



**VILLAGE OF CHATHAM, ILLINOIS**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

For the Fiscal Year Ended April 30, 2023

*Prepared by:*

*Kayla Piehl, Chief Budget Officer and Treasurer  
Megan Cochran, Chief Fiscal Officer*



# VILLAGE OF CHATHAM, ILLINOIS

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## **INTRODUCTORY SECTION**

**Village President**  
*Dave Kimsey*

**Village Clerk**  
*Dan Holden*



**Village Trustees**  
*Kristin Chiaro*  
*Meredith Ferguson*  
*John Fletcher*  
*Brett Gerger*  
*Timothy Nice*  
*Carl Try*

October 10, 2023

To the Honorable Village President, Members of the Village Board and the Citizens of the Village of Chatham:

The comprehensive annual financial report of the Village of Chatham, Illinois (Village) for the year ended April 30, 2023 is hereby submitted as mandated by state statute. It requires that the Village, on an annual basis, report on its financial activity, as well as having an independent firm of certified public accountants audit the report. Responsibility, for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed to protect the Village's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the Village's financial statements in conformance with generally accepted accounting principles (GAAP). This internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's activities have been included.

A narrative introduction, overview and analysis accompany the basic financial statements in the form of the Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The Village's MD&A can be found immediately following the report of the independent auditors and will provide further information regarding the format and content of this report.

The Village of Chatham's financial statements have been audited by Sikich, LLP, a firm of licensed certified public accountants. They have issued an unmodified (clean) opinion on the Village of Chatham's financial statements for the fiscal year ended April 30, 2023. The independent auditors report is presented in the financial section of the report.



## **Village of Chatham Profile**

The Village of Chatham, incorporated on March 23, 1874, is located in Sangamon County, approximately 3 miles south of the Illinois State Capitol, Springfield. The Village lies along the original alignment of historic U.S. Route 66 (Illinois Route 4). The Village encompasses an area of 7 square miles and serves a population of 14,377 residents and is located in Chatham, Ball, Woodside and Curran Townships. It is empowered by state statute to extend its corporate limits by annexation.

The Village operates under the Village Board-Trustee form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Village President and a six-member Board of Trustees. The Village Board sets policy for the Village, adopts ordinances and resolutions, adopts the annual appropriation and approves expenditures. Board members are elected to four-year staggered terms. The Village President and Village Clerk are also elected to four-year terms. The Village President, Village Clerk and Board members are elected on a non-partisan basis. The Village Manager is appointed by the Village President with the consent of the Village Board and is responsible for carrying out the policies and ordinances of the Village and for overseeing the day-to-day operations.

The Village of Chatham provides a full range of services, including police protection, electric, water and sewer service, yard waste collections, parks, recreational programs, cemeteries and the care of streets and sidewalks.

This report includes all funds of the Village including the activities of the Chatham Police Pension Fund for which the Village is financially accountable for. Other independent districts and government entities also provide services in Chatham. Government entities such as the Chatham Fire Protection District, Chatham Library District, Chatham Township, Ball Township, Woodside Township, Curran Township, Ball-Chatham School District, South Sangamon Water Commission, and the Sangamon County Water Reclamation District have not met the established criteria for inclusion in the reporting entity, and accordingly, are excluded from this report.

## **Financial Planning**

The annual appropriation ordinance is the legal document under which Village resources are expended. This document is based on the Village's annual budget. The budget process begins in February of each year. The Chief Budget Officer and Treasurer prepares estimates of revenue and personal service line items. Each department prepares expenditure requests and also provides information on any new initiatives to be undertaken by the department.

The finance staff compiles the information and the Village's management team conducts meetings to discuss and formulate each department's needs for the upcoming fiscal year. From these meetings a budget document is developed and presented to the Village Board. The budget document is the basis from which the annual appropriation ordinance is derived. However, it is the budget document that serves for the foundation of the Village's financial planning and control.

## **Local Economy**

The Village of Chatham economy reflects typical suburban mixtures of business, limited manufacturing, service businesses, restaurants and health care. Local businesses mostly serve customers in the Village and surrounding area. The Village has seen an expansion in the health care industry sector in recent years with the addition of an express care facility to the existing Memorial Physician Services building and the opening of a new facility of the Hospital Sisters Health System.

Municipal sales tax revenue provides a good measure of the local economy. Fiscal year 2023 saw an increase in the amount of sales tax revenue of 8.4% with the top four sales tax categories for the Village being drug and miscellaneous retail, food, auto and gas stations, and drinking and eating places. This increase occurred even with the State of Illinois' suspension of its 1% sales and use tax on grocery items for the period July 1, 2022 through June 30, 2023 and the suspension of its 2.2 cent-per-gallon fuel tax increase. This increase was delayed from July 1, 2022 until January 1, 2023.

The Village's use tax has increased significantly in the last two years due to the "Leveling the Playing Field" legislation which required remote retailers to collect and remit the state and local retailer's occupation tax. Fiscal year 2022 was the first full year since the legislation with the Village receiving a 24.1% increase in local use tax from fiscal year 2021 and a 18.9% increase in local use tax from fiscal year 2022.

In Fiscal year 2023, the Village experienced a small decrease in the number of building permits issued. The Village is carefully considering the future effect of this factor. In recent years the Village experienced an upturn in the building market with the addition of the Ironbridge and Spartan Valley residential developments and the Cardinal Ridge multi-family development. These developments are slowing down in the building stage but still have available lots to build on. Currently, the Manor Hill residential development is completing the infrastructure development and will soon have available lots to build on.

The taxable equalized assessed valuation (EAV) within the Village has continued to increase over the past ten levy years and is anticipated to increase again for the 2023 levy year. The Village's 2022 taxable EAV increased 5.5% to \$341,634,896. A portion of this increase is due to new construction EAV.

Per the Bureau of Labor Statistics, over the past 10 years the unemployment rate was between 11.8% to 3.0%. Beginning in March 2020, when the Covid-19 virus was declared a global pandemic the unemployment rate increased to 11.8%. In 2021, the economy somewhat recovered with a decreased rate of 8.0% and has continued to decrease to a rate of 3.80%. This rate is still below the current state average of 4.5%.

## **Major initiatives**

Among the Village's more significant accomplishments during fiscal year 2023 were the following:

The Village completed the work on installing playground equipment and other various improvements to the Chatham Parks. The total project cost was \$350,000 which was funded through a State grant. Project locations were Chatham Community Park, Jaycee Park, Westside Park, and Veterans Memorial Square. Grant funds were used for the purchase and replacement of a playset, the construction of concrete walkways with ADA detectable warnings, the purchase and installation of concrete court curbing, and the purchase and installation of benches at Chatham Community Park. Jaycee Park projects included the replacement of playground equipment, the purchase and installation of concrete court curbing for the basketball courts, and the purchase and installation of benches. Westside Park projects included the replacement of playground equipment, pavilion repairs and replacement, the construction of new baseball and softball fields, the construction of new concrete walkways with ADA detectable warnings, and the purchase and installation of benches. Veteran's Memorial Square Park projects included the construction of new concrete walkways with ADA detectable warnings and the purchase and installation of benches.

Beginning in fiscal year 2022, the Village received \$1,769,236 in Coronavirus State and Local Fiscal Recovery Funds that were authorized by the American Rescue Plan Act (ARPA funds). During fiscal year 2023, the Village spent \$341,076 on projects that were determined to be eligible projects and were considered in the Village's comprehensive plan. Major projects that were funded with the federal ARPA funds included updating traffic signals for approximately \$18,000, patching roadwork on Plummer Blvd for approximately \$203,000 to prepare for the future Plummer Blvd Overlay project to be funded through the Motor Fuel Tax Rebuild IL Funds, and bike trail upgrades throughout Chatham Community Park for approximately \$48,000.

Also, in fiscal year 2023, the Motor Fuel Tax fund had significant projects. Gordon Drive upgrades began in fiscal year 2023 for approximately \$116,000 which included the rebuilding of the curbs and gutters of intersections. The Gordon Drive project is expected to be completed in fiscal year 2024. The fund also helped with a portion of the Plummer Blvd patching mentioned above totaling approximately \$125,000.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Chatham for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended April 30, 2022. This was the sixth year that the Village received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this report conforms to the Certificate of Achievement Program's requirements and are submitting it to the GFOA for its determination.

The preparation of this report could not be accomplished without the efficient and dedicated services of the Administration and Finance Department staff. Their contributions are truly appreciated. A special thank you to Zach Broughton, Accountant for the vital role played in the coordination and completion of this project. I would also like to acknowledge our auditors, Sikich LLP for their help in formulating this report. My sincere gratitude is extended to the Village President, the Board of Trustees and the Village Manager for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner.

Respectively submitted,

A handwritten signature in cursive script that reads "Megan Cochran".

Megan Cochran  
Chief Fiscal Officer

**VILLAGE OF CHATHAM, ILLINOIS**

**PRINCIPAL VILLAGE OFFICIALS**

**VILLAGE PRESIDENT**

Dave Kimsey

**BOARD OF TRUSTEES**

Kristen Chiaro

Meredith Ferguson

John Fletcher

Brett Gerger

Timothy Nice

Carl Try

**VILLAGE CLERK**

Dan Holden

**VILLAGE MANAGER**

Patrick McCarthy

**DEPARTMENT DIRECTORS:**

Kayla Piehl, Chief Budget Officer and Treasurer

Megan Cochran, Chief Fiscal Officer

Vern Foli, Chief of Police

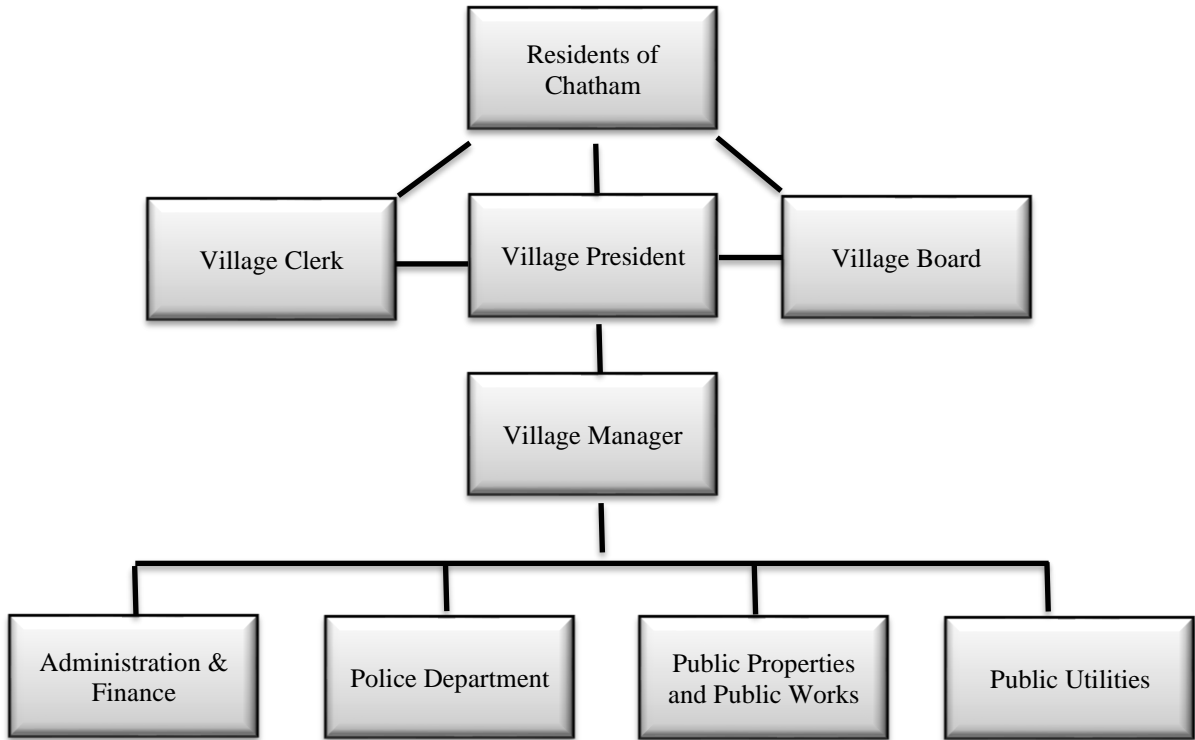
Shane Hill, Public Utilities Manager and General Foreman Electric and Streets Departments

Dustin Patterson, General Foreman Water and Parks Departments

Jill Butler, Administrative Assistant

Casey Erickson, Code Enforcement Manager

**VILLAGE OF CHATHAM**  
**2023 ORGANIZATIONAL CHART**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Chatham  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

April 30, 2022

*Christopher P. Morill*

Executive Director/CEO

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## **FINANCIAL SECTION**

3051 Hollis Dr., 3rd Floor  
Springfield, IL 62704  
217.793.3363

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

To the President  
and Board of Trustees  
Village of Chatham, Illinois

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chatham, Illinois as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village'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, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chatham, Illinois as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

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

The Village adopted GASB Statement No. 87, *Leases*, which established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Our opinion is not modified with respect to these matters.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.. Our responsibilities under these 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 Village and to meet our 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 these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## ***Auditor's Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 Village'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 Village's ability to continue as a going concern for a reasonable period of time.

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

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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 an opinion on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

We audited, in accordance with auditing standards generally accepted in the United States of America, the Village of Chatham's basic financial statements for the year ended April 30, 2022, which are not presented with the accompanying financial statements. In our opinion dated November 4, 2022, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. As identified in the prior independent auditor's report, the audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Chatham, Illinois' financial statements as a whole.

The Electric Fund Comparative Statement of Net Position and Comparative Statement of Revenues, Expenses, and Changes in Net Position for the year ended April 30, 2022, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the 2022 Electric Fund Comparative Statement of Net Position and Comparative Statement of Revenues, Expenses, and Changes in Net Position are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

#### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2023, on our consideration of the Village of Chatham, Illinois' internal control over financial reporting and on our tests and its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Chatham, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the Village of Chatham, Illinois' internal control over financial reporting and compliance.

***Sikich LLP***

Springfield, Illinois  
October 10, 2023

3051 Hollis Dr., 3rd Floor  
Springfield, IL 62704  
217.793.3363

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**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 *GOVERNMENT AUDITING STANDARDS***

Board of Trustees  
Village of Chatham, Illinois  
Chatham, 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 accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chatham, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village of Chatham, Illinois' basic financial statements, and have issued our report thereon dated October 10, 2023.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Village of Chatham, Illinois' 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of Chatham, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Chatham, Illinois' 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 entity'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 of 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 those 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 Village of Chatham, Illinois' 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***Sikich LLP***

Springfield, Illinois  
October 10, 2023

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## **MANAGEMENT DISCUSSION AND ANALYSIS**

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT'S DISCUSSIONS AND ANALYSIS**

**April 30, 2023**

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As the management of the Village of Chatham (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2023.

**Financial Highlights**

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$42,447,375 (net position).
- At the close fiscal year 2023, the Village's governmental funds reported combined ending fund balances of \$8,539,864 of which \$3,528,906 was unassigned and is available for spending at the Village's discretion.
- General governmental revenues were \$6,958,134 and represent 74% of all governmental revenues. Charges for services of \$1,325,414 represent 14% and operating grants and contributions in the form of motor fuel tax distribution and public safety grants accounted for \$571,809 represent 6% of all governmental revenues. Capital grants and contributions in the form of Rebuild IL Funds and developer contributions of streets and storm sewer infrastructure accounted for \$597,116 represent 6% of total governmental revenues of \$9,452,473.
- The Village had \$6,253,400 in expenses related to government activities. However, only \$2,494,339 of these expenses was offset by program specific charges and operating grants and contributions.
- The Village's long-term debt (excluding compensated absences and other post-employment benefits) decreased \$379,026 during fiscal year 2023.

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

The financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Chatham's finances, in a manner similar to a private-sector business and are presented on the full accrual basis of accounting.

The Statement of Net Position presents information on all of the Village's assets, liabilities, and deferred inflows/outflows of resources with the difference 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 Village is improving or deteriorating.

## **VILLAGE OF CHATHAM, ILLINOIS MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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### **Government-Wide Financial Statements (Continued)**

The Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 and sick leave).

Both of the government-wide financial statements distinguish functions of the Village of Chatham that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business activities). The governmental activities of the Village include general government, cemetery, culture and recreation, public safety and public works and transportation. The business-type activities of the Village include electric, water and sewer systems.

The government-wide financial statements can be found on pages 7 through 9 of this report.

### **Fund Financial Statements**

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

#### **Governmental funds**

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

Because the focus of the 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 this comparison between governmental funds and governmental activities.

The Village had 7 individual government funds during fiscal year 2023. Information is presented separately in the governmental fund balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balance for the General Fund which is considered to be a "major" fund. Data from the other 6 governmental funds is provided in the form of combining statements elsewhere in this report.

## **VILLAGE OF CHATHAM, ILLINOIS MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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### **Governmental funds (Continued)**

The Village adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the General Fund to demonstrate budget compliance.

The governmental fund financial statements can be found on pages 10 through 13 of this report.

### **Proprietary Funds.**

The Village maintains only the enterprise type of proprietary fund. Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The Village uses enterprise funds to account for its electric and water and sewer system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric distribution operation and the water and sewer operations, both of which are considered to be major funds of the Village of Chatham.

The proprietary fund financial statements can be found on pages 14 through 18 of this report.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains one fiduciary fund the Police Pension Fund.

The fiduciary fund financial statements can be found on pages 19 and 20 of this report.

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

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 60 of the report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning historical pension and retiree's health plan information and budgetary comparison schedules for the general fund. Required supplementary information can be found on pages 61 through 70 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 71 through 77 of this report.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Government-Wide Financial Analysis**

**Table 1**

**Statement of Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Current and Other Assets	\$ 12,183,710	\$ 9,608,285	\$ 7,277,634	\$ 7,886,803	\$ 19,461,344	\$ 17,495,088
Capital Assets	21,348,056	21,091,101	20,518,512	20,718,519	41,866,568	41,809,620
<b>Total Assets</b>	<b>33,531,766</b>	<b>30,699,386</b>	<b>27,796,146</b>	<b>28,605,322</b>	<b>61,327,912</b>	<b>59,304,708</b>
Deferred Outflows of Resources	1,857,852	1,243,398	1,175,888	303,851	3,033,740	1,547,249
<b>Total Assets and Deferred Outflows of Resources</b>	<b>35,389,618</b>	<b>31,942,784</b>	<b>28,972,034</b>	<b>28,909,173</b>	<b>64,361,652</b>	<b>60,851,957</b>
Current Liabilities	2,285,178	1,443,615	1,829,963	1,837,485	4,115,141	3,281,100
Non-current Liabilities	10,425,712	10,549,982	4,661,428	3,494,560	15,087,140	14,044,542
<b>Total Liabilities</b>	<b>12,710,890</b>	<b>11,993,597</b>	<b>6,491,391</b>	<b>5,332,045</b>	<b>19,202,281</b>	<b>17,325,642</b>
Deferred Inflows of Resources	2,465,195	2,918,200	246,801	1,500,222	2,711,996	4,418,422
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>15,176,085</b>	<b>14,911,797</b>	<b>6,738,192</b>	<b>6,832,267</b>	<b>21,914,277</b>	<b>21,744,064</b>
Net Position:						
Net Investment in Capital Assets	20,292,970	19,917,421	17,910,872	18,001,758	38,203,842	37,919,179
Restricted	2,349,651	2,036,992	229,497	226,719	2,579,148	2,263,711
Unrestricted	(2,429,088)	(4,923,426)	4,093,473	3,848,429	1,664,385	(1,074,997)
<b>Total Net Position</b>	<b>\$ 20,213,533</b>	<b>\$ 17,030,987</b>	<b>\$ 22,233,842</b>	<b>\$ 22,076,906</b>	<b>\$ 42,447,375</b>	<b>\$ 39,107,893</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Village's combined net position increased by \$3,339,482 from \$39,107,893 to \$42,447,375. This change is the result of an increase of \$156,936 from business activities and an increase of \$3,182,546 in the net position of governmental activities. A portion of the increase relates to the decrease in the postemployment benefits other than pension liability (OPEB). The Village's OPEB expenses decreased \$851,320 from the prior year due to actuarial assumptions being adjusted. The remainder of the increase relates to an increase in local use taxes, intergovernmental revenues, and land sales and a decrease in expenditures that were not reimbursed with grant funds. The decrease in expenditures is also due to a decrease in the utility administration fee and decrease in capital projects performed during the fiscal year.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Government-Wide Financial Analysis (Continued)**

By far the largest portion of the Village's net position (90.0%) reflects its investment in capital assets (e.g., land, buildings and improvements, equipment, vehicles and infrastructure); less any related debt used to acquire those assets that is still outstanding. The Village uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in 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 cannot be used to liquidate these liabilities.

A portion of the Village's net position (6.0%) represents resources that are subject to external restrictions on how it may be used. The governmental activities unrestricted net position had a deficit of \$2,429,088 in fiscal year 2023 and a deficit of \$4,923,426 in fiscal year 2022. This is a result of the recording of the net postemployment benefit liability which was required for the implementation of Statement No. 75 that was previously mentioned, combined with the recording of the net pension liabilities for the Illinois Municipal Retirement Fund and the Chatham Police Pension Fund from the implementation of Statement No. 68 Accounting and Financial Reporting for Pension of the Governmental Accounting Standards Board.

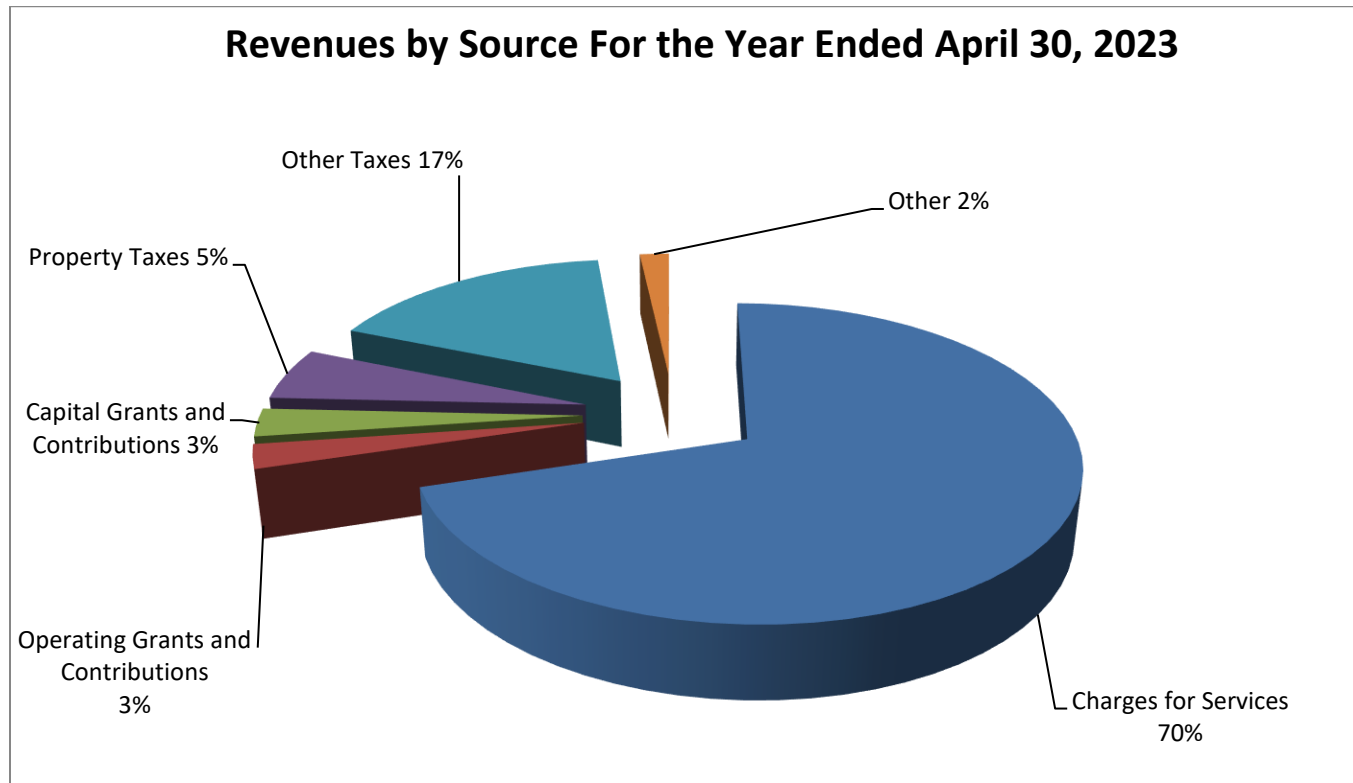
For more detailed information, see the Statement of Net Position on pages 7 and 8.

**Table 2**  
**Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Revenues						
Program Revenues						
Charges for services	\$1,325,414	\$1,369,068	\$18,072,735	\$17,987,041	\$19,398,149	\$19,356,109
Operating Grants and Contributions	571,809	744,948	-	-	571,809	744,948
Capital Grants and Contributions	597,116	30,400	-	-	597,116	30,400
General Revenues						
Property Taxes	1,522,435	1,476,037	-	-	1,522,435	1,476,037
Other Taxes	5,037,344	4,010,082	-	-	5,037,344	4,010,082
Other	398,355	141,369	45,409	15,746	443,764	157,115
Total Revenues	<u>9,452,473</u>	<u>7,771,904</u>	<u>18,118,144</u>	<u>18,002,787</u>	<u>27,570,617</u>	<u>25,774,691</u>
Expenses						
General Government	918,312	609,704	-	-	918,312	609,704
Cemetery	42,039	22,165	-	-	42,039	22,165
Culture and Recreation	861,952	380,708	-	-	861,952	380,708
Public Safety	2,351,765	2,830,614	-	-	2,351,765	2,830,614
Public Works	2,064,572	1,526,039	-	-	2,064,572	1,526,039
Electric	-	-	10,326,118	9,789,230	10,326,118	9,789,230
Water and Sewer	-	-	7,651,617	7,289,231	7,651,617	7,289,231
Interest on Long- Term Debt	14,760	13,548	-	-	14,760	13,548
Total Expenses	<u>6,253,400</u>	<u>5,382,778</u>	<u>17,977,735</u>	<u>17,078,461</u>	<u>24,231,135</u>	<u>22,461,239</u>
Transfers	(16,527)	-	16,527	-	-	-
Change in Net Position	<u>3,182,546</u>	<u>2,389,126</u>	<u>156,936</u>	<u>924,326</u>	<u>3,339,482</u>	<u>3,313,452</u>
Net Position beginning of year	<u>17,030,987</u>	<u>14,641,861</u>	<u>22,076,906</u>	<u>21,152,580</u>	<u>39,107,893</u>	<u>35,794,441</u>
Net Position, end of the year	<u>\$20,213,533</u>	<u>\$17,030,987</u>	<u>\$22,233,842</u>	<u>\$22,076,906</u>	<u>\$42,447,375</u>	<u>\$39,107,893</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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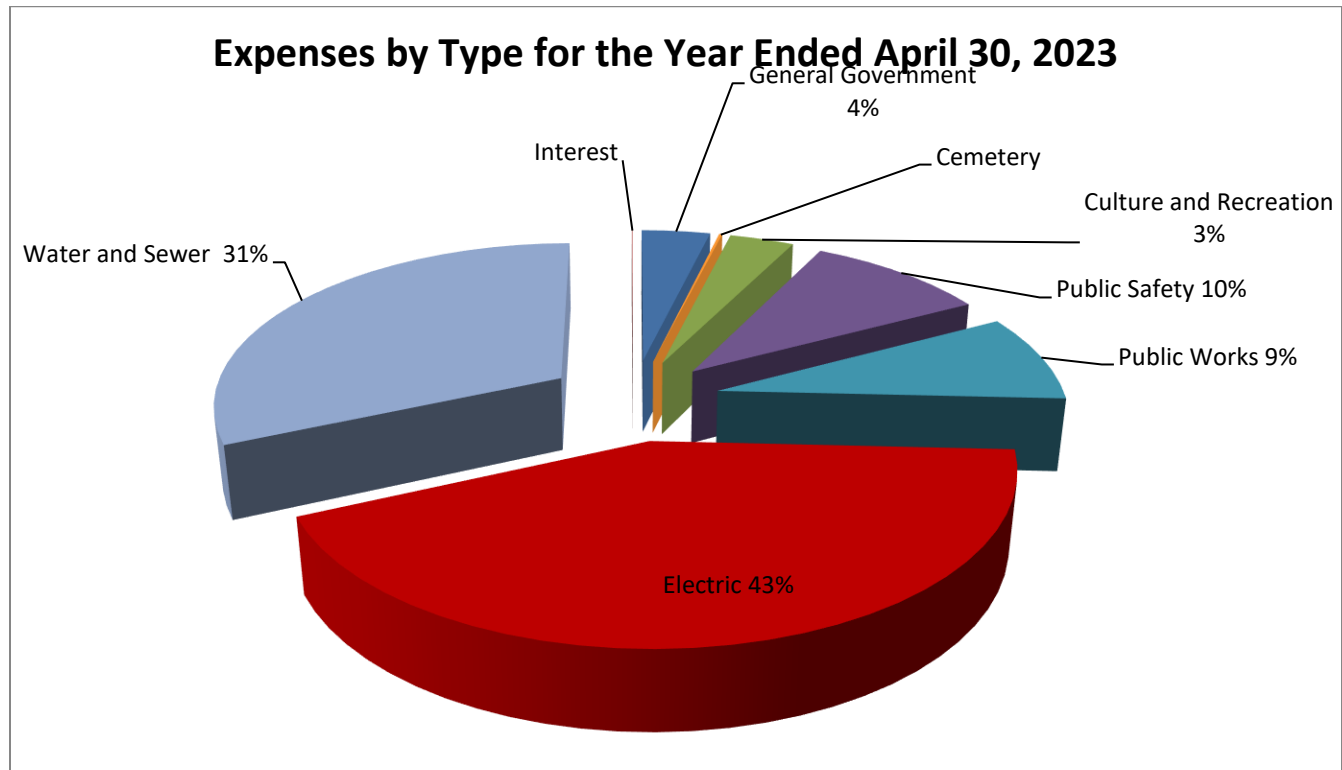


For the fiscal year ended April 30, 2023, revenues totaled \$27,570,617. The Village's largest revenue source is from charges for services, which consist of charges from the electric, water and sewer system as well as franchise fees, business permit fees and administrative utility fees. Other taxes include sales tax, income tax, telecommunications tax, local use tax, road and bridge taxes and video gaming taxes.

Charges for services stayed fairly consistent from the prior year as they only increased 0.2% from \$19,356,109 in fiscal year 2022 to \$19,398,149 in fiscal year 2023. Service charges for the electric system and water and sewer system are up \$85,694 over fiscal year 2022, which represents a 0.5% increase over the previous year, while service charges from governmental activities decreased \$43,654 or 3.2%. The increase in service charges for electric and water and sewer is due to an increase in electric and water and sewer consumption associated with a steady growth of new residents as well as a rate increase passed for sewer service. The slight decrease in governmental service charges is due to decreasing the administration fee for the Utility Funds based on revenue assumptions being adjusted in fiscal year 2023. The Village's Operating Grants and Contributions decreased from \$744,948 to \$571,809. The Village's capital grants and contributions increased from \$30,400 in fiscal year 2022 to \$597,116 in fiscal year 2023. The Village received and spent a State Grant totaling \$350,000 and ARPA funds totaling \$341,076 in fiscal year 2023.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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The Village of Chatham's expenses totaled \$24,231,135 in 2023. The largest portion of these expenses is for the electric system which represents 43% followed by expenses for the water and sewer systems at 31%. These expenses reflect the cost of providing electric, water and sewer services to the Village of Chatham's residents. Expenses related to the electric, water and sewer services increased by 5.3% or \$899,274 due to the change of a net pension asset to a net pension liability and increased distribution costs.

Public safety expenses relate to the operation of the Village's Police Department and are the largest expense component of the governmental activity expenses. Public works expenses are costs associated with maintaining the Village's streets. Culture and recreation expenses include expenses to maintain the Village's parks. Governmental activities experienced an increase in expenses of \$870,622 mostly due to the increase in grant funded projects during fiscal year 2023. The Village received and spent State and federal grant awards totaling \$691,076 in fiscal year 2023 that were not received in fiscal year 2022.

### **FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

As noted earlier the Village of Chatham uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### **Governmental Funds**

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. 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.



## **VILLAGE OF CHATHAM, ILLINOIS**

### **MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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#### **Governmental Funds (Continued)**

At the end of fiscal year 2023, the Village's governmental funds reported combined ending fund balances of \$8,539,864 an increase of \$1,932,033 in comparison to the prior year. Approximately 5% of this total amount \$440,042 constitutes nonspendable fund balance, which is amounts held in the Village's Cemetery Perpetual Care Fund. Approximately 22% or \$1,909,637 constitutes restricted fund balance which is restricted for Motor Fuel Tax, public safety or debt service. Approximately 4% or \$353,067 constitutes committed fund balance, which is earmarked by the Village Board for future use. Approximately 27% of this total amount or \$2,308,212 is assigned fund balance, which has been authorized by the Village Board to be spent during the subsequent fiscal year. Approximately \$3,528,906 constitutes unassigned fund balance, which is available for spending at the Village's discretion.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$3,528,906 while total fund balance was \$4,591,343. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 56.5% of total General Fund expenditures, while total fund balance represents 73.5% of that same amount.

The total fund balance of the Village's General Fund increased by \$567,864 during the current fiscal year and the combined fund balance of the Village's remaining governmental funds increased by \$1,364,169. The increase in the General fund was due to a decrease in the utility administration fee and an increase in local use tax and intergovernmental revenues. The increase in the nonmajor governmental funds was mostly due to the new Capital Projects Plan implemented in fiscal year 2022. \$1,286,500 was transferred from the General Fund to the Capital Projects Fund to make purchases for equipment, vehicles and other projects to be purchased in future fiscal years.

#### **Proprietary Funds**

The Village of Chatham's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Electric Fund and the Waterworks and Sewerage Fund, both as major proprietary funds. The Electric Fund accounts for the distribution of electric services to the Village's residents. The Waterworks and Sewerage Fund accounts for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide these services are accounted for in these two funds, including, but not limited to administration, operations and maintenance, financing and related debt services, billing and collection. Business type activities had a 0.6% increase in total revenues. The slight increase is due to an increase in electric and water and sewer consumption associated with a steady growth of new residents as well as a rate increase passed for sewer service. Expenses for business type activities increased 5.3%. The result was an overall small increase in net position for business activities for fiscal year 2023 of \$156,936.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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**Table 3**  
**General Fund Budgetary Highlights for the**  
**Fiscal Year Ended April 30, 2023**  
**With Comparative Actual Totals for the Year Ended April 30, 2022**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual 2023</u>	<u>Actual 2022</u>
<b>REVENUES</b>				
Taxes	\$ 5,609,776	\$ 5,609,776	\$ 6,196,956	\$ 5,462,227
Licenses, Permits, and Fees	956,376	956,376	1,005,651	1,050,896
Other	<u>1,621,935</u>	<u>1,621,935</u>	<u>911,292</u>	<u>134,350</u>
<b>Total Revenues</b>	<u>8,188,087</u>	<u>8,188,087</u>	<u>8,113,899</u>	<u>6,647,473</u>
<b>EXPENDITURES</b>				
Expenditures	<u>(7,892,159)</u>	<u>(7,987,159)</u>	<u>(6,243,008)</u>	<u>(4,898,456)</u>
<b>Total Expenditures</b>	<u>(7,892,159)</u>	<u>(7,987,159)</u>	<u>(6,243,008)</u>	<u>(4,898,456)</u>
Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources (Uses)	295,928	200,928	1,870,891	1,749,017
Transfers out	<u>(1,359,000)</u>	<u>(1,359,000)</u>	<u>(1,303,027)</u>	<u>(1,403,948)</u>
<b>Change in Fund Balance</b>	<u><b>\$ (1,063,072)</b></u>	<u><b>\$ (1,158,072)</b></u>	<u><b>\$ 567,864</b></u>	<u><b>\$ 345,069</b></u>

Revenues of the Village are budgeted by source prior to the adoption of the Village's annual appropriation ordinance. The Village adopts an annual appropriation ordinance outlining expenditures by operational line item. The original appropriation was amended in January 2023 and April 2023 for transfers between operational line items within the General Fund Departments. The total of the amended appropriation for the Village's General Fund increased by \$95,000 for an increase in public works/transportation expenditures due to storm damage repairs. The General Fund Revenues received were less than the amount estimated by \$74,188 but expenditures were \$1,725,927 less than the amended budget.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Capital Assets**

The following schedule reflects the Village's capital asset balances as of April 30, 2023.

**Table 4**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Land, not Depreciated	\$ 937,419	\$ 816,619	\$ 318,734	\$ 318,734	\$ 1,256,153	\$ 1,135,353
Construction in Progress	939,700	520,908	4,600	-	944,300	520,908
Improvements	1,432,302	1,432,302	97,022	97,022	1,529,324	1,529,324
Buildings	1,528,606	1,443,441	1,079,548	1,079,548	2,608,154	2,522,989
Vehicles	1,439,092	1,335,320	1,265,913	1,594,790	2,705,005	2,930,110
Equipment	1,348,904	992,820	1,550,735	1,446,938	2,899,639	2,439,758
Infrastructure	24,158,949	24,150,249	-	-	24,158,949	24,150,249
Utility Plant	-	-	41,528,692	41,057,537	41,528,692	41,057,537
Intangible right-to-use	-	-	406,210	-	406,210	-
Less:						
Accumulated Depreciation	(10,436,916)	(9,600,558)	(25,705,378)	(24,876,050)	(36,142,294)	(34,476,608)
Accumulated Amortization	-	-	(27,564)	-	(27,564)	-
<b>Total</b>	<b>\$ 21,348,056</b>	<b>\$ 21,091,101</b>	<b>\$ 20,518,512</b>	<b>\$ 20,718,519</b>	<b>\$ 41,866,568</b>	<b>\$ 41,809,620</b>

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

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**Capital Assets (Continued)**

At year-end the Village's investment in capital assets for governmental and business type activities amounts to \$41,866,568 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, vehicles, equipment, park facilities, roads, sidewalks, storm sewers, electric system, water system and wastewater system and other infrastructure.

Major capital asset events during FY 2023 included the following:

Governmental Activities		
Construction in progress additions in streets and parks	\$	418,792
Vehicle and equipment additions in administration, parks, police, and streets	\$	506,144
Business-type Activities		
Vehicle additions in electric and water	\$	472,826
Utility Plant additions in electric and water distribution system		
sanitary sewers	\$	471,545

Additional information on the Village's capital assets can be found in Note 4 on pages 32 through 36.

**Long-Term Debt**

As of April 30, 2023, the Village had a total of \$3,662,754 of bonded and similar indebtedness outstanding. Of this amount, \$737,081 comprises debt backed by the full faith and credit of the government. \$1,488,000 of the debt represents bonds that are secured by specified revenue sources (i.e., revenue and alternative source revenue bonds). The Village also had \$1,437,673 of debt consisting of notes payable, finance purchase agreements, and capital leases.

During Fiscal Year 2023, the Village entered into a seven-year lease agreement in the Waterworks and Sewerage Fund in the amount of \$406,210 to finance the purchase of a sewer vac truck. All bonds, loans and leases are paid out of their respective departments.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Table 5**  
**Bonded and Similar Indebtedness**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
General Obligation Bonds	\$ 737,081	\$ 773,045	\$ -	\$ -	\$ 737,081	\$ 773,045
Electric Alternate Source Revenue Bonds	-	-	1,488,000	1,783,000	1,488,000	1,783,000
Notes Payable	256,183	290,508	581,332	842,109	837,515	1,132,617
Leases	-	-	379,925	-	379,925	-
Purchase agreements	61,850	110,154	158,383	242,964	220,233	353,118
<b>Total</b>	<u>\$1,055,114</u>	<u>\$1,173,707</u>	<u>\$2,607,640</u>	<u>\$2,868,073</u>	<u>\$3,662,754</u>	<u>\$4,041,780</u>

Additional information on the Village's long-term debt activity can be found in Note 6 on pages 38 through 46.

**Economic Factors**

Property taxes provide the Village with a stable revenue source, although the source is subject to an annual tax cap. The Village still is experiencing growth in this area due to new residential developments.

The Village continues to develop a budget based on conservative estimates in revenues and maintaining a low operating budget, utilizing reserves when necessary to fund unpredictable costs and capital improvements.

The Village implemented a new rate structure in fiscal year 2016 for the water and sewer operations that included a flat facility charge that did not include any consumption with a separate rate per 1000 gallons for consumption. This structure alleviated consumption risk experienced in the Water and Sewer Fund making it less reliant on high usage to balance the fund and shifted more of the cost to a fixed monthly portion to be able to fund capital improvements as well as provide rate stabilization. During Fiscal Year 2023, the Village increased the sewer facility charge and sewer consumption charge to pass along a sewer rate increase from the Village's sewer supplier.

**Contacting the Village's Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's financial status. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Megan Cochran, Chief Fiscal Officer, Village of Chatham, 116 E. Mulberry St., Chatham, Illinois 62629.

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## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION**

April 30, 2023

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 10,002,210	\$ 5,023,176	\$ 15,025,386
Restricted accounts - cash	4,343	229,497	233,840
Receivables, net			
Accounts	-	1,408,123	1,408,123
Taxes	1,963,458	-	1,963,458
Other	75,545	-	75,545
Inventory	-	616,838	616,838
Due from other governments	138,154	-	138,154
Total current assets	12,183,710	7,277,634	19,461,344
Noncurrent Assets:			
Capital assets, not being depreciated	1,877,119	323,334	2,200,453
Property and equipment	29,907,853	45,521,910	75,429,763
Less: accumulated depreciation	(10,436,916)	(25,705,378)	(36,142,294)
Intangible right-to-use asset	-	406,210	406,210
Less: accumulated amortization	-	(27,564)	(27,564)
Total noncurrent assets	21,348,056	20,518,512	41,866,568
Total assets	33,531,766	27,796,146	61,327,912
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	1,857,852	1,175,888	3,033,740
Total deferred outflows of resources	1,857,852	1,175,888	3,033,740
Total assets and deferred outflows of resources	\$ 35,389,618	\$ 28,972,034	\$ 64,361,652

This statement is continued on the following page.



**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

April 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>			
Current Liabilities:			
Accounts payable	\$ 475,967	\$ 543,795	\$ 1,019,762
Unearned revenue	1,429,684	147,349	1,577,033
Accrued payroll	106,848	78,057	184,905
Other payables	11,998	13,056	25,054
Accrued compensated absences payable	28,028	13,222	41,250
Customer deposits	-	292,700	292,700
Accrued interest payable	3,317	16,498	19,815
OPEB liability - current	111,607	40,779	152,386
G.O. bonds payable - current	36,450	-	36,450
G.O. bonds (Alternate Revenue Source) payable - current	-	306,000	306,000
Notes payable - current	34,954	264,891	299,845
Lease obligation - current	-	52,242	52,242
Finance agreement payable - current	46,325	61,374	107,699
Total current liabilities	2,285,178	1,829,963	4,115,141
Noncurrent Liabilities:			
Accrued compensated absences payable	346,356	272,989	619,345
OPEB liability	2,911,984	1,063,984	3,975,968
Net pension liability	6,229,987	1,401,322	7,631,309
G.O. bonds payable	700,631	-	700,631
G.O. bonds (Alternate Revenue Source) payable	-	1,182,000	1,182,000
Notes payable	221,229	316,441	537,670
Lease obligation	-	327,683	327,683
Finance agreement payable	15,525	97,009	112,534
Total noncurrent liabilities	10,425,712	4,661,428	15,087,140
Total liabilities	12,710,890	6,491,391	19,202,281
Deferred Inflows of Resources:			
Deferred revenue - property taxes	1,619,349	-	1,619,349
Deferred inflows related to pensions	845,846	246,801	1,092,647
Total deferred inflows of resources	2,465,195	246,801	2,711,996
Total liabilities and deferred inflows of resources	15,176,085	6,738,192	21,914,277
Net Position:			
Net Investment in capital assets	20,292,970	17,910,872	38,203,842
Restricted for maintenance of roadways	1,847,200	-	1,847,200
Restricted for cemetery care (nonexpendable)	440,042	-	440,042
Restricted for public safety	58,094	-	58,094
Restricted for debt service	4,315	229,497	233,812
Unrestricted	(2,429,088)	4,093,473	1,664,385
Total net position	\$ 20,213,533	\$ 22,233,842	\$ 42,447,375

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHATHAM, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2023

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT</b>							
Governmental activities							
General government	\$ 918,312	\$ 840,804	\$ -	\$ -	\$ (77,508)	\$ -	\$ (77,508)
Cemetery	42,039	40,380	-	-	(1,659)	-	(1,659)
Culture and recreation	861,952	700	-	350,000	(511,252)	-	(511,252)
Public safety	2,351,765	84,690	23,911	-	(2,243,164)	-	(2,243,164)
Public works/transportation	2,064,572	358,840	547,898	247,116	(910,718)	-	(910,718)
Interest on long-term debt	14,760	-	-	-	(14,760)	-	(14,760)
Total governmental activities	6,253,400	1,325,414	571,809	597,116	(3,759,061)	-	(3,759,061)
Business-type activities							
Electric	10,326,118	10,736,927	-	-	-	410,809	410,809
Waterworks and Sewerage	7,651,617	7,335,808	-	-	-	(315,809)	(315,809)
Total business-type activities	17,977,735	18,072,735	-	-	-	95,000	95,000
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 24,231,135</b>	<b>\$ 19,398,149</b>	<b>\$ 571,809</b>	<b>\$ 597,116</b>	<b>(3,759,061)</b>	<b>95,000</b>	<b>(3,664,061)</b>
<b>General revenues and transfers:</b>							
Taxes							
Property taxes, levied for general purposes					1,522,435	-	1,522,435
Road and bridge taxes					25,711	-	25,711
Local use taxes					585,435	-	585,435
Telecommunications taxes					108,737	-	108,737
Video gaming taxes					170,495	-	170,495
Intergovernmental revenues					4,146,966	-	4,146,966
Investment income					80,202	45,409	125,611
Miscellaneous					318,153	-	318,153
Transfers					(16,527)	16,527	-
Total general revenues and transfers					6,941,607	61,936	7,003,543
Change in net position					3,182,546	156,936	3,339,482
Net position beginning of year					17,030,987	22,076,906	39,107,893
Net position end of year					\$ 20,213,533	\$ 22,233,842	\$ 42,447,375

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2023

	<u>General</u>	<u>Aggregate Nonmajor</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 6,102,432	\$ 3,899,778	\$ 10,002,210
Restricted accounts - cash	4,343	-	4,343
Taxes receivable	1,963,458	-	1,963,458
Other receivables	49,001	26,544	75,545
Due from other funds	3,313	528	3,841
Due from other governments	87,075	51,079	138,154
	<u>8,209,622</u>	<u>3,977,929</u>	<u>12,187,551</u>
Total current assets			
	<u>8,209,622</u>	<u>3,977,929</u>	<u>12,187,551</u>
<b>TOTAL ASSETS</b>	<u>\$ 8,209,622</u>	<u>\$ 3,977,929</u>	<u>\$ 12,187,551</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES,</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 453,297	\$ 22,670	\$ 475,967
Accrued payroll	105,189	1,659	106,848
Other payables	11,717	281	11,998
Unearned revenue	1,428,199	1,485	1,429,684
Due to other funds	528	3,313	3,841
	<u>1,998,930</u>	<u>29,408</u>	<u>2,028,338</u>
Total liabilities			
	<u>1,998,930</u>	<u>29,408</u>	<u>2,028,338</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	1,619,349	-	1,619,349
	<u>1,619,349</u>	<u>-</u>	<u>1,619,349</u>
Total deferred inflows of resources			
	<u>1,619,349</u>	<u>-</u>	<u>1,619,349</u>
Total liabilities and deferred inflows of resources			
	<u>3,618,279</u>	<u>29,408</u>	<u>3,647,687</u>
Nonspendable			
Corpus of permanent fund	-	440,042	440,042
Restricted			
Debt service	4,315	-	4,315
Public works	-	1,847,200	1,847,200
Capital projects	28	-	28
Public safety	58,094	-	58,094
Unrestricted			
Committed			
Veteran's memorial brick	-	12,169	12,169
Yard waste	-	208,323	208,323
Public safety	-	10,291	10,291
Public works	-	32,189	32,189
Cemetery	-	90,095	90,095
Assigned			
Capital projects	1,000,000	1,308,212	2,308,212
Unassigned	3,528,906	-	3,528,906
	<u>4,591,343</u>	<u>3,948,521</u>	<u>8,539,864</u>
Total fund balances			
	<u>4,591,343</u>	<u>3,948,521</u>	<u>8,539,864</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 8,209,622</u>	<u>\$ 3,977,929</u>	<u>\$ 12,187,551</u>

The accompanying notes are an integral part of these financial statements.

## VILLAGE OF CHATHAM, ILLINOIS

### RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2023

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 8,539,864</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	21,348,056
Deferred outflows related to pensions	1,857,852
Deferred inflows related to pensions	(845,846)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Compensated absences payable	(374,384)
Accrued interest payable	(3,317)
G.O. bonds payable, current	(36,450)
Notes payable, current	(34,954)
Capital lease payable, current	(46,325)
G.O. bonds payable, noncurrent	(700,631)
Notes payable, noncurrent	(221,229)
Capital lease payable, noncurrent	(15,525)
Net pension liability	(6,229,987)
Net OPEB obligation	(3,023,591)
Total long-term liabilities	<u>(10,686,393)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 20,213,533</u></b>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2023

	<b>General</b>	<b>Aggregate Nonmajor</b>	<b>Total</b>
<b>REVENUES</b>			
Property taxes	\$ 1,522,435	\$ -	\$ 1,522,435
Road and bridge taxes	25,711	-	25,711
Local use tax	585,435	-	585,435
Motor fuel taxes	-	547,898	547,898
Telecommunications tax	86,990	21,747	108,737
Video gaming tax	170,495	-	170,495
Licenses, permits, fees, fines, and service charges	1,005,651	319,763	1,325,414
Investment income	57,494	22,708	80,202
Other	138,811	179,342	318,153
Intergovernmental revenues	3,805,890	-	3,805,890
Federal grants	364,987	-	364,987
State grants	350,000	126,316	476,316
	<u>8,113,899</u>	<u>1,217,774</u>	<u>9,331,673</u>
<b>EXPENDITURES</b>			
Current operations:			
General government	883,149	-	883,149
Cemetery	35,839	-	35,839
Culture and recreation	672,089	4,693	676,782
Public safety	3,338,009	49,923	3,387,932
Public works/transportation	624,627	728,489	1,353,116
Capital outlay	604,084	357,000	961,084
Debt service:			
Principal	70,289	-	70,289
Interest	14,922	-	14,922
	<u>6,243,008</u>	<u>1,140,105</u>	<u>7,383,113</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>1,870,891</u>	<u>77,669</u>	<u>1,948,560</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer in	-	1,286,500	1,286,500
Transfer out	(1,303,027)	-	(1,303,027)
	<u>(1,303,027)</u>	<u>1,286,500</u>	<u>(16,527)</u>
<b>NET CHANGE IN FUND BALANCE</b>	567,864	1,364,169	1,932,033
<b>FUND BALANCE - MAY 1, 2022</b>	<u>4,023,479</u>	<u>2,584,352</u>	<u>6,607,831</u>
<b>FUND BALANCE - APRIL 30, 2023</b>	<u><u>\$ 4,591,343</u></u>	<u><u>\$ 3,948,521</u></u>	<u><u>\$ 8,539,864</u></u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2023

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<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 1,932,033</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount of capital outlays in the current year:

Capital outlays	1,018,801
Depreciation	(882,646)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to increase/decrease net position:

Donations of capital assets	120,800
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Accrued compensated absences	(6,666)
Pension expense	(39,115)
Other post-employment benefits	920,584

The issuance of long-term debt (e.g. bonds, loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

Repayment of G.O. bonds payable	35,964
Repayment of purchase agreements payable	48,304
Repayment of notes payable	34,325
Accrued interest payable	162

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 3,182,546</b>
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The accompanying notes are an integral part of these financial statements.

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**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

April 30, 2023

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 4,259,890	\$ 763,286	\$ 5,023,176
Restricted accounts - cash	179,829	49,668	229,497
Accounts receivable	819,127	588,996	1,408,123
Inventory	453,656	163,182	616,838
	<u>5,712,502</u>	<u>1,565,132</u>	<u>7,277,634</u>
Total current assets			
Capital Assets:			
Capital assets, not being depreciated	282,034	41,300	323,334
Property and equipment	21,581,691	23,940,219	45,521,910
Less: accumulated depreciation	(11,940,904)	(13,764,474)	(25,705,378)
Intangible right-to-use asset	-	406,210	406,210
Less: accumulated amortization	-	(27,564)	(27,564)
	<u>9,922,821</u>	<u>10,595,691</u>	<u>20,518,512</u>
Capital assets, net			
Total assets	<u>15,635,323</u>	<u>12,160,823</u>	<u>27,796,146</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	<u>667,200</u>	<u>508,688</u>	<u>1,175,888</u>
Total deferred outflows	<u>667,200</u>	<u>508,688</u>	<u>1,175,888</u>
Total assets and deferred outflows of resources	<u>\$ 16,302,523</u>	<u>\$ 12,669,511</u>	<u>\$ 28,972,034</u>

This statement is continued on the following page.



**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF NET POSITION (Continued)  
PROPRIETARY FUNDS

April 30, 2023

	<u>Electric</u>	<u>Waterworks and Sewerage</u>	<u>Total</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 71,747	\$ 472,048	\$ 543,795
Accrued payroll	46,110	31,947	78,057
Unearned revenue	85,819	61,530	147,349
Customer deposits	197,650	95,050	292,700
Accrued interest payable	16,067	431	16,498
Other payables	7,664	5,392	13,056
Current maturities of long term debt:			
Accrued compensated absences payable	5,957	7,265	13,222
OPEB liability	22,301	18,478	40,779
G.O. bonds (Alternate Revenue Source) payable	306,000	-	306,000
Loan payable	-	264,891	264,891
Lease obligation	-	52,242	52,242
Finance agreement payable	56,109	5,265	61,374
	<u>815,424</u>	<u>1,014,539</u>	<u>1,829,963</u>
Total current liabilities			
Long-Term Liabilities:			
Accrued compensated absences payable	192,063	80,926	272,989
OPEB liability	581,861	482,123	1,063,984
Net pension liability	795,111	606,211	1,401,322
G.O. bonds (Alternate Revenue Source) payable	1,182,000	-	1,182,000
Loan payable	-	316,441	316,441
Lease obligation	-	327,683	327,683
Finance agreement payable	97,009	-	97,009
	<u>2,848,044</u>	<u>1,813,384</u>	<u>4,661,428</u>
Total long-term liabilities			
Total liabilities	<u>3,663,468</u>	<u>2,827,923</u>	<u>6,491,391</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	<u>140,035</u>	<u>106,766</u>	<u>246,801</u>
Total liabilities and deferred inflows of resources	<u>3,803,503</u>	<u>2,934,689</u>	<u>6,738,192</u>
<b>NET POSITION</b>			
Net Investment in capital assets	8,281,703	9,629,169	17,910,872
Restricted for debt service	179,829	49,668	229,497
Unrestricted	4,037,488	55,985	4,093,473
	<u>\$ 12,499,020</u>	<u>\$ 9,734,822</u>	<u>\$ 22,233,842</u>
Total net position			

The accompanying notes are an integral part of these financial statements.

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended April 30, 2023

	<u>Electric</u>	<u>Waterworks and Sewerage</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
User charges	\$ 10,669,666	\$ 7,252,052	\$ 17,921,718
Other income	67,261	83,756	151,017
	<u>10,736,927</u>	<u>7,335,808</u>	<u>18,072,735</u>
<b>OPERATING EXPENSES</b>			
Electricity purchases	7,022,524	-	7,022,524
Water purchases/sewer expenses	-	5,258,780	5,258,780
Distribution and customer service	2,625,145	1,814,557	4,439,702
Depreciation and amortization	643,513	568,507	1,212,020
	<u>10,291,182</u>	<u>7,641,844</u>	<u>17,933,026</u>
<b>OPERATING INCOME (LOSS)</b>	<u>445,745</u>	<u>(306,036)</u>	<u>139,709</u>
<b>NONOPERATING INCOME (EXPENSE)</b>			
Investment income	37,732	7,677	45,409
Interest expense	(34,936)	(9,773)	(44,709)
	<u>2,796</u>	<u>(2,096)</u>	<u>700</u>
<b>CHANGE IN NET POSITION BEFORE TRANSFERS</b>	448,541	(308,132)	140,409
<b>TRANSFERS</b>			
Transfer in	-	16,527	16,527
	<u>-</u>	<u>16,527</u>	<u>16,527</u>
<b>CHANGE IN NET POSITION</b>	448,541	(291,605)	156,936
<b>NET POSITION - MAY 1, 2022</b>	<u>12,050,479</u>	<u>10,026,427</u>	<u>22,076,906</u>
<b>NET POSITION - APRIL 30, 2023</b>	<u>\$ 12,499,020</u>	<u>\$ 9,734,822</u>	<u>\$ 22,233,842</u>

The accompanying notes are an integral part of these financial statements.

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# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

For the Year Ended April 30, 2023

	Waterworks and		
	Electric	Sewerage	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 10,684,538	\$ 7,310,629	\$ 17,995,167
Payments to suppliers	(8,128,627)	(6,108,125)	(14,236,752)
Payments to employees	(1,420,848)	(1,077,433)	(2,498,281)
Net cash from operating activities	1,135,063	125,071	1,260,134
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Transfers from other funds	-	16,527	16,527
Net cash from non-capital financing activities	-	16,527	16,527
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(348,353)	(263,469)	(611,822)
Principal paid on capital debt	(374,457)	(265,901)	(640,358)
Interest paid on capital debt	(37,738)	(10,193)	(47,931)
Principal paid on leases	-	(20,266)	(20,266)
Net cash from capital and related financing activities	(760,548)	(559,829)	(1,320,377)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends received	37,732	7,677	45,409
Net cash from investing activities	37,732	7,677	45,409
Net increase (decrease) in cash	412,247	(410,554)	1,693
Cash and cash equivalents, beginning	4,027,472	1,223,508	5,250,980
Cash and cash equivalents, ending	\$ 4,439,719	\$ 812,954	\$ 5,252,673
Cash and cash equivalents consists of the following:			
Cash and cash equivalents	\$ 4,259,890	\$ 763,286	\$ 5,023,176
Restricted accounts - cash	179,829	49,668	229,497
	\$ 4,439,719	\$ 812,954	\$ 5,252,673

This statement is continued on the following page.

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Continued)

For the Year Ended April 30, 2023

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
Reconciliation of operating (loss) to net cash from operating activities:			
Operating income (loss)	\$ 445,745	\$ (306,036)	\$ 139,709
Adjustments to reconcile income (loss) to net cash from operating activities:			
Depreciation and amortization	643,513	568,507	1,212,020
(Increase) decrease in assets:			
Accounts receivable	(52,389)	(25,179)	(77,568)
Inventories	95,113	(12,915)	82,198
Deferred outflows of resources	(495,553)	(376,484)	(872,037)
(Decrease) increase in liabilities:			
Accounts payable	(14,758)	(84,765)	(99,523)
Unearned revenue	7,712	777	8,489
Accrued payroll	9,558	3,683	13,241
Compensated absences	8,048	(7,288)	760
Net OPEB obligation	37,154	32,111	69,265
Net pension liability	1,137,575	869,979	2,007,554
Deferred inflows of resources	(707,449)	(545,972)	(1,253,421)
Deposits payable	20,050	8,550	28,600
Other payables	744	103	847
Net cash from operating activities	<u>\$ 1,135,063</u>	<u>\$ 125,071</u>	<u>\$ 1,260,134</u>
Non-cash capital and related financing activities:			
Assets acquired through lease	\$ -	\$ 406,210	\$ 406,210
Total non-cash capital and related financing activities	<u>\$ -</u>	<u>\$ 406,210</u>	<u>\$ 406,210</u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION  
POLICE PENSION TRUST FUND**

April 30, 2023

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**ASSETS**

Cash	\$ 210,972
Investment held in the Illinois Police Officer's Pension Investment Fund	<u>10,462,539</u>
Total Assets	<u>10,673,511</u>

**LIABILITIES**

Accounts payable	<u>1,665</u>
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<b>NET POSITION, RESTRICTED FOR PENSIONS</b>	<u><u>\$ 10,671,846</u></u>
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The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
POLICE PENSION TRUST FUND**

For the Year Ended April 30, 2023

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**ADDITIONS**

Contributions

Employer (property taxes) \$ 706,006

Employee 136,686

Total contributions 842,692

Investment income

Net depreciation in fair value of investments 105,869

Interest 138,448

Investment fees (11,779)

Total net investment income (loss) 232,538

Total additions 1,075,230

**DEDUCTIONS**

Benefits and refunds

Retiree benefits 495,228

Administration 13,616

Total deductions 508,844

**NET INCREASE (DECREASE) 566,386**

**NET POSITION, RESTRICTED FOR PENSIONS**

**MAY 1, 2022 10,105,460**

**APRIL 30, 2023 \$ 10,671,846**

The accompanying notes are an integral part of these financial statements.

# VILLAGE OF CHATHAM, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2023

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### 1. SIGNIFICANT ACCOUNTING POLICIES

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

- (a) Reporting Entity – The Village is a body corporate and politic established under Illinois Compiled Statutes (ILCS). The Village is considered to be a primary government as defined by GASB Statement No. 14, since it is legally separate and fiscally independent.

The financial statements of the Village includes the financial activities of the Village and any component units, entities which are financially accountable to the Village. The Police Pension Plan is reported as a blended fiduciary component unit in accordance with GASB Statement No. 84, *Fiduciary Activities*. The data is included in the Village's fiduciary fund financial statements because the fund is fiscally dependent on the Village and provides services entirely to the Village's current and former employees. The Police Pension Plan does not issue a separate component unit report.

Other than the Police Pension Plan, the Village has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the Village's financial statements.

In 2009, the Village, along with the Village of New Berlin, Illinois, established the South Sangamon Water Commission. A jointly operated Commission established to provide water service primarily to the Village of Chatham and Village of New Berlin. The Board of Trustees of the Commission are appointed, one each, by Sangamon County, the Village of New Berlin and the Village of Chatham and has the authority to make decisions, hire employees, and significantly influence operations. The Commission also has the primary accountability for fiscal matters.

- (b) Fund Accounting – The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.



**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (c) Government-wide and Fund Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues and are reported separate from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Major individual funds are reported as separate columns in the fund financial statements.

- (d) Measurement Focus, Basis of Accounting and Financial Statement Presentation – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In determining when to recognize intergovernmental revenue (grants and shared revenue), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, monies are virtually unrestricted as to the purpose of expenditure and are nearly irrevocable; therefore, these amounts are recognized as revenue at the time of their receipt or earlier if they meet the criteria of availability. In the other, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenue is recognized based upon the expenditures recorded.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay current liabilities.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales and telecommunication taxes collected within 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relating to compensated absences, are recorded only when payment is due.

Property taxes, sales taxes, telecommunications taxes, licenses and permits, charges for services, fines and forfeits, miscellaneous revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Personal property replacement taxes are considered to be measurable when they have been collected and allocated by the state and are recognized as revenue at that time. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

*The General Fund* is used to account for all activities of the general government not accounted for in some other fund.

The Village reports the following proprietary funds, which are major funds:

*The Electric Fund* is used to account for the revenues and expenses related to operating and maintaining the Village's Electric operations.

*The Waterworks and Sewerage Fund* is used to account for the revenues and expenses related to operating and maintaining the Village's Water and Sewer operations.

Additionally, the Village reports the following fund types:

Special Revenue Funds are used to account for specific revenues from which the expenditures are externally imposed by outside entities or committed by ordinance.

The Capital Projects Fund accounts for the resources used for the acquisition or construction of capital facilities other than those financed by the enterprise fund activities.

The Permanent Fund is used to account for assets received and held for the perpetual care of the Village Cemetery.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

The Fiduciary Fund of the Village is used to account for assets held by the Village in a trustee capacity. The Police Pension Trust Fund is used to account for assets received and held for the payment of benefits to participants.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are administrative charges between the Village's General Fund and the Electric and Waterworks and Sewerage Funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for electric, water and sewer sales and service. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

- (e) Capital Assets – Capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. The Village records all capital items, which are individually greater than \$5,000, with a useful life of greater than one year, as capital assets. Except for certain infrastructure acquired or constructed, which were partially financed with Tax Increment Financing and General Obligation Bonds, infrastructure assets acquired prior to May 1, 2004, are not reported in the basic financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(e) Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Improvements	10 to 40 years
Buildings and grounds	20 to 40 years
Vehicles	5 years
Equipment	5 years
Infrastructure	40 years
Utility plant	10 to 40 years

- (f) Cash and Cash Equivalents – For the purposes of the statement of cash flows, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

- (g) Fund Balance/Net Position – In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose, but that are neither restricted nor committed. The Chief Financial Officer has the ability to designate if a portion of fund balance should be assigned. Any residual fund balance in the general fund or any deficit fund balances in other governmental funds is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted and unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds. It is the Village's policy to maintain an unassigned fund balance in the general fund of a minimum of 17% to 25% of the total budgeted annual expenditures of the most recently approved budget.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(g) Fund Balance/Net Position (Continued)

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the Village. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

- (h) Concentration of Suppliers – The Village of Chatham has an agreement with the Illinois Municipal Electric Agency to purchase electric power through transmission lines owned by the City of Springfield. The agreement to purchase electric power expires September 30, 2035.

The Village of Chatham has an agreement with the South Sangamon County Water Commission, whereby the South Sangamon County Water Commission will supply water to the Village of Chatham until December 31, 2040, or 5 years after the expiration of the original issue of Commission's bonds, whichever is later. The Village pays for actual water usage and is not required to purchase a minimum amount of water.

- (i) Investments – Investments are stated at fair value, except for nonnegotiable certificates of deposits which are recorded at cost, using quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses on marketable securities are computed using the specific identification method.
- (j) Inventories – All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of proprietary funds are recorded as expenditures/expenses when consumed rather than purchased.
- (k) Compensated Absences – Vested or accumulated vacation leave and vested sick leave are accrued when incurred by the Village in the government-wide and proprietary fund financial statements. Vested or accumulated vacation leave of the proprietary fund is recorded as an expense and liability of that fund as the benefits accrued to employees. A liability in the governmental funds is reported only if the benefit has matured.
- (l) Long-Term Obligations – In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(l) Long-Term Obligations (Continued)

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

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

- (m) Interfund Transactions – Interfund services transactions are accounted for as revenues, expenditures or expenses. All other interfund transactions are reported as transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the fiscal year end are referred to as “due to/from” and “interfund advance receivable/payable”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.
- (n) Interest Costs on Construction – Interest costs incurred before the end of a construction period are recognized as an expenditure or expense in the period in which the costs are incurred.
- (o) Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.
- (p) Use of Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

## **2. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the Village.

- The property tax lien date is January 1, 2021.
- The annual tax levy ordinance for 2021 taxes received during fiscal year 2023 was passed December 2021.
- The first installment of property taxes is due to the County Collector on June 1 and the second installment is due to the County Collector on September 1.
- Significant amounts of property taxes for 2021 were distributed to the Village in June and September of 2022.

The annual tax levy ordinance for 2022 taxes to be received during fiscal year 2024 was passed December 2022. The 2022 taxes are intended to finance the 2024 fiscal year and are not considered available for current operations and are, therefore, shown as deferred revenue. The 2023 tax levy has not been recorded as a receivable at April 30, 2023. Although the tax attached as a lien on property as of January 1, 2023, the tax will not be levied until December 2023, and, accordingly, is not measurable at April 30, 2023.

## **3. DEPOSITS AND INVESTMENTS**

The Village's Board of Trustees has adopted an investment policy to invest in instruments allowed by Illinois Compiled Statutes (ILCS). The policy further identifies allowable securities to include securities guaranteed by the full faith and credit of the United States of America, interest-bearing savings accounts, certificates of deposit, or time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by FDIC, short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of security legally issuable by savings and loan associations incorporated under the laws of State of Illinois, and Illinois Funds.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety of principal, diversity of investments, liquidity, return on investment, and maintaining public trust.

### **A. Deposits with Financial Institutions.**

*Custodial credit risk* for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to them. To guard against credit risk for deposits with financial institutions, the Village's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by the Village or third party or escrow agent of the pledging institution, evidenced by a written safekeeping agreement.

**3. DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments**

*Custodial Credit risk* is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of any outside party. The Village's investment policy does not specifically address custodial credit risk.

*Interest rate risk* is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the Village's investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio so that investments will have maturities to have available sufficient cash for all operating purposes.

The policy limits investments of the General Fund and Special Revenue Funds to maturities of fifteen months from the date of purchase. For all other investments, any investment purchased with a maturity of longer than two years must be specifically pre-authorized by the Chair of the Administration Committee and the Village President.

*Credit risk* is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Village's investment policy does not specifically address credit risk.

*Concentration of credit risk* is the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. To reduce exposure to concentration of credit risk, the Village limits the amount a financial institution may hold of the Village's investment portfolio to \$100,000, excluding investments in U.S. Treasury securities held in safekeeping, investments in the Illinois Funds and investments at a financial institution in which the deposits in excess of \$100,000 are secured by collateral.

*Fair value hierarchy* – The Village categorizes its fair value measurements within the fair value established by generally accepted accounting principles. The hierarchy of inputs are used to measure the fair value of the asset. Level inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs. The Village had no general investments outside of the Police Pension Fund as of April 30, 2023.



**3. DEPOSITS AND INVESTMENTS (Continued)**

Police Pension Funds

A. Deposits with Financial Institutions.

The Plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the Plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Plan.

*Custodial credit risk* for deposits with financial institutions is the risk that in the event of a bank's failure, the Pension Fund's deposits may not be returned to them. To guard against credit risk for deposits with financial institutions the Pension Fund's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by an independent third party institution in the name of the Police Pension Fund and evidenced by a written collateral agreement.

B. Investments

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Investments of the Plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at [www.ipopif.org](http://www.ipopif.org).

Fair Value Measurement

The Plan categorizes 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; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at April 30, 2023.

**3. DEPOSITS AND INVESTMENTS (Continued)**

Police Pension Funds (continued)

**B. Investments (Continued)**

Illinois Police Officers' Pension Investment Fund (Continued)

Net Asset Value

The Net Asset Value (NAV) of the Plan's pooled investment in IPOPIF was \$10,462,539 at April 30, 2023. The pooled investments consist of the investments as noted in the target allocation table which can be found at IPOPIF's website ([www.ipopif.org](http://www.ipopif.org)). Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2023.

The Plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security object to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to Article 3 participating police pension funds. IPOPIF shall not be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and person with disabilities.

Investment Rate of Return

For the year ended April 30, 2023, the annual money weighted rate of return on Pension Plan investments, net of pension Plan investment expense, was 3.92%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS**

A. Governmental Activities

Capital asset activity for the year ending April 30, 2023 consists of the following:

	<u>Balances</u> <u>May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>April 30</u>
Land, not depreciated	\$ 816,619	\$ 120,800	\$ -	\$ 937,419
Construction in progress, not depreciated	<u>520,908</u>	<u>418,792</u>	<u>-</u>	<u>939,700</u>
Total capital assets, not depreciated	<u>1,337,527</u>	<u>539,592</u>	<u>-</u>	<u>1,877,119</u>
Improvements	1,432,302	-	-	1,432,302
Buildings and grounds	1,443,441	85,165	-	1,528,606
Vehicles	1,335,320	150,060	46,288	1,439,092
Equipment	992,820	356,084	-	1,348,904
Infrastructure	<u>24,150,249</u>	<u>8,700</u>	<u>-</u>	<u>24,158,949</u>
Total capital assets being depreciated	<u>29,354,132</u>	<u>600,009</u>	<u>46,288</u>	<u>29,907,853</u>
Total capital assets	<u>30,691,659</u>	<u>1,139,601</u>	<u>46,288</u>	<u>31,784,972</u>
Less accumulated depreciation for:				
Improvements	359,559	35,807	-	395,366
Buildings and grounds	531,609	43,329	-	574,938
Vehicles	1,050,947	100,302	46,288	1,104,961
Equipment	856,575	86,773	-	943,348
Infrastructure	<u>6,801,868</u>	<u>616,435</u>	<u>-</u>	<u>7,418,303</u>
Total accumulated depreciation	<u>9,600,558</u>	<u>882,646</u>	<u>46,288</u>	<u>10,436,916</u>
Total capital assets being depreciated, net	<u>19,753,574</u>	<u>(282,637)</u>	<u>-</u>	<u>19,470,937</u>
Total capital assets, net of accumulated depreciation	<u>\$ 21,091,101</u>	<u>\$ 256,955</u>	<u>\$ -</u>	<u>\$ 21,348,056</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities**

Capital asset activity for the year ended April 30, 2023 consists of the following:

<u>ELECTRIC</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 279,734	\$ -	\$ -	\$ 279,734
Construction in progress, not depreciated	-	2,300	-	2,300
Total capital assets, not being depreciated	<u>279,734</u>	<u>2,300</u>	<u>-</u>	<u>282,034</u>
Improvements	83,691	-	-	83,691
Buildings and grounds	702,844	-	-	702,844
Vehicles	1,029,426	32,270	-	1,061,696
Equipment	889,454	20,456	-	909,910
Utility plant	<u>18,530,223</u>	<u>293,327</u>	<u>-</u>	<u>18,823,550</u>
Total capital assets being depreciated	<u>21,235,638</u>	<u>346,053</u>	<u>-</u>	<u>21,581,691</u>
Total capital assets	<u>21,515,372</u>	<u>348,353</u>	<u>-</u>	<u>21,863,725</u>
Less accumulated depreciation for:				
Improvements	40,764	1,803	-	42,567
Buildings and grounds	458,712	12,618	-	471,330
Vehicles	772,936	92,844	-	865,780
Equipment	802,375	43,025	-	845,400
Utility plant	<u>9,222,604</u>	<u>493,223</u>	<u>-</u>	<u>9,715,827</u>
Total accumulated depreciation	<u>11,297,391</u>	<u>643,513</u>	<u>-</u>	<u>11,940,904</u>
Total capital assets being depreciated, net	<u>9,938,247</u>	<u>(297,460)</u>	<u>-</u>	<u>9,640,787</u>
Total capital assets, net of accumulated depreciation	<u>\$ 10,217,981</u>	<u>\$ (295,160)</u>	<u>\$ -</u>	<u>\$ 9,922,821</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

B. Business-type activities (Continued)

<u>WATERWORKS &amp; SEWERAGE</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 39,000	\$ -	\$ -	\$ 39,000
Construction in progress, not depreciated	<u>-</u>	<u>2,300</u>	<u>-</u>	<u>2,300</u>
Total capital assets, not being depreciated	<u>39,000</u>	<u>2,300</u>	<u>-</u>	<u>41,300</u>
Improvements	13,331	-	-	13,331
Buildings and grounds	376,704	-	-	376,704
Vehicles	565,364	-	361,147	204,217
Equipment	557,484	83,341	-	640,825
Utility plant	<u>22,527,314</u>	<u>177,828</u>	<u>-</u>	<u>22,705,142</u>
Total tangible capital assets being depreciated	<u>24,040,197</u>	<u>261,169</u>	<u>361,147</u>	<u>23,940,219</u>
Right-to-use vehicles	<u>-</u>	<u>406,210</u>	<u>-</u>	<u>406,210</u>
Total intangible capital assets being amortized	<u>-</u>	<u>406,210</u>	<u>-</u>	<u>406,210</u>
Less accumulated depreciation for:				
Improvements	2,844	413	-	3,257
Buildings and grounds	103,158	9,589	-	112,747
Vehicles	510,419	15,246	355,128	170,537
Equipment	505,649	38,922	-	544,571
Utility plant	<u>12,456,589</u>	<u>476,773</u>	<u>-</u>	<u>12,933,362</u>
Total accumulated depreciation	<u>13,578,659</u>	<u>540,943</u>	<u>355,128</u>	<u>13,764,474</u>
Less accumulated amortization for:				
Right-to-use vehicles	<u>-</u>	<u>27,564</u>	<u>-</u>	<u>27,564</u>
Total accumulated amortization	<u>-</u>	<u>27,564</u>	<u>-</u>	<u>27,564</u>
Total capital assets being depreciated and amortized, net	<u>10,461,538</u>	<u>98,872</u>	<u>6,019</u>	<u>10,554,391</u>
Total capital assets, net	<u>\$ 10,500,538</u>	<u>\$ 101,172</u>	<u>\$ 6,019</u>	<u>\$ 10,595,691</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**4. CAPITAL ASSETS (Continued)**

B. Business-type activities (Continued)

<u>BUSINESS-TYPE ACTIVITIES</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 318,734	\$ -	\$ -	\$ 318,734
Construction in progress, not depreciated	<u>-</u>	<u>4,600</u>	<u>-</u>	<u>4,600</u>
Total capital assets, not being depreciated	<u>318,734</u>	<u>4,600</u>	<u>-</u>	<u>323,334</u>
Improvements	97,022	-	-	97,022
Buildings and grounds	1,079,548	-	-	1,079,548
Vehicles	1,594,790	32,270	361,147	1,265,913
Equipment	1,446,938	103,797	-	1,550,735
Utility plant	<u>41,057,537</u>	<u>471,155</u>	<u>-</u>	<u>41,528,692</u>
Total tangible capital assets being depreciated	<u>45,275,835</u>	<u>607,222</u>	<u>361,147</u>	<u>45,521,910</u>
Right-to-use vehicles	<u>-</u>	<u>406,210</u>	<u>-</u>	<u>406,210</u>
Total intangible capital assets being amortized	<u>-</u>	<u>406,210</u>	<u>-</u>	<u>406,210</u>
Less accumulated depreciation for:				
Improvements	43,608	2,216	-	45,824
Buildings and grounds	561,870	22,207	-	584,077
Vehicles	1,283,355	108,090	355,128	1,036,317
Equipment	1,308,024	81,947	-	1,389,971
Utility plant	<u>21,679,193</u>	<u>969,996</u>	<u>-</u>	<u>22,649,189</u>
Total accumulated depreciation	<u>24,876,050</u>	<u>1,184,456</u>	<u>355,128</u>	<u>25,705,378</u>
Less accumulated amortization for:				
Right-to-use vehicles	<u>-</u>	<u>27,564</u>	<u>-</u>	<u>27,564</u>
Total accumulated amortization	<u>-</u>	<u>27,564</u>	<u>-</u>	<u>27,564</u>
Total capital assets being depreciated and amortized, net	<u>20,399,785</u>	<u>(198,588)</u>	<u>6,019</u>	<u>20,195,178</u>
Total capital assets, net	<u>\$ 20,718,519</u>	<u>\$ (193,988)</u>	<u>\$ 6,019</u>	<u>\$ 20,518,512</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. CAPITAL ASSETS (Continued)**

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

Governmental activities:

General government	\$ 33,067
Culture and recreation	84,097
Public safety	70,765
Public works	<u>694,717</u>

Total depreciation expense – governmental activities \$ 882,646

Business-type activities:

Electric	\$ 643,513
Waterworks and Sewerage	<u>540,943</u>

Total depreciation expense – business-type activities \$ 1,184,456

Amortization expense was charged to functions/programs of the primary government as follows:

Business-type activities:

Waterworks and Sewerage	<u>\$ 27,564</u>
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Total amortization expense – business-type activities \$ 27,564

**5. RESTRICTED ASSETS**

The Village reports restricted cash in the Electric Fund due to the issuance of the 2014 General Obligation Bonds (Alternate Revenue Source), restricted cash in the Waterworks and Sewerage Funds due to the issuance of the Water Promissory Note, Series 2014, and restricted cash in the General Fund due to the issuance of the 2021 General Obligation Bonds.

Electric Fund

The Electric General Obligation Bonds (Alternate Revenue Source), Series 2014 require the funding by the utility of certain reserve accounts. These reserve account balances are required to be invested as the ordinances call for and segregated from the other funds. The following accounts were so segregated at April 30, 2023.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. RESTRICTED ASSETS (Continued)**

Electric Fund (Continued)

Electric Fund:

Cash:

Electric GO Bond and Interest \$ 179,829

As of April 30, 2023, all accounts were funded as required by the bond ordinances. The funding requirements of these accounts are established by the general obligation bond ordinances and are outlined as follows for the 2014 general obligation bonds (alternate revenue source).

Operation and Maintenance Account, established to establish a balance sufficient to pay operation and maintenance expenses for the current month.

Junior Bond and Interest Account, established to accumulate an amount sufficient to pay principal or interest or both. There shall be deposited to the Junior Bond and Interest Account, a fractional amount of interest becoming due on the next succeeding interest payment date and a fractional amount of principal becoming due on the next succeeding principal maturity date of all of the Outstanding Junior Bonds.

Junior Bond Reserve Account, established to accumulate funds to be used to pay principal or interest on outstanding bonds at any time when there are insufficient funds available in the Junior Bond and Interest Account to pay the same.

Depreciation, Improvement, and Extension Account, established to accumulate funds established per bond ordinances for the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies for which no other funds are available.

Surplus Account, established to accumulate funds remaining in the System Fund, after crediting the required amounts to the respective accounts noted above and after making up any deficiency in the above accounts. Then, at the discretion of the Corporate Authorities, the funds shall be used, if at all, for one or more of the following purposes:

- (1) For the purpose of constructing or acquiring repairs, replacements, or improvements to the System or
- (2) For the purpose of purchasing Outstanding Bonds or
- (3) For any other lawful corporate purpose (including but not limited to payments in lieu of taxes and general supervision and administrative charges by the Issuer).

Waterworks and Sewerage Fund

The Water Promissory Note, Series 2014 require the funding by the utility of certain reserve accounts. These reserve account balances are required to be invested as the ordinances call for and segregated from the other funds. The following accounts were so segregated at April 30, 2023.

Waterworks and Sewerage Fund:

Cash:

Water Note Fund \$ 49,668



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**5. RESTRICTED ASSETS (Continued)**

Waterworks and Sewerage Fund (Continued)

As of April 30, 2023, all accounts were funded as required by the Promissory Note. The funding requirements of these accounts are established by the promissory note ordinance and are outlined as follows.

Water Note Fund, established to fund for the payment of the principal and interest on the Note. Interest income or investment profit earned in the Water Note Fund shall be retained in the Fund for payment of the principal of or interest on the Promissory Note on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Village, transferred to such other fund as may be determined.

General Fund

The General Obligation Bonds, Series 2021 require the funding of a Debt Service account with taxes levied to be used for the sole purpose of paying principal of and interest on the Bonds. The General Obligation Bonds, Series 2021 also requires the proceeds of the sale of the bonds be deposited into a Bond Proceeds account. As of April 30, 2023, the account was funded as required by the ordinance.

General Fund

Cash:

Unspent Bond Proceeds	\$ 28
2021 Debt Service	<u>4,315</u>

Total	<u>\$ 4,343</u>
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**6. LONG-TERM DEBT**

Governmental Activities

General Obligation Bonds

The Village issues general obligation bonds to provide for the acquisition, construction and installation of various improvements and facilities. General obligation bonds outstanding at the end of the fiscal year are as follows:

\$810,000 General Obligation Bonds, Series 2021 payable through December 30, 2040 in \$46,400 payments; interest rate of 1.35%	<u>\$ 737,081</u>
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**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

General Obligation Bonds (Continued)

Future principal and interest payments on the general obligation bonds are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 36,450	\$ 9,950	\$ 46,400
2025	36,941	9,459	46,400
2026	37,440	8,960	46,400
2027	37,946	8,454	46,400
2028	38,458	7,942	46,400
2029-2033	200,219	31,781	232,000
2034-2038	214,103	17,897	232,000
2039-2041	<u>135,524</u>	<u>3,676</u>	<u>139,200</u>
Total	<u>\$ 737,081</u>	<u>\$ 98,119</u>	<u>\$ 835,200</u>

Street Shop Building Note (Direct Borrowing)

On October 15, 2014, the Village entered into an agreement with a financial institution to finance costs associated with the construction of a shop building for the street and water departments. The Village borrowed \$460,000 at an interest rate of 1.74% to be paid in monthly installments of \$4,185 beginning November 15, 2014, with a final payment due October 15, 2024. The assets and related obligation have been allocated half to the General Fund and half to the Waterworks and Sewerage Fund. The principal balance for the governmental activities as of April 30, 2023 is \$37,104 and the principal balance for the business-type activities as of April 30, 2023 is \$37,104 for a combined total of \$74,208.

Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 24,627	\$ 455	\$ 25,082
2025	<u>12,477</u>	<u>64</u>	<u>12,541</u>
Total	<u>\$ 37,104</u>	<u>\$ 519</u>	<u>\$ 37,623</u>

Market Street Building Note (Direct Borrowing)

On October 25, 2021, the Village entered into an agreement with a financial institution to finance costs associated with the purchase of property and buildings for the Village. The Village borrowed \$234,127 at an interest rate of 1.59% to be paid in monthly installments of \$1,142 beginning November 25, 2021, with a final payment due October 25, 2026. The principal balance for the governmental activities as of April 30, 2023 is \$219,079.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

Market Street Building Note (Direct Borrowing) (Continued)

Future principal and interest payments on the notes payables are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 10,327	\$ 3,377	\$ 13,704
2025	10,415	3,289	13,704
2026	10,584	3,120	13,704
2027	<u>187,753</u>	<u>1,499</u>	<u>189,252</u>
Total	<u>\$ 219,079</u>	<u>\$ 11,285</u>	<u>\$ 230,364</u>

Financed Purchase Agreement

The Village is obligated under a vehicle purchase agreement accounted for as a financed purchase agreement. The financed assets (police vehicle) and related obligation are accounted for as governmental activities. The asset under the purchase agreement net of depreciation totaled \$14,405 at April 30, 2023. The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2023:

<u>Years ending April 30,</u>	
2024	\$ <u>9,805</u>
Future minimum payments	9,805
Less: Amount representing interest	<u>117</u>
Present value of minimum payments	<u>\$ 9,688</u>

The Village is obligated under a vehicle purchase agreement accounted for as a financed purchase agreement. The asset (street sweeper) and related obligation are accounted for as governmental activities. The asset under the agreement net of depreciation totaled \$47,872 at April 30, 2023. The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2023:

<u>Years ending April 30,</u>	
2024	\$ 37,646
2025	<u>15,631</u>
Future minimum payments	53,277
Less: Amount representing interest	<u>1,115</u>
Present value of minimum payments	<u>\$ 52,162</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

Following is a summary of the changes that occurred to the liabilities reported in the governmental activities of the Village for the year ended April 30, 2023.

	Balance May 1, 2022	Additions	Reductions	Balance April 30, 2023
G.O. bonds	\$ 773,045	\$ -	\$ 35,964	\$ 737,081
Notes payable	290,508	-	34,325	256,183
Purchase agreements	110,154	-	48,304	61,850
Net pension liability	5,029,304	1,200,683	-	6,229,987
OPEB liability	3,944,175	-	920,584	3,023,591
Compensated absences	367,718	374,384	367,718	374,384
	<u>\$ 10,514,904</u>	<u>\$ 1,575,067</u>	<u>\$ 1,406,895</u>	<u>\$ 10,683,076</u>

The General Fund and Yard Waste Recycling and Refuse Fund generally liquidate the pension, OPEB, and compensated absences liabilities.

Following are governmental activities obligations due within one year:

G.O. bonds	\$ 36,450
Notes payable	34,954
Purchase agreements	46,325
OPEB liability	111,607
Compensated absences	<u>28,028</u>
Total	<u>\$ 257,364</u>

The amount available for retirement of future general obligation bond debt is made up of the following:

Debt Service (General Fund)	<u>\$ 4,315</u>
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Business-type Activities

General Obligation Bonds (Alternate Revenue Source)

The Village issues general obligation bonds (alternate revenue source) where the Village pledges revenue derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the fiscal year are as follows:

\$3,805,000 Electric General Obligation Refunding Bond (Alternate Revenue Source, Series 2014, for the purpose of refunding certain prior bonds of the Village, payable through November 1, 2028 in various amounts ranging from \$105,000 to \$336,000; interest rates ranging from 1.70 % to 2.40%)	<u>\$ 1,488,000</u>
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**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

General Obligation Bonds (Alternate Revenue Source) (Continued)

Future principal and interest payments on the general obligation (alternate revenue source) bonds are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 306,000	\$ 32,134	\$ 338,134
2025	314,000	26,014	340,014
2026	321,000	19,420	340,420
2027	336,000	12,518	348,518
2028	106,000	4,958	110,958
2029	<u>105,000</u>	<u>2,520</u>	<u>107,520</u>
Total	<u>\$ 1,488,000</u>	<u>\$ 97,564</u>	<u>\$ 1,585,564</u>

Water Shop Building Note (Direct Borrowing)

On October 15, 2014, the Village entered into an agreement with a financial institution to finance costs associated with the construction of a shop building for the street and water departments. The Village borrowed \$460,000 at an interest rate of 1.74% to be paid in monthly installments of \$4,185 beginning November 15, 2014, with a final payment due October 15, 2024. The assets and related obligation have been allocated half to the General Fund and half to the Waterworks and Sewerage Fund. The principal balance for the governmental activities as of April 30, 2023 is \$37,104 and the principal balance for the business-type activities as of April 30, 2023 is \$37,104 for a combined total of \$74,208.

Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 24,627	\$ 455	\$ 25,082
2025	<u>12,477</u>	<u>64</u>	<u>12,541</u>
Total	<u>\$ 37,104</u>	<u>\$ 519</u>	<u>\$ 37,623</u>

Ground Storage Tank and Tower Painting Note (Direct Borrowing)

On September 11, 2020, the Village entered into an agreement with a financial institution to finance costs associated with improvements to the above ground storage tank and tower. The Village borrowed \$882,012 at an interest rate of 1.05% to be paid in monthly installments of \$13,970 beginning May 11, 2021, with a final payment due February 11, 2026.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Ground Storage Tank and Tower Painting Note (Direct Borrowing) (Continued)

The assets and related obligation have been allocated to the Waterworks and Sewerage Fund. The principal balance for the business-type activities as of April 30, 2023 was \$467,730. Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 163,766	\$ 3,878	\$ 167,644
2025	165,211	2,434	167,645
2026	<u>138,753</u>	<u>679</u>	<u>139,432</u>
Total	<u>\$ 467,730</u>	<u>\$ 6,991</u>	<u>\$ 474,721</u>

Water Promissory Note, Series 2014 (Direct Borrowing)

On March 7, 2014, the Village entered into an agreement with a financial institution to finance the costs of a settlement agreement with the City of Springfield, Illinois. The Village borrowed \$710,000 at an interest rate of 1.25 percent to be paid in semi-annual interest payments payable on August 1 and February 1 of each year beginning August 1, 2014. Principal will be paid in installments on February 1 of each of the years until maturity February 1, 2024. The interest rate remains fixed until January 31, 2019 and thereafter, the rate will change to a floating rate equal to the Prime Rate minus 2% not to exceed 2.25%. The principal balance for the business-type activities as of April 30, 2023 was \$76,498. The related obligation has been allocated to the Waterworks and Sewerage Fund. Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 76,498	\$ 1,722	\$ 78,220
Total	<u>\$ 76,498</u>	<u>\$ 1,722</u>	<u>\$ 78,220</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Leases

The Village entered into a lease agreement in November 2022, for the right-to-use vehicle. Payments of \$5,525 are due in monthly installments, through November 2029. Total intangible right-to-use assets acquired under this agreement are \$406,210.

The annual requirements to amortize to maturity leases outstanding as of April 30, 2023, are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 52,242	\$ 14,057	\$ 66,299
2025	54,351	11,947	66,298
2026	56,532	9,766	66,298
2027	58,802	7,497	66,299
2028	61,158	5,140	66,298
2029-2030	<u>96,840</u>	<u>3,072</u>	<u>99,912</u>
Total	<u>\$ 379,925</u>	<u>\$ 51,479</u>	<u>\$ 431,404</u>

Financed Purchase Agreement

The Village is obligated under an equipment purchase agreement accounted for as a financed purchase agreement. The asset (mini-excavator) and related obligation are accounted for as business-type activities. The asset under the finance purchase agreement net of depreciation totaled \$6,134 at April 30, 2023. The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2023:

Years ended April 30,

2024	<u>\$ 5,410</u>
Future minimum payments	5,410
Less: Amount representing interest	<u>145</u>
Present value of minimum payments	<u>\$ 5,265</u>

The Village is obligated under an equipment purchase agreement accounted for as a financed purchase agreement. The asset (aerial truck) and related obligation are accounted for as business-type activities. The asset under the purchase agreement net of depreciation totaled \$1,509 at April 30, 2023. The following is a schedule of future minimum payments under the financed purchase agreement, together with the net present value of the minimum payments at April 30, 2023:

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Financed Purchase Agreement (Continued)

Years ended April 30,

2024	\$ 4,968
Future minimum payments	4,968
Less: Amount representing interest	<u>19</u>
Present value of minimum payments	<u>\$ 4,949</u>

The Village is obligated under an equipment purchase agreement accounted for as a financed purchase agreement. The asset (Digger Derrick) and related obligation are accounted for as business-type activities. The asset under the purchase agreement net of depreciation totaled \$143,449 at April 30, 2023.

The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2023:

Years ended April 30,

2024	\$ 54,229
2025	54,228
2026	<u>45,109</u>
Future minimum payments	153,566
Less: Amount representing interest	<u>5,397</u>
Present value of minimum payments	<u>\$ 148,169</u>

Following is a summary of the changes that occurred to the liabilities reported in the business-type activities of the Village for the year ended April 30, 2023.

	<u>Balance</u> <u>May 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>April 30, 2023</u>
G.O. bonds (Alternate Revenue Source)	\$ 1,783,000	\$ -	\$ 295,000	\$ 1,488,000
Notes payable	842,109	-	260,777	581,332
Purchase agreements	242,964	-	84,581	158,383
Leases	-	406,210	26,285	379,925
Net pension liability	-	1,401,322	-	1,401,322
OPEB liability	1,035,498	69,265	-	1,104,763
Compensated absences	<u>285,451</u>	<u>286,211</u>	<u>285,451</u>	<u>286,211</u>
	<u>\$ 4,189,022</u>	<u>\$ 2,163,008</u>	<u>\$ 952,094</u>	<u>\$ 5,399,936</u>



**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Following are business-type activities obligations due within one year:

G.O. bonds (Alternate Revenue Source)	\$	306,000
Notes payable		264,891
Leases		52,242
Purchase agreements		61,374
OPEB liability		40,779
Compensated absences		<u>13,222</u>
Total	\$	<u>738,508</u>

**7. PLEDGED REVENUES**

The Village has pledged all revenue from the Village's Electric operations to repay the \$3,805,000 Electric General Obligation Refunding Bonds (Alternate Revenue Source), Series 2014 through fiscal year 2029. The total principal and interest remaining to be paid on the bonds is \$1,585,564. Principal and interest paid and total revenues for fiscal year 2023 were \$332,738 and \$10,736,927 respectively.

**8. INTERFUND BALANCES AND TRANSFERS**

Interfund receivable and payable balances at April 30, 2023 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Aggregate Nonmajor Governmental Funds	\$ <u>3,313</u>	\$ <u>528</u>
Aggregate Nonmajor Governmental Funds:		
General Fund	<u>528</u>	<u>3,313</u>
Total	\$ <u>3,841</u>	\$ <u>3,841</u>

The purposes of the interfund receivable and payable balances are as follows:

- The balance due to the General fund from the Aggregate nonmajor governmental funds is telecommunication taxes due from the utility tax fund and grant revenue incorrectly recorded in the capital projects fund
- The balance due to the General fund from the Aggregate nonmajor governmental funds relates to the reallocation of yard waste pickup expenses

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**8. INTERFUND BALANCES AND TRANSFERS (Continued)**

During fiscal year 2023, the General Fund made a \$1,286,500 budgeted transfer to the capital projects fund for the Capital Plan implemented in fiscal year 2023. This transfer was used to make purchases for vehicles, equipment and other projects discussed in the fiscal year 2023 budget. The General Fund made a \$16,527 budgeted transfer to the Waterworks and Sewerage Fund to transfer ARPA grant funds. For the statement of activities, interfund transfers within the governmental or business-types activities are netted and eliminated

**9. RETIREMENT PLANS**

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan, which is a single-employer pension plan. The table below is a summary for all pension plans as of and for the year ended April 30, 2023:

	IMRF	Police Pension	Total
Net Pension Liability (Asset)	\$ 2,257,552	\$ 5,373,757	\$ 7,631,309
Deferred Outflows of Resources	1,894,376	1,139,364	3,033,740
Deferred Inflows of Resources	397,599	695,048	1,092,647
Pension Expense	(143,721)	770,935	627,214

Illinois Municipal Retirement Fund

*Plan Description.* The Village of Chatham's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Plan Administration.* All Village employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, and benefits and refunds are recognized as an expense and liability when due and payable.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Plan Membership.* At December 31, 2022, the date of the most recent actuarial valuation, the IMRF membership consisted of:

Retirees and beneficiaries currently receiving benefits	33
Inactive employees entitled to, but not yet receiving benefits	20
Active plan members	<u>39</u>
Total	<u>92</u>

*Benefits Provided.* IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

*Contributions.* As set by statute, the Village's 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. The employer contribution for the fiscal year ended April 30, 2023 was 11.18% of covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, with supplemental retirement benefits rate being set by statute.

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2022. The total pension liability was determined by an actuarial valuation as of that date.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability as of December 31, 2022.

Actuarial valuation date	December 31, 2022
Asset valuation method	Fair Value of Assets
Actuarial cost method	Entry Age Normal
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%

Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.

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

*Single Discount Rate.* A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 4.05%; and the resulting single discount rate is the expected rate of return on pension plan investments of 7.25%.

*Changes in the Net Pension Liability (Asset).*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
Balances at January 1, 2022	\$ 14,583,498	\$ 15,512,658	\$ (929,160)
Changes for the period:			
Service cost	231,823	-	231,823
Interest	1,043,870	-	1,043,870
Difference between expected and actual experience	623,944	-	623,944
Changes in assumptions	-	-	-
Employer contributions	-	342,570	(342,570)
Employee contributions	-	211,676	(211,676)
Net investment income	-	(1,821,273)	1,821,273
Benefit payments and refunds	(602,398)	(602,398)	-
Other	-	(8,338)	8,338
Adjustment	-	(11,710)	11,710
Net changes	1,297,239	(1,889,473)	3,186,712
Balances at December 31, 2022	\$ 15,880,737	\$ 13,623,185	\$ 2,257,552

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate.

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 4,365,001	\$ 2,257,552	\$ 601,103

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended April 30, 2023, the Village reported recognized total pension expense/(income) of \$627,214, of which \$(143,721) related to IMRF. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 677,179	\$ 258,735
Changes in assumption	78,197	138,864
Net difference between projected and actual earnings on pension plan investments	1,058,218	-
Contributions made after measurement date	80,782	-
<b>TOTAL</b>	<b>\$ 1,894,376</b>	<b>\$ 397,599</b>

\$80,782 reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year ended April 30, 2024.

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

Year ended April 30,	
2024	\$ 1,699
2025	283,119
2026	430,688
2027	676,490
2028	23,999
Thereafter	-
<b>TOTAL</b>	<b>\$ 1,415,995</b>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**9. RETIREMENT PLANS (Continued)**

Police Pension Fund

*Plan Description.* Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single employer pension plan. The plan issues an annual report to the Illinois Department of Insurance; however, they do not issue their own stand-alone financial statements. The Village accounts for the plan as a pension trust fund and the plan is governed by a five-member Board. Two members are elected from active officers, two are appointed by the Village President, and one is elected from retired members. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

*Plan Membership.* At May 1, 2022, the date of the most recent actuarial valuation, the Police Pension membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	8
Inactive plan members, but not yet receiving benefits	3
Active plan members	<u>16</u>
Total	<u>27</u>

*Benefits Provided.* The Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 3.0% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.  $\frac{1}{2}$ % for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village's annual contribution to the plan is provided by property tax levy. These taxes are required to be of an amount necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, The Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. There is no formal funding policy that exists between the Pension Board and the Village. The informal funding policy that has been determined for future contributions is 99.90% of the actuarially determined contribution which is based on 100% amortization of the unfunded actuarially accrued liability. For the year ended April 30, 2023, the Village's contribution was 51.19% of covered payroll.

*Net Pension Liability.* The Village's net pension liability was measured as of April 30, 2023. The total pension liability was determined by an actuarial valuation as of May 1, 2022 and rolled forward to the measurement date of April 30, 2023.



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability as of April 30, 2023.

Actuarial valuation date	May 1, 2022
Actuarial cost method	Entry Age Normal
Asset valuation	Fair Value
Long-term expected rate of return	6.25%
Salary increases	3.75%-11.09%
Increase in total payroll	3.25%
Price inflation	2.25%
Percent married	80.0%

Mortality rates were based on Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described. Retirement rates were based on L&A 2020 Illinois Police Retirement Rates Capped at age 65.

All economic assumption rates are assumed to be annual rates, compounded on an annual basis.

The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. Long-term Real Rates of Return are shown as the Expected Rate of Return, net of the assumed inflation rate. There are multiple approaches seen to providing these rates. Typically, the information is either based on capital market projections, or historical rates seen for the asset classes.

Assumptions were changed from the prior year. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.21% to 3.53% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index which is unchanged from the prior year.

*Discount Rate.* The discount rate used to measure the total pension liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Changes in the Net Pension Liability.*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at May 1, 2022	\$ 15,457,692	\$ 10,105,460	\$ 5,352,232
Changes for the period:			
Service cost	375,233	-	375,233
Interest	937,975	-	937,975
Changes in benefit terms	(15,235)	-	(15,235)
Actuarial experience	(214,834)	-	(214,834)
Employer contributions	-	706,006	(706,006)
Employee contributions	-	136,686	(136,686)
Net investment income	-	232,538	(232,538)
Benefit payments and refunds	(495,228)	(495,228)	-
Administrative expense	-	(13,616)	13,616
Net changes	587,911	566,386	21,525
Balances at April 30, 2023	\$ 16,045,603	\$ 10,671,846	\$ 5,373,757

The Plan's fiduciary net position as a percentage of total pension liability for the year ended April 30, 2023 was 66.51%. The benefit terms were updated as a result of an IDOI Public Pension Division unofficial opinion, which impacted Tier II benefits.

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.25%) or 1 percentage point higher (7.25%) than the current rate.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net pension liability (asset)	\$ 7,996,299	\$ 5,373,757	\$ 3,271,211

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended April 30, 2023, the Village reported recognized total pension expense/(income) of \$(627,214), of which \$770,935 was related to the Police pension. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 161,522	\$ 603,315
Changes in assumption	268,158	91,733
Net difference between projected and actual earnings on pension plan investments	709,684	-
<b>TOTAL</b>	<b>\$ 1,139,364</b>	<b>\$ 695,048</b>

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

<u>Year ended April 30,</u>	
2024	\$ 216,760
2025	89,937
2026	344,797
2027	1,474
2028	(90,956)
Thereafter	(117,696)
<b>TOTAL</b>	<b>\$ 444,316</b>

**10. OTHER POST-EMPLOYMENT BENEFITS**

Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. No contributions are made by the Village or its employees to fund a reserve for payment of benefits. Accordingly, there are no assets accumulated in a GASB-compliant trust. Since no reserve is maintained for benefit payments, the plan does not issue a separate stand-alone financial report. The OPEB obligation is generally liquidated through the funds in which the related employees' wages are paid.

Benefits Provided

The Village provides post-retirement health benefits, as per the requirements of local ordinances and labor agreements. Retirees are eligible to continue their health care coverage with the Village's carrier. The Village will pay the retirees single medical insurance coverage provided the employee is not eligible from other sources as per the following schedule upon retirement until said employee is eligible for Medicare benefits. If the employee is eligible for coverage from other sources, the Village will pay that amount provided it does not exceed the amount the Village regularly pays for single member premium coverage. If the premium contribution exceeds the costs of the Village contribution, the retiree will be eligible to remain on the Village plan. To be eligible for this benefit, the retiree shall be at least fifty-five years of age and has been an employee of the Village for a minimum of 10 years, with the exception of retirees under the International Fraternal Order of Police, Local Unit 821. Such retirees shall be at least fifty years of age. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

10 years of employment with the Village = 25% of single medical coverage premium  
15 years of employment with the Village = 50% of single medical coverage premium  
20 years of employment with the Village = 100% of single medical coverage premium

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Plan Membership

At April 30, 2023 (census date), membership consisted of:

Inactive employees currently receiving benefit payments	11
Inactive employees entitled to but not but not yet receiving benefit payments	-
Active employees	<u>55</u>
Total	<u>66</u>

Total OPEB Liability

The Village's total OPEB liability of \$4,128,354 was measured as of April 30, 2023 and was determined by an actuarial valuation as of May 1, 2023 using the alternative measurement method and the measurement date of April 30, 2023.

Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2023 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was calculated using the assumptions noted below.

Actuarial cost method	Entry-age normal
Assumptions	
Payroll increases	2.75%
Discount rate	3.53% (3.21% in 2022)
Inflation	2.25%
Healthcare cost trend rates	5.00% to 7.40%
	5.00% ultimate
Asset valuation method	Market value

The payroll increase assumption is based on a review of the IMRF Experience Study Report dated December 14, 2020 and the L&A assumption study for Police 2020.

The discount rate was based on the municipal bond rate for the Bond Buyer 20-Bond G.O. Index. The 3.53% rate shown is the April 30, 2023. The 20-Bond G.O. Index is based on an average of certain general obligation bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Actuarial Assumptions and Other Inputs (Continued)

The initial healthcare 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.

Mortality rates were based on the PubG-2010(B) study. These rates are improved generationally using MP-2020 improvement rates, weighted per IMRF Experience Study dated December 14, 2020. Mortality rates for active police officers were based on the sex distinct raw rates as developed in the PubS-2010(A) study improved to 2017 using MP-2019 improvement rates.

Coverage election at retirement is assumed to be 100% for IMRF employees and 33% for IMRF employees currently waiving health insurance coverage. Of the employees assumed to elect coverage at retirement, 50% are assumed to elect spouse coverage and female spouses are assumed to be 3 years younger than male spouses. The assumptions are based on the current population.

Changes in the Total OPEB Liability

Balances beginning May 1, 2022	\$ 4,979,673
Changes for the year:	
Service cost	130,594
Interest	157,401
Difference between expected and actual experience	(994,279)
Assumption changes	7,351
Benefit payments	(152,386)
Net changes	<u>(851,319)</u>
Balances ending April 30, 2023	<u>\$ 4,128,354</u>

Rate Sensitivity

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

	1% Decrease (2.53%)	Current Discount Rate (3.53%)	1% Increase (4.53%)
Total OPEB Liability	\$ 4,453,247	\$ 4,128,354	\$ 3,827,473

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 5.00% to 7.40% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.00% to 6.40%) or 1 percentage point higher (6.00% to 8.40%) than the current rate:

	<u>1% Decrease (Varies)</u>	<u>Current Discount Rate (Varies)</u>	<u>1% Increase (Varies)</u>
Total OPEB Liability	\$ 3,693,718	\$ 4,128,354	\$ 4,642,225

OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2023, the Village reported recognized total OPEB expense of (\$851,320).

**11. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To insure against the losses, the Village participates in the Illinois Counties Risk Management Trust (ICRMT), a public entity risk pool with transfers of risk. The Village pays an annual premium to ICRMT for its coverage. Employee health risks are insured through the purchase of a commercial insurance plan. In addition, the Village has workers compensation coverage through the Illinois Public Risk Fund. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**12. JOINT VENTURE**

During fiscal year 2009, the Village, along with the Village of New Berlin, Illinois, established the South Sangamon Water Commission. The Commission is a municipal corporation established pursuant to the provisions of the Water Commission Act of the State of Illinois (65 ILCS 5/11-135-1 et. seq.) for the purpose of constructing and operating a water supply distribution system serving its customers. Village has no equity interest.

During fiscal year 2010, the Village entered into a wholesale water agreement with the South Sangamon Water Commission whereby the Water Commission will supply water to the Village until December 31, 2040, or 5 years after the expiration of the original issue of the Commission's bonds, whichever is later. The agreement became effective when the treatment plant commenced operations in May 2012. Under this agreement, the Village paid \$3,538,566 to the Commission during fiscal year 2023 for the purchase of water.

The Commission's fiscal year end is April 30. Separate financial statements are available for the Commission by contacting the South Sangamon Water Commission at PO Box 83 New Berlin, Illinois 62670-0083.

**13. SUBSEQUENT EVENTS**

On August 16, 2023, the Village was issued a revolving line of credit from INB, National Association with a maturity date of August 16, 2024 and interest at 5.1%. The line of credit is to be repaid by Electric Fund revenues. As of the report issuance date, the amount owed on the line of credit is \$0.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF CHATHAM, ILLINOIS**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Eight Calendar Years

<b>MEASUREMENT DATE DECEMBER 31</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>TOTAL PENSION LIABILITY</b>								
Service cost	\$ 231,823	\$ 251,027	\$ 268,419	\$ 263,876	\$ 230,684	\$ 244,533	\$ 249,095	\$ 248,975
Interest	1,043,870	1,011,184	952,162	902,963	879,549	898,328	882,777	782,200
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	623,944	(234,705)	336,664	10,587	(353,775)	(516,855)	(469,473)	681,972
Changes of assumptions	-	-	(203,217)	-	423,617	(410,496)	(68,605)	33,697
Benefit payments, including refunds of member contributions	(602,398)	(531,731)	(530,722)	(471,468)	(467,190)	(450,749)	(443,799)	(297,513)
	1,297,239	495,775	823,306	705,958	712,885	(235,239)	149,995	1,449,331
Total pension liability - beginning	14,583,498	14,087,723	13,264,417	12,558,459	11,845,574	12,080,813	11,930,818	10,481,487
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 15,880,737</b>	<b>\$ 14,583,498</b>	<b>\$ 14,087,723</b>	<b>\$ 13,264,417</b>	<b>\$ 12,558,459</b>	<b>\$ 11,845,574</b>	<b>\$ 12,080,813</b>	<b>\$ 11,930,818</b>
<b>PLAN FIDUCIARY NET POSITION</b>								
Contributions - employer	\$ 342,570	\$ 336,495	\$ 390,571	\$ 315,961	\$ 343,850	\$ 355,417	\$ 339,165	\$ 425,528
Contributions - member	211,676	195,474	202,045	182,229	146,776	136,795	108,548	114,457
Net investment income	(1,821,273)	2,202,367	1,632,715	1,791,167	(862,097)	1,306,357	594,756	43,111
Benefit payments, including refunds of member contributions	(602,398)	(531,731)	(530,722)	(471,468)	(467,190)	(450,749)	(443,799)	(297,513)
Other income (expense)	(20,048)	(19,752)	(16,051)	(9,079)	(16,315)	45,042	61,553	(142,279)
	(1,889,473)	2,182,853	1,678,558	1,808,810	(854,976)	1,392,862	660,223	143,304
Plan fiduciary net position - beginning	15,512,658	13,329,805	11,651,247	9,842,437	10,697,413	9,304,551	8,644,328	8,501,024
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 13,623,185</b>	<b>\$ 15,512,658</b>	<b>\$ 13,329,805</b>	<b>\$ 11,651,247</b>	<b>\$ 9,842,437</b>	<b>\$ 10,697,413</b>	<b>\$ 9,304,551</b>	<b>\$ 8,644,328</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 2,257,552</b>	<b>\$ (929,160)</b>	<b>\$ 757,918</b>	<b>\$ 1,613,170</b>	<b>\$ 2,716,022</b>	<b>\$ 1,148,161</b>	<b>\$ 2,776,262</b>	<b>\$ 3,286,490</b>
Plan fiduciary net position as a percentage of the total pension liability	85.78%	106.37%	94.62%	87.84%	78.37%	90.31%	77.02%	72.45%
Covered payroll	\$ 2,798,799	\$ 2,702,773	\$ 2,817,953	\$ 2,735,596	\$ 2,440,390	\$ 2,313,911	\$ 2,263,499	\$ 2,443,509
Employer's net pension liability (asset) as a percentage of covered payroll	80.66%	(34.38%)	26.90%	58.97%	111.29%	49.62%	122.65%	134.50%

Year Ended December 31, 2022- No changes in assumptions

Year Ended December 31, 2021- No changes in assumptions

Year Ended December 31, 2020 - Changes in assumptions related to price inflation, salary increases, retirement age and mortality were made since the prior measurement date. Price inflation and salary increases decreased from 2.50% to 2.25% and 3.35% - 14.25% to 2.85% - 13.75%, respectively. Retirement age assumptions were updated from the 2017 valuation pursuant to an experience study of the period 2014-2016 to the 2020 valuation pursuant to an experience study of the period 2017-2019. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2020 table.

Year Ended December 31, 2019- Changes in assumptions related to salary increases decreased from 3.39% -14.25% to 3.35% - 14.25%

Year Ended December 31, 2018 - Changes in assumptions related to investment rate of return were made since the prior measurement date. Investment rate of return decreased from 7.50% to 7.25%.

Year Ended December 31, 2017 - Changes in assumptions related to price inflation, salary increases, retirement age and mortality were made since the prior measurement date. Price inflation and salary increases decreased from 2.75% and 3.75% - 14.50% to 2.50% and 3.39% - 14.25%, respectively. Retirement age assumptions were updated from the 2014 valuation pursuant to an experience study of the period 2011-2013 to the 2017 valuation pursuant to an experience study of the period 2014-2016. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2017 table.

Year Ended December 31, 2016 - Changes in assumptions related to investment rate of return and mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE PENSION TRUST FUND**

Last Nine Fiscal Years

MEASUREMENT DATE MAY 1	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>									
Service cost	\$ 375,233	\$ 350,642	\$ 374,564	\$ 359,618	\$ 374,057	\$ 365,889	\$ 344,366	\$ 306,768	\$ 330,691
Interest	937,975	906,282	882,049	830,363	783,679	737,681	670,000	582,946	491,643
Changes of benefit terms	(15,235)	-	-	110,840	-	-	-	-	-
Differences between expected and actual experience	(214,834)	(423,736)	(149,490)	156,600	5,608	14,574	98,527	143,983	675,793
Changes of assumptions	-	(59,566)	45,796	(81,860)	-	-	291,257	659,242	525,246
Benefit payments, including refunds of member contributions	(495,228)	(473,044)	(456,533)	(401,279)	(431,512)	(332,855)	(309,649)	(290,496)	(211,806)
	587,911	300,578	696,386	974,282	731,832	785,289	1,094,501	1,402,443	1,811,567
Total pension liability - beginning	15,457,692	15,157,114	14,460,728	13,486,446	12,754,614	11,969,325	10,874,824	9,472,381	7,660,814
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 16,045,603</b>	<b>\$ 15,457,692</b>	<b>\$ 15,157,114</b>	<b>\$ 14,460,728</b>	<b>\$ 13,486,446</b>	<b>\$ 12,754,614</b>	<b>\$ 11,969,325</b>	<b>\$ 10,874,824</b>	<b>\$ 9,472,381</b>
<b>PLAN FIDUCIARY NET POSITION</b>									
Contributions - employer	\$ 706,006	\$ 708,017	\$ 665,113	\$ 633,707	\$ 604,324	\$ 530,523	\$ 510,127	\$ 326,628	\$ 341,113
Contributions - member	136,686	127,667	121,507	122,579	109,075	118,016	111,324	108,237	107,716
Net investment income	232,538	(792,413)	2,075,210	(127,230)	359,011	363,359	480,550	(52,244)	295,773
Benefit payments, including refunds of member contributions	(495,228)	(473,044)	(456,533)	(401,279)	(431,512)	(332,855)	(309,649)	(290,496)	(211,806)
Administrative expense	(13,616)	(11,556)	(12,438)	(13,835)	(15,416)	(15,672)	(13,463)	(13,674)	(4,221)
	566,386	(441,329)	2,392,859	213,942	625,482	663,371	778,889	78,451	528,575
Plan fiduciary net position - beginning	10,105,460	10,546,789	8,153,930	7,939,988	7,314,506	6,651,135	5,872,246	5,793,795	5,265,220
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 10,671,846</b>	<b>\$ 10,105,460</b>	<b>\$ 10,546,789</b>	<b>\$ 8,153,930</b>	<b>\$ 7,939,988</b>	<b>\$ 7,314,506</b>	<b>\$ 6,651,135</b>	<b>\$ 5,872,246</b>	<b>\$ 5,793,795</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 5,373,757</b>	<b>\$ 5,352,232</b>	<b>\$ 4,610,325</b>	<b>\$ 6,306,798</b>	<b>\$ 5,546,458</b>	<b>\$ 5,440,108</b>	<b>\$ 5,318,190</b>	<b>\$ 5,002,578</b>	<b>\$ 3,678,586</b>
Plan fiduciary net position as a percentage of the total pension liability	66.51%	65.37%	69.58%	56.39%	58.87%	57.35%	55.57%	54.00%	61.17%
Covered payroll	\$ 1,379,264	\$ 1,297,195	\$ 1,226,099	\$ 1,236,916	\$ 1,195,048	\$ 1,251,466	\$ 1,212,074	\$ 1,185,936	\$ 1,136,776
Employer's net pension liability (asset) as a percentage of covered payroll	389.61%	412.60%	376.02%	509.88%	464.12%	434.70%	438.77%	421.83%	323.60%

Year ended April 30, 2023 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.21% to 3.53%. Benefit terms were updated as a result of an IDOI Public Pension Division unofficial opinion, which impacted Tier II benefits.

Year ended April 30, 2022 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.27% to 3.21%. Projected Individual Pay Increases was changed from 3.75%-21.01% to 3.75%-11.09% and the inflation rate was changed from 2.50% to 2.25%.

Year ended April 30, 2021 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.56% to 2.27%. Projected Individual Pay Increases was changed from 3.75%-21.01% to 4.00%-21.25%, and the Inflation Rate was changed from 2.25% to 2.50%

Year ended April 30, 2020 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.79% to 2.56%. Projected Individual Pay Increases was changed from 4.00%-21.25% to 3.75%-21.01%. Consumer Price Index was changed from 2.50% to 2.25% and the Inflation Rate was changed from 2.50% to 2.25%. Also, changes to demographic assumptions were made based on a study of Police officers and Police Pension Funds in Illinois. Benefits changes were updated based on PA 101-0610, effective January 1, 2020, which includes changes to the Tier II Plan Provisions.

Year ended April 30, 2019 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79%

Year ended April 30, 2018 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97%

Year ended April 30, 2017 - Changes in assumptions related to the bond rate and mortality were made since the prior measurement date. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.32% to 3.82%. Also, mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis.

Year ended April 30, 2016 - Changes in assumptions related to the bond rate, discount rate and demographics were made since the prior measurement date. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.62% to 3.32%. The single discount rate used was changed from 6.50% to 6.25%. Also, changes to demographic assumptions were made based on a study of Police officers and Police Pension Funds in Illinois. The change in demographic assumptions impacted mortality rates, mortality improvement rates, retirements rates, disability rates, and termination rates.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Eight Fiscal Years

<b>FISCAL YEAR ENDING APRIL 30,</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Actuarially determined contribution	\$ 312,936	\$ 326,809	\$ 346,142	\$ 331,521	\$ 335,774	\$ 351,115	\$ 330,816	\$ 332,775
Contributions in relation to the actuarially determined contribution	<u>312,936</u>	<u>326,809</u>	<u>346,142</u>	<u>331,521</u>	<u>335,774</u>	<u>351,115</u>	<u>330,774</u>	<u>332,775</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42</u>	<u>\$ -</u>
Covered payroll	\$ 2,798,799	\$ 2,699,109	\$ 2,695,567	\$ 2,749,884	\$ 2,545,451	\$ 2,351,697	\$ 2,273,112	\$ 2,446,564
Contributions as a percentage of covered payroll	11.18%	12.11%	12.84%	12.06%	13.19%	14.93%	14.55%	13.60%

Notes to schedule:

Information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 21 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION TRUST FUND

Last Nine Fiscal Years

<b>FISCAL YEAR ENDING APRIL 30,</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contribution	\$ 707,426	\$ 710,329	\$ 666,450	\$ 634,385	\$ 604,307	\$ 531,274	\$ 510,280	\$ 327,052	\$ 306,391
Contributions in relation to the actuarially determined contribution	<u>706,006</u>	<u>708,017</u>	<u>665,113</u>	<u>633,707</u>	<u>604,324</u>	<u>530,523</u>	<u>510,127</u>	<u>326,628</u>	<u>341,113</u>
Contribution deficiency (excess)	<u>\$ 1,420</u>	<u>\$ 2,312</u>	<u>\$ 1,337</u>	<u>\$ 678</u>	<u>\$ (17)</u>	<u>\$ 751</u>	<u>\$ 153</u>	<u>\$ 424</u>	<u>\$ (34,722)</u>
Covered payroll	\$ 1,379,264	\$ 1,297,195	\$ 1,226,099	\$ 1,236,916	\$ 1,195,048	\$ 1,251,466	\$ 1,212,074	\$ 1,185,936	\$ 1,136,776
Contributions as a percentage of covered payroll	51.19%	54.58%	54.25%	51.23%	50.57%	42.39%	42.09%	27.54%	30.01%

Notes to schedule:

Information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 15 years (layered); the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 6.25% annually, and projected salary increases assumption of 3.75% to 21.01% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POST-EMPLOYMENT BENEFIT PLAN

Last Five Fiscal Years

MEASUREMENT DATE MAY 1,	2023	2022	2021	2020	2019
<b>TOTAL OPEB LIABILITY</b>					
Service cost	\$ 130,594	\$ 151,731	\$ 135,267	\$ 105,826	\$ 99,197
Interest	157,401	130,770	133,152	166,632	166,628
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	(994,279)	-	36,918	-	-
Changes of assumptions	7,351	(971,528)	436,883	696,532	82,446
Benefit payments, including refunds of member contributions	(152,386)	(184,210)	(181,164)	(148,381)	(148,503)
	(851,319)	(873,237)	561,056	820,609	199,768
Total OPEB liability - beginning	4,979,673	5,852,910	5,291,854	4,471,245	4,271,477
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 4,128,354</b>	<b>\$ 4,979,673</b>	<b>\$ 5,852,910</b>	<b>\$ 5,291,854</b>	<b>\$ 4,471,245</b>
Covered-employee payroll	\$ 4,285,370	\$ 4,018,239	\$ 3,921,666	\$ 3,978,097	\$ 3,655,376
Employer's net pension liability (asset) as a percentage of covered-employee payroll	96.34%	123.93%	149.25%	133.02%	122.32%

Year ended April 30, 2023 the changes in assumptions included changes in the the discount rate from 3.21% to 3.53%. In addition, the assumptions related to expected increases in medical costs have been revised.

Year ended April 30, 2022 the changes in assumptions included changes in the the discount rate from 2.27% to 3.21%. Mortality rates, mortality improvement rates, retirement rates, termination rates, and disability rates were changed from the 2017 IMRF Experience Study to the 2020 IMRF Experience Study

Year ended April 30, 2021 the changes in assumptions included changes in the the discount rate from 2.56% to 2.27%.

Year ended April 30, 2020 the changes in assumptions included changes in the inflate rate, mortality rates, mortality improvement rates, termination rates, disability rates, and the discount rate was changed from 3.79% to 2.56%.

Year ended April 30, 2019 - Because this is the implementation year, the beginning total OPEB liability is based on the same data and plan provisions as the ending total OPEB liability. For the purpose of developing changes in OPEB liability, the only change in assumptions was the discount rate from 3.97% to 3.79%.

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

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION TRUST FUND

Last Nine Fiscal Years

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<u>FISCAL YEAR ENDING APRIL 30,</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return	3.92%	-7.27%	24.48%	-1.54%	4.74%	5.23%	7.85%	-0.80%	5.21%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Over/(Under)
<b>REVENUES</b>				
Property taxes	\$ 1,525,240	\$ 1,525,240	\$ 1,522,435	\$ (2,805)
Road and bridge taxes	24,500	24,500	25,711	1,211
Local use tax	539,137	539,137	585,435	46,298
Telecommunications tax	82,000	82,000	86,990	4,990
Gaming tax	169,717	169,717	170,495	778
Franchise fees	255,781	255,781	263,059	7,278
Business licenses	33,750	33,750	34,095	345
Building and zoning fees	51,070	51,070	59,277	8,207
Fines	59,298	59,298	84,690	25,392
Cemetery fees	13,827	13,827	21,880	8,053
Administration fee	542,650	542,650	542,650	-
Investment income	13,932	13,932	57,494	43,562
Other	351,596	351,596	138,811	(212,785)
Intergovernmental revenues	3,269,182	3,269,182	3,805,890	536,708
Federal grants	906,407	906,407	364,987	(541,420)
State grants	350,000	350,000	350,000	-
Total revenues	8,188,087	8,188,087	8,113,899	(74,188)
<b>EXPENDITURES</b>				
General government:				
Salaries and overtime	320,700	295,200	244,030	(51,170)
Village officials	53,000	53,000	51,600	(1,400)
Other payroll expenditures	95,100	95,100	76,425	(18,675)
Travel and training	3,574	3,574	1,322	(2,252)
Legal fees	135,798	135,798	55,337	(80,461)
Professional services	165,941	180,941	160,116	(20,825)
Accounting and auditing fees	3,822	3,822	3,570	(252)
Building and grounds maintenance	36,886	36,886	27,360	(9,526)
Vehicle and equipment maintenance	3,255	3,255	1,478	(1,777)
Office expenditures	41,033	41,033	26,478	(14,555)
IT & GIS	59,799	59,799	48,395	(11,404)
Code enforcement	69,330	69,330	25,989	(43,341)
General insurance	34,833	39,833	38,006	(1,827)
Emergency services	4,811	10,311	8,184	(2,127)
Refunds	4,244	4,244	(15)	(4,259)
Grant expense	756,380	756,380	114,874	(641,506)
Total general government	1,788,506	1,788,506	883,149	(905,357)

This schedule is continued on the following page.



VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Over/(Under)
Cemetery:				
Salaries and overtime	16,700	18,700	17,550	(1,150)
Other payroll expenditures	8,060	10,060	5,689	(4,371)
Building and grounds maintenance	19,568	15,568	12,600	(2,968)
Office expenditures	3,500	3,500	-	(3,500)
Total cemetery	47,828	47,828	35,839	(11,989)
Culture and recreation:				
Salaries and overtime	283,800	281,800	275,132	(6,668)
Other payroll expenditures	82,840	84,840	78,898	(5,942)
Travel and training	530	530	-	(530)
Building and grounds maintenance	111,678	111,678	103,981	(7,697)
Program expenditures	50,000	50,000	17,215	(32,785)
4th of July	10,000	10,000	10,000	-
Vehicle and equipment maintenance	42,130	42,130	32,400	(9,730)
Office expenditures	4,514	4,514	2,691	(1,823)
Equipment purchase	10,075	10,075	7,258	(2,817)
Uniforms and supplies	5,716	5,716	4,271	(1,445)
Grant expense	140,243	140,243	140,243	-
Total culture and recreation	741,526	741,526	672,089	(69,437)
Public safety:				
Salaries and overtime	2,148,200	2,130,200	1,746,803	(383,397)
Other payroll expenditures	588,800	588,800	503,148	(85,652)
Travel and training	25,153	35,153	24,497	(10,656)
Professional services	5,565	5,565	2,334	(3,231)
Building and grounds maintenance	13,473	13,473	9,346	(4,127)
Vehicle and equipment maintenance	82,065	82,065	54,454	(27,611)
Office expenditures	64,890	64,890	56,402	(8,488)
IT	103,038	103,038	89,622	(13,416)
General insurance	49,580	57,580	53,907	(3,673)
Equipment purchase	55,329	55,329	32,180	(23,149)
Pension contribution	707,426	707,426	705,968	(1,458)
Uniforms and supplies	43,868	43,868	42,499	(1,369)
Crime prevention	45,841	45,841	12,005	(33,836)
Grant expense	23,068	23,068	4,844	(18,224)
Total public safety	3,956,296	3,956,296	3,338,009	(618,287)

This schedule is continued on the following page.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Over/(Under)
Public works/transportation:				
Employee salaries and overtime	\$ 320,800	\$ 309,800	\$ 268,294	\$ (41,506)
Other payroll expenditures	130,350	130,350	121,479	(8,871)
Travel and training	1,030	330	-	(330)
Building and ground maintenance	46,355	146,355	141,702	(4,653)
Vehicle and equipment maintenance	72,109	72,109	50,035	(22,074)
General insurance	25,557	30,557	27,852	(2,705)
Equipment purchase	4,968	4,968	652	(4,316)
Uniforms and supplies	14,837	16,537	12,624	(3,913)
Street maintenance	50,000	50,000	-	(50,000)
Office expenditures	2,668	2,668	1,989	(679)
Total public works/transportation	668,674	763,674	624,627	(139,047)
Debt service				
Principal	70,285	70,285	70,289	4
Interest	14,960	14,960	14,922	(38)
Total debt service	85,245	85,245	85,211	(34)
Capital outlays:				
Buildings	101,471	101,471	101,471	-
Infrastructure	291,750	291,750	291,750	-
Equipment purchase	210,863	210,863	210,863	-
Total capital outlay	604,084	604,084	604,084	-
Total expenditures	7,892,159	7,987,159	6,243,008	(1,744,151)
EXCESS OR DEFICIENCIES OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	295,928	200,928	1,870,891	1,669,963
OTHER FINANCING SOURCES (USES)				
Transfer out	(1,359,000)	(1,359,000)	(1,303,027)	55,973
Total other financing (uses)	(1,359,000)	(1,359,000)	(1,303,027)	55,973
NET CHANGE IN FUND BALANCE	<u>\$ (1,063,072)</u>	<u>\$ (1,158,072)</u>	567,864	<u>\$ 1,725,936</u>
FUND BALANCE - MAY 1, 2022			4,023,479	
FUND BALANCE - APRIL 30, 2023			<u>\$ 4,591,343</u>	

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2023

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**1. BUDGETARY CONTROLS**

The President and Board of Trustees legally enact the budget through passage of an ordinance which is developed on the modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Permanent Fund and the accrual basis of accounting for the Proprietary Funds and the Fiduciary Funds. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by operational line item which constitutes the legal level of control. Expenditures may not exceed appropriations. All budget revisions must be approved by the Board of Trustees. The budget lapses at year end. The Village has adopted an annual budget for all funds.

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**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

**VILLAGE OF CHATHAM, ILLINOIS**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

April 30, 2023

	Special Revenue				Capital Projects	Permanent	
	Motor Fuel Tax	Veteran's Memorial Brick	Yard Waste, Recycling and Refuse	Police and Public Works Utility Tax	Capital Projects	Cemetery Trust	Total
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,803,963	\$ 12,169	\$ 200,254	\$ 43,563	\$ 1,310,442	\$ 529,387	\$ 3,899,778
Other receivables	-	-	25,794	-	-	750	26,544
Due from other funds	-	-	528	-	-	-	528
Due from other governments	51,079	-	-	-	-	-	51,079
Total current assets	1,855,042	12,169	226,576	43,563	1,310,442	530,137	3,977,929
<b>TOTAL ASSETS</b>	<b>\$ 1,855,042</b>	<b>\$ 12,169</b>	<b>\$ 226,576</b>	<b>\$ 43,563</b>	<b>\$ 1,310,442</b>	<b>\$ 530,137</b>	<b>\$ 3,977,929</b>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 7,842	\$ -	\$ 14,828	\$ -	\$ -	\$ -	\$ 22,670
Accrued payroll	-	-	1,659	-	-	-	1,659
Payroll tax liabilities	-	-	281	-	-	-	281
Unearned revenue	-	-	1,485	-	-	-	1,485
Due to other funds	-	-	-	1,083	2,230	-	3,313
<b>TOTAL LIABILITIES</b>	<b>7,842</b>	<b>-</b>	<b>18,253</b>	<b>1,083</b>	<b>2,230</b>	<b>-</b>	<b>29,408</b>
<b>FUND BALANCE</b>							
Nonspendable							
Corpus of permanent fund	-	-	-	-	-	440,042	440,042
Restricted							
Public works	1,847,200	-	-	-	-	-	1,847,200
Unrestricted							
Committed							
Veteran's memorial brick	-	12,169	-	-	-	-	12,169
Yard waste	-	-	208,323	-	-	-	208,323
Public safety	-	-	-	10,291	-	-	10,291
Public works	-	-	-	32,189	-	-	32,189
Cemetery	-	-	-	-	-	90,095	90,095
Assigned							
Capital projects	-	-	-	-	1,308,212	-	1,308,212
Total fund balance	1,847,200	12,169	208,323	42,480	1,308,212	530,137	3,948,521
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 1,855,042</b>	<b>\$ 12,169</b>	<b>\$ 226,576</b>	<b>\$ 43,563</b>	<b>\$ 1,310,442</b>	<b>\$ 530,137</b>	<b>\$ 3,977,929</b>

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2023

	Special Revenue				Capital Projects	Permanent	
	Motor Fuel Tax	Veteran's Memorial Brick	Yard Waste, Recycling and Refuse	Police and Public Works Utility Tax	Capital Projects	Cemetery Trust	Total
REVENUES							
Motor fuel taxes	\$ 547,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 547,898
Telecommunications tax	-	-	-	21,747	-	-	21,747
Fees and service charges	-	700	300,563	-	-	18,500	319,763
State grants	126,316	-	-	-	-	-	126,316
Investment income	7,266	44	1,856	139	7,830	5,573	22,708
Other	-	-	-	-	179,342	-	179,342
Total revenues	<u>681,480</u>	<u>744</u>	<u>302,419</u>	<u>21,886</u>	<u>187,172</u>	<u>24,073</u>	<u>1,217,774</u>
EXPENDITURES							
Current							
Culture and recreation	-	210	-	-	4,483	-	4,693
Public safety	-	-	-	3,218	46,705	-	49,923
Public works/transportation	399,376	-	327,409	-	1,704	-	728,489
Capital outlay	-	-	-	-	357,000	-	357,000
Total expenditures	<u>399,376</u>	<u>210</u>	<u>327,409</u>	<u>3,218</u>	<u>409,892</u>	<u>-</u>	<u>1,140,105</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>282,104</u>	<u>534</u>	<u>(24,990)</u>	<u>18,668</u>	<u>(222,720)</u>	<u>24,073</u>	<u>77,669</u>
OTHER FINANCING SOURCES (USES)							
Transfer in	-	-	-	-	1,286,500	-	1,286,500
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,286,500</u>	<u>-</u>	<u>1,286,500</u>
NET CHANGE IN FUND BALANCE	282,104	534	(24,990)	18,668	1,063,780	24,073	1,364,169
FUND BALANCE - MAY 1, 2022	<u>1,565,096</u>	<u>11,635</u>	<u>233,313</u>	<u>23,812</u>	<u>244,432</u>	<u>506,064</u>	<u>2,584,352</u>
FUND BALANCE - APRIL 30, 2023	<u>\$ 1,847,200</u>	<u>\$ 12,169</u>	<u>\$ 208,323</u>	<u>\$ 42,480</u>	<u>\$ 1,308,212</u>	<u>\$ 530,137</u>	<u>\$ 3,948,521</u>

See accompanying Independent Auditor's Report.

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2023

	Motor Fuel Tax		Veteran's Memorial Brick	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Motor fuel tax	\$ 452,525	\$ 547,898	\$ -	\$ -
Telecommunications tax	-	-	-	-
Fees and service charges	-	-	1,150	700
State Grants	126,316	126,316	-	-
Investment income	1,625	7,266	50	44
Total revenues	<u>580,466</u>	<u>681,480</u>	<u>1,200</u>	<u>744</u>
EXPENDITURES				
Salaries and overtime	-	-	-	-
Other payroll expenditures	-	-	-	-
Street maintenance and improvements	782,144	325,250	-	-
Clean-up and beautification	-	-	-	-
Yard waste supplies and services	-	-	-	-
Professional services	75,343	74,126	-	-
Building and grounds maintenance	-	-	1,200	210
Vehicle and equipment maintenance	-	-	-	-
Equipment	-	-	-	-
Total expenditures	<u>857,487</u>	<u>399,376</u>	<u>1,200</u>	<u>210</u>
NET CHANGE IN FUND BALANCE	<u>\$ (277,021)</u>	282,104	<u>\$ -</u>	534
FUND BALANCE - MAY 1, 2022		<u>1,565,096</u>		<u>11,635</u>
FUND BALANCE - APRIL 30, 2023		<u>\$ 1,847,200</u>		<u>\$ 12,169</u>

This schedule is continued on the following page.



# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued) SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2023

	Yard Waste, Recycling and Refuse		Police and Public Works Utility Tax	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Motor fuel tax	\$ -	\$ -	\$ -	\$ -
Telecommunications tax	-	-	28,900	21,747
Fees and service charges	294,540	300,563	-	-
Federal grants	-	-	-	-
Investment income	1,340	1,856	30	139
Total revenues	<u>295,880</u>	<u>302,419</u>	<u>28,930</u>	<u>21,886</u>
EXPENDITURES				
Salaries and overtime	58,700	40,310	-	-
Other payroll expenditures	20,250	13,110	-	-
Street maintenance and improvements	-	-	-	-
Clean-up and beautification	35,000	13,561	-	-
Yard waste supplies and services	289,228	220,783	-	-
Professional services	-	-	-	-
Building and grounds maintenance	-	-	-	-
Vehicle and equipment maintenance	2,000	2,000	-	-
Equipment	37,650	37,645	3,230	3,218
Total expenditures	<u>442,828</u>	<u>327,409</u>	<u>3,230</u>	<u>3,218</u>
NET CHANGE IN FUND BALANCE	<u>\$ (146,948)</u>	(24,990)	<u>\$ 25,700</u>	18,668
FUND BALANCE - MAY 1, 2022		<u>233,313</u>		<u>23,812</u>
FUND BALANCE - APRIL 30, 2023		<u>\$ 208,323</u>		<u>\$ 42,480</u>

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over/(Under)</u>
REVENUES				
Investment income	\$ 225	\$ 225	\$ 7,830	\$ 7,605
Other	<u>700,000</u>	<u>700,000</u>	<u>179,342</u>	<u>(520,658)</u>
Total revenues	<u>700,225</u>	<u>700,225</u>	<u>187,172</u>	<u>(513,053)</u>
EXPENDITURES				
General government:				
Building and grounds maintenance	<u>985,656</u>	<u>985,656</u>	<u>-</u>	<u>(985,656)</u>
Total general government	<u>985,656</u>	<u>985,656</u>	<u>-</u>	<u>(985,656)</u>
Culture and recreation:				
Vehicle and equipment purchase	<u>6,164</u>	<u>6,164</u>	<u>4,483</u>	<u>(1,681)</u>
Total culture and recreation	<u>6,164</u>	<u>6,164</u>	<u>4,483</u>	<u>(1,681)</u>
Public safety:				
Vehicle and equipment purchase	<u>93,780</u>	<u>93,780</u>	<u>46,705</u>	<u>(47,075)</u>
Total public safety	<u>93,780</u>	<u>93,780</u>	<u>46,705</u>	<u>(47,075)</u>
Public works/transportation:				
Building and grounds maintenance	<u>20,632</u>	<u>20,632</u>	<u>-</u>	<u>(20,632)</u>
Vehicle and equipment purchase	<u>8,992</u>	<u>8,992</u>	<u>1,704</u>	<u>(7,288)</u>
Total public works/transportation	<u>29,624</u>	<u>29,624</u>	<u>1,704</u>	<u>(27,920)</u>

This schedule is continued on the following page.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2023

	Original Budget	Final Budget	Actual	Over/(Under)
EXPENDITURES (Continued)				
Capital outlays:				
Infrastructure	119,436	119,436	119,436	-
Vehicles	150,060	150,060	150,060	-
Equipment	87,504	87,504	87,504	-
Total capital outlay	357,000	357,000	357,000	-
Total expenditures	1,472,224	1,472,224	409,892	(1,062,332)
(DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES	(771,999)	(771,999)	(222,720)	549,279
OTHER FINANCING SOURCES				
Transfer in	1,286,500	1,286,500	1,286,500	-
Total other financing sources	1,286,500	1,286,500	1,286,500	-
NET CHANGE IN FUND BALANCE	\$ 514,501	\$ 514,501	1,063,780	\$ 549,279
FUND BALANCE - MAY 1, 2022			244,432	
FUND BALANCE - APRIL 30, 2023			\$ 1,308,212	

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
PERMANENT FUND

For the Year Ended April 30, 2023

	Cemetery Trust	
	Final Budget	Actual
REVENUES		
Fees and service charges	\$ 14,200	\$ 18,500
Investment income	2,360	5,573
Total revenues	<u>16,560</u>	<u>24,073</u>
EXPENDITURES		
Building and grounds maintenance	78,489	-
Refund	5,304	-
Total expenditures	<u>83,793</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (67,233)</u>	24,073
FUND BALANCE - MAY 1, 2022		<u>506,064</u>
FUND BALANCE - APRIL 30, 2023		<u>\$ 530,137</u>

See accompanying Independent Auditor's Report.

## **SUPPLEMENTARY FINANCIAL INFORMATION**

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION  
ELECTRIC FUND**

April 30, 2023  
(With Comparative Actual Amounts for April 30, 2022)

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 4,259,890	\$ 3,848,458
Restricted accounts - cash	179,829	179,014
Accounts receivable	819,127	766,738
Inventory	<u>453,656</u>	<u>548,769</u>
Total current assets	<u>5,712,502</u>	<u>5,342,979</u>
Other Assets:		
Net pension asset	<u>-</u>	<u>342,464</u>
Total other assets	<u>-</u>	<u>342,464</u>
Capital Assets:		
Capital assets, not being depreciated	282,034	279,734
Property and equipment	21,581,691	21,235,638
Less: accumulated depreciation	<u>(11,940,904)</u>	<u>(11,297,391)</u>
Capital assets, net	<u>9,922,821</u>	<u>10,217,981</u>
Total assets	<u>15,635,323</u>	<u>15,903,424</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>667,200</u>	<u>171,647</u>
Total assets and deferred outflows of resources	<u>16,302,523</u>	<u>16,075,071</u>

This statement is continued on the following page.

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF NET POSITION (Continued) ELECTRIC FUND

April 30, 2023  
(With Comparative Actual Amounts for April 30, 2022)

	2023	2022
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$ 71,747	\$ 86,505
Accrued payroll	46,110	36,552
Accrued compensated absences payable	5,957	9,975
Unearned revenue	85,819	78,107
Customer deposits	197,650	177,600
Accrued interest payable	16,067	18,869
Other payables	7,664	6,920
Current maturities of long term debt:		
OPEB liability	22,301	20,975
G.O. bonds (Alternate Revenue Source) payable	306,000	295,000
Finance agreement payable	56,109	79,542
Total current liabilities	815,424	810,045
Long-Term Liabilities:		
Accrued compensated absences payable	192,063	179,997
Net OPEB obligation	581,861	546,033
Net pension liability	795,111	-
G.O. bonds (Alternate Revenue Source) payable	1,182,000	1,488,000
Finance agreement payable	97,009	153,033
Total long-term liabilities	2,848,044	2,367,063
Total liabilities	3,663,468	3,177,108
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	140,035	847,484
Total liabilities and deferred inflows of resources	3,803,503	4,024,592
<b>NET POSITION</b>		
Investment in capital assets	8,281,703	8,202,406
Restricted for benefits	-	342,464
Restricted for debt service	179,829	179,014
Unrestricted	4,037,488	3,326,595
Total net position	\$ 12,499,020	\$ 12,050,479

**VILLAGE OF CHATHAM, ILLINOIS****STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
ELECTRIC FUND**

For the Year Ended April 30, 2023  
(With Comparative Actual Amounts for the Year Ended April 30, 2022)

	2023	2022
OPERATING REVENUES		
User charges	\$ 10,669,666	\$ 10,667,203
Other income	67,261	25,329
Total revenues	10,736,927	10,692,532
OPERATING EXPENSES		
Electricity purchases	7,022,524	7,083,059
Distribution and customer service	2,625,145	2,020,569
Depreciation	643,513	645,352
Total expenses	10,291,182	9,748,980
OPERATING INCOME	445,745	943,552
NONOPERATING INCOME (EXPENSE)		
Investment income	37,732	12,243
Interest expense	(34,936)	(40,250)
Total nonoperating (expense)	2,796	(28,007)
CHANGE IN NET POSITION	448,541	915,545
NET POSITION - MAY 1, 2022	12,050,479	11,134,934
NET POSITION - APRIL 30, 2023	\$ 12,499,020	\$ 12,050,479



**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF OUTSTANDING BONDS  
GOVERNMENTAL ACTIVITIES**

April 30, 2023

	General Obligation Bonds Series, 2021		Total Debt Service Requirements
	Principal	Interest	
2023-2024	36,450	9,950	46,400
2024-2025	36,941	9,459	46,400
2025-2026	37,440	8,960	46,400
2026-2027	37,946	8,454	46,400
2027-2028	38,458	7,942	46,400
2028-2029	38,977	7,423	46,400
2029-2030	39,503	6,897	46,400
2030-2031	40,037	6,363	46,400
2031-2032	40,577	5,823	46,400
2032-2033	41,125	5,275	46,400
2033-2034	41,680	4,720	46,400
2034-2035	42,242	4,158	46,400
2035-2036	42,813	3,587	46,400
2036-2037	43,391	3,009	46,400
2037-2038	43,977	2,423	46,400
2038-2039	44,570	1,830	46,400
2039-2040	45,172	1,228	46,400
2040-2041	45,782	618	46,400
	<u>\$ 737,081</u>	<u>\$ 98,119</u>	<u>\$ 835,200</u>

**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF OUTSTANDING BONDS  
BUSINESS-TYPE ACTIVITIES**

April 30, 2023

---

	Electric General Obligation (Alternative Revenue Source) Bonds, Series 2014		Total Debt Service Requirements
	Principal	Interest	
2023-2024	306,000	32,134	338,134
2024-2025	314,000	26,014	340,014
2025-2026	321,000	19,420	340,420
2026-2027	336,000	12,518	348,518
2027-2028	106,000	4,958	110,958
2028-2029	105,000	2,520	107,520
	<u>\$ 1,488,000</u>	<u>\$ 97,564</u>	<u>\$ 1,585,564</u>

## **STATISTICAL SECTION**

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

## **CONTENTS**

### Financial Trends

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

### Revenue Capacity

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

### Debt Capacity

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

### Demographic and Economic Information

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

### Operating Information

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

# VILLAGE OF CHATHAM, ILLINOIS

## NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2014	2015	2016	2017
Governmental activities				
Net invested in capital assets	\$ 12,582,113	\$ 15,360,931	\$ 15,390,867	\$ 18,787,798
Restricted	1,858,516	660,783	1,199,613	723,568
Unrestricted	(221,764)	(160,710)	(4,086,718)	(3,665,344)
Total governmental activities net assets	<u>\$ 14,218,865</u>	<u>\$ 15,861,004</u>	<u>\$ 12,503,762</u>	<u>\$ 15,846,022</u>
Business-type activities				
Net invested in capital assets	\$ 14,069,999	\$ 14,776,580	\$ 14,879,229	\$ 17,241,187
Restricted	162,047	370,231	287,472	291,743
Unrestricted	1,716,996	1,298,337	1,102,357	1,439,419
Total business-type activities net position	<u>\$ 15,949,042</u>	<u>\$ 16,445,148</u>	<u>\$ 16,269,058</u>	<u>\$ 18,972,349</u>
Primary government				
Net invested in capital assets	\$ 26,652,112	\$ 30,137,511	\$ 30,270,096	\$ 36,028,985
Restricted	2,020,563	1,031,014	1,487,085	1,015,311
Unrestricted	1,495,232	1,137,627	(2,984,361)	(2,225,925)
Total primary government net position	<u>\$ 30,167,907</u>	<u>\$ 32,306,152</u>	<u>\$ 28,772,820</u>	<u>\$ 34,818,371</u>

Source: Audited Financial Statements

\* GASB Statement No. 68 *Accounting and Financial Reporting for Pension - an amendment of GASB Statement No. 27*, was implemented in fiscal year 2016.

\* GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, was implemented in fiscal year 2019.

2018	2019	2020	2021	2022	2023
\$ 20,671,241	\$ 20,991,362	\$ 20,532,271	\$ 19,511,603	\$ 19,917,421	\$ 20,292,970
636,627	708,852	822,934	1,842,930	2,036,992	2,349,651
(4,098,855)	(6,693,656)	(7,284,678)	(6,712,672)	(4,923,426)	(2,429,088)
<u>\$ 17,209,013</u>	<u>\$ 15,006,558</u>	<u>\$ 14,070,527</u>	<u>\$ 14,641,861</u>	<u>\$ 17,030,987</u>	<u>\$ 20,213,533</u>
\$ 18,501,744	\$ 18,693,865	\$ 18,472,646	\$ 18,335,086	\$ 18,001,758	\$ 17,910,872
253,524	254,978	256,258	226,034	226,719	229,497
1,917,284	1,878,999	1,882,007	2,591,460	3,848,429	4,093,473
<u>\$ 20,672,552</u>	<u>\$ 20,827,842</u>	<u>\$ 20,610,911</u>	<u>\$ 21,152,580</u>	<u>\$ 22,076,906</u>	<u>\$ 22,233,842</u>
\$ 39,172,985	\$ 39,685,227	\$ 39,004,917	\$ 37,846,689	\$ 37,919,179	\$ 38,203,842
890,151	963,830	1,079,192	2,068,964	2,263,711	2,579,148
(2,181,571)	(4,814,657)	(5,402,671)	(4,121,212)	(1,074,997)	1,664,385
<u>\$ 37,881,565</u>	<u>\$ 35,834,400</u>	<u>\$ 34,681,438</u>	<u>\$ 35,794,441</u>	<u>\$ 39,107,893</u>	<u>\$ 42,447,375</u>

# VILLAGE OF CHATHAM, ILLINOIS

## CHANGES IN NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2014	2015	2016	2017
<b>Expenses</b>				
Governmental activities:				
General government	\$ 682,431	\$ 667,302	\$ 696,626	\$ 1,014,063
Cemetery	45,007	46,854	45,791	41,887
Culture and recreation	504,938	530,004	460,039	470,468
Public safety	2,394,534	2,376,929	2,604,840	3,027,738
Public works/transportation	1,380,482	1,364,512	1,195,975	1,452,476
Economic development	45,429	49,969	31,276	31,480
Interest on long-term debt	14,222	11,494	7,914	7,874
Total governmental activities expenses	<u>5,067,043</u>	<u>5,047,064</u>	<u>5,042,461</u>	<u>6,045,986</u>
Business-type activities:				
Electric Fund	9,084,473	9,096,569	9,181,668	9,445,691
Water and Sewer Fund	6,013,821	5,530,677	5,306,341	5,448,465
Total business-type activities expenses	<u>15,098,294</u>	<u>14,627,246</u>	<u>14,488,009</u>	<u>14,894,156</u>
<b>Total primary government expenses</b>	<u><u>\$ 20,165,337</u></u>	<u><u>\$ 19,674,310</u></u>	<u><u>\$ 19,530,470</u></u>	<u><u>\$ 20,940,142</u></u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General government	561,775	535,026	443,887	458,556
Cemetery	33,425	37,250	22,000	21,125
Culture and recreation	41,045	42,289	34,120	42,296
Public safety	126,860	93,703	76,157	91,607
Public works/transportation	149,863	215,943	219,568	254,980
Operating grants and contributions:				
Public safety	10,912	12,784	15,611	21,902
Public works/transportation	388,748	341,987	326,385	306,972
Capital grants and contributions:				
General government	-	-	-	-
Culture and recreation	-	-	-	-
Public works/transportation	831,171	1,171,228	289,479	3,043,570
<b>Total governmental activities program revenue</b>	<u>2,143,799</u>	<u>2,450,210</u>	<u>1,427,207</u>	<u>4,241,008</u>



2018	2019	2020	2021	2022	2023
\$ 788,007	\$ 779,204	\$ 705,936	\$ 738,230	\$ 609,704	\$ 918,312
31,271	31,770	31,561	27,359	22,165	42,039
479,961	538,307	532,094	417,000	380,708	861,952
3,141,695	3,156,536	3,918,156	3,601,220	2,830,614	2,351,765
1,686,736	1,418,716	1,695,556	1,596,104	1,526,039	2,064,572
-	-	-	-	-	-
16,863	16,679	15,765	34,750	13,548	14,760
6,144,533	5,941,212	6,899,068	6,414,663	5,382,778	6,253,400
9,691,818	10,017,887	10,078,219	9,947,865	9,789,230	10,326,118
6,092,018	6,716,079	7,088,810	7,405,842	7,289,231	7,651,617
15,783,836	16,733,966	17,167,029	17,353,707	17,078,461	17,977,735
\$ 21,928,369	\$ 22,675,178	\$ 24,066,097	\$ 23,768,370	\$ 22,461,239	\$ 24,231,135
479,117	476,482	736,440	758,104	927,074	840,804
23,075	22,755	30,040	26,430	35,598	40,380
32,563	23,192	11,210	550	200	700
82,085	84,114	64,021	81,140	54,228	84,690
229,488	241,464	398,432	355,709	351,968	358,840
13,184	17,066	14,409	11,442	8,765	23,911
308,846	306,944	428,105	1,091,996	736,183	547,898
-	-	-	-	-	-
-	-	-	-	-	350,000
2,426,318	669,640	-	12,600	30,400	247,116
3,594,676	1,841,657	1,682,657	2,337,971	2,144,416	2,494,339

# VILLAGE OF CHATHAM, ILLINOIS

## CHANGES IN NET POSITION BY COMPONENT (Continued)

### LAST TEN FISCAL YEARS

	2014	2015	2016	2017
Business type Activities:				
Charges for Services:				
Electric Fund	8,759,413	9,425,246	9,770,310	10,120,727
Water and Sewer Fund	4,897,554	5,105,633	5,584,652	6,040,429
Operating grants and contributions:				
Electric Fund	-	-	-	-
Water and Sewer Fund	-	-	-	-
Capital grants and contributions:				
Electric Fund	55,529	-	34,482	-
Water and Sewer Fund	-	589,496	128,300	1,429,415
<b>Total business-type activities</b>				
<b>program revenue</b>	<u>13,712,496</u>	<u>15,120,375</u>	<u>15,517,744</u>	<u>17,590,571</u>
<b>Total primary government</b>				
<b>program revenue</b>	<u>\$ 15,856,295</u>	<u>\$ 17,570,585</u>	<u>\$ 16,944,951</u>	<u>\$ 21,831,579</u>
Net(expense) revenue:				
Governmental activities	\$ (2,923,244)	\$ (2,596,854)	\$ (3,615,254)	\$ (1,804,978)
Business-type activities	<u>(1,385,798)</u>	<u>493,129</u>	<u>1,029,735</u>	<u>2,696,415</u>
<b>Total primary government</b>				
<b>net expense</b>	<u>\$ (4,309,042)</u>	<u>\$ (2,103,725)</u>	<u>\$ (2,585,519)</u>	<u>\$ 891,437</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
General revenue				
Property tax	1,556,217	1,621,673	1,696,421	1,739,128
Road and bridge taxes	49,588	26,284	23,867	18,814
Local use taxes	196,316	221,456	264,653	280,974
Telecommunications taxes	332,436	251,648	285,038	250,346
Video gaming taxes	32,163	46,430	57,601	74,128
Intergovernmental revenues	1,912,715	2,044,879	2,161,715	1,909,534
Investment income	8,425	6,048	7,099	8,916
Miscellaneous	64,613	20,575	103,382	140,308
Transfers	-	-	-	-
<b>Total governmental activities</b>	<u>4,152,473</u>	<u>4,238,993</u>	<u>4,599,776</u>	<u>4,422,148</u>
Business-type activities:				
Investment income	4,293	2,977	3,961	6,876
Transfers	-	-	-	-
<b>Total business-type activities</b>	<u>4,293</u>	<u>2,977</u>	<u>3,961</u>	<u>6,876</u>
<b>Total primary government</b>	<u>\$ 4,156,766</u>	<u>\$ 4,241,970</u>	<u>\$ 4,603,737</u>	<u>\$ 4,429,024</u>
<b>Changes in Net Position post Prior Period Adjustment</b>				
Governmental activities	\$ 1,229,229	\$ 1,642,139	\$ 984,522	\$ 2,617,170
Business-type activities	<u>(1,381,505)</u>	<u>496,106</u>	<u>1,033,696</u>	<u>2,703,291</u>
<b>Total primary government</b>	<u>\$ (152,276)</u>	<u>\$ 2,138,245</u>	<u>\$ 2,018,218</u>	<u>\$ 5,320,461</u>

Source: Audited Financial Statements

2018	2019	2020	2021	2022	2023
10,140,071	10,598,508	10,053,650	10,224,141	10,692,532	10,736,927
6,543,655	6,911,516	6,852,193	7,347,709	7,294,509	7,335,808
-	-	5,447	146,523	-	-
-	-	-	157,456	-	-
-	-	-	-	-	-
790,152	216,958	-	-	-	-
17,473,878	17,726,982	16,911,290	17,875,829	17,987,041	18,072,735
\$ 21,068,554	\$ 19,568,639	\$ 18,593,947	\$ 20,213,800	\$ 20,131,457	\$ 20,567,074
\$ (2,549,857)	\$ (4,099,555)	\$ (5,216,411)	\$ (4,076,692)	\$ (3,238,362)	\$ (3,759,061)
1,690,042	993,016	(255,739)	522,122	908,580	95,000
\$ (859,815)	\$ (3,106,539)	\$ (5,472,150)	\$ (3,554,570)	\$ (2,329,782)	\$ (3,664,061)
1,217,149	1,269,035	1,325,566	1,417,623	1,476,037	1,522,435
22,130	23,141	24,433	24,673	24,508	25,711
298,323	340,021	396,816	514,158	492,430	585,435
232,323	222,548	166,400	133,257	119,458	108,737
87,064	92,477	91,263	94,122	172,573	170,495
1,973,009	2,034,747	2,181,416	2,420,079	3,201,113	4,146,966
9,486	24,907	28,460	17,198	19,438	80,202
73,364	79,527	66,026	26,916	121,931	318,153
-	-	-	-	-	(16,527)
3,912,848	4,086,403	4,280,380	4,648,026	5,627,488	6,941,607
10,161	32,078	38,808	19,547	15,746	45,409
-	-	-	-	-	16,527
10,161	32,078	38,808	19,547	15,746	61,936
\$ 3,923,009	\$ 4,118,481	\$ 4,319,188	\$ 4,667,573	\$ 5,643,234	\$ 7,003,543
\$ 1,362,991	\$ (13,152)	\$ (936,031)	\$ 571,334	\$ 2,389,126	\$ 3,182,546
1,700,203	1,025,094	(216,931)	541,669	924,326	156,936
\$ 3,063,194	\$ 1,011,942	\$ (1,152,962)	\$ 1,113,003	\$ 3,313,452	\$ 3,339,482

# VILLAGE OF CHATHAM, ILLINOIS

## FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2014	2015	2016	2017
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	19,338	18,446	17,227	516,838
Committed	33,959	48,821	57,620	34,687
Assigned	-	-	-	-
Unassigned	820,101	1,076,299	1,745,380	1,792,800
Total general fund	<u>873,398</u>	<u>1,143,566</u>	<u>1,820,227</u>	<u>2,344,325</u>
All other governmental funds				
Nonspendable	\$ 321,342	\$ 342,055	\$ 347,655	\$ 358,855
Restricted	1,517,836	300,282	834,731	347,954
Committed	308,711	340,547	333,420	366,127
Assigned	255,231	295,568	162,546	162,846
Unassigned	-	-	-	-
Total all other governmental funds	<u>2,403,120</u>	<u>1,278,452</u>	<u>1,678,352</u>	<u>1,235,782</u>
<b>Total governmental funds</b>	<u>\$ 3,276,518</u>	<u>\$ 2,422,018</u>	<u>\$ 3,498,579</u>	<u>\$ 3,580,107</u>

Source: Audited Financial Statements

2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
517,386	120,119	50,852	407,240	50,381	62,437
37,969	29,200	-	-	-	-
-	-	506,165	1,323,669	1,286,501	1,000,000
1,772,912	1,958,045	1,775,665	1,947,501	2,686,597	3,528,906
<u>2,328,267</u>	<u>2,107,364</u>	<u>2,332,682</u>	<u>3,678,410</u>	<u>4,023,479</u>	<u>4,591,343</u>
\$ 368,055	\$ 376,055	\$ 391,055	\$ 403,255	\$ 421,542	\$ 440,042
230,686	212,678	381,027	1,032,435	1,565,096	1,847,200
416,986	389,676	411,966	393,254	353,282	353,067
90,634	39,901	42,677	73,669	244,432	1,308,212
-	-	-	-	-	-
<u>1,106,361</u>	<u>1,018,310</u>	<u>1,226,725</u>	<u>1,902,613</u>	<u>2,584,352</u>	<u>3,948,521</u>
<u>\$ 3,434,628</u>	<u>\$ 3,125,674</u>	<u>\$ 3,559,407</u>	<u>\$ 5,581,023</u>	<u>\$ 6,607,831</u>	<u>\$ 8,539,864</u>

# VILLAGE OF CHATHAM, ILLINOIS

## CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2014	2015	2016	2017
<b>Revenue</b>				
Property taxes	\$ 1,556,217	\$ 1,621,673	\$ 1,696,421	\$ 1,739,128
Road and bridge taxes	49,588	26,284	23,867	18,814
Local use tax	196,316	221,456	264,653	280,974
Motor fuel taxes	388,748	341,987	309,629	306,972
Telecommunications tax	332,436	251,648	285,038	250,346
Video gaming tax	32,163	46,430	57,601	74,128
Licenses, permits, fees, fines and service charges	912,968	924,212	795,732	868,564
Investment income	8,425	6,048	7,099	8,916
Other	66,345	34,123	103,382	140,308
Intergovernmental revenues	1,912,715	2,044,879	2,161,715	1,909,534
Federal grants	47,996	12,784	32,367	21,902
State grants	-	-	-	-
<b>Total Revenues</b>	<b>5,503,917</b>	<b>5,531,524</b>	<b>5,737,504</b>	<b>5,619,586</b>
<b>Expenditures</b>				
General government	668,651	648,907	667,035	985,698
Cemetery	44,504	46,000	46,778	41,717
Culture and recreation	458,305	471,989	416,985	413,138
Public safety	2,262,674	2,334,414	2,280,367	2,703,473
Public works/transportation	1,002,805	951,169	731,286	900,048
Economic Development	45,429	49,969	31,276	31,480
Capital outlay	569,268	1,937,423	449,185	932,596
Debt service:				
Principal	146,000	163,575	181,410	57,811
Interest	15,209	12,578	9,122	5,096
<b>Total expenditures</b>	<b>5,212,845</b>	<b>6,616,024</b>	<b>4,813,444</b>	<b>6,071,057</b>
Excess of revenues over(under) expenditures	291,072	(1,084,500)	924,060	(451,471)
<b>Other Financing Sources (Uses)</b>				
Transfer in	512,847	2,043,107	94,359	763,927
Transfer out	(512,847)	(2,043,107)	(94,359)	(763,927)
Bond proceeds	-	-	-	500,000
Loan proceeds	-	230,000	152,500	-
Capital leases issued	87,200	-	-	33,000
<b>Total other financing sources (uses)</b>	<b>87,200</b>	<b>230,000</b>	<b>152,500</b>	<b>533,000</b>
<b>Net change in fund balance</b>	<b>\$ 378,272</b>	<b>\$ (854,500)</b>	<b>\$ 1,076,560</b>	<b>\$ 81,529</b>
Debt service as a percentage of noncapital expenditures	3.47%	3.77%	4.37%	1.22%

Source: Audited Financial Statements

	2018	2019	2020	2021	2022	2023
\$	1,217,149	\$ 1,269,035	\$ 1,325,566	\$ 1,417,623	\$ 1,476,037	\$ 1,522,435
	22,130	23,141	24,433	24,673	24,508	25,711
	298,323	340,021	396,816	514,158	492,430	585,435
	308,846	306,944	428,105	448,063	483,551	547,898
	232,323	222,548	166,400	133,257	119,458	108,737
	87,064	92,477	91,263	94,122	172,573	170,495
	846,328	848,007	1,240,143	1,221,933	1,369,068	1,325,414
	9,486	24,907	28,460	17,198	19,438	80,202
	73,364	79,527	66,026	26,916	121,931	318,153
	1,973,009	2,034,747	2,181,416	2,420,079	3,201,113	3,805,890
	13,184	8,109	10,671	273,540	8,765	364,987
	-	8,957	3,738	381,835	252,632	476,316
	<u>5,081,206</u>	<u>5,258,420</u>	<u>5,963,037</u>	<u>6,973,397</u>	<u>7,741,504</u>	<u>9,331,673</u>
	782,639	741,428	714,740	763,839	734,296	883,149
	31,084	30,102	30,250	29,187	29,975	35,839
	418,366	443,333	444,552	395,646	428,742	676,782
	2,778,866	2,791,356	3,058,022	3,000,080	3,309,009	3,387,932
	1,051,203	768,794	1,009,788	1,023,437	1,078,057	1,353,116
	-	-	-	-	-	-
	106,378	733,917	463,348	48,867	1,290,140	961,084
	42,687	41,576	42,416	484,395	65,720	70,289
	15,462	16,868	15,960	16,330	12,884	14,922
	<u>5,226,685</u>	<u>5,567,374</u>	<u>5,779,076</u>	<u>5,761,781</u>	<u>6,948,823</u>	<u>7,383,113</u>
	<u>(145,479)</u>	<u>(308,954)</u>	<u>183,961</u>	<u>1,211,616</u>	<u>792,681</u>	<u>1,948,560</u>
	-	449,348	101,258	38,809	1,403,948	1,286,500
	-	(449,348)	(101,258)	(38,809)	(1,403,948)	(1,303,027)
	-	-	-	810,000	-	-
	-	-	-	-	234,127	-
	-	-	249,772	-	-	-
	<u>-</u>	<u>-</u>	<u>249,772</u>	<u>810,000</u>	<u>234,127</u>	<u>(16,527)</u>
\$	<u>(145,479)</u>	<u>\$ (308,954)</u>	<u>\$ 433,733</u>	<u>\$ 2,021,616</u>	<u>\$ 1,026,808</u>	<u>\$ 1,932,033</u>
	1.14%	1.21%	1.11%	8.76%	1.39%	1.33%

## VILLAGE OF CHATHAM, ILLINOIS

### ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

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Fiscal Year	Residential Property	Commercial Property	Industrial Property	Farm Property
2014	206,953,615	17,705,984	512,663	871,863
2015	217,527,403	20,017,170	512,663	928,892
2016	227,713,787	20,868,182	499,427	947,532
2017	240,660,750	28,372,687	875,808	1,070,621
2018	250,996,956	29,594,472	894,288	1,192,708
2019	258,023,209	32,872,181	904,125	1,112,529
2020	270,220,511	33,825,042	850,404	1,292,658
2021	275,605,059	33,882,511	851,423	1,385,039
2022	286,397,373	34,853,817	872,709	1,288,517
2023	303,362,170	35,708,781	887,545	1,368,957

Source: County Clerk's Office



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Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Assessed Value as a % of Estimated Actual Value
161,882	226,206,007	0.4754	685,472,748	33.00%
168,810	239,154,938	0.4698	724,711,933	33.00%
202,736	250,231,664	0.4630	758,277,770	33.00%
206,287	271,186,153	0.4495	821,776,221	33.00%
210,468	282,888,892	0.4488	857,239,067	33.00%
226,168	293,138,212	0.4530	888,297,612	33.00%
246,932	306,435,547	0.4636	928,592,567	33.00%
257,452	311,981,484	0.4747	945,398,436	33.00%
280,209	323,692,625	0.4712	980,886,742	33.00%
307,443	341,634,896	0.4740	1,035,257,261	33.00%

# VILLAGE OF CHATHAM, ILLINOIS

## DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

<b><u>Overlapping Rates</u></b>	2013	2014	2015	2016
Village	\$ 0.4754	\$ 0.4698	\$ 0.4630	\$ 0.4495
Chatham School District Unit #5	4.4852	4.5079	4.4552	4.3887
Lincoln Land Junior College District #526	0.4690	0.4736	0.5021	0.5041
Chatham Township	0.1758	0.1723	0.1683	0.1611
Chatham Township Road & Bridge	0.3878	0.3864	0.3737	0.3604
Chatham Fire Protection District	0.5451	0.5389	0.5320	0.5199
Sangamon County Water Reclamation District	0.0935	0.0955	0.0956	0.0951
Chatham Library	0.2708	0.2682	0.2650	0.2591
Chatham Library Bond	-	0.0680	0.0668	-
Chatham Library Bond #2	0.0698	-	-	0.0635
Sangamon County	0.7360	0.7507	0.7546	0.7512
Total	\$ 7.7084	\$ 7.7313	\$ 7.6763	\$ 7.5526
<b><u>Direct Rates</u></b>				
General	\$ 0.2379	\$ 0.2270	\$ 0.1693	\$ 0.1664
Police Pension	0.1336	0.1367	0.2039	0.1959
IMRF	0.0489	0.0487	0.0464	0.0428
Police Protection	0.0553	0.0574	0.0434	0.0444
Total	\$ 0.4757	\$ 0.4698	\$ 0.4630	\$ 0.4495

Part of the Village of Chatham is in Chatham Township and part is in Ball Township. A small part of the Village is also in Woodside and Curran Townships. One of the township rates would apply depending on the property's location.

For illustrative purposes, the chart represents the components of the Chatham Township rate.

Source: County Clerk's Office

2017	2018	2019	2020	2021	2022
\$ 0.4488	\$ 0.4530	\$ 0.4636	\$ 0.4747	\$ 0.4712	\$ 0.4740
4.4098	4.4448	4.5344	4.6262	4.6360	4.6119
0.4884	0.4917	0.4954	0.4964	0.4982	0.4935
0.1409	0.1185	0.1015	0.0904	0.0830	0.0839
0.3324	0.2882	0.2713	0.2603	0.2503	0.2485
0.5199	0.5249	0.5374	0.5439	0.5392	0.5361
0.0959	0.0970	0.1001	0.1027	0.1044	0.1032
0.2590	0.2640	0.2699	0.2733	0.2710	0.2693
-	-	-	-	-	-
0.0644	0.0651	0.0642	0.0651	0.0653	0.0632
0.7583	0.7691	0.7854	0.8048	0.8188	0.7920
\$ 7.5178	\$ 7.5163	\$ 7.6232	\$ 7.7378	\$ 7.7374	\$ 7.6756
\$ 0.1619	\$ 0.1633	\$ 0.1712	\$ 0.1707	\$ 0.1785	\$ 0.2004
0.2136	0.2164	0.2175	0.2277	0.2185	0.1922
0.0300	0.0290	0.0277	0.0277	0.0263	0.0249
0.0433	0.0443	0.0472	0.0486	0.0479	0.0565
\$ 0.4488	\$ 0.4530	\$ 0.4636	\$ 0.4747	\$ 0.4712	\$ 0.4740

# VILLAGE OF CHATHAM, ILLINOIS

## PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Fiscal Year	2023				2014			
	Taxable		Percentage of		Taxable		Percentage of	
	Assessed		Total City		Assessed		Total City	
	Value	Rank	Taxable Assessed Value		Value	Rank	Taxable Assessed Value	
Chatham Dev Group LLC	\$ 4,008,757	1	1.17%		\$ -		0.00%	
Premier Chatham IL LLC	2,344,908	2	0.69%		-		0.00%	
ARHC VHCTMIL01 LLC	2,184,789	3	0.64%		-		0.00%	
Chatham Dev Group LLC	1,585,544	4	0.47%		-		0.00%	
Foxx LLC	1,420,111	5	0.42%		1,275,262	1	0.56%	
RHC Investments Inc.	1,417,456	6	0.41%		-		0.00%	
R&M Phillips Investments LLC	983,193	7	0.29%		-		0.00%	
Chatham 125 Medical Properties	916,809	8	0.27%		-		0.00%	
Envision Chatham LLC	737,542	9	0.22%		-		0.00%	
Henry Technologies Inc.	692,847	10	0.20%		622,176	2	0.28%	
Illinois National Bank					616,665	3	0.27%	
Walgreens					525,696	4	0.23%	
Bishop Hardware					442,777	5	0.20%	
Memorial Physician Services					439,206	6	0.19%	
Niemann Holdings					434,389	7	0.19%	
United Community Bank					366,971	8	0.16%	
MACS Convenience Stores					355,044	9	0.17%	
Checkpoint Investments Inc.					342,657	10	0.15%	
	<u>\$ 16,291,956</u>		<u>4.77%</u>		<u>\$ 5,420,843</u>		<u>2.40%</u>	
EAV			341,634,896				226,206,007	

Source: County Clerks Office

# VILLAGE OF CHATHAM, ILLINOIS

## PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year Ended April 30	Tax Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year	
			Amount	Percentage of Levy
2014	2012	1,031,235	1,029,916	99.87%
2015	2013	1,075,383	1,073,195	99.80%
2016	2014	1,123,550	1,122,508	99.91%
2017	2015	1,158,573	1,158,335	99.98%
2018	2016	1,218,982	1,217,149	99.85%
2019	2017	1,269,605	1,269,035	99.96%
2020	2018	1,327,916	1,325,566	99.82%
2021	2019	1,420,635	1,417,623	99.79%
2022	2020	1,480,976	1,476,037	99.67%
2023	2021	1,472,961	1,522,435	103.36%

Collections within the fiscal year may include taxes collected attributable to prior years. These collections, are immaterial as 99% or greater of the current year's tax levy historically been collected during the respective fiscal year. Additionally, information to associate any non-current tax collections to a specific tax levy year is not readily available.

Source: County Clerks Office

**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF VILLAGE TAXABLE SALES BY CATEGORY**

Last Ten Calendar Years

	2013	2014	2015	2016	2017
General Merchandise	\$ -	\$ -	\$ -	\$ -	\$ -
Food	208,910	209,484	232,308	212,832	208,432
Drinking and eating places	93,832	93,192	98,916	101,029	107,521
Apparel	6,511	5,642	7,555	9,050	10,186
Furniture/Household/Radio	740	770 *	799	1,341	1,871
Lumber/Building/Hardware	102,367	119,060 *	118,390	119,461	118,945
Auto and gas stations	144,609	149,599	170,306	138,210	151,999
Drugs and miscellaneous retail	167,929	226,485	265,910	246,568	232,261
Agriculture and all others	85,361	67,347	35,815	37,037	43,749 *
Manufacturers	4,532	4,177	3,137	3,672	2,370 *
Total	<u>\$ 814,791</u>	<u>\$ 875,756</u>	<u>\$ 933,136</u>	<u>\$ 869,200</u>	<u>\$ 877,334</u>
Village sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%
Number of Taxpayers	243	243	249	261	272

\* Certain categories are estimated because they not shown in the State report, due to fewer than four taxpayers

\*\* The large increase is due to the Leveling the Playing Field Act, remote retailers had to start registering sites in Illinois and paying destination rate sales tax instead of reporting and paying use tax.

Source: Illinois Department of Revenue Categories by Standard Industrial Codes (SIC)

2018	2019	2020	2021	2022
\$ -	\$ -	\$ -	\$ 484	\$ 574
208,548	201,078	225,127	238,040	271,271
114,635	121,150	124,716	157,465	165,028
6,339	3,586	4,137	6,853	8,374
1,899	1,664	589 *	2,971 *	3,365
115,091	98,099	118,428	133,044	140,779
166,062	176,022	158,915	200,776	228,604
267,448	283,971	317,391	495,153	528,939
38,788	32,870	31,936	66,746	73,120
1,276	1,378 *	1,226	3,952	3,242
<u>\$ 920,086</u>	<u>\$ 919,818</u>	<u>\$ 982,465</u>	<u>\$ 1,305,486</u>	<u>\$ 1,423,296</u>
1.00%	1.00%	1.00%	1.00%	1.00%
259	268	247	1873**	2483

## VILLAGE OF CHATHAM, ILLINOIS

### DIRECT AND OVERLAPPING SALES TAX RATES STATE OF ILLINOIS RATE

Last Ten Fiscal Years

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Fiscal Year	Village Share	Sangamon County Share	Sangamon County School Facility Share	State of Illinois Share	Total Rate
2014	1.00%	0.25%	0.00%	5.00%	6.25%
2015	1.00%	0.25%	0.00%	5.00%	6.25%
2016	1.00%	0.25%	0.00%	5.00%	6.25%
2017	1.00%	0.25%	0.00%	5.00%	6.25%
2018	1.00%	0.25%	0.00%	5.00%	6.25%
2019	1.00%	0.25%	0.00%	5.00%	6.25%
2020	1.00%	0.25%	1.00%	5.00%	7.25%
2021	1.00%	0.25%	1.00%	5.00%	7.25%
2022	1.00%	0.25%	1.00%	5.00%	7.25%
2023	1.00%	0.25%	1.00%	5.00%	7.25%

**Source:** Village records and Illinois Department of Revenue



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VILLAGE OF CHATHAM, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Governmental Activities					Business-Type Activities		Business-Type Activities	
Fiscal Year	General Obligation Bonds	Tax Increment Bonds	Notes Payable	Installment Purchases	General Obligation Bonds (Electric Alternative Revenue Source)	Debt Certificates	Notes Payable	Installment Purchases and Leases
2014	104,000	245,000	-	160,243	3,805,000	85,000	910,191	7,632
2015	71,000	125,000	219,442	90,484	3,571,000	45,000	1,015,101	142,048
2016	36,000	-	198,031	168,408	3,340,000	-	877,156	97,607
2017	500,000	-	176,220	133,600	3,105,000	-	737,040	52,511
2018	479,500	-	154,033	71,140	2,858,000	-	594,681	274,689
2019	460,500	-	131,457	30,571	2,598,000	-	1,573,838	311,115
2020	441,000	-	108,541	226,261	2,335,000	-	1,335,060	238,059
2021	810,000	-	85,146	166,641	2,062,000	-	1,099,266	389,339
2022	773,045	-	290,508	110,154	1,783,000	-	842,109	242,964
2023	737,081	-	256,183	61,850	1,488,000	-	581,332	538,308

\* - Information not available

(1) US Department of Commerce, Bureau of Economic Statistics

Details of the Village's outstanding debt may be found in the notes to the basic financial statements.

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Total Primary Government	Actual Property Value	Percentage of Estimated Actual Property Value	Chatham Personal Income	Percentage of Personal Income	Population	Per Capita
5,317,066	685,472,748	0.78%	476,755,500	1.12%	11,500	462
5,279,075	724,711,933	0.73%	490,854,500	1.08%	11,500	459
4,717,202	758,277,770	0.62%	503,815,000	0.94%	11,500	410
4,704,371	821,776,221	0.57%	512,014,500	0.92%	11,500	409
4,432,043	857,239,067	0.52%	532,737,500	0.83%	11,500	385
5,105,481	888,297,612	0.57%	562,246,500	0.91%	11,500	444
4,683,921	928,592,567	0.50%	568,617,500	0.82%	11,500	407
4,612,392	945,398,436	0.49%	760,413,907	0.61%	14,377	321
4,041,780	945,398,436	0.43%	822,450,662	0.49%	14,377	281
3,662,754	1,035,257,261	0.35%	*	*	14,377	255

# VILLAGE OF CHATHAM, ILLINOIS

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Direct:			
Village of Chatham	\$ 1,055,114	100.00%	\$ 1,055,114
Overlapping:			
Ball Chatham CUSD #5	\$ 63,285,000	39.19%	\$ 24,801,392
Auburn Unit #10	7,465,212	0.11%	8,212
Lincoln Land Junior College District #526	25,518,900	7.53%	1,921,573
Woodside Township	-	4.33%	-
Ball Township	-	78.94%	-
Chatham Township	-	88.14%	-
Curran Township	-	0.68%	-
Springfield Airport Authority	10,868,099	7.15%	777,069
Chatham Fire Protection District	-	78.26%	-
Springfield Metro Expo Authority	7,841,517	0.43%	33,719
Sangamon Mass Transit District	-	0.56%	-
Curran-Gardner Water Public Water District	8,328,000	0.19%	15,823
Sangamon County Water Reclamation District	206,891,244	9.97%	20,627,057
Chatham Area Library	1,280,000	75.30%	963,840
Sangamon County	65,314,916	7.46%	4,872,493
Total Overlapping Debt	396,792,888		54,021,178
Total Direct and Overlapping Debt	\$ 397,848,002		\$ 55,076,292

Source: County Clerks Office and Illinois State Comptroller's website

The Sangamon County Clerk's Office provides an annual overlap report. The report specifies each overlapping district's EAV dollars and percentage. The overlapping district percentage is applied to their outstanding debt. The debt amount is obtained from financial reports filed and available on the Illinois State Comptroller's website.

**VILLAGE OF CHATHAM, ILLINOIS**

**GENERAL BONDED DEBT CAPACITY AND RATIOS**

Last Ten Calendar Years

Calendar Year	Equalized Assessed Value	General Bonded Debt	Less Amounts Available in Debt Service	Net Bonded Debt	General Bonded Debt to Assessed Value	Debt Limit (1)	Legal Debt Margin	Legal Debt Margin as a % of Debt Limit
2013	226,206,007	104,000	19,338	84,662	0.04%	19,510,268	19,425,606	99.57%
2014	239,154,938	71,000	18,446	52,554	0.02%	20,627,113	20,574,559	99.75%
2015	250,231,664	36,000	17,227	18,773	0.01%	21,582,481	21,563,708	99.91%
2016	271,186,153	500,000	16,759	483,241	0.18%	23,389,806	22,906,565	97.93%
2017	282,888,892	479,500	16,808	462,692	0.16%	24,399,167	23,936,475	98.10%
2018	293,138,212	460,500	16,963	443,537	0.15%	25,283,171	24,839,634	98.25%
2019	306,435,547	441,000	16,900	424,100	0.14%	26,430,066	26,005,966	98.40%
2020	311,981,484	810,000	602	809,398	0.26%	26,908,403	26,099,005	96.99%
2021	323,692,625	773,045	4,510	768,535	0.24%	27,918,489	27,149,954	97.25%
2022	341,634,896	737,081	4,315	732,766	0.21%	29,466,010	28,733,244	97.51%

Source: Additional Schedules Village Financial Statements

(1) The debt limit for non-home rule governments is 8.625% of assessed valuation (65 ILCS 5/8 5-1).

# VILLAGE OF CHATHAM, ILLINOIS

## PLEDGED REVENUE

Last Ten Fiscal Years

Fiscal Year	General Obligation Electric Alternate Revenue Source Bonds					
	Gross Revenues *	Less	Net	Current Maturities		
		Operating Expenses*	Available Revenue	Debt Service		Coverage
				Principal	Interest	
2014	8,759,413	8,407,437	351,976	205,000	166,064	0.95
2015	9,425,246	8,428,392	996,854	234,000	97,665	3.01
2016	9,770,310	8,552,449	1,217,861	231,000	119,547	3.47
2017	10,120,727	8,795,027	1,325,700	235,000	112,501	3.81
2018	10,140,071	9,032,560	1,107,511	247,000	105,287	3.14
2019	10,598,508	9,314,900	1,283,608	260,000	97,555	3.59
2020	10,053,650	9,411,079	642,572	263,000	89,391	1.82
2021	10,224,141	9,282,102	942,039	273,000	50,207	2.91
2022	10,692,532	9,103,628	1,588,904	279,000	42,761	4.94
2023	10,736,927	9,647,669	1,089,258	295,000	37,738	3.27

\* Electric Fund revenue includes electric user fees and other revenues, operating expenses do not include depreciation expense

## VILLAGE OF CHATHAM, ILLINOIS

### DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

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Calendar Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2013	11,500	41,457	476,755,500	36.1	4454	5.80%
2014	11,500	42,683	490,854,500	36.1	4612	4.30%
2015	11,500	43,810	503,815,000	36.1	4661	4.20%
2016	11,500	44,523	512,014,500	36.1	4730	3.70%
2017	11,500	46,325	532,737,500	36.1	4807	3.20%
2018	11,500	48,891	562,246,500	36.1	4809	3.00%
2019	11,500	49,445	568,617,500	36.1	4857	11.80%
2020	14,377	52,891	760,413,907	35.7	4822	8.00%
2021	14,377	57,206	822,450,662	35.8	4791	4.40%
2022	14,377	*	*	35.6	4669	3.80%

\* Information not available

(1) Population data based on latest census data

(2) Information obtained from the U.S. Department of Commerce Bureau of Economic Analysis  
Figures for the most current year are unavailable.

(3) Census Data

(4) Ball-Chatham District 5 -Annual Financial Report

(5) Unemployment data from the Illinois Department of Employment Security

## VILLAGE OF CHATHAM, ILLINOIS

### PRINCIPAL EMPLOYERS

April 30, 2023

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Employer	# Employees	Rank	Total Population
Ball Chatham CUSD #5	500-999	1	3.5%-6.9%
Henry Technologies	250-499	2	1.7%-3.5%
Chatham Expresscare	100-249	3	0.7%-1.7%
Memorial Physician Services	100-249	3	0.7%-1.7%
McDonalds	50-99	4	0.3%-0.7%
Village of Chatham	50-99	4	0.3%-0.7%
Reflections Memory Care	50-99	4	0.3%-0.7%
TruGreen	20-49	5	0.1%-0.3%
United Community Bank	20-49	5	0.1%-0.3%
RP Lumber	20-49	5	0.1%-0.3%

Source: Illinois Virtual Labor Market Data - Illinois Department of Employment Website

Information was not available for nine years ago



## VILLAGE OF CHATHAM, ILLINOIS

### FULL-TIME EQUIVALENT VILLAGE EMPLOYEES BY FUNCTIONS/PROGRAMS

Last Ten Fiscal Years

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Department	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
By Description										
Administration and Finance	12	11	10	9	9	10	10	10	10	10
Police	22	22	21	22	20	20	21	21	22	22
Public Utilities	12	11	11	13	13	14	13	13	12	13
Public Properties and Public Works	9	9	9	9	9	9	10	8	9	10
Total Full-Time Equivalent Employees	55	53	51	53	51	53	54	52	53	55

Source: Village records

# VILLAGE OF CHATHAM, ILLINOIS

## OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

	2014	2015	2016
<b>Public Works</b>			
Total Building Permits issued	194	216	226
Single Family Homes	69	79	78
Duplexes	6	8	14
Apartments	-	1	-
Commercial	5	1	9
Additions	7	5	7
Remodel, Alteration or Repair	25	35	27
Garages, Sheds, Pool Houses	10	7	6
Fences	56	65	66
Pools	13	9	6
Sprinkler Systems	3	6	13
Solar Power/Generator Install		-	-
Other	40	15	14
Number of Cemetery Lots Sold	53	57	23
Number of grave openings	39	46	29
<b>Police - Information presented on Calendar Year Basis</b>			
Calls for Service	7,374	7,536	7,786
Traffic Violations			
Citations Issued	1,548	1,402	1,261
Written Warnings Issued	2,278	1,441	1,239
Index Crimes *	105	111	87
Index Crime and Drug Arrests	118	101	93
<b>Public Utilities</b>			
Electric Customers	5,311	5,433	5,496
Water Customers	5,303	5,441	5,522
Kilowatt hours provided to customers	76,054,006	75,891,180	75,857,545
Gallons of water provided to customers	291,436,700	276,099,100	278,235,000
<b>Administration</b>			
Accounts Payable Checks Processed **	2,171	2,157	2,044
Liquor Licenses Issued	26	23	25

\* Index Crime includes: Criminal Homicide, Rape, Robbery, Aggravated Assault/Aggregated Battery, Burglary, Theft, Motor Vehicle Theft, Arson, Human Trafficking

\*\* During fiscal year 2013 the Village began processing accounts payable out of one bank account prior to this each fund had a bank account that processed accounts payable checks, this reduced the number of accounts payable checks issued.

Source: Various Village Departments

2017	2018	2019	2020	2021	2022	2023
188	173	114	139	195	171	145
62	40	29	41	34	36	28
8	3	-	2	4	8	4
4	5	7	6	1	-	3
7	8	3	2	1	1	2
2	6	3	4	11	5	5
20	25	10	22	10	8	11
5	4	6	2	10	4	7
52	59	41	42	55	41	50
16	10	8	5	17	13	11
12	13	7	13	8	7	-
1	9	11	35	25	35	12
13	6	16	18	19	13	12
28	21	18	30	26	23	23
30	35	35	35	27	38	37
9,153	9,841	9,190	11,072	10,681	10,932	N/A
						N/A
1,381	1,278	1,180	885	734	1,312	N/A
1,398	1,277	1,241	3,198	1,545	1,646	N/A
117	100	96	94	347	N/A	N/A
24	17	25	34	74	N/A	N/A
5,622	5,748	5,877	6,005	6,098	6,157	6,265
5,630	5,757	5,894	5,754	5,845	5,897	6,191
76,897,052	77,091,817	81,460,853	75,859,162	77,705,139	81,044,215	79,455,433
281,997,700	286,688,900	291,726,800	279,122,500	309,180,479	290,979,200	284,915,500
2,045	1,979	1,946	1,958	2,097	1,617	1,633
26	28	26	28	24	24	21

# VILLAGE OF CHATHAM, ILLINOIS

## CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Village</b>										
Number of Vehicles	54	52	52	54	56	54	56	57	58	62
Number of Buildings	14	14	14	14	14	14	14	14	14	14
<b>Public Works</b>										
Miles of Streets	73.37	74.38	74.63	76.17	78.21	79.42	79.42	79.42	79.42	79.42
Miles of Storm Sewer	53.77	54.78	55.07	55.5	56.65	57.37	57.37	57.37	57.37	57.37
<b>Public Utilities</b>										
Miles of Primary Underground Electric Lines (1)	33.29	34.99	35.3	38.5	40.16	42.23	42.23	43.43	43.93	43.94
Miles of Secondary Underground Electric Lines (1)	28.63	30.66	31.14	33.9	35.67	37.43	37.43	38.23	38.24	38.24
Miles of Primary Overhead Electric Lines (1)	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Miles of Secondary Overhead Electric Lines (1)	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8
Miles of Water Main	77.68	78.75	79.07	82.63	85.19	87.07	87.07	87.07	87.07	87.07
Miles of Sanitary Sewer	68.25	69.32	69.55	70.7	72.36	73.39	73.39	73.39	73.39	73.39

Source: Various Village Departments

(1) Miles of Primary and Secondary Underground and Primary and Secondary Overhead reflects miles subsequent to completion of GIS mapping

## **OTHER INFORMATION**

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF INSURANCE

April 30, 2023

Type of Coverage and Name of Company	Policy Number	Policy Period		Details of Coverage	Liability Limits	Annual Premium
From	To					
General Liability Illinois Counties Risk Management Trust	R2-100510- 2122-01	12/1/2022	12/1/2023	General Liability	Coverage Applies to: \$1,000,000 General Aggregate \$3,000,000 Products/Completed Operation Annual Aggregate \$1,000,000	\$ 157,804
Excess Liability Illinois Counties Risk Management Trust	R2-100510- 2122-01	12/1/2022	12/1/2023	Excess Liability	\$10,000,000 limit	
Automobile Liability & Physical Damage Illinois Counties Risk Management Trust	R2-100510- 2122-01	12/1/2022	12/1/2023	Automobile Liability Automobile Physical Damage	Each Occurrence \$1,000,000 \$2,325,100 Total Physical Damage Scheduled Value	
Property/Inland Marine/Auto Coverage Physical Damage Illinois Counties Risk Management Trust	R2-100510- 2122-01	12/1/2022	12/1/2023	Property	\$30,371,145 Total Building and Contents Limit	
Worker's Compensation Illinois Public Risk Fund	P1387-2022	1/1/2023	1/1/2024	Workers Compensation Employers Liability	Statutory \$3,000,000 per occurrence	\$ 93,981

# VILLAGE OF CHATHAM, ILLINOIS

## SCHEDULE OF ELECTRIC RATES CHARGED

April 30, 2023

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The Electric System served an average of 6,234 customers during fiscal year 2023. The Village provided 79,455,433 kilowatt hours to its customers during fiscal year 2023. The electric rates as of April 30, 2023 charged by the Village are as follows (effective October 1<sup>st</sup>, 2021):

### Standard Residential Service Rates

- (1) Rate: \$0.1169/kwh
- (2) Facility Charge: \$11.92 per month

### Senior Citizen Residential and Village Park Service Rate

- (1) Rate: \$0.1053/kwh
- (2) Facility Charge: \$11.92 per month

### Governmental Service

- (1) Rate: \$0.1053/kwh
- (2) Demand Charge: \$6.4620/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month)
- (3) Facility Charge: \$25.62 per month

### General Service – Commercial without Demand

- (1) Rate: \$0.1379/kwh
- (2) Facility Charge – Commercial, institutional, and non-residential or for three phase, residential, non-residential, institutional, and commercial use taken through a single meter at the utility standard secondary voltage without Demand metering.
  - a) \$11.92 per month single phase
  - b) \$26.65 per month three phase

### General Service – Commercial with Demand

- (1) Rate: \$0.1092/kwh
- (2) Demand Charge: \$6.4620/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month)
- (3) Facility Charge – Commercial, institutional, and non-residential or for three phase, residential, non-residential, institutional, and commercial use taken through a single meter at the utility standard secondary voltage without Demand metering.
  - a) \$11.92 per month single phase
  - b) \$25.62 per month three phase

### Industrial Service

- (1) Rate: \$0.0956/kwh
- (2) Demand Charge: \$8.6049/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month, minimum of 70kw. The Village may determine the actual demand either by permanently installed instruments or by tests.)
- (3) Facility Charge
  - a) \$20.50 per month single phase
  - b) \$51.24 per month three phase
- (4) Security Lighting Rate: \$8.70/kwh