

DOWNERS GROVE SANITARY DISTRICT

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2024

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DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENTAL AUDITING STANDARDS</i>	4
MANAGEMENT'S DISCUSSION AND ANALYSIS	7
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	19
Fund Financial Statements	
Balance Sheet - Governmental Funds	21
Reconciliation of Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities	23
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	25
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities	27
Notes to Financial Statements	28
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	50
Schedule of Changes in the Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	51
Schedule of Changes in the Employer's Total OPEB Liability	53
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	55
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Expenditures - Budget and Actual	
General Fund	58
Schedule of Revenues, Expenditures and Changes in Fund Balance	
Improvement - Capital Projects Fund	59
Construction - Capital Projects Fund	60

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

August 8, 2024

Members of the Board of Trustees
Downers Grove Sanitary District
Downers Grove, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Downers Grove Sanitary District (the District), Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Downers Grove Sanitary District, Illinois, as of April 30, 2024, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 District, 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 District'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 generally accepted auditing standards 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, supplementary pension, and other post-employment benefit (OPEB) schedules, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Downers Grove Sanitary District, Illinois' basic financial statements. The other supplementary information is 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 auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 8, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP



INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

August 8, 2024

Members of the Board of Trustees
Downers Grove Sanitary District
Downers Grove, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Downers Grove Sanitary District (the District), Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated August 8, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Downers Grove Sanitary District, Illinois
August 8, 2024

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

Our discussion and analysis of the Downers Grove Sanitary District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended April 30, 2024. Please read it in conjunction with the District's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The District's net position totaled \$84,268,340 on April 30, 2024, which includes \$71,369,690 net investment in capital assets, \$2,807,898 subject to external restrictions, and \$10,090,752 unrestricted net position that may be used to meet the ongoing obligations of the District.
- During the year, government-wide revenues totaled \$13,023,764, while government-wide expenses totaled \$10,110,970, resulting in an increase to net position of \$2,912,794. While the District budgeted for a decrease in net position for FY2023-24, an increase in net position was realized due to continued slow progress on budgeted construction projects for which revenue was collected.
- The user charge was increased from \$2.25 to \$2.75 per 1,000 gallons of consumption, effective April 2024. Billable flows for FY2023-24 were 4.86 million gallons per day, a 1.8% decrease from the FY2022-23 billable flows.

USING THIS ANNUAL FINANCIAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances.

For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business.

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

USING THIS ANNUAL FINANCIAL REPORT - Continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District only maintains governmental funds.

Governmental Funds

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

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

The District presents four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Public Benefit Fund (had no activity this fiscal year), Improvement Fund, and Construction Fund, all of which are considered to be major funds. Not presented in this audit report is the Sewer Extensions Escrow Fund which has not had any activity for several years.

The District adopts an annual working budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's I.M.R.F. employee pension obligations, retiree benefit plan, and budgetary comparison schedules for the General Fund and major special revenue fund. The budgetary comparison schedules are presented immediately following the required supplementary information, in addition to a supplemental schedule detailing the District's long-term debt requirements.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred inflows by \$84,268,340.

	Net Position	
	4/30/2024	4/30/2023
Current/Other Assets	\$ 14,688,388	14,326,289
Capital Assets	73,343,023	71,104,069
Total Assets	88,031,411	85,430,358
Deferred Outflows	1,697,249	1,797,954
Total Assets/Deferred Outflows	89,728,660	87,228,312
Long-Term Debt	3,139,792	4,061,998
Other Liabilities	1,560,898	1,049,886
Total Liabilities	4,700,690	5,111,884
Deferred Inflows	759,630	760,882
Total Liabilities/Deferred Inflows	5,460,320	5,872,766
Net Position		
Net Investment in Capital Assets	71,369,690	68,827,147
Restricted	2,807,898	2,168,469
Unrestricted	10,090,752	10,359,930
Total Net Position	84,268,340	81,355,546

A large portion of the District's net position, \$71,369,690 or 84.7 percent, reflects its net investment in capital assets (for example, land, construction in progress, buildings and equipment, and sanitary sewers infrastructure), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$2,807,898 or 3.3 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$10,090,752, or 12.0 percent, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position	
	4/30/2024	4/30/2023
Revenues		
Program Revenues		
Charges for Services	\$ 9,199,408	9,502,512
Operating Grants/Incentives	1,637,903	126,046
General Revenues		
Property Taxes	1,515,100	1,397,827
Replacement Taxes	203,775	281,814
Interest Income	463,811	164,795
Miscellaneous	3,767	9,758
Total Revenues	<u>13,023,764</u>	<u>11,482,752</u>
Expenses		
General Government	<u>10,110,970</u>	<u>9,586,149</u>
Change in Net Position	2,912,794	1,896,603
Net Position - Beginning	<u>81,355,546</u>	<u>79,458,943</u>
Net Position - Ending	<u>84,268,340</u>	<u>81,355,546</u>

Net position of the District's governmental activities increased by 3.6 percent (\$81,355,546 in 2023, compared to \$84,268,340 in 2024). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$10,090,752 on April 30, 2024.

Governmental Activities

Revenues for governmental activities of \$13,023,764 exceeded expenses of \$10,110,970, resulting in an increase to net position in the current year of \$2,912,794.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management’s Discussion and Analysis

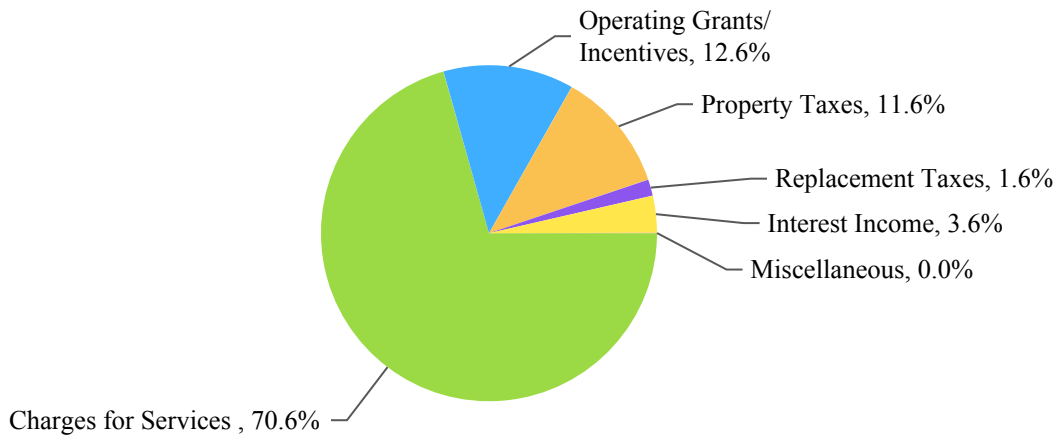
April 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

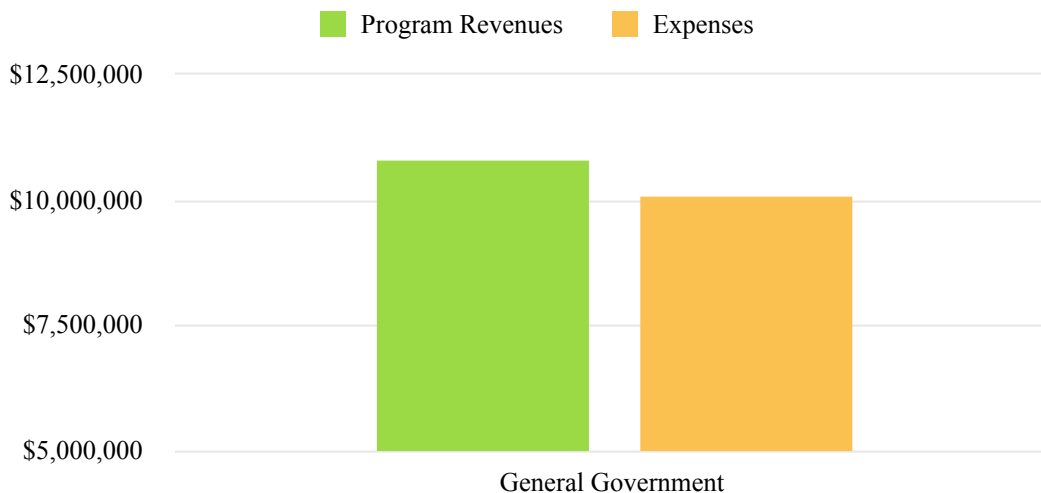
The following figure graphically presents the major revenue sources of the District in 2024. It depicts very clearly the reliance on charges for services and property taxes to fund governmental activities. It also clearly identifies the less significant percentage the District receives from grants and incentives, replacement taxes, interest income and miscellaneous income.

Revenues by Source - Governmental Activities



The ‘Expenses and Program Revenues’ Figure summarizes the revenue and expenses of the governmental activities and identifies those governmental functions where program expenses greatly exceed revenues.

Expenses and Program Revenues - Governmental Activities



DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

In the course of closing this fiscal year, the District continued its year-end accrual practices that it began in the fiscal year ending 2020.

The District's governmental funds reported combining ending fund balances of \$12,724,691, which is \$141,992 or 1.1 percent, less than last year's total of \$12,866,683. Of the \$12,724,691 total, \$7,779,184, or approximately 61% percent, of the combined fund balances constitutes unassigned fund balance.

The General Fund reported a decrease of \$168,775 or 1.8 percent. A reduction in fund balance of \$2,419,169 was budgeted to restore the ending fund balance to 25% of annual expenditures. The actual decrease in fund balance was less than budgeted due to delays in vehicle deliveries, delays in completion of sewer projects, and District staff completing less equipment maintenance and replacements than anticipated. These variances are further outlined in the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance.

The General Fund is the chief operating fund of the District. On April 30, 2024, unassigned fund balance in the General Fund was \$7,779,184, which represents 81.8 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 63.6 percent of total General Fund expenditures.

The Public Benefit Fund reported no change in fund balance for the year.

The Improvement Fund reported a decrease in fund balance for the year of \$2,197 or 0.2 percent. A reduction of \$353,400 in fund balance was budgeted for fiscal year 2023-24 but was not realized due to continued slow progress on the Centex Lift Station project and a delay in bidding the Venard Forcemain Replacement project. These variances are further outlined on the Improvement Fund Schedule of Revenues, Expenditures and Changes in Fund Balance.

The Construction Fund reported a positive change in fund balance for the year of \$28,980, an increase of 1.6 percent. A decrease in fund balance of \$1,177,700 was budgeted. Due to delays in bidding the Gas Detection and Alarming System project and a reduction in the scope of the Biosolids Processing/Storage Improvements project, the planned reduction of fund balance did not occur. These variances are further outlined on the Construction Fund Schedule of Revenues, Expenditures and Changes in Fund Balance.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management's Discussion and Analysis

April 30, 2024

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$12,844,753, compared to budgeted revenues of \$12,839,681.

The General Fund actual expenditures for the year were \$2,268,935 less than budgeted expenditures. Actual expenditures totaled \$12,227,615, while budgeted expenditures totaled \$14,496,550. Several smaller projects were not completed, and vehicles were not received during the fiscal year due to delays in production.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of April 30, 2024 was \$73,343,023 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and equipment, and sanitary sewer infrastructure.

	Capital Assets - Net of Accumulated Depreciation	
	4/30/2024	4/30/2023
Land	\$ 2,496,725	2,496,725
Construction in Progress	3,503,106	700,442
Buildings and Equipment	25,313,372	25,465,211
Sanitary Sewer Infrastructure	42,029,820	42,441,691
Total	<u>73,343,023</u>	<u>71,104,069</u>

This year's major additions to capital assets included the following:

Construction in Progress	\$ 2,802,664
Buildings and Equipment	1,242,881
Sanitary Sewer Infrastructure	<u>428,196</u>
	<u>4,473,741</u>

Additional information on the District's capital assets can be found in Note 3 of this report.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Management’s Discussion and Analysis

April 30, 2024

DEBT ADMINISTRATION

At year-end, the District had total outstanding debt of \$1,973,333 as compared to \$2,276,922 the previous year, a decrease of 13.3 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	4/30/2024	4/30/2023
IEPA Loan Payable	\$ 1,973,333	2,276,922

This debt will be paid in full in 2031. Additional information on the District’s long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

The District’s Board of Trustees considered many factors when setting the fiscal-year 2024-25 budget and fees that will be charged for its governmental activities. An increase in the user charge from \$2.25 to \$2.75 per 1,000 gallons of consumption were established to match the increasing costs of operation, maintenance, and replacement of infrastructure. Increases in connection fees were established to match increases in the cost of construction. Increases in inspection fees and sampling and monitoring charges were established to match salary increases. Surcharge rates were increased to be closer to the actual cost of treatment. The rate for hauled grease interceptor waste was also increased.

The District anticipates an increase in tax revenues, budgeting \$1.473 million for 2024-25 as compared to the 2023-24 budget of \$1.403 million, an increase of 4.75 percent. The District’s 2024-25 budget continues with previous equipment and infrastructure investments that help control long-term operating costs and sustain the infrastructure.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the General Manager or Treasurer, Downers Grove Sanitary District, 2710 Curtiss Street, Downers Grove, IL 60515.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Statement of Net Position

April 30, 2024

See Following Page

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Statement of Net Position

April 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 10,923,907
Receivables - Net of Allowances	2,927,003
Due to Other Governments	837,478
Total Current Assets	<u>14,688,388</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	5,999,831
Depreciable	127,181,202
Accumulated Depreciation	<u>(59,838,010)</u>
Total Noncurrent Assets	<u>73,343,023</u>
Total Assets	88,031,411
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	<u>1,697,249</u>
Total Assets and Deferred Outflows of Resources	<u>89,728,660</u>

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

Governmental
Activities

LIABILITIES

Current Liabilities	
Accounts Payable	\$ 749,846
Retainage Payable	350,310
Accrued Payroll	153,627
Other Payables	1,063
Current Portion of Long-Term Debt	<u>306,052</u>
Total Current Liabilities	<u>1,560,898</u>
Noncurrent Liabilities	
Compensated Absences Payable	9,852
Net Pension Liability - IMRF	864,764
Total OPEB Liability - RBP	595,432
IEPA Loans Payable	<u>1,669,744</u>
Total Noncurrent Liabilities	<u>3,139,792</u>
Total Liabilities	<u>4,700,690</u>

DEFERRED INFLOWS OF RESOURCES

Property Taxes	708,851
Deferred Items - IMRF	<u>50,779</u>
Total Deferred Inflows of Resources	<u>759,630</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,460,320</u>

NET POSITION

Net Investment in Capital Assets	71,369,690
Restricted	
Public Benefit	37,818
Capital Projects	2,770,080
Unrestricted	<u>10,090,752</u>
Total Net Position	<u>84,268,340</u>

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2024

	Expenses	Program Revenues			Net (Expenses)/ Revenues and Changes in Net Position
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 10,110,970	9,199,408	1,637,903	—	726,341
		General Revenues			
		Taxes			
					1,515,100
		Intergovernmental - Unrestricted			
					203,775
					463,811
					3,767
					<u>2,186,453</u>
					2,912,794
					<u>81,355,546</u>
					<u>84,268,340</u>

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Balance Sheet

April 30, 2024

See Following Page

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Balance Sheet

April 30, 2024

	<u>General</u>
ASSETS	
Cash and Investments	\$ 7,562,098
Receivables - Net of Allowances	
Property Taxes	1,508,194
Accounts	1,418,809
Due to Other Governments	<u>837,478</u>
Total Assets	<u><u>11,326,579</u></u>
LIABILITIES	
Accounts Payable	714,175
Accrued Payroll	153,627
Retainage Payable	233,215
Other Payables	<u>1,063</u>
Total Liabilities	1,102,080
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>708,851</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>1,810,931</u></u>
FUND BALANCES	
Restricted	—
Assigned	1,736,464
Unassigned	<u>7,779,184</u>
Total Fund Balances	<u><u>9,515,648</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>11,326,579</u></u>

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

Special Revenue	Capital Projects		Totals
	Improvement	Construction	
Public Benefit			
37,818	1,495,950	1,828,041	10,923,907
—	—	—	1,508,194
—	—	—	1,418,809
—	—	—	837,478
37,818	1,495,950	1,828,041	14,688,388
	28,843	6,828	749,846
—	—	—	153,627
—	117,095	—	350,310
—	—	—	1,063
—	145,938	6,828	1,254,846
—	—	—	708,851
—	145,938	6,828	1,963,697
37,818	948,867	1,821,213	2,807,898
—	401,145	—	2,137,609
—	—	—	7,779,184
37,818	1,350,012	1,821,213	12,724,691
37,818	1,495,950	1,828,041	14,688,388

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Reconciliation of the Total Fund Balance to the Statement of Net Position

April 30, 2024

Total Governmental Fund Balances	\$ 12,724,691
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.	73,343,023
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	1,646,470
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(12,315)
Net Pension Liability - IMRF	(864,764)
Total OPEB Liability - RBP	(595,432)
IEPA Loans Payable	<u>(1,973,333)</u>
Net Position of Governmental Activities	<u><u>84,268,340</u></u>

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2024**

See Following Page

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2024**

	<u>General</u>
Revenues	
Taxes	\$ 1,515,100
Intergovernmental	1,841,678
Charges for Services	9,068,820
Interest Income	415,388
Miscellaneous	3,767
Total Revenues	<u>12,844,753</u>
Expenditures	
General Government	12,046,024
Capital Outlay	—
Debt Service	
Principal Retirement	181,591
Total Expenditures	<u>12,227,615</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>617,138</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	14,087
Transfers In	—
Transfers Out	(800,000)
	<u>(785,913)</u>
Net Change in Fund Balances	(168,775)
Fund Balances - Beginning	<u>9,684,423</u>
Fund Balances - Ending	<u><u>9,515,648</u></u>

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

Special Revenue	Capital Projects		Totals
	Improvement	Construction	
Public			
Benefit			
—	—	—	1,515,100
—	—	—	1,841,678
—	21,166	109,422	9,199,408
—	16,391	32,032	463,811
—	—	—	3,767
—	37,557	141,454	13,023,764
—	—	—	12,046,024
—	746,563	83,667	830,230
—	93,191	28,807	303,589
—	839,754	112,474	13,179,843
—	(802,197)	28,980	(156,079)
—	—	—	14,087
—	800,000	—	800,000
—	—	—	(800,000)
—	800,000	—	14,087
—	(2,197)	28,980	(141,992)
37,818	1,352,209	1,792,233	12,866,683
37,818	1,350,012	1,821,213	12,724,691

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

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

For the Fiscal Year Ended April 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ (141,992)

Amounts reported in the Statement of Activities
are different because:

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

Capital Outlays	4,473,741
Depreciation Expense	(2,125,381)
Disposals - Cost	(329,917)
Disposals - Accumulated Depreciation	220,511

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

Change in Deferred Items - IMRF	(105,573)
---------------------------------	-----------

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

Change in Compensated Absences	(4,005)
Change in Net Pension Liability - IMRF	602,804
Change in Total OPEB Liability - RBP	19,017
Retirement of Long-Term Debt	<u>303,589</u>

Changes in Net Position of Governmental Activities 2,912,794

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Downers Grove Sanitary District (the District) was incorporated to provide and maintain economical treatment of the domestic and industrial wastes collected at its sewage treatment plant so that the wastes are given the degree of treatment necessary to prevent pollution of the water of the State of Illinois.

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

REPORTING ENTITY

The District is a municipal corporation governed by an elected president and two-member Board of Trustees. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are no fiduciary component units that are required to be included in the financial statements of the District as pension trust funds and there are no discretely component units to include in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements and Fund Financial Statements

The government-wide Statement of Activities reports both the gross and net cost of the District's functions. The District's activities are supported by taxes and charges for services revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures. The District accounts for all of its activities in governmental funds, with the emphasis in the fund financial statements being on the major funds.

Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds.

Governmental Funds

The following fund types are used by the District:

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements and Fund Financial Statements - Continued

Governmental Funds - Continued

General Fund is the general operating fund of the District. It accounts for all financial resources of the District which are not accounted for in other funds. The General Fund is a major fund.

Special Revenues Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains one major special revenue fund. The Public Benefit Fund is used to account for the payment of sewer extensions or sewer special assessments which the District Board of Trustees deems to be of benefit to an area larger than the immediate service area.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District reports two capital projects funds. The Improvement Fund, a major fund, is used to account for sewer system, pump station improvements, and repayment of loans to the Illinois Environmental Protection Agency. The Construction Fund, a major fund, is used to account for improvements and expansions to the Wastewater Treatment Center and repayment of loans to the Illinois Environmental Protection Agency.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

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

On the government-wide Statement of Net Position and the Statement of Activities, activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

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

The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting

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

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

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

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

Cash and Investments

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of purchase.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share as determined by the pool.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more (depending on asset class) are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Upgrades or rehabilitation that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

Buildings and Equipment	5 - 75 Years
Sanitary Sewer Infrastructure	20 - 100 Years

Compensated Absences

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

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

Deferred Outflows/Inflows of Resources

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Net Position

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

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

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

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

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

The budget, levy and appropriation is prepared on the same basis and uses the same accounting practices as are used in the fund financial statements. Unexpended budget amounts lapse at the end of the budget year. Spending controls for the fund is established by the amount of expenditures budgeted for the fund, but management control is exercised at budgetary line level items. Expenditures may not exceed appropriations. There were no supplemental appropriations for the year-ended April 30, 2024.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments."

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

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

Deposits. At year-end, the carrying amount of the District's deposits totaled \$3,016,823 and the bank balances totaled \$2,817,409. At year-end, the District also had \$7,907,084 invested in the Illinois Funds, which has an average maturity of less than one year.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy does not address interest rate risk.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy does not specifically address credit risk. The District's investment in the Illinois Funds was rated AAmmf by Fitch.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy does not address custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance. For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not specifically address custodial credit risk for investments. The District's investment in the Illinois Fund is not subject to custodial credit risk.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy does not address concentration of credit risk. At year-end, the District does not have any investments over 5 percent of total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

PROPERTY TAXES

Property taxes for 2023 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Improvement	General	\$ 800,000

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,496,725	—	—	2,496,725
Construction in Progress	700,442	2,802,664	—	3,503,106
	<u>3,197,167</u>	<u>2,802,664</u>	<u>—</u>	<u>5,999,831</u>
Depreciable Capital Assets				
Buildings and Equipment	59,408,588	1,242,881	326,415	60,325,054
Sanitary Sewer Infrastructure	66,431,454	428,196	3,502	66,856,148
	<u>125,840,042</u>	<u>1,671,077</u>	<u>329,917</u>	<u>127,181,202</u>
Less Accumulated Depreciation				
Buildings and Improvements	33,943,377	1,287,837	219,532	35,011,682
Sanitary Sewer Infrastructure	23,989,763	837,544	979	24,826,328
	<u>57,933,140</u>	<u>2,125,381</u>	<u>220,511</u>	<u>59,838,010</u>
Total Net Depreciable Capital Assets	<u>67,906,902</u>	<u>(454,304)</u>	<u>109,406</u>	<u>67,343,192</u>
Total Net Capital Assets	<u>71,104,069</u>	<u>2,348,360</u>	<u>109,406</u>	<u>73,343,023</u>

Depreciation expense of \$2,125,381 was charged to the general government function.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

IEPA Loans Payable

The District has entered into loan agreements with the IEPA to provide no interest financing for waterworks and sewerage improvements. IEPA loans currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Environmental Protection Agency (IEPA) Loan of 2010, due in annual installments of \$303,590, non-interest bearing, through November 2, 2030.	\$ 2,276,922	—	303,589	1,973,333

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 8,310	8,010	4,005	12,315	2,463
Net Pension Liability - IMRF	1,467,568	—	602,804	864,764	—
Total OPEB Liability - RBP	614,449	—	19,017	595,432	—
IEPA Loan Payable	2,276,922	—	303,589	1,973,333	303,589
	<u>4,367,249</u>	<u>8,010</u>	<u>929,415</u>	<u>3,445,844</u>	<u>306,052</u>

The General Fund makes payments on the compensated absences, the net pension liability, and the total OPEB liability. Payments on the IEPA loans payable are made by the General, Improvement, and Construction Funds.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities	
	IEPA Loans Payable	
	Principal	Interest
2025	\$ 303,589	—
2026	303,589	—
2027	303,589	—
2028	303,589	—
2029	303,589	—
2030	303,589	—
2031	151,799	—
Totals	<u>1,973,333</u>	<u>—</u>

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 73,343,023
Less Capital Related Debt:	
IEPA Loan Payable 2010	<u>(1,973,333)</u>
Net Investment in Capital Assets	<u>71,369,690</u>

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

Minimum Fund Balance Policy. The District's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of annual operating expenditures.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

	General	Special Revenue Public Benefit	Capital Projects		Totals
			Improvement	Construction	
Fund Balances					
Restricted					
Public Benefits	\$ —	37,818	—	—	37,818
Capital Projects	—	—	948,867	1,821,213	2,770,080
	—	37,818	948,867	1,821,213	2,807,898
Assigned					
Construction Projects	1,736,464	—	401,145	—	2,137,609
Unassigned	7,779,184	—	—	—	7,779,184
Total Fund Balances	9,515,648	37,818	1,350,012	1,821,213	12,724,691

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the District's employees. The District carries commercial insurance for all risks of loss including worker's compensation and employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three fiscal years.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

From time to time, the District is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the District attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the District's financial position or results of operations.

Grants

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

NONDOMESTIC WASTE

The District received 3,688 billion gallons of waste water from 19,713 users (of which 610 are nonmetered). The District billed users for 1,779 billion gallons. Of the 19,713 users of the system, the following discharge nondomestic waste:

User	Volume (Gallons Per Day)
Good Samaritan Hospital	131,832
Bales Mold Service	1,141
Rexnord, Inc.	8,664

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The District contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

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

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

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

Plan Membership. As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	34
Inactive Plan Members Entitled to but not yet Receiving Benefits	20
Active Plan Members	<u>37</u>
Total	<u><u>91</u></u>

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2024, the District's contribution was 6.27% of covered payroll.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

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:

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued.

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

Discount Rate

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

Discount Rate Sensitivity

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity - Continued

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 3,164,985	864,764	(945,276)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 19,970,568	18,503,000	1,467,568
Changes for the Year:			
Service Cost	286,610	—	286,610
Interest on the Total Pension Liability	1,420,258	—	1,420,258
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	642,747	—	642,747
Changes of Assumptions	(35,753)	—	(35,753)
Contributions - Employer	—	208,264	(208,264)
Contributions - Employees	—	140,088	(140,088)
Net Investment Income	—	2,009,737	(2,009,737)
Benefit Payments, Including Refunds of Employee Contributions	(1,048,212)	(1,048,212)	—
Other (Net Transfer)	—	558,577	(558,577)
Net Changes	1,265,650	1,868,454	(602,804)
Balances at December 31, 2023	21,236,218	20,371,454	864,764

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2024, the District recognized pension revenue of \$300,861. At April 30, 2024, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 621,227	—	621,227
Change in Assumptions	—	(50,779)	(50,779)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>1,021,725</u>	—	<u>1,021,725</u>
Total Pension Expense to be Recognized in Future Periods	1,642,952	(50,779)	1,592,173
Pension Contributions Made Subsequent to the Measurement Date	<u>54,297</u>	—	<u>54,297</u>
Total Deferred Amounts Related to IMRF	<u><u>1,697,249</u></u>	<u><u>(50,779)</u></u>	<u><u>1,646,470</u></u>

\$54,297 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 300,457
2026	503,984
2027	847,821
2028	(60,089)
2029	—
Thereafter	<u>—</u>
Total	<u><u>1,592,173</u></u>

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides healthcare, dental, and vision benefits for retirees and their dependents. Retirees and their dependents pay the full cost of the coverage. Coverage ends when the retiree stops paying for the coverage.

Plan Membership. As of April 30, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	3
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>33</u>
Total	<u>36</u>

Total OPEB Liability

The District's total OPEB liability was measured as of April 30, 2024, and was determined by an actuarial valuation as of April 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

Inflation	2.25%
Salary Increases	2.50%
Discount Rate	4.07%
Healthcare Cost Trend Rates	The initial trend rate is based on the 2023 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on The Bond Buyer 20-Bond GO Index.

Mortality rates were based on PubG-2010(B) improved generationally using MP-2020 improvement rates, weighted per IMRF Experience Study Report dated December 14, 2020; Age 83 for males, Age 87 for females.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at April 30, 2023	\$ 614,449
Changes for the Year:	
Service Cost	44,949
Interest on the Total OPEB Liability	20,504
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(17,270)
Benefit Payments	<u>(67,200)</u>
Net Changes	<u>(19,017)</u>
Balance at April 30, 2024	<u><u>595,432</u></u>

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Notes to the Financial Statements

April 30, 2024

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

The discount rate used to measure the total pension liability was 4.07%, while the prior valuation used 3.53%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
Total OPEB Liability	\$ 627,783	595,432	564,781

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 540,365	595,432	660,749

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

For the year ended April 30, 2024, the District recognized OPEB expense of \$48,183. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB. At April 30, 2023, the District reported no deferred outflows of resources and deferred inflows of resources related to OPEB.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Budgetary Comparison Schedule
General Fund

Notes to the Required Supplementary Information

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule Employer Contributions
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	314,598	314,598	—	2,475,195	12.71%
2017	291,750	291,750	—	2,449,621	11.91%
2018	315,598	315,598	—	2,647,939	11.92%
2019	310,019	310,019	—	2,793,762	11.10%
2020	285,261	285,261	—	2,973,772	9.59%
2021	293,539	293,539	—	2,829,875	10.37%
2022	286,739	286,739	—	2,928,485	9.79%
2023	256,235	256,235	—	3,054,434	8.39%
2024	196,370	196,370	—	3,131,529	6.27%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% 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 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

April 30, 2024

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 269,423	268,172	261,468
Interest	1,014,911	1,070,538	1,140,308
Differences Between Expected and Actual Experience and Actual Experience	(25,684)	163,916	(292,511)
Change of Assumptions	35,991	(36,313)	(496,265)
Benefit Payments, Including Refunds of Member Contributions	(472,715)	(555,597)	(586,106)
Net Change in Total Pension Liability	821,926	910,716	26,894
Total Pension Liability - Beginning	13,633,789	14,455,715	15,366,431
Total Pension Liability - Ending	14,455,715	15,366,431	15,393,325
Plan Fiduciary Net Position			
Contributions - Employer	\$ 314,598	291,750	301,021
Contributions - Members	111,384	110,233	115,089
Net Investment Income	63,049	857,080	2,246,061
Benefit Payments, Including Refunds of Member Contributions	(472,715)	(555,597)	(586,106)
Other (Net Transfer)	(173,299)	82,784	(166,822)
Net Change in Plan Fiduciary Net Position	(156,983)	786,250	1,909,243
Plan Net Position - Beginning	12,633,124	12,476,141	13,262,391
Plan Net Position - Ending	12,476,141	13,262,391	15,171,634
Employer's Net Pension Liability/(Asset)	\$ 1,979,574	2,104,040	221,691
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.31%	86.31%	98.56%
Covered Payroll	\$ 2,475,195	2,449,621	2,557,519
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	79.98%	85.89%	8.67%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2014 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2014, 2017 and 2023.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
261,182	294,834	305,510	259,796	272,061	286,610
1,139,708	1,195,585	1,257,591	1,311,792	1,371,158	1,420,258
			—	—	—
116,384	159,402	181,350	177,114	40,136	642,747
476,076	—	(115,046)	—	—	(35,753)
(655,619)	(775,302)	(824,498)	(893,404)	(978,567)	(1,048,212)
1,337,731	874,519	804,907	855,298	704,788	1,265,650
15,393,325	16,731,056	17,605,575	18,410,482	19,265,780	19,970,568
16,731,056	17,605,575	18,410,482	19,265,780	19,970,568	21,236,218
340,584	255,585	306,188	299,722	269,080	208,264
125,869	128,794	130,354	135,961	143,238	140,088
(752,348)	2,633,242	2,379,190	3,205,318	(2,670,592)	2,009,737
(655,619)	(775,302)	(824,498)	(893,404)	(978,567)	(1,048,212)
267,304	194,388	(15,190)	2,342	79,727	558,577
(674,210)	2,436,707	1,976,044	2,749,939	(3,157,114)	1,868,454
15,171,634	14,497,424	16,934,131	18,910,175	21,660,114	18,503,000
14,497,424	16,934,131	18,910,175	21,660,114	18,503,000	20,371,454
2,233,632	671,444	(499,693)	(2,394,334)	1,467,568	864,764
86.65%	96.19%	102.71%	112.43%	92.65%	95.93%
2,793,956	2,862,096	2,896,760	2,976,382	2,950,442	3,113,080
79.95%	23.46%	(17.25%)	(80.44%)	49.74%	27.78%

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2024

	<u>4/30/2019</u>
Total OPEB Liability	
Service Cost	\$ 11,813
Interest	31,615
Differences Between Expected and Actual Experience	14,372
Change of Assumptions or Other Inputs	—
Benefit Payments	<u>(46,136)</u>
Net Change in Total OPEB Liability	11,664
Total OPEB Liability - Beginning	<u>819,443</u>
Total OPEB Liability - Ending	<u><u>831,107</u></u>
Covered-Employee Payroll	\$ 2,804,694
Total OPEB Liability as a Percentage of Covered-Employee Payroll	29.63%

Notes:

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

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2019 through 2024.

4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024
12,508	14,521	11,580	8,733	44,949
30,685	23,461	21,109	22,570	20,504
—	—	—	(92,045)	—
108,439	31,589	(196,000)	3,043	(17,270)
(42,662)	(47,241)	(64,997)	(61,951)	(67,200)
108,970	22,330	(228,308)	(119,650)	(19,017)
831,107	940,077	962,407	734,099	614,449
940,077	962,407	734,099	614,449	595,432
2,903,364	2,975,948	2,877,989	3,096,054	3,302,736
32.38%	32.34%	25.51%	19.85%	18.03%

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,403,700	1,403,700	1,515,100
Charges for Services			
User Billings	4,201,800	4,201,800	3,640,415
Inspection and Review Fees	21,150	21,150	18,678
Monthly Service Fees	4,836,800	4,836,800	4,844,438
Surcharges	418,000	418,000	403,204
Sampling and Monitoring	113,000	113,000	123,021
Property Lease Payments	39,300	39,300	39,064
Intergovernmental			
Replacement Taxes	120,000	120,000	203,775
Grants and Incentives	1,613,881	1,613,881	1,637,903
Interest Income	67,050	67,050	415,388
Miscellaneous	5,000	5,000	3,767
Total Revenues	<u>12,839,681</u>	<u>12,839,681</u>	<u>12,844,753</u>
Expenditures			
General Government	14,314,959	14,314,959	12,046,024
Debt Service			
Principal Retirement	181,591	181,591	181,591
Total Expenditures	<u>14,496,550</u>	<u>14,496,550</u>	<u>12,227,615</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,656,869)</u>	<u>(1,656,869)</u>	<u>617,138</u>
Other Financing Sources (Uses)			
Disposal of Capital Assets	37,700	37,700	14,087
Transfers Out	(800,000)	(800,000)	(800,000)
	<u>(762,300)</u>	<u>(762,300)</u>	<u>(785,913)</u>
Net Change in Fund Balance	<u>(2,419,169)</u>	<u>(2,419,169)</u>	<u>(168,775)</u>
Fund Balance - Beginning			<u>9,684,423</u>
Fund Balance - Ending			<u><u>9,515,648</u></u>

OTHER SUPPLEMENTARY INFORMATION

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

Such schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUND

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

Public Benefit Fund

The Public Benefit Fund is used to account for the payment of sewer extensions or sewer special assessments which the District Board of Trustees deems to be of benefit to an area larger than the immediate service area.

CAPITAL PROJECTS FUNDS

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

Improvement Fund

The Improvement Fund is used to account for sewer system, pump station improvements and repayment of loans to the Illinois Environmental Protection Agency.

Construction Fund

The Construction Fund is used to account for improvements and expansions to the Wastewater Treatment Center and repayment of loans to the Illinois Environmental Protection Agency.

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
General Government			
Salaries and Wages			
Plant	\$ 1,595,650	1,595,650	1,523,480
Administrative	1,056,100	1,056,100	993,861
Sewer System	529,850	529,850	540,319
Laboratory	272,800	272,800	277,968
Lift Station	28,600	28,600	29,976
Office Expenditures	472,450	472,450	594,080
Insurance	907,850	907,850	750,604
Operations			
Plant	2,957,100	2,957,100	2,031,751
Sewer System	4,211,909	4,211,909	3,566,570
Laboratory	119,700	119,700	91,480
Lift Station	585,500	585,500	304,967
Motor Vehicles	696,950	696,950	532,880
Professional Services	370,500	370,500	358,099
Retirement Contributions	510,000	510,000	449,989
Total General Government	14,314,959	14,314,959	12,046,024
Debt Service			
Principal Retirement	181,591	181,591	181,591
Total Expenditures	14,496,550	14,496,550	12,227,615

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Improvement - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Connection Charges	\$ 90,000	90,000	21,166
Interest Income	4,700	4,700	16,391
Total Revenues	<u>94,700</u>	<u>94,700</u>	<u>37,557</u>
Expenditures			
Capital Outlay	1,154,900	1,154,900	746,563
Debt Service			
Principal Retirement	93,200	93,200	93,191
Total Expenditures	<u>1,248,100</u>	<u>1,248,100</u>	<u>839,754</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,153,400)	(1,153,400)	(802,197)
Other Financing Sources			
Transfers In	800,000	800,000	800,000
Net Change in Fund Balances	<u>(353,400)</u>	<u>(353,400)</u>	(2,197)
Fund Balances - Beginning			<u>1,352,209</u>
Fund Balances - Ending			<u><u>1,350,012</u></u>

DOWNERS GROVE SANITARY DISTRICT, ILLINOIS

Construction - Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended April 30, 2024

	Budget		Actual
	Original	Final	
Revenues			
Charges for Services			
Connection Charges	\$ 250,000	250,000	109,422
Interest Income	17,700	17,700	32,032
Total Revenues	<u>267,700</u>	<u>267,700</u>	<u>141,454</u>
Expenditures			
Capital Outlay	1,416,500	1,416,500	83,667
Debt Service			
Principal Retirement	28,900	28,900	28,807
Total Expenditures	<u>1,445,400</u>	<u>1,445,400</u>	<u>112,474</u>
Net Change in Fund Balances	<u>(1,177,700)</u>	<u>(1,177,700)</u>	28,980
Fund Balances - Beginning			<u>1,792,233</u>
Fund Balances - Ending			<u>1,821,213</u>