u>19,417,464</u>	<u>7,065,280</u>
Total public safety	<u>7,170,945</u>	<u>19,457,361</u>	<u>7,087,346</u>
Highways and Streets			
Public works - road department			
Personnel services			
Salaries	639,000	434,906	601,149
Employee benefits	223,000	139,332	177,693
Union incentive	2,000	800	2,183
Insurance incentive	168,000	87,299	162,856
Uniforms allowance	4,500	4,454	3,876
Total personnel services	<u>1,036,500</u>	<u>666,791</u>	<u>947,757</u>
Contractual services			
Maintenance service - utility	18,000	9,942	9,505
Maintenance service - building	3,000	476	599
Maintenance service - equipment	6,000	689	508
Maintenance service - vehicle	10,000	4,130	2,460

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Maintenance service - other	\$ 54,000	\$ 39,183	\$ 36,939
Medical service	500	195	297
Legal	5,000	5,835	5,668
Professional services	1,500	1,316	653
Consulting and other professional services	5,000	4,022	3,819
Julie-joint utility locator	1,000	534	757
Postage	1,000	82	74
Telephone	3,600	3,341	2,631
Dues	2,000	1,730	1,701
Rentals	12,000	-	571
Training	1,000	608	150
Tuition reimbursement	500	-	-
Electricity	55,000	37,839	50,546
Gas	100	-	-
Water	1,000	307	376
Street lighting	1,000	1,200	-
Permit fees	1,000	1,000	1,000
Leaf and soil disposal	5,000	3,686	2,006
Engineering service	10,000	17,408	4,216
Total contractual services	<u>197,200</u>	<u>133,523</u>	<u>124,476</u>
Commodities			
Maintenance supplies - vehicles	18,000	8,251	14,639
Maintenance supplies - snow removal	55,000	7,408	32,284
Maintenance supplies - building	3,000	555	592
Maintenance supplies - equipment	7,000	6,058	5,414
Maintenance supplies - utility	9,800	4,231	4,483
Maintenance supplies - street	13,000	11,336	13,560
Office supplies	1,500	1,455	2,320
Maintenance supplies - other property	8,000	4,299	5,215
General supplies	500	35	-
Fuel and oil	27,000	17,147	21,892
Small tools	1,500	1,004	1,077
Janitorial supplies	1,000	267	448
Street light supplies	1,000	732	707
Total commodities	<u>146,300</u>	<u>62,778</u>	<u>102,631</u>

(Cont.)

City of Hickory Hills, Illinois
General Fund
Schedule of Expenditures (Detailed) – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Miscellaneous			
Petty cash	\$ 500	\$ 5	\$ 63
Community events	4,000	4,638	145
Miscellaneous	500	600	105
Total miscellaneous	<u>5,000</u>	<u>5,243</u>	<u>313</u>
Capital outlay			
Building improvements	5,000	3,592	21,575
Equipment	10,000	8,491	3,292
Vehicles	30,000	-	8,795
Utility	6,000	-	11,532
Total capital outlay	<u>51,000</u>	<u>12,083</u>	<u>45,194</u>
Total public works	<u>1,436,000</u>	<u>880,418</u>	<u>1,220,371</u>
Debt Service			
Principal	-	930,000	-
Interest	-	345,196	-
Issuance costs	-	323,749	-
Total debt service	<u>-</u>	<u>1,598,945</u>	<u>-</u>
Total expenditures	<u>\$ 11,225,945</u>	<u>\$ 24,791,577</u>	<u>\$ 10,841,745</u>

Nonmajor Special Revenue Funds

A Special Revenue Fund is used to finance particular activities and is created out of revenue of specific taxes or other earmarked revenue that is restricted or committed to expenditure for specified purposes other than debt service or capital projects. Such funds are authorized by statutory provisions to pay for certain activities with some special form of continuing revenue.

City of Hickory Hills, Illinois
911 Service Operating Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Intergovernmental - grants	\$ -	\$ 38,306	\$ -
Reimbursements	528,350	169,081	169,003
Investment income	(1,150)	(14)	1
Total revenues	<u>527,200</u>	<u>207,373</u>	<u>169,004</u>
Expenditures			
Public safety			
Personnel services	523,000	270,689	162,187
Contractual services	2,500	1,844	1,329
Commodities	4,000	1,137	2,838
Miscellaneous	-	-	771
Total expenditures	<u>529,500</u>	<u>273,670</u>	<u>167,125</u>
Net Change in Fund Balance	<u>\$ (2,300)</u>	(66,297)	1,879
Fund Balance (Deficit), Beginning		<u>496</u>	<u>(1,383)</u>
Fund Balance (Deficit), Ending		<u>\$ (65,801)</u>	<u>\$ 496</u>

City of Hickory Hills, Illinois

Motor Fuel Tax Fund

Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Intergovernmental	\$ 954,000	\$ 988,604	\$ 1,136,164
Investment income	-	577	300
Total revenues	954,000	989,181	1,136,464
Expenditures			
Highways and streets			
Maintenance services	825,000	589,140	452,342
Engineering services	120,000	87,684	61,946
Total expenditures	945,000	676,824	514,288
Net Change in Fund Balance	\$ 9,000	312,357	622,176
Fund Balance, Beginning		1,553,084	930,908
Fund Balance, Ending		\$ 1,865,441	\$ 1,553,084

Debt Service Fund

The City's Debt Service Fund is legal in nature. It is established in accordance with statutes and/or bond indentures. Inclusion of Debt Service Fund provisions in the indenture indicates to the buyer that the timing of the acquisition of assets with which to satisfy maturing debt has been formalized and that an adequate administrative approach to servicing the debt will be followed.

City of Hickory Hills, Illinois
Street and Water G.O. Bond Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Taxes	\$ 1,397,746	\$ 105,780	\$ 132,461
Interest	-	17	30
Total revenues	<u>1,397,746</u>	<u>105,797</u>	<u>132,491</u>
Expenditures			
Debt service			
Principal	1,020,000	90,000	90,000
Interest	377,896	32,576	36,821
Total expenditures	<u>1,397,896</u>	<u>122,576</u>	<u>126,821</u>
Excess (Deficiency) of Revenues Over Expenditures	(150)	(16,779)	5,670
Other Financing Sources			
Transfers in	<u>1,397,746</u>	<u>16,268</u>	<u>126,720</u>
Net Change in Fund Balance	<u>\$ 1,397,596</u>	(511)	132,390
Fund Balance, Beginning		<u>229,101</u>	<u>96,711</u>
Fund Balance, Ending		<u>\$ 228,590</u>	<u>\$ 229,101</u>

Capital Projects Funds

A Capital Project Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

City of Hickory Hills, Illinois
Capital Projects Fund (Major Fund)
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenue			
Grants	\$ 1,540,000	\$ 26,520	\$ 229,095
Miscellaneous	-	6,388	30,759
Total revenues	<u>1,540,000</u>	<u>32,908</u>	<u>259,854</u>
Expenditures			
Capital outlay			
Contractual services	55,000	28,404	125,062
Commodities	51,000	35,057	37,491
Construction	2,190,000	207,177	316,156
Total expenditures	<u>2,296,000</u>	<u>270,638</u>	<u>478,709</u>
Deficiency of Revenues Over Expenditures	(756,000)	(237,730)	(218,855)
Other Financing Sources			
Transfers in			
Utility tax fund	756,000	148,015	235,752
Net Change in Fund Balance	<u>\$ -</u>	(89,715)	16,897
Fund Balance (Deficit), Beginning		<u>(3,796)</u>	<u>(20,693)</u>
Fund Balance (Deficit), Ending		<u>\$ (93,511)</u>	<u>\$ (3,796)</u>

City of Hickory Hills, Illinois
Water Capital Projects Fund (Major Fund)
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Intergovernmental	\$ 500,000	\$ 521,269	\$ -
Expenditures			
Capital outlay			
Water utility improvement	1,125,000	502,059	59,775
Excess (Deficiency) of Revenues Over Expenditures	<u>(625,000)</u>	<u>19,210</u>	<u>(59,775)</u>
Other Financing Sources (Uses)			
Transfers in	625,000	531,571	66,000
Transfers out	-	-	(25,826)
Total other financing sources	<u>625,000</u>	<u>531,571</u>	<u>40,174</u>
Net Change in Fund Balance	<u>\$ -</u>	550,781	(19,601)
Fund Balance (Deficit), Beginning		<u>(17,219)</u>	<u>2,382</u>
Fund Balance (Deficit), Ending		<u>\$ 533,562</u>	<u>\$ (17,219)</u>

City of Hickory Hills, Illinois
Sewer Capital Improvements Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Intergovernmental	\$ 815,000	\$ 142,520	\$ -
Miscellaneous revenue	-	101,147	-
Total revenues	<u>815,000</u>	<u>243,667</u>	<u>-</u>
Expenditures			
Capital outlay			
Engineering	35,000	30,809	-
Construction	1,000,000	153,005	14,995
Total expenditures	<u>1,035,000</u>	<u>183,814</u>	<u>14,995</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(220,000)</u>	<u>59,853</u>	<u>(14,995)</u>
Other Financing Sources (Uses)			
Transfers in	220,000	175,000	377,500
Transfers out			
Sewer fund	-	-	(362,612)
Total other financing sources	<u>220,000</u>	<u>175,000</u>	<u>14,888</u>
Net Change in Fund Balance	<u>\$ -</u>	234,853	(107)
Fund Balance (Deficit), Beginning		<u>(108,219)</u>	<u>(108,112)</u>
Fund Balance (Deficit), Ending		<u>\$ 126,634</u>	<u>\$ (108,219)</u>

City of Hickory Hills, Illinois
95th Street TIF District Fund (Major Fund)
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Taxes	\$ 325,000	\$ 28,377	\$ 359,684
Investment income (loss)	7,500	6,110	(55,215)
Total revenues	<u>332,500</u>	<u>34,487</u>	<u>304,469</u>
Expenditures			
General government			
Contractual services			
Professional services	35,000	8,506	22,331
Economic Development	156,000	360,573	-
Capital outlay	10,000	452,779	530,750
Total expenditures	<u>201,000</u>	<u>821,858</u>	<u>553,081</u>
Net Change in Fund Balance	<u>\$ 131,500</u>	(787,371)	(248,612)
Fund Balance, Beginning		<u>1,611,726</u>	<u>1,860,338</u>
Fund Balance, Ending		<u>\$ 824,355</u>	<u>\$ 1,611,726</u>

City of Hickory Hills, Illinois
Working Cash Capital Fund (Major Fund)
Statement of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Revenues			
Investment income (loss)	\$ 5,000	\$ 6,378	\$ (37,728)
Expenditures			
Capital outlay			
Contractual services			
Contractual services	2,500	3,281	3,046
Excess (Deficiency) of Revenues Over Expenditures	2,500	3,097	(40,774)
Other Financing Uses			
Transfers out	(178,000)	-	-
Net Change in Fund Balance	\$ (175,500)	3,097	(40,774)
Fund Balance, Beginning		1,176,075	1,216,849
Fund Balance, Ending		\$ 1,179,172	\$ 1,176,075

Proprietary Fund Type

Enterprise Funds

Enterprise Funds are established to account for the financing of self-supporting activities of governmental units which render services to the general public on a user charge basis. Enterprise Funds are maintained on the accrual basis of accounting.

City of Hickory Hills, Illinois

Waterworks Fund

Schedule of Operating Revenues and Expenses – Budget and Actual

(Budgetary and GAAP Basis)

Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Operating Revenues			
Charges for services	\$ 2,964,000	\$ 3,222,350	\$ 3,274,753
Fines and forfeits	25,000	34,534	29,017
Miscellaneous	27,000	17,489	25,379
Total operating revenues	3,016,000	3,274,373	3,329,149
Operating Expenses			
Capital equipment	60,000	10,161	45,062
Personnel services	531,500	493,319	445,375
Contractual services	127,200	79,461	75,106
Commodities	110,700	103,405	85,739
Benefits, insurance, audit and legal	287,000	233,701	47,709
Water purchases	2,062,000	1,928,815	1,920,901
Miscellaneous	7,500	2,026	84,750
Operating expenses before depreciation	3,185,900	2,850,888	2,704,642
Operating Income (Loss) (Budgetary Basis)	\$ (169,900)	423,485	624,507
Depreciation Expense (Not Budgeted)		130,156	136,774
Operating Income (GAAP Basis)		\$ 293,329	\$ 487,733

City of Hickory Hills, Illinois
Waterworks Fund
Schedule of Operating Expenses – Budget and Actual
(Budgetary Basis)
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Capital Equipment	\$ 60,000	\$ 10,161	\$ 45,062
Personnel Services	531,500	493,319	445,375
Contractual Services			
Medical services	500	195	297
Postage	2,500	8,394	2,944
Professional services	500	1,237	340
Consulting and other professional services	5,000	5,782	4,589
Communications	3,600	2,997	2,631
Printing	1,500	239	-
Dues	500	272	274
Training	2,000	-	200
Rentals	12,000	-	571
Tuition reimbursement	500	50	60
Electricity	35,000	24,459	31,909
Water	1,500	611	555
Gas	100	-	-
Spoilage disposal	5,000	3,686	2,006
Water testing	24,000	20,884	20,871
Engineering services	3,000	-	1,720
Maintenance service	30,000	10,655	6,139
	<u>127,200</u>	<u>79,461</u>	<u>75,106</u>
Commodities			
Office supplies	1,500	1,455	3,032
General supplies	500	35	-
Safety supplies	500	-	-
Fuel and oil	27,000	18,340	22,022
Small tools	1,500	889	1,035
Janitorial supplies	1,000	267	448
Maintenance supplies	78,700	82,419	59,202
	<u>110,700</u>	<u>103,405</u>	<u>85,739</u>

(Cont.)

City of Hickory Hills, Illinois
Waterworks Fund
Schedule of Operating Expenses – Budget and Actual
(Budgetary Basis)
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Benefits, Insurance, Audit and Legal			
Health insurance	\$ 72,000	\$ 59,731	\$ 64,134
Life insurance	1,000	464	551
Unemployment insurance	1,000	1,265	1,536
Worker’s compensation	25,000	18,781	19,027
Social Security	30,000	26,737	25,310
IMRF	72,000	52,721	(141,829)
OPEB	-	(4,937)	(7,174)
Medicare	8,000	7,896	5,919
Audit	3,000	-	3,000
Legal	5,000	1,043	7,235
General insurance	70,000	70,000	70,000
	<u>287,000</u>	<u>233,701</u>	<u>47,709</u>
Water Purchases	<u>2,062,000</u>	<u>1,928,815</u>	<u>1,920,901</u>
Miscellaneous			
Petty cash	500	6	63
Community events	500	-	-
Miscellaneous	6,500	2,020	84,687
	<u>7,500</u>	<u>2,026</u>	<u>84,750</u>
 Total Waterworks Fund expenses	 <u>\$ 3,185,900</u>	 <u>\$ 2,850,888</u>	 <u>\$ 2,704,642</u>

City of Hickory Hills, Illinois

Sewer Fund

Schedule of Operating Revenues and Expenses – Budget and Actual

(Budgetary and GAAP Basis)

Year Ended April 30, 2023

(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Operating Revenues			
Charges for services	\$ 776,000	\$ 805,585	\$ 801,786
Fines and forfeits	3,000	7,692	6,585
Miscellaneous	9,000	4,571	11,445
Total operating revenues	788,000	817,848	819,816
Operating Expenses			
Capital equipment	69,000	4,387	16,268
Personnel services	333,500	241,505	298,258
Contractual services	121,600	37,995	35,622
Commodities	85,000	52,657	52,226
Benefits, insurance, audit and legal	195,000	168,218	58,179
Miscellaneous	1,700	1,737	1,856
Operating expenses before depreciation	805,800	506,499	462,409
Operating Income (Loss) (Budgetary Basis)	\$ (17,800)	311,349	357,407
Depreciation Expense (Not Budgeted)		97,516	134,113
Operating Income (GAAP Basis)		\$ 213,833	\$ 223,294

City of Hickory Hills, Illinois
Sewer Fund
Schedule of Operating Expenses – Budget and Actual
(Budgetary Basis)
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Capital Equipment	\$ 69,000	\$ 4,387	\$ 16,268
Personnel Services	333,500	241,505	298,258
Contractual Services			
Medical services	500	195	297
Postage	2,500	-	2,200
Communications	3,600	2,918	2,631
Printing	-	239	-
Dues	500	16	16
Training	500	-	-
Employee benefits	500	-	60
Rentals	12,000	-	571
Electricity	20,000	15,842	18,906
Water	1,000	307	319
Soil disposal	5,000	3,686	2,006
Engineering services	15,000	6,573	3,111
Maintenance services	53,000	2,257	360
Professional services	7,500	5,962	5,145
	<u>121,600</u>	<u>37,995</u>	<u>35,622</u>
Commodities			
Office supplies	1,500	1,455	2,781
General supplies	500	35	-
Safety supplies	500	-	-
Fuel and oil	27,000	17,327	22,022
Small tools	1,500	829	635
Janitorial supplies	1,000	267	448
Maintenance supplies	53,000	32,744	26,340
	<u>85,000</u>	<u>52,657</u>	<u>52,226</u>
Benefits, Insurance, Audit and Legal			
Health insurance	42,000	45,819	37,307
Life insurance	500	355	368
Unemployment insurance	500	525	895
Worker's compensation	11,000	9,258	7,836

(Cont.)

City of Hickory Hills, Illinois
Sewer Fund
Schedule of Operating Expenses – Budget and Actual
(Budgetary Basis)
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Social Security	\$ 18,000	\$ 12,075	\$ 16,927
IMRF	35,000	28,756	(82,424)
OPEB expense	-	(7,898)	(11,478)
Medicare	5,000	3,488	3,959
Audit	3,000	-	3,000
Legal	5,000	840	6,789
General insurance	75,000	75,000	75,000
	<u>195,000</u>	<u>168,218</u>	<u>58,179</u>
Miscellaneous			
Petty cash	500	69	-
Miscellaneous	1,200	1,668	1,856
	<u>1,700</u>	<u>1,737</u>	<u>1,856</u>
 Total sewer fund expenses	 <u>\$ 805,800</u>	 <u>\$ 506,499</u>	 <u>\$ 462,409</u>

City of Hickory Hills, Illinois
Senior Citizen Housing Fund
Schedule of Operating Revenues and Expenses – Budget and Actual
(Budgetary and GAAP Basis)
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Operating Revenues			
Rental income	\$ (565,000)	\$ 573,970	\$ 562,318
Laundry income	(5,000)	2,339	5,275
Miscellaneous	(2,000)	155	-
Total operating revenues	<u>(572,000)</u>	<u>576,464</u>	<u>567,593</u>
Operating Expenses			
Personnel services	18,700	19,704	18,842
Contractual services	197,500	202,493	221,654
Commodities	10,500	15,217	28,685
Benefits, insurance, audit and legal	5,600	4,212	(4,214)
Miscellaneous	1,000	1,719	1,762
Operating expenses before depreciation	<u>233,300</u>	<u>243,345</u>	<u>266,729</u>
Operating Income (Loss) (Budgetary Basis)	<u>\$ (805,300)</u>	333,119	300,864
Depreciation Expense (Not Budgeted)		<u>114,559</u>	<u>120,105</u>
Operating Income (GAAP Basis)		<u>\$ 218,560</u>	<u>\$ 180,759</u>

City of Hickory Hills, Illinois
Senior Citizen Housing Fund
Schedule of Operating Expenses – Budget and Actual
(Budgetary Basis)
Year Ended April 30, 2023
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023		2022 Actual
	Original/Final Budget	Actual	
Capital Equipment	\$ -	\$ -	\$ -
Personnel Services	18,700	19,704	18,842
Contractual Services			
Telephone	500	425	372
Utility expense - water	20,000	17,755	17,306
Electricity	6,500	5,243	5,571
Gas expense	35,000	47,108	42,253
Janitorial services	7,000	7,902	7,084
Maintenance services	99,000	97,433	119,627
General insurance	26,000	26,000	26,000
IT services	500	627	441
Accounting service	3,000	-	3,000
	<u>197,500</u>	<u>202,493</u>	<u>221,654</u>
Commodities			
Maintenance supplies	10,500	15,217	28,685
Miscellaneous			
Bank charges	1,000	1,719	1,762
Benefits, Insurance and Legal			
Unemployment insurance	300	227	282
Legal	1,500	135	1,060
Worker's compensation	500	398	374
Social Security	1,200	995	1,168
IMRF	1,800	2,166	(7,371)
Medicare	300	291	273
	<u>5,600</u>	<u>4,212</u>	<u>(4,214)</u>
Total senior citizen housing expenses	<u>\$ 233,300</u>	<u>\$ 243,345</u>	<u>\$ 266,729</u>