

Village of Northbrook, Illinois

Annual Comprehensive Financial Report

*For the Fiscal Year Ended
April 30, 2023*



northbrook

VILLAGE OF NORTHBROOK, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2023

Prepared by:
Finance Department

Iwona Petryszak, CPA, Chief Financial Officer
Anita Bozic, CPA, Deputy Chief Financial Officer

VILLAGE OF NORTHBROOK, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Northbrook including: List of Principal Officials, Organization Chart, Letter of Transmittal from Village Manager and Chief Financial Officer, and Certificate of Achievement for Excellence in Financial Reporting.

Village of Northbrook

Principal Officials



Legislative

Board of Trustees

Kathryn L. Ciesla, Village President

Trustees

Robert P. Israel, Muriel J. Collison, Heather E. Ross,
Johannah K. Hebl, Daniel H. Pepoon, Joy U. Ebhomielien
Debra J. Ford, Village Clerk

Administrative

Cara Pavlicek, Village Manager

Madeline Farrell, Deputy Village Manager

Jonathan Mendel, Director of Development & Planning Services

Iwona Petryszak, Chief Financial Officer

Andrew Carlson, Fire Chief

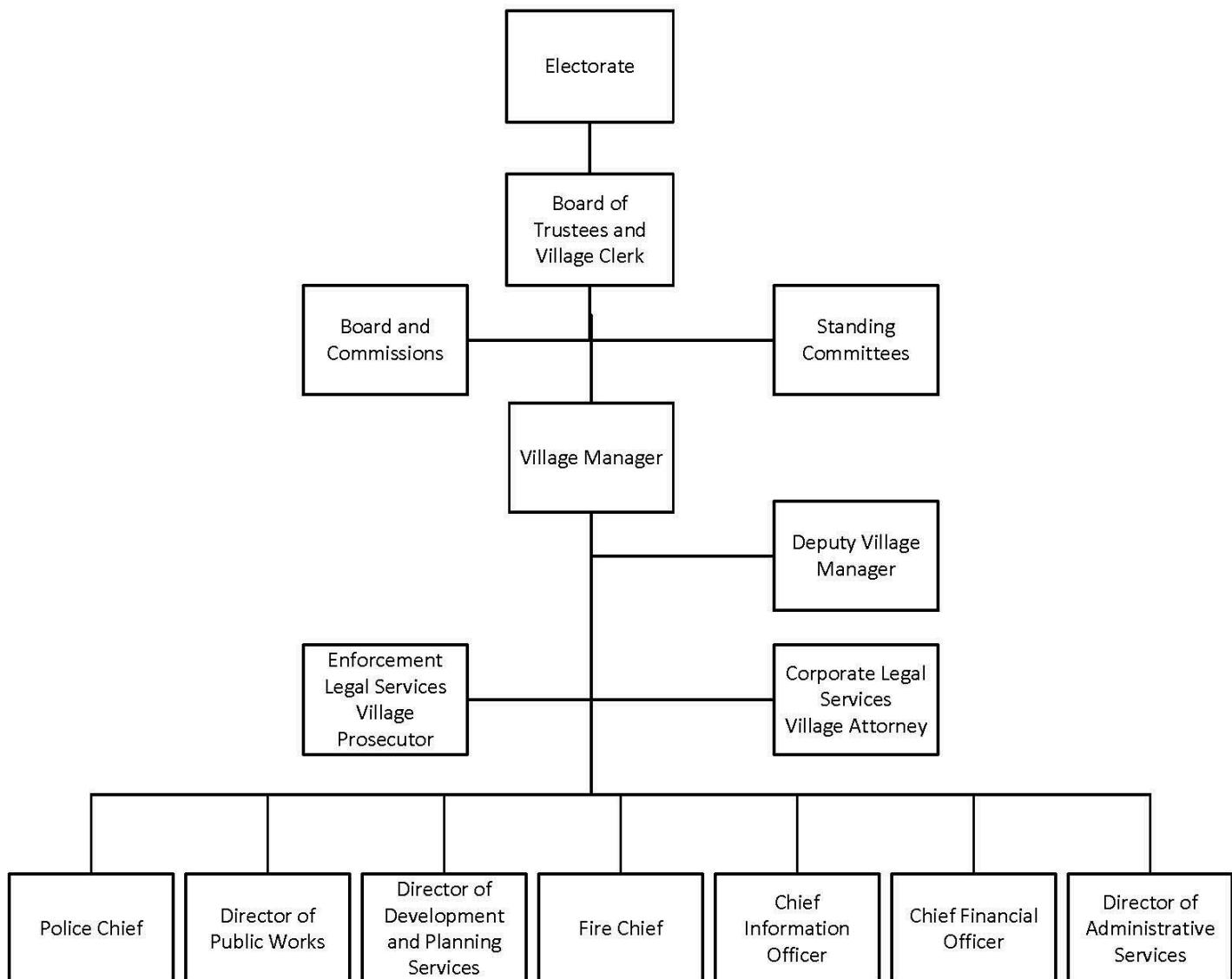
Lori Baker, Chief Information Officer

Christopher Kennedy, Chief of Police

Kelly Hamill, Director of Public Works

Debra J. Ford, Director of Administrative Services

Village of Northbrook



Boards and Commissions

Architectural Control Commission
 Arts Commission
 Board of Fire and Police Commissioners
 Community Commission
 Economic Strategy Commission
 Electrical Commission
 Emergency Telephone Systems Board
 Firefighters' Pension Fund Board
 Foreign Fire Insurance Board
 Pedestrian and Bicycle Commission
 Plan Commission
 Police Pension Fund Board
 Senior Services Commission
 Special Needs Inclusion Commission
 Stormwater Management Commission
 Sustainability Commission
 Zoning Board of Appeals

Standing Committees

Administration and Finance Committee
 Planning and Economic Development Committee
 Community and Sustainability Committee
 Public Works and Facilities Committee
 Public Safety Committee
 Communications and Outreach Committee



September 26, 2023

Village President
Kathryn L. Ciesla

Board of Trustees
Muriel J. Collison
Joy U. Ebhomielan
Johannah K. Hebl
Robert P. Israel
Daniel H. Pepoon
Heather E. Ross

Village Clerk
Debra J. Ford

Village Manager
Cara L. Pavlicek

The Honorable Village President Ciesla
Members of the Board of Trustees
Village of Northbrook, Illinois

The Annual Comprehensive Financial Report of the Village of Northbrook for the fiscal year ended April 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Village of Northbrook. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

The financial section described above is prepared in accordance with generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB) and other professional associations as applicable. For financial reporting purposes, in conformity with GASB Statement No. 14, this report includes all the funds, account groups and component units of the Village. For additional disclosures concerning the Village's reporting entity, see Note 1 of the financial statements.

State statutes require an annual audit by independent certified public accountants. The accounting firm of Lauterbach and Amen, LLP, was selected by the Village Board of Trustees. This audit meets the requirements set forth in state statutes. The auditor's report on the basic financial statements and combining and individual fund schedules as well as the information listed as supplemental is included in the financial section of this report.

Lauterbach and Amen LLP has issued an unmodified or "clean" opinion on the Village of Northbrook's financial statements for the year ending April 30, 2023. This is the highest standard of opinion that a municipality can achieve. Management Discussion and Analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction, overview, and analysis of the main financial statements. The MD&A is intended as a supplement to this transmittal letter and covers some of the more technical aspects of the financial report.

PROFILE OF THE GOVERNMENT

The Village of Northbrook occupies a land area of 13.3 square miles and is located approximately 26 miles north of downtown Chicago at the border of Cook and Lake Counties. Northbrook is bounded by Glencoe on the east, Highland Park and Deerfield to the north, Wheeling to the west and Glenview and Northfield to the south. A significant amount of area was incorporated into the Village boundaries in 1988.

The community was incorporated in 1901 as the Village of Shermerville. In 1923, by referendum, the Village was reincorporated and renamed Northbrook in recognition of the middle and west forks of the North Branch of the Chicago River which flow through the Village. According to the 2020 Census, the Village population was 35,222, an increase of 6.2% over the 2010 figure.

The Village is a home rule municipality under the Constitution and laws of the State of Illinois, and operates a Council/Manager form of government. The governing body of the Village is the President and Board of Trustees. The Village President is elected for a four-year term. As the Chief Elected Official of the Village, the President presides over board meetings and executes official documents. The Village President appoints, with the consent of the Board of Trustees, the members of Committees and Commissions. The Village Board of Trustees consists of six members elected at large for four-year staggered terms.

The Village Manager is the Chief Operating Officer of the Village and is responsible for the management of all Village operations under the direction of the President and Board of Trustees. The Manager is appointed by the President and Board of Trustees and serves at their pleasure. The Village's Department Directors are appointed by and report to the Village Manager. The Village provides a full range of services. These services include police and fire protection; water, storm water and sanitary sewer services; land use planning and zoning, building permitting and code enforcement; the construction and maintenance of highways, streets, infrastructure; cultural events; and general administrative services.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The accounts of the Village are organized on the basis of Funds, each of which is considered a separate and distinct accounting entity. The operations of each Fund utilize a separate set of "self-balancing" accounts that include assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses.

Revenues are allocated and accounted for in funds based upon the purpose they serve as well as any restrictions or limitations which are set either locally or by the State or Federal government for expending such revenues. In essence, each fund operates as its own "profit-and-loss center."

The accounting records for general governmental operations are maintained on a modified accrual basis, with revenues recorded when available and measurable, while expenditures are recorded when materials or services are received and the fund liability incurred. Accounting records for the Village's enterprise funds, internal service funds and pension trust funds are maintained on a full accrual basis of accounting.

In brief, the three major types of accounting are:

Cash

The cash method recognizes revenues and expenditures at the time cash is actually received or paid out.

Modified Accrual

This accounting method commonly used by government agencies is somewhat of a hybrid between accrual-basis and cash-basis accounting. Modified accrual accounting recognizes revenues when they become measurable and available and with a few exceptions, recognizes expenditures when fund liabilities are incurred. This system divides available funds into separate entities within the organization to ensure that the money is being spent as it was intended.

Accrual

This accounting method measures the performance and position of an entity by recognizing economic events regardless of when cash transactions occur. The general concept is that economic events are recognized by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is made (or received). This method allows for current cash inflows/outflows to be combined with future expected cash inflows/outflows to provide an accurate picture of a government's current financial condition.

Management of the Village is responsible for establishing and maintaining a system of internal accounting controls. These controls are designed to ensure that the assets of the Village are safeguarded against material loss, theft or misuse. These controls also provide assurance that the financial statements are in conformity with generally accepted accounting principles.

Internal accounting controls are designed to provide reasonable assurances that control objectives are met. The concept of reasonable assurances recognizes that (1) the cost of control should not exceed the likely benefits to be derived; and (2) the evaluation of costs and benefits require certain estimates and judgment by Management.

The annual budget serves as a foundation for the Village's financial planning and control. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object codes. The legal level of budgetary control is at the department level, or, where no departmental segregation of a fund exists, at the fund level. An electronic copy of the annual budget is located on the Village's website.

ECONOMIC CONDITION AND OUTLOOK

Northbrook is known for its residential neighborhoods, schools, and corporate presence. The economic climate in Northbrook can be generally characterized by the following key points and categories:

Diverse Economy: Northbrook benefits from its proximity to Chicago, which provides access to a wide range of industries and employment opportunities. The village is home to a mix of businesses, including corporate headquarters, retail establishments, and service providers.

Corporate Presence: Several major corporations have their headquarters or regional offices in or near Northbrook. This includes Allstate Insurance, which is one of the largest employers in the area as well as a large industrial park. Business and industry contribute significantly to the local economy and reduce the tax burden on residential households.

Retail and Dining: Northbrook features a variety of retail centers, shopping districts, and dining options. Pre-pandemic, Northbrook Court was a prominent shopping mall in the area, offering a range of stores and restaurants. However, revitalization of this area is now being discussed with the challenges associated from consumers ordering more goods online.

Real Estate: Northbrook has a strong residential real estate market, with a mix of housing options, including single-family homes, condominiums, and apartments. The real estate market can impact the local economy and property values.

Education: The village is served by several well-regarded school districts, contributing to its appeal as a residential community. High-quality schools can influence property values and attract families to the area.

Community Services: The local government in Northbrook provides various services to residents, including parks and recreation facilities, which can enhance the quality of life for residents.

Transportation: Northbrook benefits from its proximity to major transportation routes, including Interstate 294 and Metra commuter rail service. These transportation options make it accessible for residents and businesses alike.

In addition, other pertinent information pertaining to Northbrook's strong economy include:

Ethnic and Racial Diversity: Northbrook is known for its cultural diversity. While it has a predominantly white population, it is home to a mix of ethnic and racial backgrounds, including Asian, Hispanic, African American, and others. The community embraces diversity and has cultural events and organizations that reflect this diversity.

Income Levels: Northbrook is often considered an affluent suburb, and it has a higher median income compared to the national average. Many of its residents are well-educated professionals, and the village is known for its high standard of living.

Education: Northbrook places a strong emphasis on education, and it has well-regarded public and private schools. Many residents hold college degrees or higher, contributing to a highly educated population.

Household Types: Northbrook has a mix of household types, including families with children, empty nesters, and single professionals. The housing stock includes single-family homes, townhouses, condominiums, and apartments, catering to a variety of living preferences.

Religion: Northbrook is home to various religious denominations and places of worship, reflecting the diverse religious beliefs of its residents.

LONG-TERM FINANCIAL PLANNING AND FINANCING

Management of the Village is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide 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 requires estimates and judgments by management.

Budgeting Controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village Board. Activities of the general fund, debt service fund, capital projects fund, enterprise funds, internal service fund and pension trust funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility of sound financial management.

General Fund Balance. The unassigned fund balance of the General Fund at fiscal year ended April 30, 2023 increased by approximately 30% from the prior year ended April 30, 2022. A number of factors contributed to this increase, including the second installment of American Rescue Plan funds, some stronger than anticipated revenues, particularly business permits, ambulance fee collections, and investment income. In addition, the Village realized savings in certain expenditures among several of its operating departments. Additional details can be found within this document by reviewing the General Fund Budget and Actual financial statement.

Debt Administration. At April 30, 2023, the Village had a number of general obligation debt issues outstanding which totaled approximately \$105 million. Both Moody's and Standard & Poor's assigned their highest rating to the Village of Northbrook based on its highly diversified tax base, affluence, and a host of other factors as discussed earlier.

Under current state statutes, home rule communities do not have a legal limit on the amount of debt which can be issued, thus the Village's general obligation bonded debt issuances are not subject to a legal limitation. As of April 30, 2023, the Village's general obligation bonded debt for governmental funds was \$59.8 million and debt per capita equaled \$1,697. Governmental fund debt includes all general obligation debt which is not typically paid via user fees (Enterprise Funds).

Pension Benefits - As required by the State of Illinois, the Village sponsors two independent defined benefit pension plans known as the Police and Firefighters' Pension Plans. Each year, a certified actuary hired by the Village calculates the recommended annual required contributions that the Village must levy for each pension plan in order to ensure that the plan will be able to fully meet all its present and future financial obligations to those public safety employees accruing pension benefits as well as existing retirees.

The Village of Northbrook funds the annual required contribution to each public safety pension plan as determined by the independent actuary. As of April 30, 2023, funding levels were 57.6% and 53.5% of the actuarial accrued liabilities for the Police Pension and Firefighters' Pension, respectively. Signed by Governor Pritzker, effective in 2022, all "downstate" public safety pension plan investments throughout the State have been consolidated. The benefits of consolidating included reducing professional service fees (i.e. actuarial, investment advisor, etc.) as well as creating economies of scale and permitting greater returns on the pooled funds. However, for example, the Village public safety pension boards remain responsible for administering pension benefits as well as managing other tasks such as disability hearings and mandatory reporting requirements.

The Village also provides pension benefits for eligible non-public-safety employees. These benefits are provided through a state-wide plan managed by the Illinois Municipal Retirement Fund (IMRF) Board. This plan invests all participant funds on a pooled basis, thus increasing investment returns from economies of scale. However, employer participant accounts are maintained by IMRF separately and employer contribution rates are determined by IMRF on an annual basis. The Village therefore has no discretion in the amount or percentage of payroll it must contribute. Employees participating in IMRF are also required to contribute 4.50% of their annual pensionable salary pursuant to State statute.

OTHER INFORMATION

Awards. 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 Northbrook for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR), whose contents conform to program standards. Such an ACFR 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 our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

Acknowledgments. The timely preparation and submission of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department and the assistance of our auditing firm, Lauterbach and Amen, LLP. We also appreciate the members of Village departments that have assisted and contributed to preparing the Financial Report. Recognition is also given to the Village Board, whose dedication and financial stewardship is a consistent influence contributing to the financial success of the Village.

Respectfully submitted,



Cara Pavlicek
Village Manager



Iwona Petryszak
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Northbrook
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2022

Christopher P. Monell

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

September 26, 2023

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Northbrook, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and required pension and other post-employment benefit (OPEB) schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Village of Northbrook, Illinois
September 26, 2023

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Northbrook, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 September 26, 2023, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

Our discussion and analysis of the Village of Northbrook's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2023. Please read it in conjunction with the transmittal letter, located in the introductory section of this report and the Village's financial statements, included in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Village's net position increased from \$20.7 million to \$25.6 million as a result of substantially higher revenues. FY 2022/23 expenses were \$5.8 million lower than the \$69.5 million generated in tax and other revenues for governmental programs. Charges for Services and other revenues for business-type activities were \$14.0 million while expenses were \$14.9 million, generating a decrease in net position of \$903,000.
- The General Fund reported a surplus for the year of \$5.9 million. The second installment collected under the American Rescue Act accounting for about \$2.2 million while the balance was largely attributable to savings realized on the expense side. All three expenditure categories including General Government, Public Safety, and Highways/Streets had annual costs well below the final amended budget. The largest portion of savings resulted from vacancies throughout the operating departments and thus, a reduced cost expended on salaries and corresponding benefits.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village of Northbrook as a whole and present a longer-term view of the Village's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operation in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

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

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) or from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, finance, information services, public safety, highways and streets, and development and planning. The business-type activities of the Village include waterworks, sewerage, storm water management, parking operations and senior housing.

The Village includes one separate legal entity in its report, the Northbrook Public Library. Although legally separate, this “component unit” is important because the Village is financially accountable for it. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the Village’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Village maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Pension Contribution Fund, and Infrastructure Capital Projects Fund, all of which are considered major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

USING THIS ANNUAL REPORT - Continued

Governmental Funds - Continued

The Village adopts an annual budget for all funds except the Traffic Impact Fund, the Pension Contribution Fund, and the Tax Increment Financing Fund. A budgetary comparison schedule for all other funds has been provided to demonstrate compliance with the budget.

Proprietary Funds

The Village maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

The Village utilizes enterprise funds to account for its waterworks and sewerage, storm water management, senior housing and parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions.

The Village uses an internal service fund to account for its insurance program. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements 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 Water Fund, Sanitary Sewer Fund, Stormwater Utility Fund, and Senior Housing Fund, all of which are considered to be major funds of the Village. The Parking Fund is reported as a non-major fund.

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 use for fiduciary funds is much like that used for proprietary funds.

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.

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by \$25.6 million.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Other Assets	\$ 82,446,486	81,448,487	15,882,574	22,155,971	98,329,060	103,604,458
Capital Assets	95,196,602	97,971,455	75,547,174	74,716,986	170,743,776	172,688,441
Total Assets	177,643,088	179,419,942	91,429,748	96,872,957	269,072,836	276,292,899
Deferred Outflows	24,249,094	13,890,423	2,108,992	744,799	26,358,086	14,635,222
Total Assets/Deferred Outflows	201,892,182	193,310,365	93,538,740	97,617,756	295,430,922	290,928,121
Long-Term Liabilities	181,118,120	170,484,972	46,880,334	48,295,961	227,998,454	218,780,933
Other Liabilities	14,509,834	13,712,676	4,806,888	4,653,236	19,316,722	18,365,912
Total Liabilities	195,627,954	184,197,648	51,687,222	52,949,197	247,315,176	237,146,845
Deferred Inflows	22,048,198	30,738,542	441,313	2,354,978	22,489,511	33,093,520
Total Liabilities/Deferred Inflows	217,676,152	214,936,190	52,128,535	55,304,175	269,804,687	270,240,365
Net Position						
Net Investment in Capital Assets	52,972,264	52,965,456	32,051,482	28,945,331	85,023,746	81,910,787
Restricted	2,974,152	3,725,623	—	—	2,974,152	3,725,623
Unrestricted (Deficit)	(71,730,386)	(78,316,904)	9,358,723	13,368,250	(62,371,663)	(64,948,654)
Total Net Position	(15,783,970)	(21,625,825)	41,410,205	42,313,581	25,626,235	20,687,756

Net position was \$25.6 million in FY 2022/23, an increase of \$4.9 million. Of the Village's net position, \$85.0 million was net investment in capital assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional \$3.0 million of the Village's net position represents resources that are subject to external restrictions on how they may be used. Unrestricted net position was negative \$62.4 million. The negative net position is due to incorporation of GASB Statement No. 68, which includes about \$117.8 million of net pension liability and GASB Statement No. 75, causing \$6.5 million of OPEB liability in the financial statements.

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 10,358,097	9,589,389	12,867,132	13,539,711	23,225,229	23,129,100
Capital Grants/Contributions	—	—	629,876	398,163	629,876	398,163
Operating Grants/Contributions	1,914,316	2,379,186	119,673	84,756	2,033,989	2,463,942
General Revenues						
Property Taxes	23,521,343	23,902,215	—	—	23,521,343	23,902,215
Sales Taxes	17,669,155	17,626,963	—	—	17,669,155	17,626,963
State Income Taxes	5,489,231	5,299,126	—	—	5,489,231	5,299,126
Telecommunication Taxes	1,240,109	1,518,028	—	—	1,240,109	1,518,028
Utility Taxes	1,179,879	1,118,645	—	—	1,179,879	1,118,645
Other Taxes	3,663,802	2,961,363	—	—	3,663,802	2,961,363
Other General Revenues	4,484,451	2,652,986	336,252	101,270	4,820,703	2,754,256
Total Revenues	69,520,383	67,047,901	13,952,933	14,123,900	83,473,316	81,171,801
Expenses						
General Government	6,595,373	2,224,190	—	—	6,595,373	2,224,190
Public Safety	42,590,015	36,286,376	—	—	42,590,015	36,286,376
Public Works	12,356,841	10,134,848	—	—	12,356,841	10,134,848
Interest on Long-Term Debt	2,136,299	2,311,580	—	—	2,136,299	2,311,580
Water	—	—	9,338,819	8,357,942	9,338,819	8,357,942
Sewer	—	—	2,080,248	2,000,422	2,080,248	2,000,422
Storm Water	—	—	2,310,443	2,344,544	2,310,443	2,344,544
Senior Housing	—	—	989,090	854,387	989,090	854,387
Parking Facilities	—	—	137,709	146,010	137,709	146,010
Total Expenses	63,678,528	50,956,994	14,856,309	13,703,305	78,534,837	64,660,299
Change in Net Position before Transfers	5,841,855	16,090,907	(903,376)	420,595	4,938,479	16,511,502
Transfers-Internal Balances	—	(390,000)	—	390,000	—	—
Increase (Decrease) in Net Position	5,841,855	15,700,907	(903,376)	810,595	4,938,479	16,511,502
Net Position-Beginning	(21,625,825)	(37,326,732)	42,313,581	41,502,986	20,687,756	4,176,254
Net Position-Ending	(15,783,970)	(21,625,825)	41,410,205	42,313,581	25,626,235	20,687,756

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position of the Village's governmental activities increased by \$5.8 million (negative \$15.8 million compared to negative \$21.6 million) and unrestricted net position of the Village's governmental activities was negative \$71.7 million. The negative net position is entirely attributable to the incorporation of GASB Statement No. 68 and GASB Statement No. 75. The General Fund reported an operating surplus of \$5.9 million for the fiscal year ending April 30, 2023 mainly due to significantly higher revenues from ARPA funds, sales taxes, income taxes and replacement taxes.

Net position of business-type activities decreased 2.1% from the prior year (\$41.4 million compared to \$42.3 million). The Village generally can only use this net position to finance the continuing operations of the waterworks, sewerage, storm water, senior housing and parking operations.

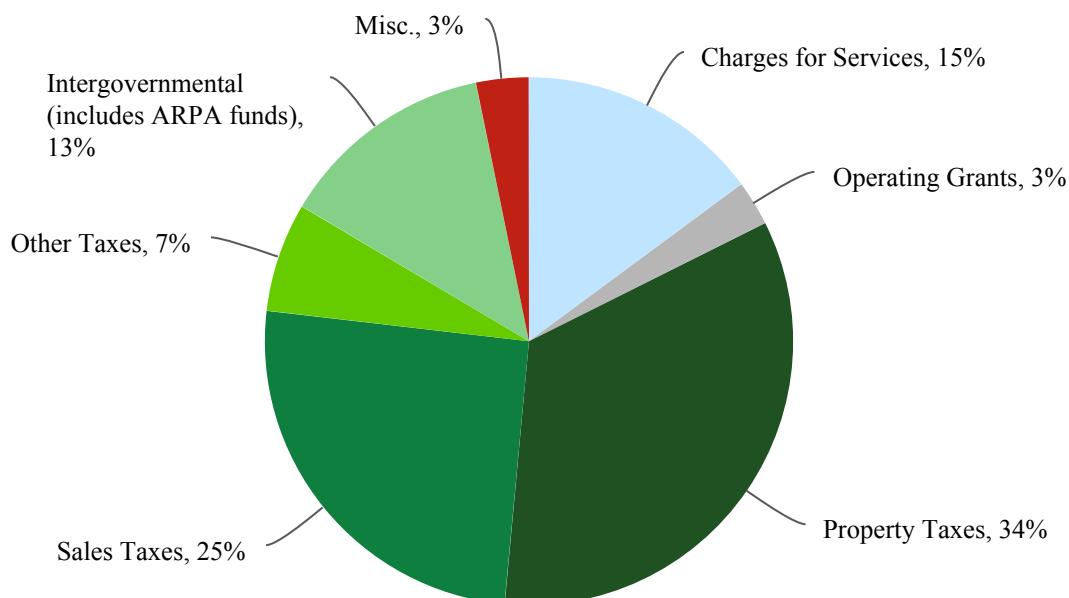
Total revenues and cost of all programs and services were comparable to prior fiscal year.

Governmental Activities

Revenues for governmental activities were \$69.5 million, while total expenses were \$63.7 million. Revenues increased by 3.7% from prior year due to ARPA funds and higher sales taxes, income taxes and replacement taxes, business permits, ambulance fees and investment income. Expenses increased by 25.0% from prior year due to changes in the net pension liabilities and deferred items for the Village.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance not only on property taxes but also on sales taxes to fund governmental activities. It also clearly identifies the minor percentage the Village receives from other governments.

Revenues by Source - Governmental Activities



VILLAGE OF NORTHBROOK, ILLINOIS

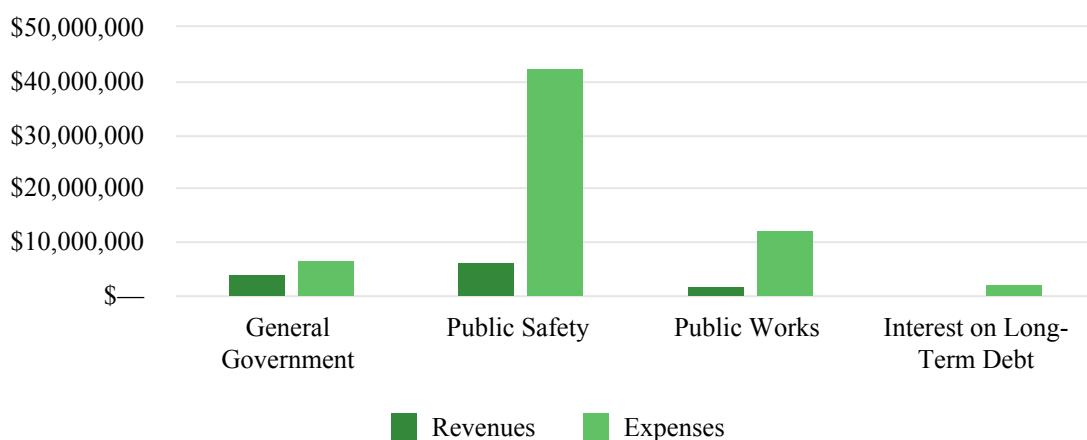
Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

Expenses and Program Revenues - Governmental Activities

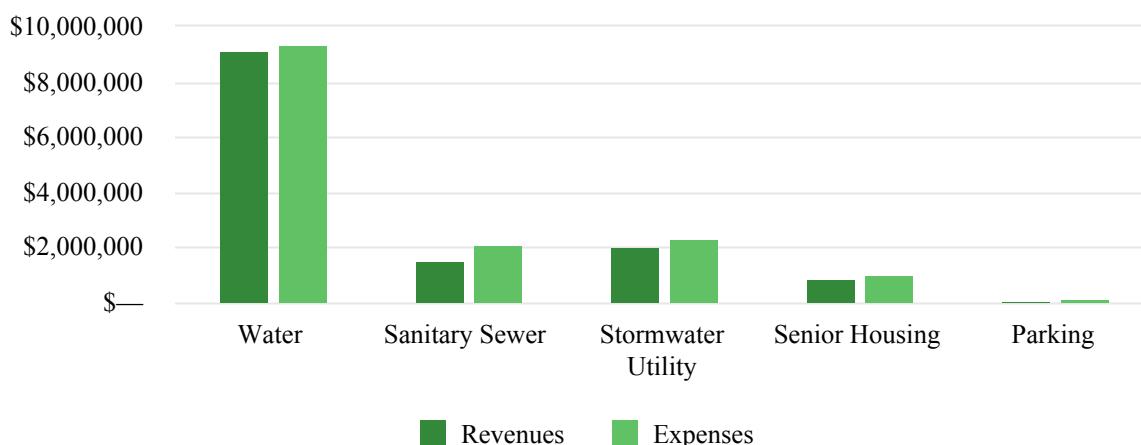


The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. Clearly public safety and public works expenses far exceed any directly allocated revenues.

Business-Type Activities

Expenses from business type activities increased by 8.4% while revenues decreased by 1.2%. The increase in expenses is attributable to timing of capital replacements and improvements. The decrease in revenues is attributable to lower water usage.

Expenses and Program Revenues - Business-Type Activities



VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities - Continued

The previous graph compares program revenues to expenses for the Village's enterprise operations. The FY 2022/23 budget projected deficits for the Sanitary Sewer and Stormwater Utility Funds mainly due to timing of capital replacements and improvements, and the related bond proceeds. User fees for services were under budget for both funds due to lower than expected usage.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village 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. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of \$51.0 million, which is 13.1% higher than last year's total of \$45.1 million. This increase is primarily due to significantly higher revenues from ARPA funds, sales taxes, income taxes, replacement taxes, business permits, ambulance fees and investment income.

Unassigned General Fund Balance experienced an increase of \$7.0 million or 30.3%.

The General Fund revenues were \$3.9 million, or 7.8%, higher than expected, attributable to significantly higher revenues from income taxes, replacement taxes, business permits, ambulance fees, and investment income. Expenditures before Transfers Out were \$2.7 million or 5.4% under amended budget. This decrease is mostly attributable to salary savings from temporary vacancies and turnover, and timing of capital expenditures.

The Debt Service Fund reported a modest decrease of \$11,623 for the year.

The Infrastructure Capital Projects Fund reported a decrease in fund balance of \$177,390. This decrease was due to timing of capital replacements and improvements, and the related bond proceeds. The Village did not issue bonds in the current year to fund capital projects. In addition, revenues increased due to higher sales taxes, grant revenue and investment income.

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the Water, Sanitary Sewer, Stormwater Utility, and Senior Housing Funds as major proprietary funds.

The Water Fund accounts for all of the operations of the municipal water system. The Village is the only municipality in Illinois that is not on the lakefront but pumps its' own water directly from Lake Michigan. Many years ago, the Village constructed a pipeline directly to the lake by purchasing various rights- of- way.

The Village intends to run the Water Fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of major maintenance expenditures and water consumption. Customers are billed at a rate of \$5.88 per thousand gallons of water used. The current fiscal year experienced a surplus of \$20,484.

The Sanitary Sewer Fund accounts for all operations of the Village's sanitary sewer system. Customers are billed at a rate of \$1.26 per thousand gallons of water used. This fund experienced a deficit of \$560,208 for the current year.

The Stormwater Utility Fund is used to account for the maintenance and construction of the Village's storm water management system. All activities necessary to provide these services are accounted for in this fund, including, but not limited to, operation, maintenance and repair, construction, and related debt service. Customers are billed at a rate of \$1.00 per thousand gallons of water used. This fund experienced a deficit of \$274,856 for the current year.

The Senior Housing Fund accounts for all operations of Crestwood Place, a senior housing apartment complex owned by the Village. Day-to-day operations are handled by a management company. Since the Village owns the buildings, we have been able to keep rents low and still allow this fund to entirely cover its' cost of operations. This fund experienced a deficit of \$28,030 for the current year.

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2023 was \$170.7 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, land improvements, vehicles, machinery and equipment, roads, sidewalks, storm sewers, and bridges.

	Capital Assets - Net of Depreciation (in Millions)					
	Governmental		Business-type			
	Activities		Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 40,087,223	40,087,223	1,674,404	1,674,404	41,761,627	41,761,627
Construction in Progress	—	—	1,124,463	1,974,362	1,124,463	1,974,362
Land Improvements	—	—	1,227,908	1,253,435	1,227,908	1,253,435
Buildings	8,442,400	8,747,621	9,555,214	9,071,709	17,997,614	17,819,330
Equipment and Vehicles	4,337,325	4,585,294	4,082,530	4,341,320	8,419,855	8,926,614
Infrastructure	42,329,654	44,551,317	57,882,655	56,401,756	100,212,309	100,953,073
 Total	 95,196,602	 97,971,455	 75,547,174	 74,716,986	 170,743,776	 172,688,441

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

Debt Administration

At year-end, the Village had total outstanding bonded debt of \$105.29 million as compared to \$112.57 million the previous year. The following is a comparative statement of outstanding debt:

	General Obligation Bonds (in Millions)					
	Governmental		Business-type			
	Activities		Activities		Total	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 59,794,643	63,915,997	45,490,358	48,649,004	105,285,001	112,565,001

VILLAGE OF NORTHBROOK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Debt Administration - Continued

The Village maintains an AAA rating from Standard & Poor's and an Aaa rating from Moody's for general obligation debt. The rating from Moody's has not changed in twenty seven years. The Village first sought a rating from Standard & Poor's in November 2000 and was awarded the AAA rating at that time. As a home-rule unit, no legal limit exists on the amount of debt that can be outstanding. Additional information on the Village's long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS

The Village ended the fiscal year April 30, 2023 in significantly better financial condition than the prior year. The General Fund which is the main cost center for all service operations of the village including police, fire, public works, development & planning, as well as several administrative departments ended the year with approximately \$5.9 million in surplus which accrued to existing fund balance resulting in ending General Fund reserves slightly over \$31 million. While a portion of this surplus was attributable to the receipt of the second installment distribution under the American Rescue Plan Act, other variables contributed as well including cost savings from various position vacancies. The Village has established that 70% of the surplus in excess of the General Fund-Fund Balance Policy will be transferred into the Facility Capital Projects Fund in anticipation of future expenses associated with the Fire Station 11, Police Station, and Public Works Fleet Maintenance Garage facilities projects. The remaining surplus in excess of the Fund Balance Policy is directed to Capital replacement programs and/or retirement of existing debt.

Due to its diversified property tax base of which 33% is commercial/industrial, a relatively high overall equalized assessed valuation of \$2.6 billion, significant per capita sales tax revenue generation, and a strong per capita income tax base compared to other municipalities in and around the City of Chicago as well as on a national scale, Northbrook is considered one of the most financially sound communities in Illinois as well as the nation as evidenced by its triple A rating by S&P and Moody's.

Despite admirable financial metrics, Northbrook does have issues which are being addressed, primarily its sizable general obligation debt balances currently exceeding \$100 million as well as a public safety pension plan unfunded liability in the range of 42-47%. However, these debt balances are quite manageable and pursuant to State statute, the Village will contribute adequate funding into both the Police and Firefighters' pensions to obtain a 90% funding status by the year 2040.

Finally, while Northbrook continues to maintain a strong and diversified retail tax base, it has been dented by the deterioration of its regionally well-known Northbrook Court. It is the Village's intent to revitalize this area with a highly regarded developer utilizing a tax increment financing district.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Northbrook's finances for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Chief Financial Officer, Village of Northbrook, 1225 Cedar Lane, Northbrook, IL 60062.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements

 Governmental Funds

 Proprietary Funds

 Fiduciary Funds

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

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Net Position

April 30, 2023

See Following Page

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Net Position

April 30, 2023

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Totals	Unit
				Public Library
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 59,954,246	13,364,177	73,318,423	16,786,386
Receivables - Net of Allowances	15,721,466	2,518,397	18,239,863	4,736,323
Due from Other Governments	2,348,960	—	2,348,960	—
Prepays	4,421,814	—	4,421,814	401,266
Total Current Assets	82,446,486	15,882,574	98,329,060	21,923,975
Noncurrent Assets				
Capital Assets				
Nondepreciable	40,087,223	2,798,867	42,886,090	205,624
Depreciable	144,004,131	172,384,094	316,388,225	34,143,875
Accumulated Depreciation	(88,894,752)	(99,635,787)	(188,530,539)	(18,111,777)
Total Noncurrent Assets	95,196,602	75,547,174	170,743,776	16,237,722
Total Assets	177,643,088	91,429,748	269,072,836	38,161,697
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	7,704,609	2,049,054	9,753,663	3,021,182
Deferred Items - Police Pension	5,294,200	—	5,294,200	—
Deferred Items - Firefighters' Pension	9,834,975	—	9,834,975	—
Deferred Items - RBP	451,736	59,938	511,674	22,526
Loss on Refunding	963,574	—	963,574	—
Total Deferred Outflows of Resources	24,249,094	2,108,992	26,358,086	3,043,708
Total Assets and Deferred Outflows of Resources	201,892,182	93,538,740	295,430,922	41,205,405

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

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Public Library
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 980,108	654,855	1,634,963	437,599
Retainage Payable	—	14,433	14,433	—
Accrued Payroll and Related	958,946	114,103	1,073,049	36,071
Accrued Interest Payable	858,597	640,222	1,498,819	145,566
Deposits Payable	6,566,172	47,116	6,613,288	—
Due to Other Governments	498,648	—	498,648	—
Current Portion of Long-Term Debt	4,647,363	3,336,159	7,983,522	469,733
Total Current Liabilities	14,509,834	4,806,888	19,316,722	1,088,969
Noncurrent Liabilities				
Compensated Absences Payable	1,308,922	153,163	1,462,085	187,839
Net Pension Liability - IMRF	8,589,883	2,284,493	10,874,376	3,368,322
Net Pension Liability - Police Pension	49,527,229	—	49,527,229	—
Net Pension Liability - Firefighters' Pension	57,370,386	—	57,370,386	—
Total OPEB Liability - RBP	5,763,363	764,710	6,528,073	208,782
TIF Note Payable	1,002,668	—	1,002,668	—
General Obligation Bonds Payable - Net	57,555,669	43,677,968	101,233,637	8,856,748
Total Noncurrent Liabilities	181,118,120	46,880,334	227,998,454	12,621,691
Total Liabilities	195,627,954	51,687,222	247,315,176	13,710,660
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	17,252,495	—	17,252,495	9,405,030
Deferred Items - IMRF	159,649	42,458	202,107	62,602
Deferred Items - Police Pension	1,149,987	—	1,149,987	—
Deferred Items - Firefighters' Pension	480,025	—	480,025	—
Deferred Items - RBP	3,006,042	398,855	3,404,897	256,045
Total Deferred Inflows of Resources	22,048,198	441,313	22,489,511	9,723,677
Total Liabilities and Deferred Inflows of Resources	217,676,152	52,128,535	269,804,687	23,434,337
NET POSITION				
Net Investment in Capital Assets	52,972,264	32,051,482	85,023,746	6,958,201
Restricted				
Public Safety	321,061	—	321,061	—
Tax Increment Financing	1,469,368	—	1,469,368	—
Perpetual Care - Nonexpendable	365,480	—	365,480	—
Pension Contribution	23	—	23	—
Affordable Housing	453,881	—	453,881	—
Capital Projects	364,339	—	364,339	—
Public Library	—	—	—	711,161
Unrestricted (Deficit)	(71,730,386)	9,358,723	(62,371,663)	10,101,706
Total Net Position	(15,783,970)	41,410,205	25,626,235	17,771,068

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

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2023

	Program Revenues		
	Expenses	Charges for Services	Operating Grants/ Contributions
			Capital Grants/ Contributions
Governmental Activities			
General Government	\$ 6,595,373	4,128,771	—
Public Safety	42,590,015	6,229,326	140,042
Highways and Streets	12,356,841	—	1,774,274
Interest on Long-Term Debt	2,136,299	—	—
Total Governmental Activities	63,678,528	10,358,097	1,914,316
Business-Type Activities			
Water	9,338,819	9,008,541	119,673
Sanitary Sewer	2,080,248	1,509,931	—
Stormwater Utility	2,310,443	1,378,452	629,876
Senior Housing	989,090	895,367	—
Parking	137,709	74,841	—
Total Business-Type Activities	14,856,309	12,867,132	119,673
Total Primary Government	78,534,837	23,225,229	2,033,989
Component Unit - Public Library	9,303,543	44,220	97,128

General Revenues
Taxes
Property Taxes
Use Taxes
Auto Rental Taxes
Utility Taxes
Telecommunication Taxes
Admissions and Entertainment Taxes
Hotel Occupancy Taxes
Intergovernmental - Unrestricted
Sales Taxes
State Income Taxes
Replacement Taxes
Unrestricted Grants
Investment Income
Miscellaneous
Transfers - Internal Balances
Total General Revenues
Change in Net Position
Net Position - Beginning
Net Position - Ending

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

Net (Expenses)/Revenues			
Primary Government		Component Unit	
Governmental Activities	Business-Type Activities	Totals	Public Library
(2,466,602)	—	(2,466,602)	—
(36,220,647)	—	(36,220,647)	—
(10,582,567)	—	(10,582,567)	—
(2,136,299)	—	(2,136,299)	—
(51,406,115)	—	(51,406,115)	—
—	(210,605)	(210,605)	—
—	(570,317)	(570,317)	—
—	(302,115)	(302,115)	—
—	(93,723)	(93,723)	—
—	(62,868)	(62,868)	—
—	(1,239,628)	(1,239,628)	—
(51,406,115)	(1,239,628)	(52,645,743)	—
—	—	—	(9,162,195)
23,521,343	—	23,521,343	8,966,385
1,498,571	—	1,498,571	—
16,401	—	16,401	—
1,179,879	—	1,179,879	—
1,240,109	—	1,240,109	—
62,203	—	62,203	—
664,419	—	664,419	—
17,669,155	—	17,669,155	—
5,489,231	—	5,489,231	—
1,422,208	—	1,422,208	459,160
2,242,539	—	2,242,539	—
1,820,715	336,252	2,156,967	58,741
421,197	—	421,197	53,952
—	—	—	—
57,247,970	336,252	57,584,222	9,538,238
5,841,855	(903,376)	4,938,479	376,043
(21,625,825)	42,313,581	20,687,756	17,395,025
(15,783,970)	41,410,205	25,626,235	17,771,068

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

VILLAGE OF NORTHBROOK, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2023

General

ASSETS	
Cash and Investments	\$ 37,738,795
Receivables - Net of Allowances	
Property Taxes	4,202,920
Other Taxes	3,802,310
Accounts	900,170
Due from Other Governments	<u>2,223,823</u>
 Total Assets	<u>48,868,018</u>
LIABILITIES	
Accounts Payable	801,028
Accrued Payroll	958,946
Deposits Payable	6,358,304
Due to Other Governments	<u>—</u>
Total Liabilities	8,118,278
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	<u>8,973,425</u>
Total Liabilities and Deferred Inflows of Resources	<u>17,091,703</u>
FUND BALANCES	
Restricted	1,850,086
Committed	<u>—</u>
Assigned	<u>—</u>
Unassigned	<u>29,926,229</u>
Total Fund Balances	<u>31,776,315</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>48,868,018</u>

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

Special Revenue		Capital Projects		
Pension Contribution	Debt Service	Infrastructure Capital Projects	Nonmajor	Totals
23	2,221,031	11,793,021	7,410,168	59,163,038
4,640,266	1,908,872	—	—	10,752,058
—	—	266,928	—	4,069,238
—	—	—	—	900,170
—	—	125,137	—	2,348,960
4,640,289	4,129,903	12,185,086	7,410,168	77,233,464
—	—	82,333	39,115	922,476
—	—	—	—	958,946
—	—	—	207,868	6,566,172
498,648	—	—	—	498,648
498,648	—	82,333	246,983	8,946,242
4,141,618	4,137,452	—	—	17,252,495
4,640,266	4,137,452	82,333	246,983	26,198,737
23	—	3,633,203	2,288,729	7,772,041
—	—	—	110,479	110,479
—	—	8,469,550	4,763,977	13,233,527
—	(7,549)	—	—	29,918,680
23	(7,549)	12,102,753	7,163,185	51,034,727
4,640,289	4,129,903	12,185,086	7,410,168	77,233,464

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

VILLAGE OF NORTHBROOK, ILLINOIS

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

April 30, 2023

Total Governmental Fund Balances	\$ 51,034,727
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	95,196,602
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Deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Deferred Items - IMRF	7,544,960
Deferred Items - Police Pension	4,144,213
Deferred Items - Firefighters' Pension	9,354,950
Deferred Items - RBP	(2,554,306)

Internal Service Funds are used by the Village to charge the costs of vehicle and equipment management and employee compensated absences to individual funds.

The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	5,155,390
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.
--

Compensated Absences Payable	(1,636,153)
Net Pension Liability - IMRF	(8,589,883)
Net Pension Liability - Police Pension	(49,527,229)
Net Pension Liability - Firefighters' Pension	(57,370,386)
Total OPEB Liability - RBP	(5,763,363)
General Obligation Bonds Payable - Net	(60,912,227)
TIF Note Payable	(1,002,668)
Accrued Interest Payable	<u>(858,597)</u>

Net Position of Governmental Activities	<u><u>(15,783,970)</u></u>
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VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2023

See Following Page

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2023

	<u>General</u>
Revenues	
Taxes	\$ 12,557,586
Intergovernmental	26,555,958
Licenses and Permits	6,360,720
Charges for Services	6,409,543
Fines and Forfeitures	266,424
Investment Income	1,199,253
Miscellaneous	394,208
Total Revenues	<u>53,743,692</u>
Expenditures	
General Government	8,996,087
Public Safety	30,752,782
Highways and Streets	8,081,353
Debt Service	—
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>47,830,222</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	<u>5,913,470</u>
Other Financing Sources (Uses)	
Transfers In	—
Transfers Out	—
Net Change in Fund Balances	5,913,470
Fund Balances - Beginning	<u>25,862,845</u>
Fund Balances - Ending	<u>31,776,315</u>

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

Special Revenue	Capital Projects			
Pension Contribution	Debt Service	Infrastructure Capital Projects	Nonmajor	Totals
8,870,565	4,123,367	1,905,788	1,132,836	28,590,142
—	—	1,774,274	—	28,330,232
—	—	—	—	6,360,720
—	—	—	100,000	6,509,543
—	—	—	—	266,424
—	46,149	353,292	200,821	1,799,515
—	—	175	26,814	421,197
8,870,565	4,169,516	4,033,529	1,460,471	72,277,773
—	—	—	154,701	9,150,788
8,870,565	—	—	—	39,623,347
—	—	2,038,355	—	10,119,708
—	4,121,354	—	1,031,031	5,152,385
—	2,232,349	—	91,516	2,323,865
8,870,565	6,353,703	2,038,355	1,277,248	66,370,093
—	(2,184,187)	1,995,174	183,223	5,907,680
—	2,172,564	—	—	2,172,564
—	—	(2,172,564)	—	(2,172,564)
—	2,172,564	(2,172,564)	—	—
—	(11,623)	(177,390)	183,223	5,907,680
23	4,074	12,280,143	6,979,962	45,127,047
23	(7,549)	12,102,753	7,163,185	51,034,727

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

VILLAGE OF NORTHBROOK, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended April 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 5,907,680

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

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

Capital Outlays	1,549,752
Depreciation Expense	(4,324,605)

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

Change in Deferred Items - IMRF	13,352,476
Change in Deferred Items - Police Pension	3,102,680
Change in Deferred Items - Firefighters' Pension	4,478,780
Change in Deferred Items - RBP	(2,034,247)

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

Change in Compensated Absences Payable	(60,352)
Change in Net Pension Liability/(Asset) - IMRF	(14,109,998)
Change in Net Pension Liability - Police Pension	(3,446,466)
Change in Net Pension Liability - Firefighters' Pension	(6,780,924)
Change in Total OPEB Liability - RBP	2,628,825
Retirement of Debt	5,152,385
Amortization of Debt Related Items	69,659
Change in Accrued Interest Payable	117,907

Internal service funds are used by the Village to charge the costs of insurance
to individual funds. The net revenue of certain activities of internal service funds is
reported with governmental activities.

238,303

Changes in Net Position of Governmental Activities

5,841,855

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2023

See Following Page

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2023

	Water	Sanitary Sewer
ASSETS		
Current Assets		
Cash and Investments	\$ 10,452,407	156,756
Receivables - Net of Allowances	1,582,710	300,967
Accounts	—	—
Prepays	—	—
Total Current Assets	<u>12,035,117</u>	<u>457,723</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable Capital Assets	1,551,223	104,099
Depreciable Capital Assets	92,650,911	18,557,552
Accumulated Depreciation	<u>(52,845,717)</u>	<u>(13,687,758)</u>
Total Noncurrent Assets	<u>41,356,417</u>	<u>4,973,893</u>
Total Assets	<u>53,391,534</u>	<u>5,431,616</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - IMRF	1,391,437	316,461
Deferred Items - RBP	<u>45,888</u>	<u>7,614</u>
Total Deferred Outflows of Resources	<u>1,437,325</u>	<u>324,075</u>
Total Assets and Deferred Outflows of Resources	<u>54,828,859</u>	<u>5,755,691</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	550,498	18,225
Retainage Payable	—	—
Accrued Payroll	103,110	10,993
Interest Payable	320,662	55,595
Deposits Payable	—	—
Compensated Absences Payable	27,655	5,690
General Obligation Bonds Payable	<u>1,538,363</u>	<u>316,876</u>
Total Current Liabilities	<u>2,540,288</u>	<u>407,379</u>
Noncurrent Liabilities		
Compensated Absences Payable	110,618	22,759
Net Pension Liability - IMRF	1,551,315	352,823
Total OPEB Liability - RBP	585,453	97,146
General Obligation Bonds Payable	<u>21,357,440</u>	<u>3,580,751</u>
Total Noncurrent Liabilities	<u>23,604,826</u>	<u>4,053,479</u>
Total Liabilities	<u>26,145,114</u>	<u>4,460,858</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Items - IMRF	28,832	6,557
Deferred Items - RBP	<u>305,359</u>	<u>50,669</u>
Total Deferred Inflows of Resources	<u>334,191</u>	<u>57,226</u>
Total Liabilities and Deferred Inflows of Resources	<u>26,479,305</u>	<u>4,518,084</u>
NET POSITION		
Net Investment in Capital Assets	20,755,773	1,306,266
Unrestricted (Deficit)	<u>7,593,781</u>	<u>(68,659)</u>
Total Net Position	<u>28,349,554</u>	<u>1,237,607</u>

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

Business-Type Activities - Enterprise Funds				Governmental Activities
Senior Housing	Stormwater Utility	Nonmajor Parking	Totals	Internal Service
1,959,336	742,154	53,524	13,364,177	791,208
—	634,720	—	2,518,397	—
—	—	—	—	4,421,814
1,959,336	1,376,874	53,524	15,882,574	5,213,022
308,732	65,393	769,420	2,798,867	—
7,352,091	52,206,870	1,616,670	172,384,094	—
(4,420,303)	(27,260,865)	(1,421,144)	(99,635,787)	—
3,240,520	25,011,398	964,946	75,547,174	—
5,199,856	26,388,272	1,018,470	91,429,748	5,213,022
—	341,156	—	2,049,054	—
—	6,436	—	59,938	—
—	347,592	—	2,108,992	—
5,199,856	26,735,864	1,018,470	93,538,740	5,213,022
36,539	48,853	740	654,855	57,632
—	14,433	—	14,433	—
—	—	—	114,103	—
17,125	246,840	—	640,222	—
47,116	—	—	47,116	—
—	4,946	—	38,291	—
50,000	1,392,629	—	3,297,868	—
150,780	1,707,701	740	4,806,888	57,632
—	19,786	—	153,163	—
—	380,355	—	2,284,493	—
—	82,111	—	764,710	—
1,366,253	17,373,524	—	43,677,968	—
1,366,253	17,855,776	—	46,880,334	—
1,517,033	19,563,477	740	51,687,222	57,632
—	7,069	—	42,458	—
—	42,827	—	398,855	—
—	49,896	—	441,313	—
1,517,033	19,613,373	740	52,128,535	57,632
2,469,053	6,555,444	964,946	32,051,482	—
1,213,770	567,047	52,784	9,358,723	5,155,390
3,682,823	7,122,491	1,017,730	41,410,205	5,155,390

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

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2023

	Water	Sanitary Sewer
Operating Revenues		
Charges for Services	\$ 9,008,541	1,509,931
Interfund Services	—	—
Total Operating Revenues	<u>9,008,541</u>	<u>1,509,931</u>
Operating Expenses		
Administration	2,129,150	639,640
Operations	4,628,081	1,046,375
Depreciation and Amortization	1,773,841	252,669
Total Operating Expenses	<u>8,531,072</u>	<u>1,938,684</u>
Operating Income (Loss)	<u>477,469</u>	<u>(428,753)</u>
Nonoperating Revenues (Expenses)		
Investment Income	231,089	10,109
Permits/Connection/Recapture Fees	119,673	—
Other Income	—	—
Interest Expense	(807,747)	(141,564)
	<u>(456,985)</u>	<u>(131,455)</u>
Income (Loss) Before Grants	20,484	(560,208)
Capital Grants	—	—
Change in Net Position	20,484	(560,208)
Net Position - Beginning	<u>28,329,070</u>	<u>1,797,815</u>
Net Position - Ending	<u>28,349,554</u>	<u>1,237,607</u>

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

Business-Type Activities - Enterprise Funds				Governmental Activities
Senior Housing	Stormwater Utility	Nonmajor Parking	Totals	Internal Service
895,367	1,378,452	74,841	12,867,132	1,683,718
—	—	—	—	7,299,155
895,367	1,378,452	74,841	12,867,132	8,982,873
159,730	137,940	50,440	3,116,900	4,090
648,643	797,558	51,689	7,172,346	8,902,008
136,914	757,435	35,580	2,956,439	—
945,287	1,692,933	137,709	13,245,685	8,906,098
(49,920)	(314,481)	(62,868)	(378,553)	76,775
65,693	27,259	2,102	336,252	21,200
—	—	—	119,673	—
—	—	—	—	140,328
(43,803)	(617,510)	—	(1,610,624)	—
21,890	(590,251)	2,102	(1,154,699)	161,528
(28,030)	(904,732)	(60,766)	(1,533,252)	238,303
—	629,876	—	629,876	—
(28,030)	(274,856)	(60,766)	(903,376)	238,303
3,710,853	7,397,347	1,078,496	42,313,581	4,917,087
3,682,823	7,122,491	1,017,730	41,410,205	5,155,390

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

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2023

	Water	Sanitary Sewer
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 9,194,078	1,509,525
Receipts from Interfund Services	—	—
Payments to Employees	(1,570,025)	(371,613)
Payments to Suppliers	<u>(4,840,763)</u>	<u>(1,314,145)</u>
	<u>2,783,290</u>	<u>(176,233)</u>
Cash Flows from Noncapital Financing Activities		
Transfers In	—	—
Transfers Out	—	—
	<u>—</u>	<u>—</u>
Cash Flows from Capital and Related Financing Activities		
Purchase of Capital Assets	(2,627,972)	—
Issuance of Capital Debt	—	—
Principal Paid on General Obligation Bonds	(1,463,670)	(304,524)
Interest Paid on General Obligation Bonds	<u>(807,747)</u>	<u>(141,564)</u>
	<u>(4,899,389)</u>	<u>(446,088)</u>
Cash Flows from Investing Activities		
Interest Received	<u>231,089</u>	<u>10,109</u>
Net Change in Cash and Cash Equivalents	<u>(1,885,010)</u>	<u>(612,212)</u>
Cash and Cash Equivalents - Beginning	<u>12,337,417</u>	<u>768,968</u>
Cash and Cash Equivalents - Ending	<u>10,452,407</u>	<u>156,756</u>
	<u>—</u>	<u>—</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	477,469	(428,753)
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:		
Other Nonoperating Revenues	119,673	—
Depreciation and Amortization Expense	1,773,841	252,669
Other Expenses - IMRF and RBP	163,039	29,709
(Increase) Decrease in Current Assets	65,864	(406)
Increase (Decrease) in Current Liabilities	<u>183,404</u>	<u>(29,452)</u>
Net Cash Provided by Operating Activities	<u>2,783,290</u>	<u>(176,233)</u>

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

Business-Type Activities - Enterprise Funds				Governmental Activities
Senior Housing	Stormwater Utility	Nonmajor Parking	Totals	Internal Service
895,367	1,004,491	74,841	12,678,302	—
—	—	—	—	9,520,253
—	(479,778)	—	(2,421,416)	—
(862,396)	106,472	(101,711)	(7,012,543)	(8,897,304)
32,971	631,185	(26,870)	3,244,343	622,949
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
(644,876)	(649,940)	—	(3,922,788)	—
—	—	—	—	—
(40,000)	(1,350,452)	—	(3,158,646)	—
(43,803)	(617,510)	—	(1,610,624)	—
(728,679)	(2,617,902)	—	(8,692,058)	—
65,693	27,259	2,102	336,252	21,200
(630,015)	(1,959,458)	(24,768)	(5,111,463)	644,149
2,589,351	2,701,612	78,292	18,475,640	147,059
1,959,336	742,154	53,524	13,364,177	791,208
(49,920)	(314,481)	(62,868)	(378,553)	76,775
—	—	—	—	—
136,914	757,435	35,580	2,956,439	140,328
—	659,310	—	852,058	—
—	(373,961)	—	(308,503)	397,052
(54,023)	(97,118)	418	3,229	8,794
32,971	631,185	(26,870)	3,244,343	622,949

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

VILLAGE OF NORTHBROOK, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2023

Pension
Trust

ASSETS

Cash and Cash Equivalents	\$ 5,451,446
Investments	
Illinois Funds	2,091,003
Illinois Police Pension Investment Fund	62,915,365
Illinois Firefighters' Pension Investment Fund	62,218,145
Due from Other Governments	<u>502,703</u>
Total Assets	133,178,662

LIABILITIES

Accounts Payable	<u>280</u>
Net Position Restricted for Pensions	<u>133,178,382</u>

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

VILLAGE OF NORTHBROOK, ILLINOIS

**Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2023**

	Pension Trust
Additions	
Contributions - Employer	\$ 9,668,431
Contributions - Plan Members	1,496,290
Total Contributions	<u>11,164,721</u>
Investment Income	
Interest Earned	214,486
Net Change in Fair Value	668,384
	<u>882,870</u>
Less Investment Expenses	(115,013)
Net Investment Income	<u>767,857</u>
Total Additions	<u>11,932,578</u>
Deductions	
Administration	91,377
Benefits and Refunds	12,012,891
Total Deductions	<u>12,104,268</u>
Change in Fiduciary Net Position	(171,690)
Net Position Restricted for Pensions	
Beginning	<u>133,350,072</u>
Ending	<u>133,178,382</u>

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Northbrook (the Village), Illinois, incorporated in 1901, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, building code enforcement, public improvements, economic development, planning and zoning, water and sanitary sewer services, parking system services, senior housing services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP in the United States). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP in the United States for state and local governments through its pronouncements (Statements and Interpretations).

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Northbrook
Discretely Presented Component Unit:	Northbrook Public Library

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

Police Pension Employees Retirement System

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

REPORTING ENTITY - Continued

Firefighters' Pension Employees Retirement System

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

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 but do not meet the criteria for blending.

Northbrook Public Library

The Northbrook Public Library (the Library) operates and maintains the Village's public library facilities. The Library's Board is elected by the voters of the Village. The Library may not issue bonded debt, and its annual budget and property tax levy are subject to the Village Board's approval. A financial benefit/burden relationship exists between the Village and the Library. Separate audited financial statements as of April 30, 2023 are available from the Library's administrative office at 1201 Cedar Lane, Northbrook, Illinois 60062.

BASIS OF PRESENTATION

Government-Wide Financial Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's public safety, highway and streets, and general administrative services are classified as governmental activities. The Village's water services, sanitary sewer services, stormwater utility services, parking services, and senior housing services are classified as business-type activities.

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Financial Statements - Continued

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

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

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

Fund Financial Statements

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

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

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Pension Contribution Fund, which accounts for the Village's employer contribution to the police and firefighters' pension funds. Funding comes from a restricted annual property tax levy. The Village also maintains three nonmajor special revenue funds.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and accumulates monies for the payment of general obligation debt, with financing provided by the annual tax levy.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains one major capital projects fund, the Infrastructure Capital Projects Fund, which accounts for infrastructure improvements including streets and storm water. The Village also maintains one nonmajor capital projects fund.

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs, that is, for the benefit of the Village or its citizenry.

Proprietary Funds

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

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains four major enterprise funds: Water, Sanitary Sewer, Senior Housing and Stormwater Utility Funds. The Water Fund accounts for the provision of potable water services to the residents of the Village. The Sanitary Sewer Fund accounts for the provision of sewer repair and improvement services to the resident of the Village. The Senior Housing Fund accounts for the provision of housing to the residents of the Village-owned apartment complex. The Stormwater Utility fund accounts for the maintenance and construction of the Village's storm water management system. The Village also maintains one nonmajor enterprise fund.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Proprietary Funds - Continued

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund. The Insurance Fund accounts for the Village's workers' compensation, employee health insurance and property and casualty losses, as well as excess insurance purchased to cover major losses. The Village's internal service fund is presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service fund are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, highways and streets, etc.).

Fiduciary Funds

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

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

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus - Continued

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

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

Basis of Accounting

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

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

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

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

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Cash and Investments

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

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

Interfund Receivables, Payables and Activity

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

Receivables

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

Prepays

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$50,000 to \$250,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets - Continued

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

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

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

Land Improvements	20 Years
Buildings	40 - 50 Years
Equipment and Vehicles	5 - 10 Years
System Mains, Lines and Appurtenances	15 - 50 Years
Infrastructure	15 - 50 Years

Compensated Absences

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

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

Deferred Outflows/Inflows of Resources

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. All departments of the Village submit requests for budgets to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function, department and object, and includes information on the past two years, current year estimates, and requested budgets for the next fiscal year. The proposed budget is presented to the Village Board for review. The Board of Trustees holds public hearings and may add to, subtract from, or change budgeted amounts. The Board of Trustees then adopts a management budget for budgetary control purposes.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

BUDGETARY INFORMATION - Continued

The manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body. The Village does not adopt an annual budget for the Pension Contribution Fund, the Traffic Impact Fund, and the Tax Increment Financing Fund.

Expenditures may not legally exceed budgeted appropriations at the fund level. Appropriations lapse at the end of the fiscal year. During the year budget transfers were necessary.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Debt Service	\$ 905
Cemetery	8,096
Stormwater Utility	340,849
Police Pension	179,478
Firefighters' Pension	145,565

DEFICIT FUND BALANCE

The following funds had deficit fund balance as of the date of this report:

Fund	Deficit
Debt Service	\$ 7,549

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$23,181,270 and the bank balances totaled \$16,501,535. In addition, the Village had \$50,137,169 invested in the Illinois Funds at year-end, are measured at the net asset value per share determined by the pool.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the investment portfolio shall be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. The Village's investment policy further states that unless matched directly to a specific cash flow, the Village will not invest in securities maturing more than two years from date of purchase. Reserve funds may be invested in securities exceeding two years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds. The investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy further states that investments shall be limited to the safest types of securities. At year-end, the Village's investment in the Illinois Funds was rated AAA by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that any deposit in excess of the FDIC limits shall be secured by some form of collateral, witnessed by a written agreement, and held at an independent, third-party institution in the name of the Village.

The Village will accept any of the following types of securities as collateral: U.S. Government securities, obligations of federal agencies, obligations of federal instrumentalities, obligations of the State of Illinois, municipal bonds with a rating of Aa or higher. Pledged collateral will be held in safekeeping by a depository designated by the Village and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of pledged assets without the approval of the Village. At year-end, the entire bank balance of deposits was covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year-end, the Village's investment in the Illinois Fund are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that funds shall be diversified to the best of its ability based upon the type of investments and the cash flow needs of the respective funds. Specifically, the following limits shall apply:

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

- a. No financial institution shall hold more than 50% of the Village's investment portfolio, exclusive of U.S. government securities held in safekeeping.
- b. Funds deposited in financial institutions shall not exceed 25% of the deposits of that institution.
- c. Commercial paper shall not exceed 33% of the Village's investment portfolio.

At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension 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. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund 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, which can be obtained from IFPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org. The Fund transferred all eligible assets to the Investment Fund on March 2022.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$2,442,042 and the bank balances totaled \$2,330,486. In addition, the Fund has \$1,691,631 invested in Illinois Funds, with a maturity of less than one year.

Custodial Credit Risk. The Fund's investment policy states that some form of collateral shall secure all deposits in excess of FDIC limits. Direct investments guaranteed by the United States Government do not require collateral. The Fund shall accept any of the following securities as collateral: negotiable full-faith and credit obligations of the United States Government and negotiable obligations of any agency or instrumentality of the United States Government. The amount of collateral provided will not be less than 110% of the fair market value of the net amount of funds secured. Pledged collateral will be held in safekeeping and evidenced by a safekeeping agreement. All investments of the Fund shall be clearly held and accounted for to indicate ownership by the Board. The Fund will direct the registration of securities in its own name or in the name of a nominee created for the express purpose of registration of securities by a state bank, national bank or trust company authorized to do business in the State of Illinois. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's Federal Home Loan Bank Securities, Federal National Mortgage Securities, Government National Mortgage Securities and State and Local Bonds are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds is not subject to custodial credit risk.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

Investments. At year-end the Fund has \$62,915,365 invested in IPOPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

Investment Policy. IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

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 5.22%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF 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. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ipif.org. The Fund transferred all eligible assets to the IFPIF on November 1, 2021.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$3,009,404 and the bank balances totaled \$2,932,779. In addition, the Fund has \$399,372 invested in Illinois Funds, with a maturity of less than one year.

Custodial Credit Risk. The Fund's investment policy states that collateral is required for demand deposits and certificates of deposit at one hundred ten percent (110%) of all deposits not covered by federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States of America and its agencies. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's U.S. Treasury Securities, Federal Home Loan Bank and Mortgage Securities, Federal National Mortgage Securities, Government National Mortgage Securities, and State and Local Securities are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds is not subject to custodial credit risk.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Firefighters' Pension Fund - Continued

Investments. At year-end the Fund has \$62,218,145 invested in IFPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org.

Investment Policy. IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

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 6.20%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and September 1. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	Infrastructure Capital Projects	\$ 2,172,564

Transfers are used to move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 40,087,223	—	—	40,087,223
Depreciable Capital Assets				
Buildings	20,248,535	103,975	—	20,352,510
Equipment and Vehicles	14,404,217	339,004	—	14,743,221
Infrastructure	107,801,627	1,106,773	—	108,908,400
	<u>142,454,379</u>	<u>1,549,752</u>	<u>—</u>	<u>144,004,131</u>
Less Accumulated Depreciation				
Buildings	11,500,914	409,196	—	11,910,110
Equipment and Vehicles	9,818,923	586,973	—	10,405,896
Infrastructure	63,250,310	3,328,436	—	66,578,746
	<u>84,570,147</u>	<u>4,324,605</u>	<u>—</u>	<u>88,894,752</u>
Total Net Depreciable Capital Assets	<u>57,884,232</u>	<u>(2,774,853)</u>	<u>—</u>	<u>55,109,379</u>
Total Net Capital Assets	<u>97,971,455</u>	<u>(2,774,853)</u>	<u>—</u>	<u>95,196,602</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 138,590
Public Safety	623,853
Highways and Streets	<u>3,562,162</u>
	<u>4,324,605</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,674,404	—	—	1,674,404
Construction in Progress	1,974,362	465,446	1,315,345	1,124,463
	<u>3,648,766</u>	<u>465,446</u>	<u>1315345</u>	<u>2,798,867</u>
Depreciable Capital Assets				
Land Improvements	2,901,540	—	—	2,901,540
Buildings	23,534,636	914,443	—	24,449,079
Equipment and Vehicles	17,498,359	—	—	17,498,359
System Mains, Lines and Appurtenances	123,768,609	3,858,244	91,737	127,535,116
	<u>167,703,144</u>	<u>4,772,687</u>	<u>91,737</u>	<u>172,384,094</u>
Less Accumulated Depreciation				
Land Improvements	1,648,105	25,527	—	1,673,632
Buildings	14,462,927	430,938	—	14,893,865
Equipment and Vehicles	13,157,039	258,790	—	13,415,829
System Mains, Lines and Appurtenances	67,366,853	2,377,345	91,737	69,652,461
	<u>96,634,924</u>	<u>3,092,600</u>	<u>91,737</u>	<u>99,635,787</u>
Total Other Capital Assets	71,068,220	1,680,087	—	72,748,307
Total Capital Assets	<u>74,716,986</u>	<u>2,145,533</u>	<u>1,315,345</u>	<u>75,547,174</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 1,831,484
Sanitary Sewer	277,163
Senior Housing	143,928
Stormwater Utility	804,446
Revenue Parking	<u>35,579</u>
	<u>3,092,600</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Component Unit - Public Library

Component Unit - Public Library capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 35,000	—	—	35,000
Construction in Progress	61,955	135,124	33,155	163,924
Artwork	6,700	—	—	6,700
	103,655	135,124	33,155	205,624
Depreciable Capital Assets				
Buildings and Improvements	26,090,826	24,934	9,900	26,105,860
Land Improvements	241,162	—	—	241,162
Computer Equipment	574,387	86,782	66,438	594,731
Office and Other Equipment	829,627	3,973	15,897	817,703
Furniture and Shelving	1,335,200	4,610	10,088	1,329,722
Books and Other Library Materials	5,121,255	650,638	717,196	5,054,697
	34,192,457	770,937	819,519	34,143,875
Less Accumulated Depreciation				
Buildings and Improvements	12,680,640	706,400	9,900	13,377,140
Land Improvements	42,868	8,518	—	51,386
Computer Equipment	511,185	48,500	66,438	493,247
Office and Other Equipment	393,864	63,328	15,480	441,712
Furniture and Shelving	891,791	34,157	7,263	918,685
Books and Other Library Materials	2,891,364	655,439	717,196	2,829,607
	17,411,712	1,516,342	816,277	18,111,777
Total Other Capital Assets	16,780,745	(745,405)	3,242	16,032,098
Total Capital Assets	16,884,400	(610,281)	36,397	16,237,722

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirement	Ending Balances
Taxable General Obligation Refunding Bonds of 2012B (\$7,770,000), due in annual installments of \$120,000 to \$2,278,423 plus interest at 1.75% to 2.00% through December 1, 2027.	Debt Service Stormwater Utility	\$ 425,341 339,660	— —	66,720 53,280	358,621 286,380
	Infrastructure	4,020,918	—	207,293	3,813,625
General Obligation Bonds of 2013A (\$9,355,000), due in annual installments of \$295,000 to \$620,000 plus interest at 3.00% to 4.50% through December 1, 2036.	Debt Service Water Sanitary Sewer Stormwater Utility	915,858 955,917 455,198 732,109	— — — —	47,216 49,281 23,467 37,743	868,642 906,636 431,731 694,366
General Obligation Bonds of 2014A (\$25,315,000), due in annual installments of \$325,000 to \$2,595,000 plus interest at 3.00% to 5.00% through December 1, 2028.	Debt Service Water Sanitary Sewer Stormwater Utility	10,976,000 2,822,400 1,254,400 627,200	— — — —	1,435,000 369,000 164,000 82,000	9,541,000 2,453,400 1,090,400 545,200
General Obligation Refunding Bonds of 2015A (\$15,395,000), due in annual installments of \$360,000 to \$1,405,000 plus interest at 0.45% to 3.90% through December 1, 2034.	Debt Service	14,250,000	—	360,000	13,890,000

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds - Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2015B (\$13,470,000), due in annual installments of \$775,000 to \$1,175,000 plus interest at 3.00% to 4.00% through December 1, 2035.	Debt Service Water Sanitary Sewer Stormwater Utility	\$ 3,219,330 6,317,430 902,490 3,030,750	— — — —	185,225 363,475 51,925 174,375	3,034,105 5,953,955 850,565 2,856,375
General Obligation Bonds of 2016A (\$20,350,000), due in annual installments of \$710,000 to \$1,285,000 plus interest at 2.00% to 3.50% through December 1, 2036.	Debt Service Water Sanitary Sewer Stormwater Utility	5,212,800 1,002,955 155,784 9,893,461	— — — —	454,400 87,614 13,632 864,354	4,758,400 915,341 142,152 9,029,107
General Obligation Bonds of 2018A (\$17,655,000), due in annual installments of \$190,000 to \$1,330,000 plus interest at 3.00% to 4.00% through December 1, 2037.	Debt Service Water Sanitary Sewer Stormwater Utility	5,755,750 6,742,450 822,250 3,124,550	— — — —	255,500 299,300 36,500 138,700	5,500,250 6,443,150 785,750 2,985,850
General Obligation Bonds of 2018B (\$8,425,000), due in annual installments of \$75,000 to \$645,000 plus interest at 2.00% to 3.90% through December 1, 2037.	Debt Service	8,125,000	—	400,000	7,725,000

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation Bonds - Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2019 (\$9,430,000), due in annual installments of \$300,000 to \$680,000 plus interest at 3.00% to 5.00% through December 1, 2038.	Debt Service Water Sanitary Sewer Stormwater Utility	3,180,000 3,235,000 130,000 1,800,000	— — — —	355,000 215,000 5,000 —	2,825,000 3,020,000 125,000 1,800,000
General Obligation Refunding Bonds of 2020 (\$2,025,000), due in annual installments of \$155,000 to \$187,000, plus interest at 1.35% through December 1, 2032.	Debt Service	1,870,000	—	155,000	1,715,000
General Obligation Refunding Bonds of 2021 (\$10,270,000), due in annual installments of \$170,000 to \$770,000, plus interest at 2.00% to 5.00% through December 1, 2040.	Debt Service Water Sanitary Sewer Senior Housing	5,965,000 2,665,000 310,000 — 1,330,000	— — — — —	200,000 80,000 10,000 40,000	5,765,000 2,585,000 300,000 1,290,000
		112,565,001	—	7,280,000	105,285,001
Plus/Less Unamortized Items:					
Premium on General Obligation Bonds - Governmental Activities					2,081,158
Premium on General Obligation Bonds - Business-Type Activities					1,485,478
					<u>108,851,637</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

TIF Notes Payable

Tax increment financing notes currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Financing Note of 2017	Tax Increment Financing	\$ 2,033,699	—	1,031,031	1,002,668

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,575,801	120,704	60,352	1,636,153	327,231
Net Pension Liability/(Asset)					
IMRF	(5,520,115)	14,109,998	—	8,589,883	—
Police Pension	46,080,763	3,446,466	—	49,527,229	—
Firefighters' Pension	50,589,462	6,780,924	—	57,370,386	—
Total OPEB Liability - RBP	8,392,188	—	2,628,825	5,763,363	—
TIF Note Payable	2,033,699	—	1,031,031	1,002,668	—
General Obligation Bonds	63,915,997	—	4,121,354	59,794,643	4,320,132
Plus: Unamortized Premium on Debt Issuance	2,333,576	—	252,418	2,081,158	—
	169,401,371	24,458,092	8,093,980	185,765,483	4,647,363

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity - Continued

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 205,452	13,998	27,996	191,454	38,291
Net Pension Liability/(Asset) - IMRF	(1,470,437)	3,754,930	—	2,284,493	—
Total OPEB Liability - RBP	1,019,600	—	254,890	764,710	—
General Obligation Bonds	48,649,004	—	3,158,646	45,490,358	3,297,868
Plus: Unamortized Premium on Debt Issuance	1,621,641	—	136,163	1,485,478	—
	<u>50,025,260</u>	<u>3,768,928</u>	<u>3,577,695</u>	<u>50,216,493</u>	<u>3,336,159</u>
Component Unit - Public Library					
Compensated Absences	\$ 218,964	31,670	15,835	234,799	46,960
Net Pension Liability/(Asset) - IMRF	(2,011,717)	5,380,039	—	3,368,322	—
Total OPEB Liability - RBP	245,481	—	36,699	208,782	—
General Obligation Bonds	9,365,000	—	390,000	8,975,000	410,000
Plus: Unamortized Premium on Debt Issuance	316,639	—	12,118	304,521	12,773
	<u>8,134,367</u>	<u>5,411,709</u>	<u>454,652</u>	<u>13,091,424</u>	<u>469,733</u>

For governmental activities, the compensated absences, the net pension liabilities, and the total OPEB liability are liquidated by the General Fund. The Debt Service and Infrastructure Funds make payments on the general obligation bonds. The Tax Increment Financing Fund makes payments on the TIF Note Payable as property taxes are received.

For business-type activities, the compensated absences and the net pension liability are being liquidated by the Water, Sanitary Sewer, and Stormwater Utility Funds. The Water, Sanitary Sewer, Senior Housing, and Stormwater Utility Funds make payments on the total OPEB liability and on the general obligation bonds.

The Northbrook Public Library discretely presented component unit makes payments on the Library compensated absences, net pension liability, total OPEB liability, and general obligation bonds.

The Village has deferred the accounting gains/losses and premiums/discounts from the advanced refunding issues. The governmental activities are amortizing \$2,081,158 and \$963,574 for the deferred premium and loss, respectively. The business-type activities are amortizing \$1,485,478 for the deferred premium. These deferred items are being amortized over the remaining life of the bonds.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities		Business-Type Activities		Library	
	General Obligation		General Obligation		General Obligation	
	Bonds	Principal	Bonds	Principal	Bonds	Principal
2024	\$ 4,320,132	2,156,800	3,297,868	1,413,268	410,000	350,900
2025	4,475,807	1,978,238	3,010,193	1,290,660	425,000	333,350
2026	4,654,739	1,801,971	3,138,261	1,173,704	445,000	315,150
2027	4,825,487	1,632,003	3,265,513	1,058,426	465,000	296,100
2028	5,001,644	1,456,096	3,386,357	943,917	480,000	276,150
2029	4,841,852	1,290,713	3,272,148	839,037	505,000	255,600
2030	3,765,081	1,124,307	2,869,919	745,076	520,000	236,850
2031	3,838,496	987,220	2,802,504	663,285	540,000	217,500
2032	3,975,257	844,166	2,901,743	582,807	560,000	196,425
2033	4,119,822	710,452	2,987,178	498,601	585,000	173,550
2034	3,968,484	570,215	3,071,516	411,697	610,000	149,625
2035	4,105,676	428,715	3,179,324	319,285	635,000	124,650
2036	2,561,673	281,556	3,268,327	223,449	660,000	98,701
2037	2,368,020	190,207	2,446,980	121,448	685,000	71,624
2038	1,565,500	105,202	1,434,500	47,116	715,000	43,500
2039	460,000	51,400	585,000	10,700	735,000	22,050
2040	470,000	37,100	280,000	1,000	—	—
2041	476,973	22,500	293,027	600	—	—
Totals	59,794,643	15,668,861	45,490,358	10,344,076	8,975,000	3,161,725

The Tax Increment Financing Note of 2017 does not have a formal repayment schedule, since the payments are based on property taxes received in the current fiscal year.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin

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

NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets was comprised of the following as of April 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 95,196,602
Plus:	
Unspent Bond Proceeds	4,797,889
Less Capital Related Debt:	
Taxable General Obligation Refunding Bonds of 2012B	(358,621)
General Obligation Bonds of 2013A	(4,682,267)
General Obligation Bonds of 2014A	(9,541,000)
General Obligation Bonds of 2015B	(3,034,105)
General Obligation Bonds of 2016A	(4,758,400)
General Obligation Bonds of 2018A	(5,500,250)
General Obligation Bonds of 2018B	(7,725,000)
General Obligation Bonds of 2019	(2,825,000)
General Obligation Bonds of 2020	(1,715,000)
General Obligation Bonds of 2021	(5,765,000)
Premium on Debt Issuance	(2,081,158)
Loss on Advanced Refunding	<u>963,574</u>
Net Investment in Capital Assets	<u>52,972,264</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET INVESTMENT IN CAPITAL ASSETS - Continued

Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 75,547,174
Plus: Unspent Bond Proceeds	3,480,144
Less Capital Related Debt:	
Taxable General Obligation Refunding Bonds of 2012B	(286,380)
General Obligation Bonds of 2013A	(2,032,733)
General Obligation Bonds of 2014A	(4,089,000)
General Obligation Bonds of 2015B	(9,660,895)
General Obligation Bonds of 2016A	(10,086,600)
General Obligation Bonds of 2018A	(10,214,750)
General Obligation Bonds of 2019	(4,945,000)
General Obligation Bonds of 2021	(4,175,000)
Premium on Debt Issuance	<u>(1,485,478)</u>
Net Investment in Capital Assets	<u>32,051,482</u>

FUND BALANCE CLASSIFICATIONS

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

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

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

Minimum Fund Balance Policy. The Village's policy states that the General Fund should maintain a minimum unassigned fund balance equal to 40% of revenues.

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

	General	Special Revenue		Capital Projects			Totals		
		Pension	Debt Contribution	Service	Infrastructure	Nonmajor			
Fund Balances									
Restricted									
Public Safety	\$ 321,061	—	—	—	—	—	321,061		
Capital Projects	1,529,025	—	—	3,633,203	—	—	5,162,228		
Tax Increment Financing	—	—	—	—	1,469,368	1,469,368			
Perpetual Care Cemetery	—	—	—	—	365,480	365,480			
Pension Contribution	—	23	—	—	—	—	23		
Affordable Housing	—	—	—	—	453,881	453,881			
	1,850,086	23	—	3,633,203	2,288,729	7,772,041			
Committed									
Traffic Impact	—	—	—	—	110,479	110,479			
Assigned									
Capital Projects	—	—	—	8,469,550	4,763,977	13,233,527			
Unassigned	29,926,229	—	(7,549)	—	—	—	29,918,680		
Total Fund Balances	31,776,315	23	(7,549)	12,102,753	7,163,185	51,034,727			

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION

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; natural disasters; and injuries to the Village's employees. These risks are provided for through a limited insurance program and private insurance coverage. The Village currently reports all its risk management activities in its insurance fund.

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Intergovernmental Risk Management Agency (IRMA)

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

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. The Village assumed the first \$10,000 for the calendar year 2021, and \$25,000 for the calendar year 2022, of each occurrence. IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Deferred Compensation Plan

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

Litigation

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

Grants

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

COMMITMENTS

Sales Tax Agreements

The Village has an agreement with an automobile dealership based upon sales tax revenue generated and paid by this dealership during the calendar year. The Village will remit 50% of sales tax revenue paid by this dealership. The agreement expires when total payments to the dealership are \$1,500,000. For the year ended April 30, 2023, the Village will rebate \$80,916 of sales tax to this business. Cumulative payments through April 30, 2023 are \$379,859.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 1225 Cedar Lane, Northbrook, IL 60062-4582.

IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expenses/ (Revenues)	Net Pension Liabilities	Deferred Outflows	Deferred Inflows
IMRF				
Village	\$ 2,061,932	10,874,376	9,753,663	202,107
Library	644,495	3,368,322	3,021,182	62,602
Police Pension	5,029,632	49,527,229	5,294,200	1,149,987
Firefighters' Pension	7,284,729	57,370,386	9,834,975	480,025
	15,020,788	121,140,313	27,904.02	1,894,721

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	269
Inactive Plan Members Entitled to but not yet Receiving Benefits	131
Active Plan Members	<u>223</u>
Total	<u><u>623</u></u> *

*The employees in the above table include the Northbrook Public Library.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2023, the Village's contribution was 9.21% of covered payroll and the Library's contribution was 9.15% of covered payroll.

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

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate

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

Discount Rate Sensitivity

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

		Current Discount Rate (7.25%)	1% Decrease (6.25%)	1% Increase (8.25%)
Village	\$ 20,572,693	10,874,376		3,085,798
Library	6,372,360	3,368,322		955,821
Net Pension Liability	26,945,053	14,242,698		4,041,619

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Village	Library	Totals
Total Pension Liability			
Service Cost	\$ 1,075,489	333,131	1,408,620
Interest	5,919,427	1,679,938	7,599,365
Differences Between Expected and Actual Experience	1,371,308	424,760	1,796,068
Change of Assumptions	—	—	—
Benefit Payments, Including Refunds of Member Contributions	(5,163,420)	(1,599,361)	(6,762,781)
Net Change in Total Pension Liability	3,202,804	838,468	4,041,272
Total Pension Liability - Beginning	87,698,117	21,990,769	109,688,886
 Total Pension Liability - Ending	 90,900,921	 22,829,237	 113,730,158
 Plan Fiduciary Net Position			
Contributions - Employer	1,205,542	373,415	1,578,957
Contributions - Members	606,420	187,837	794,257
Net Investment Income	(11,896,562)	(3,684,942)	(15,581,504)
Benefit Payments, Including Refunds of Member Contributions	(5,163,420)	(1,599,361)	(6,762,781)
Other (Net Transfer)	585,896	181,480	767,376
Net Change in Plan Fiduciary Net Position	(14,662,124)	(4,541,571)	(19,203,695)
Plan Net Position - Beginning	94,688,669	24,002,486	118,691,155
 Plan Net Position - Ending	 80,026,545	 19,460,915	 99,487,460
 Employer's Net Pension Liability	 10,874,376	 3,368,322	 14,242,698

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

For the fiscal year ended April 30, 2023, the Village recognized pension expense of \$2,061,932 and the Northbrook Public Library recognized pension expense of \$644,495. At April 30, 2023, the Village and Northbrook Public Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

	Village		Library		Totals
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference Between Expected and Actual Experience	\$ 2,649,541	—	820,691	—	3,470,232
Change in Assumptions	—	(202,107)	—	(62,602)	(264,709)
Net Difference Between Projected and Actual	<u>6,756,177</u>	—	<u>2,092,716</u>	—	<u>8,848,893</u>
Total Pension Expense to be Recognized in Future Periods	9,405,718	(202,107)	2,913,407	(62,602)	12,054,416
Pension Contributions Made Subsequent to the Measurement Date	347,945	—	107,775	—	455,720
Total Deferred Amounts Related to IMRF	<u>9,753,663</u>	<u>(202,107)</u>	<u>3,021,182</u>	<u>(62,602)</u>	<u>12,510,136</u>

\$455,720 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2024.

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

Fiscal Year	Net Deferred Outflows of Resources		
	Village	Library	Totals
2024	\$ 787,290	243,862	1,031,152
2024	2,085,313	645,922	2,731,235
2025	2,636,047	816,512	3,452,559
2026	3,694,961	1,144,509	4,839,470
2027	—	—	—
Thereafter	—	—	—
Totals	<u>9,203,611</u>	<u>2,850,805</u>	<u>12,054,416</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

Plan Membership. At April 30, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	72
Inactive Plan Members Entitled to but not yet Receiving Benefits	6
Active Plan Members	<u>67</u>
Total	<u><u>145</u></u>

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent 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 Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2023, the Village's contribution was 60.64% of covered payroll.

Concentrations. At year-end, the Pension Plan does not have any investments over 5 percent of the net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	Projected by years of service
Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010 base rates projected to 2022 with scale MP2021.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 65,075,742	49,527,229	36,762,498

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 113,535,768	67,455,005	46,080,763
Changes for the Year:			
Service Cost	1,874,352	—	1,874,352
Interest on the Total Pension Liability	7,686,100	—	7,686,100
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual			
Experience of the Total Pension Liability	325,984	—	325,984
Changes of Assumptions	(603,155)	—	(603,155)
Contributions - Employer	—	4,685,846	(4,685,846)
Contributions - Employees	—	760,017	(760,017)
Contributions - Others	—	—	—
Net Investment Income	—	423,680	(423,680)
Benefit Payments, Including Refunds			
of Employee Contributions	(6,030,975)	(6,030,975)	—
Other (Net Transfer)	—	(32,728)	32,728
Net Changes	3,252,306	(194,160)	3,446,466
Balances at April 30, 2023	116,788,074	67,260,845	49,527,229

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the year ended April 30, 2023, the Village recognized pension expense of \$5,029,632. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,440,436	(111,751)	1,328,685
Change in Assumptions	1,124,599	(1,038,236)	86,363
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,729,165	—	2,729,165
 Total Deferred Amounts Related to Police Pension	 5,294,200	 (1,149,987)	 4,144,213

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

Fiscal Year	Outflows/ (Inflows) of Resources
2024	\$ 716,532
2025	(90,591)
2026	2,535,550
2027	1,003,113
2028	(20,391)
Thereafter	—
Total	<u>4,144,213</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan

Plan Descriptions

Plan Administration. The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At April 30, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	78
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>71</u>
Total	<u><u>157</u></u>

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Plan Descriptions - Continued

Benefits Provided - Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the 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 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2023, the Village's contribution was 61.92% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	Projected by years of service
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010 base rates projected to 2022 with scale MP2021.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, the same as the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Discount Rate Sensitivity

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

	Current		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 73,919,182	57,370,386	43,780,275

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 116,484,529	65,895,067	50,589,462
Changes for the Year:			
Service Cost	2,036,031	—	2,036,031
Interest on the Total Pension Liability	7,868,452	—	7,868,452
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	706,581	—	706,581
Changes of Assumptions	2,174,246	—	2,174,246
Contributions - Employer	—	4,982,585	(4,982,585)
Contributions - Employees	—	736,273	(736,273)
Contributions - Other	—	—	—
Net Investment Income	—	344,177	(344,177)
Benefit Payments, Including Refunds of Employee Contributions	(5,981,916)	(5,981,916)	—
Other (Net Transfer)	—	(58,649)	58,649
Net Changes	6,803,394	22,470	6,780,924
Balances at April 30, 2023	123,287,923	65,917,537	57,370,386

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

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

For the year ended April 30, 2023, the Village recognized pension expense of \$7,284,729. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 3,553,999	—	3,553,999
Change in Assumptions	2,511,729	(480,025)	2,031,704
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,769,247	—	3,769,247
 Total Deferred Amounts Related to Firefighters' Pension	 9,834,975	 (480,025)	 9,354,950

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

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 2,089,042
2025	1,242,516
2026	3,832,453
2027	1,796,537
2028	394,402
Thereafter	
Total	<u>9,354,950</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides medical coverage to retirees and their dependents. Retirees and their dependents may continue coverage by paying 100% of the blended average active group cost. Coverage ends at age 65 for disabled employees or once retirees are eligible for Medicare.

Plan Membership. As of April 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	30
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>228</u>
Total	<u><u>258</u></u>

Total OPEB Liability

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

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

Inflation	3.50%
Salary Increases	3.50%
Discount Rate	3.77%
Healthcare Cost Trend Rates	6.75% for 2022, decreasing 0.25% per year to an ultimate rate of 4.50% for 2030 and later years
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on the expected rate of return associated with funded benefits, and for unfunded benefits, the 20-year muni bond rates.

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued. Mortality rates were based on the PubS-2010 base rates projected fully generationally using scale MP2021. For all others the PubG-2010 base rates projected fully generationally using scale MP2021 was used.

Change in the Total OPEB Liability

	Total OPEB Liability
Balances at April 30, 2022	<u>9,411,788</u>
Changes for the Year:	
Service Cost	466,972
Interest on the Total OPEB Liability	303,457
Changes of Benefit Terms	
Difference Between Expected and Actual Experience	(1,840,564)
Changes of Assumptions or Other Inputs	(736,017)
Benefit Payments	<u>(1,077,563)</u>
Net Changes	<u>(2,883,715)</u>
Balances at April 30, 2023	<u>6,528,073</u>

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

The discount rate used to measure the total pension liability was 3.77%, while the prior valuation used 3.42%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	Current		
	1% Decrease	Discount Rate	1% Increase
	(2.77%)	(3.77%)	(4.77%)
Total OPEB Liability	\$ 7,043,628	6,528,073	6,046,672

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

	Healthcare Cost Trend		1% Increase (Varies)
	1% Decrease (Varies)	Rates (Varies)	
Total OPEB Liability	\$ 5,825,633	6,528,073	7,358,936

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

For the year ended April 30, 2023, the Village recognized OPEB expense of \$503,828. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ —	(2,059,392)	(2,059,392)
Change in Assumptions	511,674	(1,345,505)	(833,831)
Net Difference Between Projected and Actual Earnings	—	—	—
 Total Deferred Amounts Related to OPEB	 511,674	 (3,404,897)	 (2,893,223)

VILLAGE OF NORTHBROOK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (266,601)
2025	(266,601)
2026	(266,601)
2027	(266,601)
2028	(266,601)
Thereafter	<u>(1,560,218)</u>
Totals	<u>(2,893,223)</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

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

VILLAGE OF NORTHBROOK, ILLINOIS

Illinois Municipal Retirement Fund
Schedule of Employer Contributions
April 30, 2023

Fiscal Year		Contributions in Relation to the Actuarially Determined Contribution		Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
		Actuarially Determined Contribution	Actuarially Determined Contribution			
2016	Totals	\$ 1,742,464	\$ 1,742,464	\$ —	\$ 14,040,804	12.41%
2017	Totals	1,736,714	1,741,800	5,086	14,005,761	12.44%
2018	Totals	1,722,897	1,719,850	(3,047)	14,501,806	11.86%
2019	Totals	1,512,977	1,514,477	1,500	13,808,244	10.97%
2020	Totals	1,587,865	1,587,865	—	15,428,825	10.29%
2021	Totals	2,861,007	3,044,232	183,225	16,890,427	18.02%
2022	Totals	1,615,029	1,625,472	10,443	15,592,044	10.43%
2023	Village	1,096,028	1,103,071	7,043	11,973,610	9.21%
	Library	339,493	339,493	—	3,708,807	9.15%
	Totals	<u>1,435,521</u>	<u>1,442,564</u>	<u>7,043</u>	<u>15,682,417</u>	<u>9.20%</u>

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

VILLAGE OF NORTHBROOK, ILLINOIS

Police Pension Fund

Schedule of Employer Contributions

April 30, 2023

Fiscal Year	Contributions in Relation to the Actuarially Determined Contribution		Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Determined Contribution			
2015	\$ 1,397,406	\$ 1,349,585	\$ (47,821)	\$ 6,259,278	21.56%
2016	1,545,370	1,591,260	45,890	6,501,228	24.48%
2017	1,803,482	1,965,874	162,392	6,689,389	29.39%
2018	2,949,665	3,338,429	388,764	6,906,794	48.34%
2019	2,998,526	3,496,247	497,721	6,983,385	50.07%
2020	3,720,671	4,077,489	356,818	7,147,985	57.04%
2021	4,125,043	3,814,549	(310,494)	7,274,335	52.44%
2022	4,432,719	4,111,263	(321,456)	7,514,598	54.71%
2023	4,300,612	4,685,846	385,234	7,726,685	60.64%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	Graded by years of service
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	PubS-2010 base rates projected to 2022 with scale MP2021

Notes:

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

The actual contributions are split between two tax levy years, due to the distribution calendar of Cook County, Illinois property taxes, while the actuarially determined contributions as noted above for each fiscal year are based on only one tax levy year.

VILLAGE OF NORTHBROOK, ILLINOIS

Firefighters' Pension Fund
Schedule of Employer Contributions
April 30, 2023

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution		Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
		Determined Contribution	Excess/ (Deficiency)			
2015	\$ 1,419,399	\$ 1,332,783	\$ (86,616)	\$ 6,514,303		20.46%
2016	1,571,442	1,565,117	(6,325)	6,790,390		23.05%
2017	1,748,845	1,880,878	132,033	7,038,056		26.72%
2018	2,814,963	3,492,984	678,021	8,454,642		41.31%
2019	3,387,070	3,707,866	320,796	7,319,853		50.65%
2020	3,960,484	4,270,347	309,863	7,452,829		57.30%
2021	4,467,941	4,120,830	(347,111)	7,561,917		54.49%
2022	4,683,879	4,382,125	(301,754)	7,451,920		58.81%
2023	4,551,281	4,982,585	431,304	8,046,827		61.92%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	Graded by years of service
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	PubS-2010 base rates projected to 2022 with scale MP2021

Notes:

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

The actual contributions are split between two tax levy years, due to the distribution calendar of Cook County, Illinois property taxes, while the actuarially determined contributions as noted above for each fiscal year are based on only one tax levy year.

VILLAGE OF NORTHBROOK, ILLINOIS

Illinois Municipal Retirement Fund

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

April 30, 2023

	12/31/2015	12/31/2016	12/31/2017
	Total	Totals	Totals
Total Pension Liability			
Service Cost	\$ 1,517,115	1,465,389	1,471,957
Interest	5,921,589	6,145,718	6,367,217
Changes in Benefit Terms		—	—
Differences Between Expected and Actual Experience	(31,568)	(730,264)	341,985
Change of Assumptions	203,074	(310,687)	(2,883,906)
Benefit Payments, Including Refunds			
of Member Contributions	(3,558,811)	(3,922,991)	(4,168,350)
Net Change in Total Pension Liability	4,051,399	2,647,165	1,128,903
Total Pension Liability - Beginning	<u>80,080,770</u>	<u>84,132,169</u>	<u>86,779,334</u>
 Total Pension Liability - Ending	 <u>84,132,169</u>	<u>86,779,334</u>	<u>87,908,237</u>
 Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,742,464	1,741,800	1,728,897
Contributions - Members	635,947	643,263	648,391
Net Investment Income	360,389	4,947,272	13,173,257
Benefit Payments, Including Refunds			
of Member Contributions	(3,558,811)	(3,922,991)	(4,168,350)
Other (Net Transfer)	134,664	37,510	(1,525,729)
Net Change in Plan Fiduciary Net Position	<u>(685,347)</u>	<u>3,446,854</u>	<u>9,856,466</u>
Plan Net Position - Beginning	<u>72,668,014</u>	<u>71,982,667</u>	<u>75,429,521</u>
 Plan Net Position - Ending	 <u>71,982,667</u>	<u>75,429,521</u>	<u>85,285,987</u>
 Employer's Net Pension Liability/(Asset)	 <u>\$ 12,149,502</u>	<u>11,349,813</u>	<u>2,622,250</u>
 Plan Fiduciary Net Position as a Percentage			
of the Total Pension Liability	85.56%	86.92%	97.02%
 Covered Payroll	 \$ 14,040,805	 14,005,761	 14,136,095
 Employer's Net Pension Liability/(Asset) as a Percentage of			
Covered Payroll	86.53%	81.04%	18.55%

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

12/31/2018	12/31/2019	12/31/2020	12/31/2021		12/31/2022	
Totals	Totals	Totals	Totals	Village	Library	Totals
1,365,108	1,492,828	1,579,956	1,442,800	1,075,489	333,131	1,408,620
6,403,605	6,990,448	7,541,202	7,265,941	5,919,427	1,679,938	7,599,365
—	—	—	—	—	—	—
1,521,338	927,307	1,474,887	3,026,422	1,371,308	424,760	1,796,068
2,586,175	—	(899,802)	—	—	—	—
(4,637,009)	(4,766,832)	(5,361,325)	(6,172,400)	(5,163,420)	(1,599,361)	(6,762,781)
7,239,217	4,643,751	4,334,918	5,562,763	3,202,804	838,468	4,041,272
87,908,237	95,147,454	99,791,205	104,126,123	87,698,117	21,990,769	109,688,886
95,147,454	99,791,205	104,126,123	109,688,886	90,900,921	22,829,237	113,730,158
1,718,698	1,469,237	1,918,365	1,809,920	1,205,542	373,415	1,578,957
661,091	688,061	737,204	715,070	606,420	187,837	794,257
(4,571,306)	15,180,322	13,717,555	17,054,457	(11,896,562)	(3,684,942)	(15,581,504)
(4,637,009)	(4,766,832)	(5,361,325)	(6,172,400)	(5,163,420)	(1,599,361)	(6,762,781)
1,878,186	535,723	503,443	326,708	585,896	181,480	767,376
(4,950,340)	13,106,511	11,515,242	13,733,755	(14,662,124)	(4,541,571)	(19,203,695)
85,285,987	80,335,647	93,442,158	104,957,400	94,688,669	24,002,486	118,691,155
80,335,647	93,442,158	104,957,400	118,691,155	80,026,545	19,460,915	99,487,460
14,811,807	6,349,047	(831,277)	(9,002,269)	10,874,376	3,368,322	14,242,698
84.43%	93.64%	100.80%	108.21 %	88.04%	85.25%	87.48%
14,692,892	15,272,736	15,749,748	14,973,459	11,776,935	3,647,888	15,424,823
100.81%	41.57%	(5.28%)	(60.12%)	92.34%	92.34%	92.34%

VILLAGE OF NORTHBROOK, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2023

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 859,722	1,181,410	1,231,694
Interest	4,969,863	5,439,935	6,258,782
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(176,001)	1,722,362	(1,269,954)
Change of Assumptions	10,847,753	7,385,822	838,321
Benefit Payments, Including Refunds of Member Contributions	(3,444,739)	(3,737,336)	(3,933,840)
Net Change in Total Pension Liability	13,056,598	11,992,193	3,125,003
Total Pension Liability - Beginning	63,845,656	76,902,254	88,894,447
Total Pension Liability - Ending	76,902,254	88,894,447	92,019,450
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,349,585	1,591,260	1,965,874
Contributions - Members	698,545	752,378	705,161
Contributions - Other	8,270	7,225	254,817
Net Investment Income	2,950,989	(1,695,870)	4,302,920
Benefit Payments, Including Refunds of Member Contributions	(3,444,739)	(3,737,336)	(3,933,840)
Administrative Expenses	(28,367)	(42,357)	(26,987)
Net Change in Plan Fiduciary Net Position	1,534,283	(3,124,700)	3,267,945
Plan Net Position - Beginning	44,306,698	45,840,981	42,716,281
Plan Net Position - Ending	45,840,981	42,716,281	45,984,226
Employer's Net Pension Liability	\$ 31,061,273	46,178,166	46,035,224
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.61%	48.05%	49.97%
Covered Payroll	\$ 6,259,278	6,501,228	6,689,389
Employer's Net Pension Liability as a Percentage of Covered Payroll	496.24%	710.30%	688.18%

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

2018	2019	2020	2021	2022	2023
1,317,913	1,458,847	1,811,753	1,875,422	1,821,355	1,874,352
6,293,068	6,403,976	6,784,816	7,104,851	7,297,001	7,686,100
—	—	96,993	—	—	—
(717,081)	5,443,091	1,344,265	(253,030)	536,946	325,984
(668,120)	(2,549,363)	(310,335)	(552,694)	1,772,429	(603,155)
<u>(4,236,937)</u>	<u>(4,657,688)</u>	<u>(5,002,170)</u>	<u>(5,218,793)</u>	<u>(5,680,197)</u>	<u>(6,030,975)</u>
1,988,843	6,098,863	4,725,322	2,955,756	5,747,534	3,252,306
92,019,450	94,008,293	100,107,156	104,832,478	107,788,234	113,535,768
<u>94,008,293</u>	<u>100,107,156</u>	<u>104,832,478</u>	<u>107,788,234</u>	<u>113,535,768</u>	<u>116,788,074</u>
3,338,429	3,496,247	4,077,489	3,814,549	4,111,263	4,685,846
701,436	716,482	741,450	809,564	731,131	760,017
—	—	129	—	100	—
4,445,111	3,141,841	1,338,989	16,905,540	(1,939,457)	423,680
<u>(4,236,937)</u>	<u>(4,657,688)</u>	<u>(5,002,170)</u>	<u>(5,218,793)</u>	<u>(5,680,197)</u>	<u>(6,030,975)</u>
(43,618)	(18,744)	(33,021)	(35,543)	(32,803)	(32,728)
4,204,421	2,678,138	1,122,866	16,275,317	(2,809,963)	(194,160)
45,984,226	50,188,647	52,866,785	53,989,651	70,264,968	67,455,005
<u>50,188,647</u>	<u>52,866,785</u>	<u>53,989,651</u>	<u>70,264,968</u>	<u>67,455,005</u>	<u>67,260,845</u>
<u>43,819,646</u>	<u>47,240,371</u>	<u>50,842,827</u>	<u>37,523,266</u>	<u>46,080,763</u>	<u>49,527,229</u>
53.39%	52.81%	51.50%	51.50%	59.41%	57.59%
6,906,794	6,983,385	7,147,985	7,274,335	7,514,598	7,726,685
634.44%	676.47%	711.29%	711.29%	613.22%	640.99%

VILLAGE OF NORTHBROOK, ILLINOIS

Firefighters' Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2023

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 1,309,525	1,499,447	1,605,351
Interest	4,781,977	5,225,638	5,906,179
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	599,853	(523,277)	397,050
Change of Assumptions	8,708,762	7,060,087	772,971
Benefit Payments, Including Refunds of Member Contributions	(3,226,287)	(3,364,422)	(3,538,561)
Net Change in Total Pension Liability	12,173,830	9,897,473	5,142,990
Total Pension Liability - Beginning	61,387,861	73,561,691	83,459,164
Total Pension Liability - Ending	73,561,691	83,459,164	88,602,154
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,332,783	1,565,117	1,880,878
Contributions - Members	704,152	631,544	691,264
Contributions - Others	—	—	215,297
Net Investment Income	3,046,217	(2,700,867)	4,334,250
Benefit Payments, Including Refunds of Member Contributions	(3,226,287)	(3,364,422)	(3,538,561)
Administrative Expenses	(63,932)	(39,690)	(48,238)
Net Change in Plan Fiduciary Net Position	1,792,933	(3,908,318)	3,534,890
Plan Net Position - Beginning	45,660,245	47,453,178	43,544,860
Plan Net Position - Ending	47,453,178	43,544,860	47,079,750
Employer's Net Pension Liability	\$ 26,108,513	39,914,304	41,522,404
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.51%	52.18%	53.14%
Covered Payroll	\$ 6,514,303	6,790,390	7,038,056
Employer's Net Pension Liability as a Percentage of Covered Payroll	400.79%	587.81%	589.97%

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

2018	2019	2020	2021	2022	2023
1,717,726	2,113,585	2,399,593	2,479,650	2,211,680	2,036,031
6,070,520	6,207,719	6,773,274	6,851,113	7,220,926	7,868,452
—	—	59,470	—	—	—
2,393,822	806,935	256,928	155,094	4,228,171	706,581
(704,211)	152,524	(723,598)	(561,729)	1,098,772	2,174,246
(3,760,880)	(4,357,815)	(4,683,417)	(5,017,779)	(5,505,698)	(5,981,916)
5,716,977	4,922,948	4,082,250	3,906,349	9,253,851	6,803,394
88,602,154	94,319,131	99,242,079	103,324,329	107,230,678	116,484,529
<u>94,319,131</u>	<u>99,242,079</u>	<u>103,324,329</u>	<u>107,230,678</u>	<u>116,484,529</u>	<u>123,287,923</u>
3,492,984	3,707,866	4,270,347	4,120,830	4,382,125	4,982,585
719,854	694,131	729,299	717,400	730,371	736,273
374	231	654	440	150	—
3,594,542	2,152,779	52,651	16,239,206	(2,894,680)	344,177
(3,760,880)	(4,357,815)	(4,580,341)	(5,017,779)	(5,505,698)	(5,981,916)
(133,327)	(169,522)	(103,076)	(191,334)	(76,465)	(58,649)
3,913,547	2,027,670	369,534	15,868,763	(3,364,197)	22,470
47,079,750	50,993,297	53,020,967	53,390,501	69,259,264	65,895,067
<u>50,993,297</u>	<u>53,020,967</u>	<u>53,390,501</u>	<u>69,259,264</u>	<u>65,895,067</u>	<u>65,917,537</u>
<u>43,325,834</u>	<u>46,221,112</u>	<u>49,933,828</u>	<u>37,971,414</u>	<u>50,589,462</u>	<u>57,370,386</u>
54.06%	53.43%	51.67%	64.59%	56.57%	53.47%
8,454,642	7,319,853	7,452,829	7,561,917	7,451,920	8,046,827
512.45%	631.45%	670.00%	502.14%	678.88%	712.96%

VILLAGE OF NORTHBROOK, ILLINOIS

Police Pension Fund

Schedule of Investment Returns

April 30, 2023

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.86%
2016	(3.76%)
2017	10.07%
2018	7.64%
2019	7.34%
2020	6.44%
2021	8.67%
2022	(1.67%)
2023	5.22%

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

VILLAGE OF NORTHBROOK, ILLINOIS

Firefighters' Pension Fund
Schedule of Investment Returns
April 30, 2023

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.84%
2016	(5.84%)
2017	9.95%
2018	6.99%
2019	6.65%
2020	5.27%
2021	7.43%
2022	(3.19%)
2023	6.20%

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

VILLAGE OF NORTHBROOK, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2023

	2019
Total OPEB Liability	
Service Cost	\$ 457,714
Interest	299,236
Changes in Benefit Terms	—
Differences Between Expected and Actual	
Experience	—
Change of Assumptions or Other Inputs	121,498
Benefit Payments	(316,463)
Net Change in Total OPEB Liability	561,985
Total OPEB Liability - Beginning	<u>7,695,667</u>
 Total OPEB Liability - Ending	 <u>8,257,652</u>
 Covered-Employee Payroll	 20,980,536
 Total OPEB Liability as a Percentage of	
Covered-Employee Payroll	39.36%

Notes:

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2019 through 2023.

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

2020	2021	2022	2023
490,868	525,342	560,379	466,972
306,550	267,200	211,578	303,457
—	1,201,626	—	—
—	(523,712)	—	(1,840,564)
668,744	36,386	(834,590)	(736,017)
(338,534)	(406,331)	(1,011,370)	(1,077,563)
1,127,628	1,100,511	(1,074,003)	(2,883,715)
8,257,652	9,385,280	10,485,791	9,411,788
<u>9,385,280</u>	<u>10,485,791</u>	<u>9,411,788</u>	<u>6,528,073</u>
20,572,727	19,828,264	20,522,253	25,864,036
45.62%	52.88%	45.86%	25.24%

VILLAGE OF NORTHBROOK, ILLINOIS

General Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ 12,720,960	12,720,960	12,557,586
Intergovernmental	24,718,365	24,718,365	26,555,958
Licenses and Permits	5,501,500	5,501,500	6,359,851
Charges for Services	6,186,140	6,186,140	6,409,543
Fines and Forfeitures	260,250	260,250	266,424
Investment Income	52,500	52,500	1,199,253
Miscellaneous	400,020	400,020	395,077
Total Revenues	49,839,735	49,839,735	53,743,692
Expenditures			
General Government	9,969,705	10,307,450	8,996,087
Public Safety	29,619,875	31,020,053	30,752,782
Highways and Streets	8,926,385	9,245,324	8,081,353
Total Expenditures	48,515,965	50,572,827	47,830,222
Net Change In Fund Balance	<u>1,323,770</u>	<u>(733,092)</u>	<u>5,913,470</u>
Fund Balance - Beginning			<u>25,862,845</u>
Fund Balance - Ending			<u>31,776,315</u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Funds
- Budgetary Comparison Schedule - Internal Service Fund
- Combining Statements - Pension Trust Funds
- Budgetary Comparison Schedules - Pension Trust Funds
- Consolidated Year-End Financial Report

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Pension Contribution Fund

The Pension Contribution Fund is used to account for the employer's contribution to the police and firefighters' pension funds.

Traffic Impact Fund

The Traffic Impact Fund is used to account for monies received from property owners in order to mitigate the effect on the Village's infrastructure caused by the development of such properties.

Tax Increment Financing (TIF) Fund

The Tax Increment Financing Fund is used to account for development in the TIF Districts. Financing is provided by an annual property tax levy.

Affordable Housing Fund

The Affordable Housing Fund is used to account for payments received in-lieu of providing affordable housing units and demolition tax to be used towards inclusionary housing measures in the Village.

DEBT SERVICE FUND

The Debt Service Fund is used account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Financing is provided by the annual tax levy.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

Infrastructure Capital Projects Fund

The Infrastructure Capital Projects Fund is used to account for infrastructure improvements including streets and storm water.

INDIVIDUAL FUND DESCRIPTIONS

CAPITAL PROJECTS FUNDS - Continued

Facility Capital Projects Fund

The Facility Capital Projects Fund is used to account and provides for financial resources for the renovation/replacement of Fire Station 11, Police Station and Public Works Fleet Maintenance Garage.

PERMANENT FUND

The Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Village's programs, that is, for the benefit of the Village or its citizenry.

Cemetery Fund

The Cemetery Fund is used to account for perpetual care trust funds to be used for the perpetual care of the Village's cemetery.

ENTERPRISE FUNDS

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

Water Fund

The Water Fund is used to account for the provision of potable water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

Sanitary Sewer Fund

The Sanitary Sewer Fund is used to account for the provision of sewer repair and improvement services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

Senior Housing Fund

The Senior Housing Fund is used to account for the provision of housing to the residents of the Village-owned apartment complex. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

INDIVIDUAL FUND DESCRIPTIONS

ENTERPRISE FUNDS - Continued

Stormwater Utility Fund

The Stormwater Utility Fund is used to account for the maintenance and construction of the Village's storm water management system. All activities necessary to provide these services are accounted for in this fund, including, but not limited to, operation, maintenance and repair, construction, and related debt service.

Parking Fund

The Parking Fund is used to account for the provision of public parking services for commuters. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

INTERNAL SERVICE FUND

The Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Insurance Fund

The Insurance Fund is used to account for the Village's workers' compensation, employee health insurance and property and casualty losses, as well as excess insurance purchased to cover major losses.

PENSION TRUST FUNDS

Police Pension Fund

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

Firefighters' Pension Fund

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

VILLAGE OF NORTHBROOK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Taxes			
Property Taxes	\$ 8,895,960	8,895,960	8,771,986
Township Road and Bridge Taxes	545,000	545,000	622,589
Utility Tax	1,000,000	1,000,000	1,179,879
Telecommunication Tax	1,600,000	1,600,000	1,240,109
Admissions and Entertainment Tax	75,000	75,000	62,203
Hotel Occupancy Tax	600,000	600,000	664,419
Municipal Auto Rental Tax	5,000	5,000	16,401
	12,720,960	12,720,960	12,557,586
Intergovernmental			
Sales Taxes	15,730,000	15,730,000	15,763,367
State Use Tax	1,320,825	1,320,825	1,498,571
State Income Tax	4,659,000	4,659,000	5,489,231
Replacement Taxes	706,000	706,000	1,422,208
Grants	60,000	60,000	140,042
ARPA Grant	2,242,540	2,242,540	2,242,539
	24,718,365	24,718,365	26,555,958
Licenses and Permits			
Licenses			
Animal	27,000	27,000	28,512
Business/Liquor	305,000	305,000	285,508
Vehicle	545,000	545,000	445,010
Permits			
Building	1,332,500	1,332,500	1,789,904
Retail Sales	1,000	1,000	650
Alarm	76,000	76,000	69,460
Fees			
Franchise	700,000	700,000	793,044
Emergency 911 Surcharge	575,000	575,000	629,894
Foreign Fire Insurance	150,000	150,000	172,337
Ambulance Transportation	1,625,000	1,625,000	1,989,719
Elevator Inspection	45,000	45,000	44,745
Alarm Service	120,000	120,000	111,068
	5,501,500	5,501,500	6,359,851

VILLAGE OF NORTHBROOK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Budget		Actual
	Original	Final	Amounts
Charges for Services			
Administrative Services	\$ 2,778,590	2,778,590	2,778,590
Plan Commission Fees	25,000	25,000	36,161
Overtime Reimbursements	65,000	65,000	78,992
State Route Maintenance Reimbursement	25,000	25,000	15,335
Reforestation Program	5,000	5,000	750
Toll Road Emergency Responses	2,000	2,000	17,500
Police Services	145,000	145,000	122,982
Annexation Fees	—	—	2,250
Antenna Lease Fee	200,000	200,000	214,504
Miscellaneous	50,500	50,500	78,854
Red Center	20,000	20,000	20,000
Northbrook Fire Protection District	2,870,050	2,870,050	3,043,625
	6,186,140	6,186,140	6,409,543
Fines and Forfeitures			
Court Fines	100,000	100,000	82,189
Drug Forfeitures	10,000	10,000	8,558
Ordinance Violations	150,250	150,250	175,677
	260,250	260,250	266,424
Investment Income	52,500	52,500	1,199,253
Miscellaneous			
Sale of Property	50,000	50,000	—
Warrant Fees	—	—	869
Miscellaneous	350,020	350,020	394,208
	400,020	400,020	395,077
Total Revenues	49,839,735	49,839,735	53,743,692

VILLAGE OF NORTHBROOK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
General Government			
General Government Department			
Personal Services	\$ 1,416,365	1,456,565	1,419,172
Contractual Services	1,724,170	1,836,485	1,558,458
Commodities	2,500	2,500	9,948
	<u>3,143,035</u>	<u>3,295,550</u>	<u>2,987,578</u>
Finance Department			
Personal Services	941,645	974,225	971,273
Contractual Services	240,950	254,615	208,395
Commodities	16,000	16,000	11,043
Capital Outlay	8,500	8,500	—
	<u>1,207,095</u>	<u>1,253,340</u>	<u>1,190,711</u>
Information Services Department			
Personal Services	996,565	1,027,445	896,043
Contractual Services	1,590,990	1,595,960	1,322,738
Commodities	500	500	746
Capital Outlay	593,680	593,680	397,060
	<u>3,181,735</u>	<u>3,217,585</u>	<u>2,616,587</u>
Development and Planning Service Department			
Personal Services	1,892,865	1,968,400	1,803,316
Contractual Services	535,975	563,575	390,906
Commodities	3,500	3,500	1,519
Capital Outlay	5,500	5,500	5,470
	<u>2,437,840</u>	<u>2,540,975</u>	<u>2,201,211</u>
Total General Government	<u>9,969,705</u>	<u>10,307,450</u>	<u>8,996,087</u>
Public Safety			
Police			
Personal Services	13,758,435	14,146,900	14,095,361
Contractual Services	1,411,910	1,552,355	1,684,313
Commodities	455,300	486,000	550,899
Capital Outlay	510,950	756,028	344,242
	<u>16,136,595</u>	<u>16,941,283</u>	<u>16,674,815</u>

VILLAGE OF NORTHBROOK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Public Safety - Continued			
Fire			
Personal Services	\$ 10,951,485	11,326,260	10,957,856
Contractual Services	1,753,205	1,878,625	2,534,254
Commodities	553,590	588,885	511,990
Capital Outlay	225,000	285,000	73,867
	<u>13,483,280</u>	<u>14,078,770</u>	<u>14,077,967</u>
Total Public Safety	29,619,875	31,020,053	30,752,782
Highways and Streets			
Public Works Department			
Personal Services	4,839,680	5,007,930	4,631,253
Contractual Services	2,030,075	2,097,595	2,017,947
Commodities	748,960	832,129	774,347
Capital Outlay	1,307,670	1,307,670	657,806
	<u>8,926,385</u>	<u>9,245,324</u>	<u>8,081,353</u>
Total Expenditures	<u>48,515,965</u>	<u>50,572,827</u>	<u>47,830,222</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Debt Service Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Amounts
Revenues			
Taxes			
Property Taxes	\$ 4,178,333	4,178,333	4,123,367
Investment Income	6,000	6,000	46,149
Total Revenues	<u>4,184,333</u>	<u>4,184,333</u>	<u>4,169,516</u>
Expenditures			
Debt Service			
Principal Retirement	4,121,354	4,121,354	4,121,354
Interest and Fiscal Charges	2,231,444	2,231,444	2,232,349
Total Expenditures	<u>6,352,798</u>	<u>6,352,798</u>	<u>6,353,703</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(2,168,465)	(2,168,465)	(2,184,187)
Other Financing Sources			
Transfers In	<u>2,172,564</u>	<u>2,172,564</u>	<u>2,172,564</u>
Net Change in Fund Balance	<u>4,099</u>	<u>4,099</u>	<u>(11,623)</u>
Fund Balance - Beginning			<u>4,074</u>
Fund Balance - Ending			<u>(7,549)</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Infrastructure Capital Projects- Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Amounts
Revenues			
Taxes			
Sales Tax	\$ 1,837,000	1,837,000	1,905,788
Intergovernmental			
Motor Fuel Tax Allotment	1,405,350	1,405,350	1,409,935
Rebuild Illinois	—	—	364,339
Investment Income	9,500	9,500	353,292
Miscellaneous	—	—	175
Total Revenues	3,251,850	3,251,850	4,033,529
Expenditures			
Highways and Streets			
Capital Outlay			
Engineering Services	60,000	60,000	65,299
Street Improvements	4,768,615	4,941,105	1,973,056
Total Expenditures	4,828,615	5,001,105	2,038,355
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,576,765)	(1,749,255)	1,995,174
Other Financing (Uses)			
Transfers Out	(2,172,564)	(2,172,564)	(2,172,564)
Net Change in Fund Balance	(3,749,329)	(3,921,819)	(177,390)
Fund Balance - Beginning			12,280,143
Fund Balance - Ending			12,102,753

VILLAGE OF NORTHBROOK, ILLINOIS

Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2023

	Special Revenue			Capital Projects		
	Tax			Facility		
	Traffic Impact	Increment Financing	Affordable Housing	Capital Projects	Permanent Cemetery	Totals

ASSETS

Cash and Investments	\$ 318,347	1,469,368	453,881	4,802,627	365,945	7,410,168
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LIABILITIES

Accounts Payable	—	—	—	38,650	465	39,115
Deposits Payable	207,868	—	—	—	—	207,868
Total Liabilities	207,868	—	—	38,650	465	246,983

FUND BALANCES

Restricted	—	1,469,368	453,881	—	365,480	2,288,729
Committed	110,479	—	—	—	—	110,479
Assigned	—	—	—	4,763,977	—	4,763,977
Total Fund Balances	110,479	1,469,368	453,881	4,763,977	365,480	7,163,185

Total Liabilities and
Fund Balances

318,347	1,469,368	453,881	4,802,627	365,945	7,410,168
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VILLAGE OF NORTHBROOK, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2023

	Special Revenue			Capital Projects		<u>Totals</u>	
	Tax		Affordable Housing	Facility Capital Projects	Permanent Cemetery		
	Traffic Impact	Increment Financing					
Revenues							
Taxes	\$ —	1,132,836	—	—	—	1,132,836	
Charges for Services	—	—	100,000	—	—	100,000	
Investment Income	8,938	41,962	8,686	132,357	8,878	200,821	
Miscellaneous	—	—	—	—	26,814	26,814	
Total Revenues	8,938	1,174,798	108,686	132,357	35,692	1,460,471	
Expenditures							
General Government	—	—	—	118,380	36,321	154,701	
Debt Service							
Principal Retirement	—	1,031,031	—	—	—	1,031,031	
Interest and Fiscal Charges	—	91,516	—	—	—	91,516	
Total Expenditures	—	1,122,547	—	118,380	36,321	1,277,248	
Net Change in Fund Balances	8,938	52,251	108,686	13,977	(629)	183,223	
Fund Balances - Beginning	101,541	1,417,117	345,195	4,750,000	366,109	6,979,962	
Fund Balances - Ending	110,479	1,469,368	453,881	4,763,977	365,480	7,163,185	

VILLAGE OF NORTHBROOK, ILLINOIS

Affordable Housing- Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services			
Demo Fees	\$ 250,000	250,000	100,000
Investment Income	150	150	8,686
Total Revenues	250,150	250,150	108,686
Expenditures			
General Government			
Professional Services	25,000	25,000	—
Net Change in Fund Balance	225,150	225,150	108,686
Fund Balance - Beginning			345,195
Fund Balance - Ending			453,881

VILLAGE OF NORTHBROOK, ILLINOIS

Facility Capital Projects - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		Amounts
	Original	Final	
Revenues			
Investment Income	\$	—	132,357
Expenditures			
General Government			
Capital Outlay			
Building Improvements		500,000	118,380
Net Change in Fund Balance		(500,000)	13,977
Fund Balance - Beginning			<u>4,750,000</u>
Fund Balance - Ending			<u>4,763,977</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Cemetery - Permanent Fund

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

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Revenues			
Investment Income	\$ 150	150	8,878
Miscellaneous	20,000	20,000	26,814
Total Revenues	20,150	20,150	35,692
Expenditures			
General Government	28,225	28,225	36,321
Net Change in Fund Balance	(8,075)	(8,075)	(629)
Fund Balance - Beginning			366,109
Fund Balance - Ending			365,480

VILLAGE OF NORTHBROOK, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Water Sales	\$ 9,200,000	9,200,000	9,008,541
Operating Expenses			
Administration	2,129,150	2,129,150	2,129,150
Operations	4,667,597	5,131,907	4,628,081
Depreciation and Amortization	—	—	1,773,841
Total Operating Expenses	6,796,747	7,261,057	8,531,072
Operating Income	2,403,253	1,938,943	477,469
Nonoperating Revenues (Expenses)			
Investment Income	53,000	53,000	231,089
Permits/Connection/Recapture Fees	90,000	90,000	119,673
Other Income	5,000	5,000	—
Principal Retirement	(1,463,670)	(1,463,670)	—
Interest Expense	(848,180)	(848,180)	(807,747)
	(2,163,850)	(2,163,850)	(456,985)
Change in Net Position	239,403	(224,907)	20,484
Net Position - Beginning			<u>28,329,070</u>
Net Position - Ending			<u>28,349,554</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Administration			
Salaries and Wages	\$ 1,925,295	1,925,295	1,925,295
Benefits	203,855	203,855	203,855
	<hr/>	<hr/>	<hr/>
Total Administration	2,129,150	2,129,150	2,129,150
Operations			
Personal Services	2,644,700	2,644,700	2,777,419
Contractual Services	1,400,195	1,498,839	1,307,628
Commodities	202,850	207,065	231,326
Capital Outlay	3,513,270	3,874,721	3,405,126
	<hr/>	<hr/>	<hr/>
	7,761,015	8,225,325	7,721,499
Less Capital Assets Capitalized	<hr/>	<hr/>	<hr/>
	(3,093,418)	(3,093,418)	(3,093,418)
	<hr/>	<hr/>	<hr/>
Total Operations	4,667,597	5,131,907	4,628,081
Depreciation and Amortization	<hr/>	<hr/>	<hr/>
	—	—	1,773,841
Debt Service			
Principal Retirement	1,463,670	1,463,670	1,273,670
Interest Expense	848,180	848,180	807,747
	<hr/>	<hr/>	<hr/>
	2,311,850	2,311,850	2,081,417
Less Nonoperating Items	<hr/>	<hr/>	<hr/>
Debt Service	(2,311,850)	(2,311,850)	(2,081,417)
	<hr/>	<hr/>	<hr/>
Total Debt Service	—	—	—
Total Operating Expenses	<hr/>	<hr/>	<hr/>
	6,796,747	7,261,057	8,531,072

VILLAGE OF NORTHBROOK, ILLINOIS

Sanitary Sewer - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Sanitary Sewer User Fees	\$ 1,595,000	1,595,000	1,509,931
Operating Expenses			
Administration	639,640	639,640	639,640
Operations	1,225,075	1,228,725	1,046,375
Depreciation and Amortization	—	—	252,669
Total Operating Expenses	1,864,715	1,868,365	1,938,684
Operating (Loss)	(269,715)	(273,365)	(428,753)
Nonoperating Revenues (Expenses)			
Investment Income	6,000	6,000	10,109
Permits/Connection/Recapture Fees	10,000	10,000	—
Principal Retirement	(304,524)	(304,524)	—
Interest Expense	(148,949)	(148,949)	(141,564)
	(437,473)	(437,473)	(131,455)
Change in Net Position	(707,188)	(710,838)	(560,208)
Net Position - Beginning			1,797,815
Net Position - Ending			1,237,607

VILLAGE OF NORTHBROOK, ILLINOIS

Sanitary Sewer - Enterprise Fund

Scheduling of Operating Expenses - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Administration			
Administrative Services	\$ 608,715	608,715	608,715
Charges for Services	30,925	30,925	30,925
	<hr/>	<hr/>	<hr/>
Total Administration	639,640	639,640	639,640
Operations			
Personal Services	548,045	548,045	566,237
Contractual Services	174,105	174,105	112,208
Commodities	36,925	40,575	40,812
Capital Outlay	466,000	466,000	327,118
	<hr/>	<hr/>	<hr/>
Total Operations	1,225,075	1,228,725	1,046,375
Depreciation and Amortization			252,669
	<hr/>	<hr/>	<hr/>
Debt Service			
Principal Retirement	304,524	304,524	304,524
Interest Expense	148,949	148,949	141,564
	<hr/>	<hr/>	<hr/>
453,473	453,473	453,473	446,088
Less Nonoperating Items			
Debt Service	(453,473)	(453,473)	(446,088)
	<hr/>	<hr/>	<hr/>
Total Debt Service	—	—	—
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	1,864,715	1,868,365	1,938,684
	<hr/>	<hr/>	<hr/>

VILLAGE OF NORTHBROOK, ILLINOIS

Senior Housing - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Rents	\$ 902,950	902,950	895,367
Operating Expenses			
Administration	159,730	159,730	159,730
Operations	844,074	751,755	648,643
Capital Outlay	699,000	699,000	644,876
Less Capital Assets Capitalized	—	—	(644,876)
Depreciation	—	—	136,914
Total Operating Expenses	1,702,804	1,610,485	945,287
Operating (Loss)	(799,854)	(707,535)	(49,920)
Nonoperating Revenues (Expenses)			
Investment Income	400	400	65,693
Interest Expense	—	(52,319)	(43,803)
	400	(51,919)	21,890
Change in Net Position	(799,454)	(759,454)	(28,030)
Net Position - Beginning			<u>3,710,853</u>
Net Position - Ending			<u>3,682,823</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Stormwater Utility - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Stormwater Utility Fees	\$ 1,465,000	1,465,000	1,378,452
Operating Expenses			
Administration	137,940	137,940	137,940
Operations	451,534	456,709	797,558
Depreciation and Amortization	—	—	757,435
Total Operating Expenses	<u>589,474</u>	<u>594,649</u>	<u>1,692,933</u>
Operating Income (Loss)	875,526	870,351	(314,481)
Nonoperating Revenues (Expenses)			
Investment Income	10,000	10,000	27,259
Principal Retirement	(1,350,452)	(1,350,452)	—
Interest Expense	(635,433)	(635,433)	(617,510)
	<u>(1,975,885)</u>	<u>(1,975,885)</u>	<u>(590,251)</u>
Income (Loss) Before Grants	(1,100,359)	(1,105,534)	(904,732)
Capital Grants	—	—	629,876
Change in Net Position	<u>(1,100,359)</u>	<u>(1,105,534)</u>	<u>(274,856)</u>
Net Position - Beginning			<u>7,397,347</u>
Net Position - Ending			<u>7,122,491</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Stormwater Utility - Enterprise Fund

Scheduling of Operating Expenses - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Administration			
Administrative Services	\$ 95,945	95,945	95,945
Charges for Services	41,995	41,995	41,995
	<hr/>	<hr/>	<hr/>
Total Administration	137,940	137,940	137,940
Operations			
Personal Services	651,190	651,190	544,503
Contractual Services	316,745	316,745	234,270
Commodities	34,225	39,400	36,800
Capital Outlay	790,550	790,550	1,323,161
	<hr/>	<hr/>	<hr/>
Less Capital Assets Capitalized	1,792,710	1,797,885	2,138,734
	<hr/>	<hr/>	<hr/>
Total Operations	451,534	456,709	797,558
Depreciation and Amortization			
	<hr/>	<hr/>	<hr/>
Debt Service			
Principal Retirement	1,350,452	1,350,452	1,350,452
Interest Expense	635,433	635,433	617,510
	<hr/>	<hr/>	<hr/>
1,985,885	1,985,885	1,985,885	1,967,962
Less Nonoperating Items			
Debt Service	(1,985,885)	(1,985,885)	(1,967,962)
	<hr/>	<hr/>	<hr/>
Total Debt Service	—	—	—
Total Operating Expenses	<hr/>	<hr/>	<hr/>
	589,474	594,649	1,692,933

VILLAGE OF NORTHBROOK, ILLINOIS

Parking - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Parking Fees	\$ 56,000	56,000	74,841
Miscellaneous	3,600	3,600	—
Total Operating Revenues	<u>59,600</u>	<u>59,600</u>	<u>74,841</u>
Operating Expenses			
Administration	50,440	50,440	50,440
Operations	63,310	63,310	51,689
Depreciation	—	—	35,580
Total Operating Expenses	<u>113,750</u>	<u>113,750</u>	<u>137,709</u>
Operating (Loss)	(54,150)	(54,150)	(62,868)
Nonoperating Revenues			
Investment Income	100	100	2,102
Change in Net Position	<u>(54,050)</u>	<u>(54,050)</u>	<u>(60,766)</u>
Net Position - Beginning			<u>1,078,496</u>
Net Position - Ending			<u>1,017,730</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Parking - Enterprise Fund

Scheduling of Operating Expenses - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Administration			
Administrative Services	\$ 47,090	47,090	47,090
Charges for Services	3,350	3,350	3,350
	<hr/>	<hr/>	<hr/>
Total Administration	50,440	50,440	50,440
Operations			
Contractual Services	61,260	61,260	51,665
Commodities	2,050	2,050	24
	<hr/>	<hr/>	<hr/>
Total Operations	63,310	63,310	51,689
Depreciation	—	—	35,580
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	113,750	113,750	137,709

VILLAGE OF NORTHBROOK, ILLINOIS

Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services			
Billing	\$ 5,799,155	5,799,155	7,299,155
Member Contributions	1,637,500	1,637,500	1,683,718
Total Operating Revenues	<u>7,436,655</u>	<u>7,436,655</u>	<u>8,982,873</u>
Operating Expenses			
Administration			
Claims Administration Fees	15,000	15,000	4,090
Operations			
Insurance	9,408,995	9,408,995	8,864,754
Claims	60,000	60,000	37,254
Total Operating Expenses	<u>9,483,995</u>	<u>9,483,995</u>	<u>8,906,098</u>
Operating Income (Loss)	<u>(2,047,340)</u>	<u>(2,047,340)</u>	<u>76,775</u>
Nonoperating Revenues			
Investment Income	2,200	2,200	21,200
Other Income	128,000	134,000	140,328
	<u>130,200</u>	<u>136,200</u>	<u>161,528</u>
Change in Net Position	<u>(1,917,140)</u>	<u>(1,911,140)</u>	<u>238,303</u>
Net Position - Beginning			<u>4,917,087</u>
Net Position - Ending			<u>5,155,390</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position

April 30, 2023

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 2,442,042	3,009,404	5,451,446
Investments			
Illinois Funds	1,691,631	399,372	2,091,003
Illinois Police Pension Investment Fund	62,915,365	—	62,915,365
Illinois Firefighters' Pension Investment Fund	—	62,218,145	62,218,145
Due from Other Governments	212,087	290,616	502,703
Total Assets	67,261,125	65,917,537	133,178,662
LIABILITIES			
Accounts Payable	280	—	280
NET POSITION			
Restricted for Pensions	67,260,845	65,917,537	133,178,382

VILLAGE OF NORTHBROOK, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2023

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 4,685,846	4,982,585	9,668,431
Contributions - Plan Members	760,017	736,273	1,496,290
Total Contributions	<u>5,445,863</u>	<u>5,718,858</u>	<u>11,164,721</u>
Investment Earnings			
Interest Earned	62,642	151,844	214,486
Net Change in Fair Value	426,670	241,714	668,384
	<u>489,312</u>	<u>393,558</u>	<u>882,870</u>
Less Investment Expenses	(65,632)	(49,381)	(115,013)
Net Investment Income	<u>423,680</u>	<u>344,177</u>	<u>767,857</u>
Total Additions	<u>5,869,543</u>	<u>6,063,035</u>	<u>11,932,578</u>
Deductions			
Administration	32,728	58,649	91,377
Benefits and Refunds	<u>6,030,975</u>	<u>5,981,916</u>	<u>12,012,891</u>
Total Deductions	<u>6,063,703</u>	<u>6,040,565</u>	<u>12,104,268</u>
Change in Fiduciary Net Position	(194,160)	22,470	(171,690)
Net Position Restricted for Pensions			
Beginning	<u>67,455,005</u>	<u>65,895,067</u>	<u>133,350,072</u>
Ending	<u>67,260,845</u>	<u>65,917,537</u>	<u>133,178,382</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Police Pension - Pension Trust Funds

Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Additions			
Contributions - Employer	\$ 4,483,530	4,483,530	4,685,846
Contributions - Plan Members	755,000	755,000	760,017
Total Contributions	<u>5,238,530</u>	<u>5,238,530</u>	<u>5,445,863</u>
Investment Income			
Interest Earned	2,500,000	2,500,000	62,642
Net Change in Fair Value	—	—	426,670
	<u>2,500,000</u>	<u>2,500,000</u>	<u>489,312</u>
Less Investment Expenses	—	—	(65,632)
Net Investment Income	<u>2,500,000</u>	<u>2,500,000</u>	<u>423,680</u>
Total Additions	<u>7,738,530</u>	<u>7,738,530</u>	<u>5,869,543</u>
Deductions			
Administration	44,300	44,300	32,728
Benefits and Refunds	5,839,925	5,839,925	6,030,975
Total Deductions	<u>5,884,225</u>	<u>5,884,225</u>	<u>6,063,703</u>
Change in Fiduciary Net Position	<u>1,854,305</u>	<u>1,854,305</u>	<u>(194,160)</u>
Net Position Restricted for Pensions			
Beginning			<u>67,455,005</u>
Ending			<u>67,260,845</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Firefighters' Pension - Pension Trust Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2023

	Budget		
	Original	Final	Actual
Additions			
Contributions - Employer	\$ 4,732,965	4,732,965	4,982,585
Contributions - Plan Members	720,000	720,000	736,273
Total Contributions	5,452,965	5,452,965	5,718,858
 Investment Income			
Interest Earned	2,500,000	2,500,000	151,844
Net Change in Fair Value	—	—	241,714
	2,500,000	2,500,000	393,558
Less Investment Expenses	—	—	(49,381)
Net Investment Income	2,500,000	2,500,000	344,177
 Total Additions	7,952,965	7,952,965	6,063,035
 Deductions			
Administration	128,500	128,500	58,649
Benefits and Refunds	5,766,500	5,766,500	5,981,916
Total Deductions	5,895,000	5,895,000	6,040,565
 Change in Fiduciary Net Position	2,057,965	2,057,965	22,470
 Net Position Restricted for Pensions			
Beginning			<u>65,895,067</u>
 Ending			<u>65,917,537</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Consolidated Year-End Financial Report

April 30, 2023

CSFA #	Program Name	State	Federal	Other	Total
420-00-1769	Installation and/or Replacement of Utilities	\$ 629,876	—	—	629,876
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	60,635	—	—	60,635
	Other Grant Programs and Activities	—	2,242,539	51,020	2,293,559
	All Other Costs Not Allocated	—	—	75,550,767	75,550,767
		<u>690,511</u>	<u>2,242,539</u>	<u>75,601,787</u>	<u>78,534,837</u>



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

September 26, 2023

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Northbrook, 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, and have issued our report thereon dated September 26, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

SUPPLEMENTAL SCHEDULES

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

Taxable General Obligation Refunding Bonds of 2012B

April 30, 2023

Date of Issue	December 4, 2012
Date of Maturity	December 1, 2027
Authorized Issue	\$7,770,000
Denomination of Bonds	\$5,000
Interest Rates	1.75% to 2.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 125,000	12,900	137,900
2025	125,000	10,400	135,400
2026	130,000	7,900	137,900
2027	130,000	5,300	135,300
2028	135,001	2,700	137,701
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	645,001	39,200	684,201
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	358,621	Debt Service Fund	
	286,380	Stormwater Utility Fund	
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	645,001		
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirement

General Obligation Bonds of 2013A

April 30, 2023

Date of Issue	July 23, 2013
Date of Maturity	December 1, 2036
Authorized Issue	\$9,355,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 375,000	271,656	646,656
2025	385,000	260,406	645,406
2026	400,000	248,375	648,375
2027	410,000	234,875	644,875
2028	425,000	220,526	645,526
2029	445,000	203,525	648,525
2030	460,000	185,725	645,725
2031	480,000	167,325	647,325
2032	500,000	148,125	648,125
2033	520,000	126,250	646,250
2034	540,000	103,500	643,500
2035	565,000	79,875	644,875
2036	590,000	54,450	644,450
2037	620,000	27,900	647,900
	6,715,000	2,332,513	9,047,513

3,813,625	Infrastructure Fund
868,642	Debt Service Fund
906,636	Water Fund
431,731	Sanitary Sewer Fund
694,366	Stormwater Utility Fund

6,715,000

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements
General Obligation Bonds of 2014A
April 30, 2023

Date of Issue	October 14, 2014
Date of Maturity	December 1, 2028
Authorized Issue	\$25,315,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 2,155,000	546,050	2,701,050
2025	2,265,000	438,300	2,703,300
2026	2,390,000	325,050	2,715,050
2027	2,485,000	229,450	2,714,450
2028	2,595,000	130,050	2,725,050
2029	1,740,000	52,200	1,792,200
	<u>13,630,000</u>	<u>1,721,100</u>	<u>15,351,100</u>
	9,541,000	Debt Service Fund	
	2,453,400	Water Fund	
	1,090,400	Sanitary Sewer Fund	
	<u>545,200</u>	Stormwater Utility Fund	
	<u>13,630,000</u>		

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2015A

April 30, 2023

Date of Issue	January 13, 2015
Date of Maturity	December 1, 2034
Authorized Issue	\$15,395,000
Denomination of Bonds	\$5,000
Interest Rates	0.45% to 3.90%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 365,000	475,420	840,420
2025	1,035,000	466,113	1,501,113
2026	1,070,000	438,168	1,508,168
2027	1,105,000	407,673	1,512,673
2028	1,145,000	374,523	1,519,523
2029	1,185,000	338,455	1,523,455
2030	1,230,000	299,350	1,529,350
2031	1,280,000	256,915	1,536,915
2032	1,330,000	210,835	1,540,835
2033	1,390,000	160,960	1,550,960
2034	1,350,000	107,445	1,457,445
2035	1,405,000	54,795	1,459,795
	<hr/> <u>13,890,000</u>	<hr/> <u>3,590,652</u>	<hr/> <u>17,480,652</u>
	<hr/> <u>13,890,000</u>		Debt Service Fund

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2015B

April 30, 2023

Date of Issue	November 10, 2015
Date of Maturity	December 1, 2035
Authorized Issue	\$13,470,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 800,000	435,225	1,235,225
2025	825,000	403,225	1,228,225
2026	855,000	370,225	1,225,225
2027	880,000	336,025	1,216,025
2028	910,000	300,825	1,210,825
2029	940,000	273,525	1,213,525
2030	970,000	245,325	1,215,325
2031	1,000,000	216,225	1,216,225
2032	1,035,000	184,975	1,219,975
2033	1,065,000	151,337	1,216,337
2034	1,100,000	116,725	1,216,725
2035	1,140,000	79,600	1,219,600
2036	1,175,000	41,125	1,216,125
	<u>12,695,000</u>	<u>3,154,362</u>	<u>15,849,362</u>
	3,034,105	Debt Service Fund	
	5,953,955	Water Fund	
	850,565	Sanitary Sewer Fund	
	<u>2,856,375</u>	Stormwater Utility Fund	
	<u>12,695,000</u>		

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2016A

April 30, 2023

Date of Issue	April 27, 2016
Date of Maturity	December 1, 2036
Authorized Issue	\$20,350,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 1,460,000	463,863	1,923,863
2025	770,000	420,062	1,190,062
2026	785,000	396,963	1,181,963
2027	825,000	373,412	1,198,412
2028	850,000	348,663	1,198,663
2029	970,000	323,162	1,293,162
2030	1,000,000	294,063	1,294,063
2031	1,065,000	264,062	1,329,062
2032	1,100,000	232,113	1,332,113
2033	1,135,000	199,112	1,334,112
2034	1,165,000	165,062	1,330,062
2035	1,200,000	127,200	1,327,200
2036	1,235,000	88,200	1,323,200
2037	1,285,000	44,975	1,329,975
	<u>14,845,000</u>	<u>3,740,912</u>	<u>18,585,912</u>
	4,758,400	Debt Service Fund	
	915,341	Water Fund	
	142,152	Sanitary Sewer Fund	
	<u>9,029,107</u>	<u>Stormwater Utility Fund</u>	
	<u>14,845,000</u>		

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2018A

April 30, 2023

Date of Issue	February 13, 2018
Date of Maturity	December 1, 2037
Authorized Issue	\$17,655,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 755,000	498,325	1,253,325
2025	785,000	468,125	1,253,125
2026	820,000	436,725	1,256,725
2027	850,000	403,925	1,253,925
2028	875,000	378,425	1,253,425
2029	970,000	352,175	1,322,175
2030	1,050,000	323,075	1,373,075
2031	1,080,000	291,575	1,371,575
2032	1,115,000	259,175	1,374,175
2033	1,150,000	225,725	1,375,725
2034	1,175,000	191,225	1,366,225
2035	1,215,000	155,975	1,370,975
2036	1,255,000	119,525	1,374,525
2037	1,290,000	81,875	1,371,875
2038	1,330,000	41,563	1,371,563
	<u>15,715,000</u>	<u>4,227,413</u>	<u>19,942,413</u>

5,500,250	Debt Service Fund
6,443,150	Water Fund
785,750	Sanitary Sewer Fund
2,985,850	Stormwater Utility Fund
<u>15,715,000</u>	

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds of 2018B

April 30, 2023

Date of Issue	February 13, 2018
Date of Maturity	December 1, 2037
Authorized Issue	\$8,425,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 3.90%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 410,000	258,277	668,277
2025	425,000	246,797	671,797
2026	435,000	234,473	669,473
2027	450,000	221,423	671,423
2028	460,000	207,697	667,697
2029	475,000	193,438	668,438
2030	490,000	178,475	668,475
2031	510,000	162,795	672,795
2032	525,000	146,220	671,220
2033	540,000	128,895	668,895
2034	560,000	110,805	670,805
2035	580,000	91,205	671,205
2036	600,000	70,905	670,905
2037	620,000	48,405	668,405
2038	645,000	25,155	670,155
	<hr/> <u>7,725,000</u>	<hr/> <u>2,324,965</u>	<hr/> <u>10,049,965</u>
	<hr/> <u>7,725,000</u>		Debt Service Fund

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements
General Obligation Bonds of 2019
April 30, 2023

Date of Issue	November 6, 2019
Date of Maturity	December 1, 2038
Authorized Issue	\$9,430,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 585,000	291,400	876,400
2025	540,000	262,150	802,150
2026	565,000	235,150	800,150
2027	600,000	206,900	806,900
2028	625,000	176,900	801,900
2029	660,000	145,650	805,650
2030	680,000	125,850	805,850
2031	440,000	105,450	545,450
2032	450,000	92,250	542,250
2033	470,000	78,750	548,750
2034	480,000	64,650	544,650
2035	495,000	50,250	545,250
2036	280,000	35,400	315,400
2037	290,000	27,000	317,000
2038	300,000	18,300	318,300
2039	310,000	9,300	319,300
	<hr/>	<hr/>	<hr/>
	7,770,000	1,925,350	9,695,350
	<hr/>	<hr/>	<hr/>

2,825,000	Debt Service Fund
3,020,000	Water Fund
125,000	Sanitary Sewer Fund
1,800,000	Stormwater Utility Fund

7,770,000

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bonds of 2020

April 30, 2023

Date of Issue	November 5, 2020
Date of Maturity	December 1, 2032
Authorized Issue	\$2,025,000
Denomination of Bonds	\$5,000
Interest Rate	1.35%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Northbrook Bank and Trust

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 158,000	11,576	169,576
2025	161,000	10,510	171,510
2026	163,000	9,423	172,423
2027	166,000	8,323	174,323
2028	173,000	7,202	180,202
2029	174,000	6,035	180,035
2030	175,000	4,860	179,860
2031	176,000	3,679	179,679
2032	182,000	2,490	184,490
2033	187,000	1,262	188,262
	<u>1,715,000</u>	<u>65,360</u>	<u>1,780,360</u>
	<u>1,715,000</u>	Debt Service Fund	

VILLAGE OF NORTHBROOK, ILLINOIS

Long-Term Debt Requirements
General Obligation Bonds of 2021
April 30, 2023

Date of Issue	September 14, 2021
Date of Maturity	December 1, 2040
Authorized Issue	\$10,270,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% - 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal		Principal	Interest	Totals
Year				
2024	\$	430,000	293,800	723,800
2025		170,000	272,300	442,300
2026		180,000	263,800	443,800
2027		190,000	254,800	444,800
2028		195,000	245,300	440,300
2029		555,000	235,550	790,550
2030		580,000	207,800	787,800
2031		610,000	178,800	788,800
2032		640,000	148,300	788,300
2033		650,000	135,500	785,500
2034		670,000	122,500	792,500
2035		685,000	109,100	794,100
2036		695,000	95,400	790,400
2037		710,000	81,500	791,500
2038		725,000	67,300	792,300
2039		735,000	52,800	787,800
2040		750,000	38,100	788,100
2041		770,000	23,100	793,100
		<u>9,940,000</u>	<u>2,825,750</u>	<u>12,765,750</u>
		5,765,000	Debt Service Fund	
		2,585,000	Water Fund	
		300,000	Sanitary Sewer Fund	
		1,290,000	Senior Housing Fund	
		<u>9,940,000</u>		

STATISTICAL SECTION (Unaudited)

This part of the 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.

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF NORTHBROOK, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

See Following Page

VILLAGE OF NORTHBROOK, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*

April 30, 2023 (Unaudited)

	2014	2015	2016
Governmental Activities			
Net Investment in Capital Assets	\$ 54,811,717	53,968,132	51,908,848
Restricted	6,465,042	7,122,879	735,777
Unrestricted (Deficit)	20,410,579	23,727,436	(51,798,127)
Total Governmental Activities Net Position	81,687,338	84,818,447	846,498
 Business-Type Activities			
Net Investment in Capital Assets	36,875,367	36,238,159	32,904,654
Unrestricted	8,717,492	8,639,556	13,303,516
Total Business-Type Activities Net Position	45,592,859	44,877,715	46,208,170
 Primary Government			
Net Investment in Capital Assets	91,687,084	90,206,291	84,813,502
Restricted	6,465,042	7,122,879	735,777
Unrestricted (Deficit)	29,128,071	32,366,992	(38,494,611)
Total Primary Government Net Position	127,280,197	129,696,162	47,054,668

* Accrual Basis of Accounting

Data Source: Village Records

2017	2018	2019	2020	2021	2022	2023
52,296,658	49,228,665	48,427,345	49,423,846	51,763,769	52,965,456	52,972,264
910,914	1,661,902	2,331,081	3,457,358	3,578,241	3,725,623	2,974,152
(65,705,520)	(72,615,522)	(84,376,806)	(92,581,904)	(92,668,742)	(78,316,904)	(71,730,386)
<u>(12,497,948)</u>	<u>(21,724,955)</u>	<u>(33,618,380)</u>	<u>(39,700,700)</u>	<u>(37,326,732)</u>	<u>(21,625,825)</u>	<u>(15,783,970)</u>
32,805,023	30,850,258	30,313,161	29,463,391	29,317,365	28,945,331	32,051,482
12,440,146	13,038,918	12,546,957	12,415,763	12,185,621	13,368,250	9,358,723
<u>45,245,169</u>	<u>43,889,176</u>	<u>42,860,118</u>	<u>41,879,154</u>	<u>41,502,986</u>	<u>42,313,581</u>	<u>41,410,205</u>
85,101,681	80,078,923	78,740,506	78,887,237	81,081,134	81,910,787	85,023,746
910,914	1,661,902	2,331,081	3,457,358	3,578,241	3,725,623	2,974,152
<u>(53,265,374)</u>	<u>(59,576,604)</u>	<u>(71,829,849)</u>	<u>(80,166,141)</u>	<u>(80,483,121)</u>	<u>(64,948,654)</u>	<u>(62,371,663)</u>
<u>32,747,221</u>	<u>22,164,221</u>	<u>9,241,738</u>	<u>2,178,454</u>	<u>4,176,254</u>	<u>20,687,756</u>	<u>25,626,235</u>

VILLAGE OF NORTHBROOK, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2023 (Unaudited)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
General Government	\$ 4,157,836	5,079,347	7,344,065	10,932,097	6,387,947	5,942,301	6,265,531	7,131,441	2,224,190	6,595,373
Public Safety	27,911,733	29,843,204	39,448,782	38,637,952	40,077,276	42,831,331	43,018,281	33,776,874	36,286,376	42,590,015
Highways and Streets	10,002,273	9,452,061	9,807,659	11,025,303	12,462,791	10,793,499	10,438,201	10,396,351	10,134,848	12,356,841
Interest on Long-Term Debt	2,133,562	1,564,952	2,047,508	2,453,769	2,321,650	2,568,578	2,418,422	2,465,715	2,311,580	2,136,299
Total Governmental Activities Expenses	44,205,404	45,939,564	58,648,014	63,049,121	61,249,664	62,135,709	62,140,435	53,770,381	50,956,994	63,678,528
Business-Type Activities										
Water	7,533,497	7,296,563	7,626,212	7,895,063	7,927,864	8,166,761	7,763,117	8,229,062	8,357,942	9,338,819
Sanitary Sewer	1,762,580	1,535,487	1,964,504	1,894,162	1,892,142	1,705,456	1,958,603	1,929,644	2,004,422	2,080,248
Senior Housing	927,308	883,213	911,890	813,997	841,260	789,383	783,641	851,692	854,387	889,090
Stormwater Utility	1,697,785	1,713,381	2,439,184	2,137,821	2,489,484	2,370,065	2,424,426	2,418,888	2,344,544	2,310,443
Parking	196,073	222,881	216,759	219,643	234,334	228,788	213,158	237,946	146,010	137,709
Total Business-Type Activities Expenses	12,117,243	11,651,525	13,158,549	12,960,686	13,385,284	13,260,453	13,142,945	13,667,232	13,703,305	14,856,309
Total Primary Government Expenses	56,322,647	57,591,089	71,806,563	76,009,807	74,634,948	75,396,162	75,283,380	67,437,613	64,660,299	78,534,837
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	4,628,283	5,145,950	4,919,408	4,161,477	4,629,242	3,742,538	3,495,563	3,584,363	3,954,735	4,128,771
Public Safety	4,347,869	4,236,142	4,213,875	4,414,152	4,355,075	5,389,734	5,230,586	4,695,892	5,634,654	6,229,326
Operating Grants/Contributions	1,066,289	1,111,844	849,252	849,302	870,837	977,571	1,545,847	2,850,131	2,379,186	1,914,316
Total Governmental Activities Program Revenues	10,042,441	10,493,936	9,982,535	9,450,931	9,855,154	10,109,843	10,271,996	11,130,386	11,986,575	12,272,413
Business-Type Activities										
Charges for Services										
Water	6,572,146	7,059,498	7,139,477	7,130,783	7,652,106	8,685,487	8,100,203	9,101,235	9,548,443	9,008,541
Sanitary Sewer	1,138,167	1,302,248	1,213,451	1,224,701	1,289,902	1,335,920	1,324,162	1,549,032	1,612,186	1,509,931
Senior Housing	833,622	835,097	842,163	846,534	847,203	866,114	886,933	849,870	835,072	895,367
Stormwater Utility	1,474,031	1,313,492	1,383,078	1,389,220	1,475,491	1,358,291	1,276,535	1,479,977	1,509,577	1,378,452
Parking	163,556	166,236	165,211	485,193	175,161	186,363	161,768	12,203	34,433	74,841
Operating Grants/Contributions	87,293	31,210	77,995	83,637	10,476	128,537	158,916	190,042	84,756	119,673
Capital Grants/Contributions	—	300,750	—	—	—	—	—	17,509	398,163	629,876
Total Business-Type Activities Program Revenues	10,268,815	11,008,531	10,821,375	11,160,068	11,450,339	12,660,712	11,908,517	13,199,868	14,022,630	13,616,681
Total Primary Government Program Revenues	20,311,256	21,502,467	20,803,910	20,619,999	21,305,493	22,770,555	22,180,513	24,330,254	25,991,205	25,889,094

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense) Revenue										
Governmental Activities	\$ (34,162,963)	(35,445,628)	(48,665,479)	(53,589,190)	(51,394,510)	(52,025,866)	(51,868,439)	(42,639,995)	(38,988,419)	(51,406,115)
Business-Type Activities	(1,848,428)	(642,994)	(2,337,174)	(1,800,618)	(1,934,945)	(599,741)	(1,234,428)	(467,364)	319,325	(1,239,628)
Total Primary Government Net Revenue (Expense)	<u>(36,011,391)</u>	<u>(36,088,622)</u>	<u>(51,002,653)</u>	<u>(55,389,808)</u>	<u>(53,329,455)</u>	<u>(52,625,607)</u>	<u>(53,102,867)</u>	<u>(43,107,359)</u>	<u>(38,669,094)</u>	<u>(52,645,743)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes	12,728,095	13,224,376	13,434,887	14,802,772	17,620,255	19,771,153	21,093,599	22,803,944	23,902,215	23,521,343
Property Taxes	1,182,658	1,144,255	995,457	1,012,559	968,873	1,011,487	941,529	956,106	1,118,645	1,179,879
Utility Taxes	5,641,961	5,362,980	5,432,869	4,964,752	4,399,701	4,387,791	4,341,994	3,238,126	3,398,940	3,481,703
Other Taxes										
Intergovernmental - Unrestricted										
Sales Taxes	14,184,846	14,530,151	14,665,574	15,380,154	14,883,566	15,312,715	14,986,207	12,671,607	17,626,963	17,669,155
State Income Taxes	3,162,141	3,401,924	3,362,196	3,141,181	2,998,512	3,429,472	3,262,554	4,308,831	5,299,126	5,489,231
Replacement Taxes										
ARPA Funds										
Investment Income	744,529	777,991	123,245	253,606	507,428	790,341	775,778	197,196	64,025	1,820,715
Miscellaneous	220,641	37,420	109,125	689,720	789,168	575,823	384,458	372,850	346,422	421,197
Transfers	(495,187)	97,640	(3,000,000)							
Total Governmental Activities	<u>37,369,684</u>	<u>38,576,737</u>	<u>35,123,353</u>	<u>40,244,744</u>	<u>42,167,503</u>	<u>45,278,782</u>	<u>45,786,119</u>	<u>45,013,963</u>	<u>54,689,326</u>	<u>57,247,970</u>
Business-Type Activities										
Investment Income	14,307	16,883	21,049	90,600	174,656	402,637	253,464	91,196	42,959	336,252
Miscellaneous	741,830	8,607	873,832	747,017	404,296	—	—	—	58,311	—
Transfers	490,517	(97,640)	3,000,000	—	—	—	—	—	390,000	—
Total Business-Type Activities	<u>1,246,654</u>	<u>(72,150)</u>	<u>3,894,881</u>	<u>837,617</u>	<u>578,952</u>	<u>402,637</u>	<u>253,464</u>	<u>91,196</u>	<u>491,270</u>	<u>336,252</u>
Total Primary Government	<u>38,616,338</u>	<u>38,504,587</u>	<u>39,018,234</u>	<u>41,082,361</u>	<u>42,746,455</u>	<u>45,681,419</u>	<u>46,039,583</u>	<u>45,105,159</u>	<u>55,180,596</u>	<u>57,584,222</u>
Changes in Net Position										
Governmental Activities	3,206,721	3,131,109	(13,542,126)	(13,344,446)	(9,227,007)	(6,747,084)	(6,082,320)	2,373,968	15,700,907	5,841,855
Business-Type Activities	(601,774)	(715,144)	1,557,707	(963,001)	(1,355,993)	(197,104)	(980,964)	(376,168)	810,595	(903,376)
Total Primary Government	<u>2,604,947</u>	<u>2,415,965</u>	<u>(11,984,419)</u>	<u>(14,307,447)</u>	<u>(10,583,000)</u>	<u>(6,944,188)</u>	<u>(7,063,284)</u>	<u>1,997,800</u>	<u>16,511,502</u>	<u>4,938,479</u>

* Accrual Basis of Accounting

Data Source: Village Records

VILLAGE OF NORTHBROOK, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*

April 30, 2023 (Unaudited)

	2014	2015	2016
General Fund			
Nonspendable	\$ 42,446	—	—
Restricted	1,062,020	1,668,232	3,843,709
Unassigned	19,682,377	22,060,520	21,249,511
Total General Fund	<u>20,786,843</u>	<u>23,728,752</u>	<u>25,093,220</u>
All Other Governmental Funds			
Restricted	2,792,504	1,854,693	5,145,971
Committed	87,023	87,048	87,121
Assigned	5,826,348	5,644,859	7,515,496
Unassigned	(1,221,866)	(1,205,459)	—
Total All Other Governmental Funds	<u>7,484,009</u>	<u>6,381,141</u>	<u>12,748,588</u>
Total Governmental Funds	<u>28,270,852</u>	<u>30,109,893</u>	<u>37,841,808</u>

* Modified Accrual Basis of Accounting

Data Source: Village Records

2017	2018	2019	2020	2021	2022	2023
26,661	119,736	53,620	—	—	—	—
1,359,625	11,517,298	1,713,200	3,635,017	2,426,585	2,894,900	1,850,086
22,123,177	21,242,468	22,259,986	21,615,124	19,082,567	22,967,945	29,926,229
23,509,463	32,879,502	24,026,806	25,250,141	21,509,152	25,862,845	31,776,315
4,734,403	4,932,510	3,188,478	3,179,120	2,874,886	6,677,964	5,921,955
88,163	90,751	96,036	100,706	101,295	101,541	110,479
6,345,426	6,370,030	6,544,820	6,570,836	6,801,223	12,484,697	13,233,527
—	—	—	—	—	—	(7,549)
11,167,992	11,393,291	9,829,334	9,850,662	9,777,404	19,264,202	19,258,412
34,677,455	44,272,793	33,856,140	35,100,803	31,286,556	45,127,047	51,034,727

VILLAGE OF NORTHBROOK, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

	2014	2015	2016*
Revenues			
Taxes	\$ 36,899,701	37,663,686	21,290,720
Intergovernmental	1,066,289	1,111,844	17,449,515
Licenses and Permits	4,889,027	5,920,259	6,057,697
Charges for Services	6,182,875	5,754,747	5,543,956
Fines and Forfeitures	341,735	242,091	168,080
Investment Income	740,276	772,588	114,671
Miscellaneous	220,641	37,420	109,125
 Total Revenues	 50,340,544	 51,502,635	 50,733,764
Expenditures			
General Government	6,681,223	7,353,556	7,979,601
Public Safety	28,350,834	29,781,583	29,224,364
Highways and Streets	11,682,823	10,813,292	9,027,487
Debt Service			
Principal	2,453,025	2,547,591	3,285,430
Interest and Fiscal Charges	2,020,112	2,170,456	1,912,766
 Total Expenditures	 51,188,017	 52,666,478	 51,429,648
Excess of Revenues Over (Under) Expenditures	(847,473)	(1,163,843)	(695,884)
Other Financing Sources (Uses)			
Proceeds from Bonds	6,523,099	33,115,500	9,739,330
Payment to Escrow Agent	—	(32,971,504)	—
Transfer In	3,289,840	2,149,653	2,818,830
Transfer Out	(3,780,357)	(2,052,013)	(5,818,830)
Premium on Debt Issuance	—	—	—
Discount on Debt Issuance	—	2,761,248	483,009
 Net Change in Fund Balances	 6,032,582	 3,002,884	 7,222,339
 Debt Service as a Percentage of Noncapital Expenditures	 5,185,109	 1,839,041	 6,526,455

Data Source: Village Records

* In 2016, sales and income taxes were reclassified from the "Taxes" category to the "Intergovernmental" category.

2017	2018	2019	2020	2021	2022	2023
22,325,553	24,393,756	25,737,867	27,267,342	26,756,433	28,945,745	28,590,142
17,860,167	17,347,988	19,152,322	18,904,388	20,537,615	28,102,320	28,330,232
5,265,165	5,976,991	5,587,902	5,519,845	5,038,039	5,588,416	6,360,720
5,783,009	5,434,918	5,798,302	5,507,335	5,775,355	6,438,258	6,509,543
134,095	170,098	270,908	286,254	74,621	247,340	266,424
249,815	487,625	760,552	746,762	194,766	58,543	1,799,515
689,720	789,168	575,823	384,458	372,850	346,422	421,197
52,307,524	54,600,544	57,883,676	58,616,384	58,749,679	69,727,044	72,277,773
12,695,935	8,001,934	15,701,069	8,432,566	9,461,330	8,384,291	9,150,788
31,229,816	33,582,859	35,589,332	35,422,678	35,189,945	36,452,670	39,623,347
10,969,145	12,039,858	10,029,492	9,381,134	9,747,727	9,036,714	10,119,708
3,289,383	3,535,239	4,444,442	4,560,359	5,653,597	5,765,899	5,152,385
2,187,598	2,417,293	2,535,994	2,501,855	2,501,395	2,336,443	2,323,865
60,371,877	59,577,183	68,300,329	60,298,592	62,553,994	61,976,017	66,370,093
(8,064,353)	(4,976,639)	(10,416,653)	(1,682,208)	(3,804,315)	7,751,027	5,907,680
4,900,000	14,604,250	—	3,275,000	2,025,000	5,965,000	—
—	—	—	(690,896)	(2,034,932)	—	—
2,731,372	3,781,692	2,870,547	2,614,958	2,329,792	7,463,188	2,172,564
(2,731,372)	(3,781,692)	(2,870,547)	(2,614,958)	(2,329,792)	(7,853,188)	(2,172,564)
—	(32,273)	—	342,767	—	514,464	—
—	—	—	—	—	—	—
4,900,000	14,571,977	—	2,926,871	(9,932)	6,089,464	—
(3,164,353)	9,595,338	(10,416,653)	1,244,663	(3,814,247)	13,840,491	5,907,680
9.77%	10.52%	12.19%	12.32%	13.70%	13.59%	11.53%

VILLAGE OF NORTHBROOK, ILLINOIS

**Schedule of Police and Firefighters' Pension Funds Investment Returns and Pension Expenses by Type -
Last Two Fiscal Years
April 30, 2023 (Unaudited)**

	Police Pension Fund		Firefighters' Pension Fund		
	4/30/2022	4/30/2023	4/30/2022	4/30/2023	
Investment Rate of Return		(1.67%)	5.22%	(3.19%)	6.20%
Pension Expenses by Type					
Retirement Pensions	\$ 4,800,235	4,820,953	4,205,859	4,673,532	
Disability Pensions	166,614	176,747	889,402	903,760	
Survivor's Pensions	713,348	971,428	400,642	404,624	
Contribution Refunds	—	61,847	9,795	—	
Totals	5,680,197	6,030,975	5,505,698	5,981,916	
Increase (Decrease) in Total Pension Expenses	\$ 461,404	350,778	222,526	476,218	
% Increase (Decrease) in Total Pension Expenses	8.84%	6.18%	9.72%	8.65%	

Data Source: Village Records

VILLAGE OF NORTHBROOK, ILLINOIS

Taxable Sales by Category - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

See Following Page

VILLAGE OF NORTHBROOK, ILLINOIS

Taxable Sales by Category - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

	2014	2015	2016
General Merchandise	\$ 127,825,137	81,580,151	60,508,854
Food	137,959,342	126,490,686	138,521,900
Drinking and Eating Places	89,199,356	93,794,294	101,769,299
Apparel	101,275,237	92,148,952	90,977,220
Furniture and H.H. and Radio	87,668,232	94,625,854	96,876,544
Lumber, Building, Hardware	33,880,995	36,949,690	37,371,799
Automobile and Filling Stations	131,092,322	139,160,036	121,347,791
Drugs and Misc. Retail	100,928,405	192,252,070	175,597,124
Agriculture and All Others	97,851,920	71,462,289	109,429,626
Manufacturers	12,206,576	14,630,868	14,563,052
 Totals	 919,887,522	 943,094,890	 946,963,209
 Total Number of Taxpayers	 1,197	 1,171	 1,001
 Village Direct Rate	 1.75%	 1.75%	 1.75%

Data Source: Village and State Records

2017	2018	2019	2020	2021	2022	2023
47,427,079	45,644,277	40,854,348	35,094,133	20,449,949	20,193,347	17,426,070
137,082,802	143,073,321	136,429,616	138,954,641	142,276,279	145,645,881	144,553,170
107,078,241	111,299,659	111,973,788	101,212,110	65,197,165	93,401,324	109,808,305
87,173,163	84,855,041	81,797,768	71,461,829	37,543,475	65,108,035	61,313,774
93,982,758	98,395,377	99,294,611	92,410,225	70,434,934	94,082,159	82,001,331
37,099,085	37,134,401	36,923,862	36,522,579	42,916,396	43,895,041	42,158,951
107,242,052	107,873,146	122,093,209	117,089,550	98,378,396	141,707,705	155,625,379
187,354,622	188,358,246	181,316,221	185,791,179	163,592,978	283,126,083	276,019,618
161,694,997	129,175,615	98,520,199	94,017,357	102,123,347	113,391,338	121,249,324
12,092,821	8,562,022	8,111,096	7,013,671	6,186,797	5,948,345	5,679,120
978,227,620	954,371,105	917,314,718	879,567,274	749,099,716	1,006,499,258	1,015,835,042
986	996	954	958	873	2,843	2,843
1.75%	1.75%	2.00%	2.00%	2.00%	2.00%	2.00%

VILLAGE OF NORTHBROOK, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years

April 30, 2023 (Unaudited)

Fiscal Year	State Rate	RTA Rate	County Home Rule Rate	Village Home Rule Rate*	Total Sales Tax Rate	% Distributed to Village
2014	6.25%	1.00%	0.75%	0.75%	8.75%	1.75%
2015	6.25%	1.00%	0.75%	0.75%	8.75%	1.75%
2016	6.25%	1.00%	1.75%	0.75%	9.75%	1.75%
2017	6.25%	1.00%	1.75%	0.75%	9.75%	1.75%
2018	6.25%	1.00%	1.75%	0.75%	9.75%	1.75%
2019	6.25%	1.00%	1.75%	1.00%	10.00%	2.00%
2020	6.25%	1.00%	1.75%	1.00%	10.00%	2.00%
2021	6.25%	1.00%	1.75%	1.00%	10.00%	2.00%
2022	6.25%	1.00%	1.75%	1.00%	10.00%	2.00%
2023	6.25%	1.00%	1.75%	1.00%	10.00%	2.00%

Data Source: Village and State Records

VILLAGE OF NORTHBROOK, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years
April 30, 2023 (Unaudited)

See Following Page

VILLAGE OF NORTHBROOK, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2023 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
2013	\$ 1,395,727,711	\$ 1,992	\$ 483,582,152	\$ 265,514,616
2014	1,426,205,616	1,992	578,433,197	178,797,415
2015	1,389,618,675	1,992	492,412,415	193,245,905
2016	1,731,210,975	1,992	540,146,612	211,751,867
2017	1,778,794,337	—	587,929,200	222,683,268
2018	1,739,304,863	—	570,456,101	223,662,278
2019	1,891,846,774	—	704,555,966	270,441,524
2020	1,899,723,609	—	676,032,548	284,216,866
2021	1,762,834,837	—	617,600,619	272,382,975
2022*	N/A	N/A	N/A	N/A

Data Source: Office of the Cook County Clerk

N/A - Information not available as of the date of this report

*2022 tax levy extension not available as of the date of this report

Total	Railroad	Total Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate
\$ 2,144,826,471	\$ 584,690	\$ 2,145,411,161	\$ 6,434,479,413	0.609
2,183,438,220	609,714	2,184,047,934	6,550,314,660	0.605
2,075,278,987	732,251	2,076,011,238	6,225,836,961	0.676
2,483,111,446	745,075	2,483,856,521	7,449,334,338	0.625
2,589,406,805	760,178	2,590,166,983	7,768,220,415	0.715
2,533,423,242	—	2,533,423,242	7,600,269,726	0.672
2,866,844,264	—	2,866,844,264	8,600,532,792	0.763
2,859,973,023	—	2,859,973,023	8,579,919,069	0.765
2,652,818,431	—	2,652,818,431	7,958,455,293	0.825
N/A	N/A	N/A	N/A	N/A

VILLAGE OF NORTHBROOK, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years April 30, 2023 (Unaudited)

	2013	2014	2015	2016
Village of Northbrook				
General Corporate rate	0.365	0.358	0.377	0.324
Debt Service Rate	0.112	0.117	0.128	0.129
Police Pension	0.065	0.064	0.087	0.088
Fire Pension	0.066	0.066	0.084	0.083
IMRF	0.000	0.000	0.000	0.000
Total Direct Tax Rate	0.608	0.605	0.676	0.624
Overlapping Rates				
Cook County	0.560	0.568	0.552	0.533
Cook County Forest Preserve District	0.069	0.069	0.069	0.063
Suburban TB Sanitarium	0.000	0.000	0.000	0.000
Cook County Consolidated Election Board	0.031	0.000	0.034	0.000
Northfield Township	0.031	0.032	0.028	0.024
Northfield Road and Bridge	0.053	0.054	0.057	0.049
Northfield General Assistance	0.008	0.007	0.007	0.006
Metropolitan Water Reclamation District	0.417	0.430	0.426	0.406
North Shore Mosquito Abatement District	0.007	0.011	0.012	0.010
High School District #225	2.341	2.367	2.493	2.106
Community College District #535	0.256	0.258	0.271	0.231
Northbrook Park District	0.536	0.537	0.569	0.423
School District #28	2.962	3.009	3.299	2.848
School District #30	3.381	3.272	3.394	2.866
Northwest Mosquito Abatement District	0.013	0.013	0.011	0.010
Glenbrook Sanitary District	0.037	0.037	0.052	0.046
High School District #203	2.111	2.268	2.380	1.974
School District #29	3.077	3.068	3.197	2.762
School District #27	3.412	3.443	3.569	3.031
Mission Brook Sanitary District	0.215	0.215	0.221	0.175
School District #31	2.946	2.911	3.107	2.699
Wheeling Township	0.056	0.052	0.055	0.041
Wheeling Road and Bridge	0.019	0.019	0.020	0.014
Wheeling General Assistance	0.010	0.010	0.010	0.008
High School District #214	2.768	2.776	2.881	2.527
Community College District #512	0.444	0.451	0.466	0.416
Consolidated School District #21	4.841	5.430	5.642	4.966
Northbrook Public Library	0.359	0.357	0.385	0.329
Northfield Park District	0.254	0.254	0.264	0.229
Total Overlapping Tax Rate	31.214	31.918	33.471	28.792
Total Direct and Overlapping Tax Rate	31.822	32.523	34.147	29.416

Data Source: Office of the County Clerk

*2022 tax levy extension not available as of the date of this report

2017	2018	2019	2020	2021	2022*
0.265	0.171	0.247	0.275	0.284	N/A
0.157	0.164	0.172	0.172	0.158	N/A
0.116	0.144	0.145	0.129	0.161	N/A
0.131	0.146	0.157	0.139	0.170	N/A
0.046	0.047	0.043	0.050	0.052	N/A
0.715	0.672	0.764	0.765	0.825	N/A
0.496	0.489	0.454	0.453	0.446	N/A
0.062	0.060	0.060	0.058	0.058	N/A
0.000	0.000	0.000	0.000	0.019	N/A
0.031	0.000	0.030	0.000	0.025	N/A
0.023	0.024	0.021	0.022	0.008	N/A
0.049	0.052	0.047	0.049	0.055	N/A
0.006	0.007	0.007	0.007	0.382	N/A
0.402	0.396	0.389	0.378	0.009	N/A
0.010	0.010	0.009	0.009	2.310	N/A
2.102	2.216	2.006	2.084	0.252	N/A
0.232	0.246	0.221	0.227	0.458	N/A
0.419	0.456	0.416	0.427	3.129	N/A
2.824	2.970	2.681	2.805	3.458	N/A
3.193	3.310	2.987	3.187	0.011	N/A
0.010	0.011	0.010	0.010	0.054	N/A
0.046	0.047	0.046	0.049	2.322	N/A
1.993	2.111	2.028	2.085	3.038	N/A
2.727	2.906	2.718	2.751	3.238	N/A
3.031	3.204	2.861	2.946	0.195	N/A
0.177	0.181	0.169	0.173	3.174	N/A
2.700	2.842	2.577	2.672	0.041	N/A
0.043	0.043	0.038	0.037	0.008	N/A
0.015	0.016	0.014	0.013	0.015	N/A
0.009	0.009	0.008	0.008	2.664	N/A
2.563	2.669	2.356	2.382	0.457	N/A
0.425	0.443	0.403	0.409	5.205	N/A
5.022	5.276	4.691	4.683	0.344	N/A
0.329	0.347	0.314	0.311	0.257	N/A
0.232	0.246	0.230	0.235	0.014	N/A
29.171	30.587	27.791	28.470	31.646	N/A
29.886	31.259	28.555	29.235	32.471	N/A

VILLAGE OF NORTHBROOK, ILLINOIS

Principal Property Tax Payers - Prior Fiscal Year and Ten Fiscal Years Ago
April 30, 2023 (Unaudited)

Taxpayer	2022			2013		
	Taxable Assessed		Percentage of Total Village	Taxable Assessed		Percentage of Total Village
	Value	Rank	Value	Rank	Value	Value
Jones Lang LaSalle	\$ 61,096,904	1	2.30%	\$ 62,336,039	2	2.16%
Brookfield Prop Retail	51,888,143	2	1.96%			
Willow Festival Regency	33,357,337	3	1.26%			
Underwriters Laboratory Inc.	29,052,389	4	1.10%	27,186,272	3	0.94%
TGM Northshore LLC	20,439,349	5	0.77%			
Finger-EPCO Northbrook, LLC	19,616,879	6	0.74%			
M IV Skokie Property	16,742,371	7	0.63%			
Menard, Inc.	16,696,203	8	0.63%			
Euromarket Designs	16,533,518	9	0.62%			
America	16,517,859	10	0.62%	17,219,160	7	0.60%
Westcoast Estates				115,769,112	1	4.01%
HP Willow, LLC				24,958,301	4	0.87%
Village Square of Northbrook				17,590,705	5	0.61%
Korman Lederer				17,380,078	6	0.60%
400 Skokie Blvd, LLC				15,385,525	8	0.53%
Walgreen Co				12,592,356	9	0.44%
Macy's Tax Department				11,725,867	10	0.41%
 Totals	 281,940,952	 10.63%	 322,143,415	 11.17%		

Data Source: Office of the County Clerk

VILLAGE OF NORTHBROOK, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2014	2013	\$ 13,065,554	\$ 13,065,132	100.00%	—	\$ 13,065,132	100.00%
2015	2014	13,213,490	12,869,537	97.40%	—	12,869,537	97.40%
2016	2015	14,033,836	13,393,634	95.44%	—	13,393,634	95.44%
2017	2016	15,526,527	15,409,633	99.25%	—	15,409,633	99.25%
2018	2017	18,512,965	18,512,965	100.00%	—	18,512,965	100.00%
2019	2018	19,555,239	19,067,172	97.50%	—	19,067,172	97.50%
2020	2019	21,882,760	21,241,263	97.07%	—	21,241,263	97.07%
2021	2020	21,865,793	21,738,065	99.42%	—	21,738,065	99.42%
2022	2021	22,559,281	22,351,866	99.08%	—	22,351,866	99.08%
2023	2022	22,450,998	10,976,568	48.89%	—	10,976,568	48.89%

Note: Special Service Areas #1 through #5 have been excluded from this table.

Data Source: Office of the County Clerk

VILLAGE OF NORTHBROOK, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Net General Obligation Bonds	TIF Note Payable	Net Water, Sewer and Sanitary Sewer Revenue Bonds				
2014	\$ 59,590,529	\$ —	\$ 14,706,578	\$ 74,297,107		1.99%	\$ 2,239.89
2015	61,229,005	—	18,063,695	79,292,700		2.12%	2,390.49
2016	67,897,030	—	41,449,413	109,346,443		2.92%	3,296.55
2017	64,404,601	4,900,000	40,114,448	109,419,049		2.92%	3,298.74
2018	75,404,266	4,766,301	49,636,870	129,807,437		3.47%	3,913.40
2019	71,248,316	4,274,764	47,490,915	123,013,995		3.29%	3,708.59
2020	69,930,906	3,746,511	50,260,356	123,937,773		2.99%	3,736.44
2021	64,955,042	2,867,083	47,905,041	115,727,166		2.55%	3,285.65
2022	66,249,573	2,033,699	50,270,645	118,553,917		2.61%	3,365.91
2023	61,875,801	1,002,668	46,975,836	109,854,305		2.17%	3,118.91

Data Source: Village's Records

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

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

VILLAGE OF NORTHBROOK, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years

April 30, 2023 (Unaudited)

Fiscal Year	General Obligation Bonds	Less:		Percentage of Total Taxable Assessed Value of Property (1) Per Capita (2)		
		Amounts Available for Debt Service	Total			
2014	\$ 74,297,107	\$ —	\$ 74,297,107	3.46%	\$ 2,239.89	
2015	79,292,700	90,427	79,202,273	3.63%	2,390.49	
2016	109,346,443	—	109,346,443	5.27%	3,296.55	
2017	104,519,049	7,730	104,511,319	4.21%	3,151.01	
2018	125,041,136	—	125,041,136	4.83%	3,769.71	
2019	118,739,231	—	118,739,231	4.69%	3,579.72	
2020	120,191,262	—	120,191,262	4.19%	3,623.49	
2021	112,860,083	—	112,860,083	3.95%	3,204.25	
2022	116,520,218	—	116,520,218	4.39%	3,308.17	
2023	108,851,637	—	108,851,637	N/A	3,090.44	

Data Source: Village's Records

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

(1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).

(2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

N/A - Not Available

VILLAGE OF NORTHBROOK, ILLINOIS

Schedule of Direct and Overlapping Governmental Activities Debt
April 30, 2023 (Unaudited)

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village Direct Debt	\$ 62,878,469	100.00%	\$ 62,878,469
Overlapping Debt			
Cook County	2,567,831,750	1.51%	38,774,259
Forest Preserve District	98,005,000	1.51%	1,479,876
Metropolitan Water Reclamation District	2,629,129,988	1.54%	40,488,602
Northbrook Park District	15,490,000	93.16%	14,430,484
School District 21	81,005,000	1.33%	1,077,367
School District 29	4,350,000	14.06%	611,610
School District 30	39,760,000	61.46%	24,436,496
School District 31	10,505,000	13.56%	1,424,478
High School District 203	128,885,000	1.29%	1,662,617
High School District 214	22,265,000	0.28%	62,342
High School District 225	45,020,000	41.87%	18,849,874
Community College District 512	235,760,000	0.14%	330,064
Community College District 535	42,855,000	10.77%	4,615,484
Total Overlapping Debt	5,878,006,738		143,628,069
Total Direct and Overlapping Debt	5,940,885,207		206,506,538

Data Source: Cook County Tax Extension Department

* Determined by the ratio of assessed value of property in the Village of Northbrook subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

VILLAGE OF NORTHBROOK, ILLINOIS

Schedule of Legal Debt Margin

April 30, 2023 (Unaudited)

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois constitution governs computation of legal debt margin.

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

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

VILLAGE OF NORTHBROOK, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

Fiscal Year	(1) Population	(4) Personal Income (in Thousands)	(1) Per Capita Personal Income	(5) Median Age	(2) School Enrollment	(3) Unemployment Rate
2014	33,170	\$ 112,827	\$ 57,763	48.0	N/A	5.0
2015	33,170	112,827	57,763	48.0	N/A	3.9
2016	33,170	112,827	57,763	48.0	6,730	4.1
2017	33,170	112,827	57,763	48.0	6,749	4.6
2018	33,170	112,827	57,763	48.0	6,755	4.1
2019	33,170	112,827	57,763	48.0	6,815	4.1
2020	33,170	124,863	57,763	48.0	6,821	4.0
2021	35,222	128,883	72,969	49.7	6,540	7.5
2022	35,222	128,883	72,969	49.7	6,457	3.6
2023	35,222	143,506	78,195	49.0	N/A	3.6

Data source:

(1) U.S. Department of Commerce, Bureau of the Census

(2) Annual School Census by Board of Education & National Center for Education Statistics.

(3) Illinois Department of Employment Security

N/A - Not Available

VILLAGE OF NORTHBROOK, ILLINOIS

Principal Employers - Current Fiscal Year and Eight Fiscal Years Ago
April 30, 2023 (Unaudited)

Employer	2023			2015		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Walgreens Boots Alliance, Inc.	6,500	1	N/A			
Medline Industries, Inc.	5,000	2	N/A			
Walgreens Co.	2,500	3	N/A	2,500	3	N/A
Baxter Healthcare Corp	2,500	4	N/A	2,450	4	N/A
Alera Group, Inc.	1,900	5	N/A			
Abt Electronics, Inc.	1,650	6	N/A			
Highland Park Hospital	1,200	7	N/A			
Kraft Heinz Foods Company	1,000	8	N/A	3,200	2	N/A
Anixter, Inc.	1,000	9	N/A			
Northshore Glenbrook Hospital	1,000	10	N/A	1,000	9	N/A
Allstate Insurance Company				8,750	1	N/A
Underwriters Laboratories				2,000	5	N/A
CVS/Caremark International				1,400	6	N/A
Astellas Pharma US Inc.				1,150	7	N/A
Northbrook Court				1,000	8	N/A
Northfield Township District 225				849	10	N/A
	<u>24,250</u>		<u>N/A</u>	<u>24,299</u>		<u>N/A</u>

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

N/A - Not Available

Note: The employers listed above are located in the Village of Northbrook and the immediate areas.

VILLAGE OF NORTHBROOK, ILLINOIS

Full-Time Employees by Function/Program - Last Ten Fiscal Years April 30, 2023 (Unaudited)

Function/Program	2014	2015	2016
General Government			
Administration	12	9	8
Finance	8	8	7
Information Services	—	4	4
Development and Planning Services	11	12	13
Highways and Streets			
Public Works	36	37	37
Public Safety			
Police	93	93	94
Fire	75	75	75
Water and Sanitary Sewer	26	27	27
Totals	261	265	265

Data Source: Village Records

2017	2018	2019	2020	2021	2022	2023
8	8	8	8	10	9	8
7	8	8	8	8	7	7
4	5	5	5	6	6	7
13	13	13	13	13	14	14
37	37	37	37	37	35	35
94	94	93	93	93	91	91
77	76	76	74	74	74	76
27	27	27	27	27	27	27
267	268	267	265	268	263	265

VILLAGE OF NORTHBROOK, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2023 (Unaudited)

Function/Program	2014	2015	2016
Public Works			
Forestry			
Number of Parkway Trees Planted	510	602	831
Number of Parkway Trees Trimmed	3,007	2,050	1,973
Fleet Services			
Number of Vehicles Maintained	N/A	N/A	N/A
Public Safety			
Fire			
Number of Fire Calls	2,736	2,684	2,714
Number of EMS Calls	3,160	3,427	3,350
ISO Rating	2	2	2
Police			
Calls for Service	22,489	23,109	24,740
Traffic Citations Issued	2,902	2,796	2,515
Parking Citations Issued	3,045	2,992	1,309
Community Development			
Number of Building Permits Issued	267	251	324
Number of Building Inspections	7,777	6,687	9,254
Highways and Streets			
Sidewalk Replaced (Sq. Ft.)	41,283	28,510	28,403
Annual Resurfacing Program (\$)	2,979,982	2,583,303	696,116
Water and Sewer			
Water Main Breaks	101	66	45
Hydrants Flushed	778	2,700	987
Water Meters Read	12,449	12,398	12,989
Water Meter Service Requests	972	769	752
Total Distribution Pumpage (1,000 Gallons)	1,892,779	1,222,948	1,727,180
Average Daily Pumpage (1,000 Gallons)	5,186	5,731	4,732
Sanitary Sewer Televising (Feet)	37,150	24,049	36,938
Sanitary Sewer Repairs	5	3	13

N/A - Not Available

Data Source: Village Records

2017	2018	2019	2020	2021	2022	2023
715	517	289	309	411	496	575
2,041	2,035	1,566	1,721	3,499	806	2,079
N/A	N/A	N/A	N/A	N/A	N/A	112
2,780	2,878	2,920	2,803	2,896	3,167	3,008
3,654	3,674	3,718	3,854	3,173	3,999	4,770
1	1	1	1	1	1	1
24,573	24,814	24,792	24,631	17,684	22,399	28,341
2,667	3,004	2,443	2,117	799	1,711	1,389
1,207	1,144	1,520	2,286	1,211	819	1,387
355	305	375	334	499	557	549
13,434	7,938	10,005	14,652	8,504	9,163	8,150
32,554	29,291	33,630	34,000	115,385	97,332	32,537
555,545	794,120	718,229	594,217	505,587	1,012,297	1,076,585
93	110	90	69	173	100	83
1,054	733	589	11	26	724	1,520
12,409	12,416	12,430	12,446	12,475	12,507	15,128
1,869	852	1,130	1,119	1,181	2,297	2,116
1,795,621	1,833,926	1,766,182	1,721,852	1,917,757	1,994,546	1,820,703
4,911	5,024	4,833	4,715	5,254	5,482	4,988
37,472	35,297	34,935	46,873	35,239	45,696	51,513
1	2	4	2	1	—	1

VILLAGE OF NORTHBROOK, ILLINOIS**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years**
April 30, 2023 (Unaudited)

Function/Program	2014	2015	2016
Public Safety			
Police			
Stations	1	1	1
Fire Stations	3	3	3
Highways and Streets			
Public Works			
Streets (Miles)	272.66	272.66	272.66
Streetlights	1,399	1,399	1,399
Water and Sanitary Sewer			
Water Mains (Miles)	183.00	183.00	183.00
Fire Hydrants	2,751	2,751	2,751
Sanitary Sewers (Miles)	124.75	124.75	124.75

Data Source: Village Records

2017	2018	2019	2020	2021	2022	2023
1 3						
272.66 1,399	272.66 1,399	272.66 1,399	272.66 1,399	272.66 1,399	272.66 1,414	272.66 1,414
183.00 2,751	183.00 2,751	205.00 2,751	205.00 2,751	205.00 2,751	205.00 2,829	205.00 2,829
124.75	124.75	133.00	133.00	133.00	133.00	133.00