

Village of Wayne

Wayne, Illinois



ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2022

**VILLAGE OF WAYNE
WAYNE, ILLINOIS**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2022**

**Prepared by: Howard P. Levine
Village Treasurer**

**Village of Wayne, Wayne, Illinois
Annual Comprehensive Financial Report
For the Year Ended April 30, 2022**

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PART I
INTRODUCTORY SECTION

**VILLAGE OF WAYNE
WAYNE, ILLINOIS**

PRINCIPAL OFFICIALS

April 30, 2022

VILLAGE BOARD OF TRUSTEES

Eileen Phipps, President
Mike Amadei, Trustee
Peter Connolly, Trustee
Mike Dimitroff, Trustee
Gary Figurski, Trustee
Edwin Hull, Trustee
Emily Miller, Trustee

OFFICERS

Patricia Engstrom, Village Clerk
Mickey, Wilson, Weiler, Renzi, & Anderson, P.C., Village Attorney
Howard Levine, Village Treasurer

ADMINISTRATIVE OFFICE

5N430 Railroad Street
Post Office Box 532
Wayne, Illinois 60184
Telephone (630) 584-3090

PART II
FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Selden Fox

Accounting for your future

619 Enterprise Drive | Oak Brook, Illinois 60523 | www.seldenfox.com
p 630.954.1400 | f 630.954.1327 | email@seldenfox.com

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Wayne, Illinois

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Village of Wayne, Illinois** (the "Village"), as of and for the year ended April 30, 2022, and the statement of revenues, expenditures and changes in fund balance – budget and actual for the General Fund 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, each major fund, and the aggregate remaining fund information of the Village of Wayne, Illinois, as of April 30, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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.

Responsibilities of Management for the Financial Statements (cont'd)

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, 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 on pages 4-10, and the multiyear schedule of changes in employer's net pension liability and related ratios (pages 49-50), and the multiyear schedule of employer contributions – last 10 fiscal years (pages 51-52) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying financial information listed as supplementary information (the nonmajor governmental funds on pages 53-66, and the other financial schedules on pages 67-70), 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, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the principal officials on page i and statistical information on pages 71-74 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.

Selden Fox, Ltd.

October 21, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Wayne, Illinois
Management's Discussion and Analysis
April 30, 2022

The Village of Wayne, Illinois (Village), Management's Discussion and Analysis is designed to: (1) assist the reader in focusing on significant financial issues, (2) provide an overview of major financial activities of the Village, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts; please read it in conjunction with the Village's financial statements (beginning on page 11).

Financial Highlights

- The Village's net position at April 30, 2022, was assets and deferred outflows in excess of liabilities and deferred inflows of \$4,900,230 (\$4,183,832 at April 30, 2021). Net position increased \$716,398 for the year ended April 30, 2022 (net position increased \$461,585 for the year ended April 30, 2021).
- Governmental activities and general revenues for the fiscal year ended April 30, 2022, was \$2,114,660 (\$2,183,311 for the year ended April 30, 2021), a decrease of \$68,651 from the prior year.
- Governmental fund balances totaled \$3,521,534 at April 30, 2022 (\$3,237,479 at April 30, 2021), an increase of \$284,055, as compared with an increase of \$367,953 for the year ended April 30, 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Village's assets and liabilities, 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.

Overview of the Financial Statements (cont'd)

Government-wide Financial Statements (cont'd)

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).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety and highways and streets. The Village has no business-type activities.

The government-wide financial statements include only the Village itself (known as the primary government), as the Village has no component units. The government-wide financial statements also exclude activity reported in fiduciary funds.

The government-wide financial statements can be found on pages 11 through 13 of this report.

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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds. The Village has no proprietary funds.

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

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

The Village maintains twelve 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. Data from the other eleven governmental funds (Social Security, Audit, Road and Bridge, Motor Fuel Tax, Special Service Area #3, Special Service Area #4, School, Park, Special Service Area #5, Sanctuary, and Jensen Memorial Funds) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplemental section in this report.

Overview of the Financial Statements (cont'd)

Fund Financial Statements (cont'd)

Governmental Funds (cont'd)

The basic governmental fund financial statements can be found on pages 14 through 19 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village's agency funds consist of the Police Pension Trust Fund and a Custodial Fund.

The basic fiduciary fund financial statements can be found on pages 20 and 21 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 48 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the Village's change in its net pension liability and historical data on employer contributions to its single employer Police Pension Fund. This information can be found on pages 49 through 52 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, of revenue, expenditures and changes in fund balance – budget and actual for the nonmajor funds, and capital asset and long-term debt schedules are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 53 through 70 of this report. Some historical statistical information on general governmental revenues and expenditures, property tax levies and collections, and assessed and actual values of taxable properties are included on pages 71 through 74.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$4,900,230 at the close of the most recent fiscal year.

The largest portion of the Village's net position reflects its investment in capital assets (e.g., land, buildings and improvements, equipment and vehicles), less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the Village's ongoing obligations to citizens and creditors.

Village of Wayne, Illinois
Condensed Statement of Net Position
April 30,

	2022	2021
Current and other assets	\$ 4,896,361	\$ 4,407,958
Capital assets	3,489,536	3,537,584
Deferred outflows	188,178	-
Total assets and deferred outflows	8,574,075	7,945,542
Current liabilities	495,848	306,326
Noncurrent liabilities	3,177,997	3,448,117
Total liabilities	3,673,845	3,761,710
Net position:		
Net investment in capital assets	3,489,536	3,537,584
Restricted	873,360	801,436
Unrestricted	537,334	(155,188)
Total net position	\$ 4,900,230	\$ 4,183,832

Governmental Activities and General Revenues – Governmental activities and general revenues increased the Village’s net position by \$716,398 (\$461,585 increase in the prior year). For the year ended April 30, 2022, there was an overall decrease in governmental and general revenues of \$68,651 and an overall decrease in expenses of \$323,464 that resulted in the difference in the year-over-year changes in net position.

Detail on current year activity is on the following page.

**Village of Wayne, Illinois
Changes in Net Position
For the Years Ended April 30,**

	2022	2021
Program revenues:		
Charges for services	\$ 210,700	\$ 234,717
Operating grants and contributions	5,306	112,938
Capital grants and contributions	53,404	80,106
General revenues:		
Property taxes	894,918	883,529
Other taxes	288,413	289,792
Intergovernmental:		
State income tax	358,112	315,791
Municipal retailers' tax	192,740	152,804
Other	97,153	87,250
Investment income	3,574	10,166
Miscellaneous	10,340	16,218
	2,114,660	2,183,311
Total revenues		
Expenses:		
General government	396,737	348,414
Public safety	829,540	771,044
Retirement contributions, net of change in net pension obligation/asset	(190,565)	268,247
Highways and streets	362,550	334,021
	1,398,262	1,721,726
Total expenses		
Changes in net position	716,398	461,585
Net position:		
Beginning of the year	4,183,832	3,722,247
End of the year	\$ 4,900,230	\$ 4,183,832

Revenues decreased in the current year by \$68,651, which was due primarily to decreases in operating and capital grants and contributions. General government expenses increased \$48,323 primarily due to a \$53,005 contribution to Community Unit School District #303 in the current year. Public safety expenses, including retirement contributions and the change in the net pension obligation, decreased \$400,316 primarily due to the actuarially determined change in the net pension obligation. Highway and streets expense increased \$28,529 due to more road program expenses than in the prior year.

Governmental Fund Financial Highlights

The Village reported the General Fund as a major fund. The General Fund in the current year included two internal funds, the Police Protection Fund and the Street and Bridge (Public Works) Fund, which at one time was reported as, but no longer meeting the definition of, a special revenue fund. Budgets were adopted for all governmental funds. Budgeted expenditures, which are presented in this annual financial report, are less than the appropriated amounts, such that actual expenditures could exceed budgeted amounts but still fall within the legal spending limit. The Village did not amend its budget during the year.

General Fund – General Fund revenues of \$1,881,618 were over budgeted expectations by \$172,547. State income tax, municipal retailer’s tax, building permits, utilities tax, traffic fines, grants and contributions, and miscellaneous revenues all saw actual revenues that outpaced budgeted revenues. Expenditures in the General Fund of \$1,592,813 were under the budget of \$1,675,636 by \$82,823. The positive variance between budget versus actual was attributable to state income tax and municipal retailers’ tax in excess of budgeted expectations by \$92,621 and \$72,740, respectively. Current expenditures of \$1,543,296 were over the budget of \$1,511,536 by \$31,760.

Capital Asset and Debt Administration

Capital Assets – The Village’s investment in capital assets (net of accumulated depreciation) as of April 30, 2022 and 2021, was \$3,489,536 and \$3,537,584, respectively. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment, and vehicles. The Village, as a phase-three government under GASB 34, has elected to capitalize infrastructure assets (i.e., streets, sidewalks and curbs, land beneath the streets, and bridges) on the statement of net position on a prospective basis. The total change in the Village’s investment in capital assets between the current fiscal year and the prior year’s annual report was due primarily to the purchase and improvement of public safety vehicles. Additions to capital assets totaled \$44,076 while depreciation was \$84,508 in the current year.

The following table presents capital assets at April 30, 2022 and 2021, at net book value.

Village of Wayne, Illinois Capital Assets at Year End, Net of Accumulated Depreciation For the Years Ended April 30,

	<u>2022</u>	<u>2021</u>
Land	\$ 3,014,502	\$ 3,014,502
Buildings and improvements	209,916	219,211
Infrastructure	15,614	17,894
Machinery and equipment	52,993	57,976
Vehicles	196,511	228,001
	<u>\$ 3,489,536</u>	<u>\$ 3,537,584</u>

Additional information on the Village’s capital assets can be found in Note III.B. on page 38 of this report.

Capital Asset and Debt Administration (cont'd)

Long-term Debt – The Village has no long-term debt. The Village has a fiduciary obligation to levy and collect special purpose property taxes for the long-term debt payable by residents of Special Service Area #5, and makes payments to the bondholders with the taxes collected. The debt is not an obligation of the Village and is secured only by special purpose property taxes and, therefore, is not included in the financial statements of the Village.

The Village does record a long-term liability in the governmental activities for its net pension liability for the police pension plan. Additional information on the Village's net pension liability can be found in Note IV.C. beginning on page 40.

Summary and Future Considerations

The Village intends to continue to closely monitor expenditures, and allocate resources to areas that best meet the needs of its citizenry. The Village will continue to actively seek out grants and all other available revenue sources.

Request for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Village Treasurer's Office at 5N430 Railroad Street, Wayne, Illinois 60184.

BASIC FINANCIAL STATEMENTS

Village of Wayne, Illinois
Statement of Net Position
April 30, 2022

Assets		
Cash and investments		\$ 3,834,081
Receivables:		
Property taxes		896,716
State income taxes		93,878
Municipal retailers' tax		28,538
Motor fuel taxes		8,157
Utility taxes		34,991
Capital assets not depreciated		3,014,502
Capital assets being depreciated, net of accumulated depreciation		<u>475,034</u>
Total assets		<u>8,385,897</u>
Deferred Outflows of Resources		
Pension-related		<u>188,178</u>
Total assets and deferred outflows of resources		<u>8,574,075</u>
Liabilities		
Accounts payable		26,450
Accrued salaries		19,149
Payroll taxes withheld and accrued		1,065
Compensated absences payable		17,737
Developers' deposits		11,192
Construction deposits		223,722
Unearned revenue		196,533
Noncurrent liabilities - net pension liability		<u>3,177,997</u>
Total liabilities		<u>3,673,845</u>
Net Position		
Net investment in capital assets		3,489,536
Restricted for:		
Village portion of Social Security tax		59,246
Audit		14,202
Highways and streets		384,548
Special service areas		205,783
Donor purposes:		
Nonspendable		100,000
Expendable		109,581
Unrestricted		<u>537,334</u>
Total net position		<u>\$ 4,900,230</u>

See accompanying notes.

Village of Wayne, Illinois
Statement of Activities
For the Year Ended April 30, 2022

Functions/Programs	Expenses	Charges for Services and Fees
Primary government:		
Governmental activities:		
General government	\$ 396,737	\$ 104,910
Public safety	638,975	49,240
Highways and streets	362,550	56,550
Total governmental activities	\$ 1,398,262	\$ 210,700

See accompanying notes.

Program Revenues		Net (Expense) Revenue and Changes in Net Position
Operating Grants and Contributions	Capital Grants and Contributions	
\$ 2,756	\$ -	\$ (289,071)
2,550	-	(587,185)
-	53,404	(252,596)
<u>\$ 5,306</u>	<u>\$ 53,404</u>	<u>(1,128,852)</u>

General revenues:

Taxes:

Property	894,918
State income taxes	358,112
Municipal retailers' tax	192,740
Amusement tax	48,788
Motor fuel tax allotments	96,911
Utilities tax	239,625
Road and bridge taxes	242
Investment income	3,574
Miscellaneous	10,340

Total 1,845,250

Changes in net position 716,398

Net position, beginning of the year 4,183,832

Net position, end of the year \$ 4,900,230

Village of Wayne, Illinois
Balance Sheet - Governmental Funds
April 30, 2022

Assets	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and investments	\$ 2,987,371	\$ 846,710	\$ 3,834,081
Receivables:			
Property taxes, net of allowance for uncollectible amounts	811,530	85,186	896,716
State income tax	93,878	-	93,878
Municipal retailers' tax	28,538	-	28,538
Motor fuel taxes	-	8,157	8,157
Utilities and excise tax	34,991	-	34,991
Total assets	\$ 3,956,308	\$ 940,053	\$ 4,896,361
Liabilities			
Accounts payable	\$ 26,450	\$ -	\$ 26,450
Accrued salaries	19,149	-	19,149
Accrued expenses	-	1,065	1,065
Developers' deposits	11,192	-	11,192
Construction deposits	223,722	-	223,722
Unearned revenue	196,533	-	196,533
Total liabilities	477,046	1,065	478,111
Deferred Inflows of Resources			
Property taxes	811,530	85,186	896,716
Total liabilities and deferred inflows of resources	1,288,576	86,251	1,374,827
Fund balances (deficits):			
Nonspendable	-	100,000	100,000
Restricted for:			
Retirement	-	14,621	14,621
Road and bridge maintenance	-	384,548	384,548
Special service areas	-	179,782	179,782
Donor purposes	27,291	82,290	109,581
Committed for capital outlay	-	92,920	92,920
Unassigned	2,640,441	(359)	2,640,082
Total fund balances	2,667,732	853,802	3,521,534
Total liabilities, deferred inflows of resources and fund balances	\$ 3,956,308	\$ 940,053	\$ 4,896,361

See accompanying notes.

Village of Wayne, Illinois
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2022

Total fund balance - governmental funds (page 14)	\$ 3,521,534
Amounts reported for governmental activities in the statement of net position (page 11) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds' balance sheet.	3,489,536
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position.	896,716
Certain liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds. These liabilities consist of:	
Compensated absences payable	(17,737)
Net pension liability	(3,177,997)
Differences between expected and actual experience, assumption changes, and net differences between projected and actual earnings for the Police Pension Trust Fund are recognized as deferred outflows in the statement of net position.	<u>188,178</u>
Net position of governmental activities (page 11)	<u>\$ 4,900,230</u>

See accompanying notes.

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended April 30, 2022

	General	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	\$ 596,617	\$ 63,439	\$ 660,056
Property taxes - police pension	220,140	-	220,140
Road and bridge taxes	-	242	242
State income taxes	354,462	3,650	358,112
Municipal retailers' tax	192,740	-	192,740
Amusement tax	48,788	-	48,788
Motor fuel tax allotments	-	96,911	96,911
Permits and licenses	104,910	-	104,910
Vehicle stickers	56,550	-	56,550
Utilities tax	239,625	-	239,625
Traffic fines	49,240	-	49,240
Grants and contributions	5,306	53,404	58,710
Interest	2,900	674	3,574
Miscellaneous	10,340	-	10,340
Total revenues	1,881,618	218,320	2,099,938
Expenditures:			
Current expenditures:			
General government:			
Administration	230,306	-	230,306
Building	81,345	-	81,345
Audit	-	15,350	15,350
Payroll taxes	-	49,830	49,830
Public safety	1,018,885	-	1,018,885
Highways and streets	212,760	157,890	370,650
Capital outlay	49,517	-	49,517
Total expenditures	1,592,813	223,070	1,815,883
Net changes in fund balances	288,805	(4,750)	284,055
Fund balances, beginning of the year	2,378,927	858,552	3,237,479
Fund balances, end of the year	\$ 2,667,732	\$ 853,802	\$ 3,521,534

See accompanying notes.

Village of Wayne, Illinois
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended April 30, 2022

Net change in fund balances - total governmental funds (page 16) \$ 284,055

Amounts reported for governmental activities in the statement of activities (pages 12 and 13) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital outlay in the governmental funds. 44,076

Depreciation on capital assets is reported as an expense in the statement of activities. (84,508)

The loss on disposal of capital assets is reported as a decrease to net position on the statement of activities, but proceeds from the sale of capital assets are recorded as an increase to fund balance on the statement of revenues, expenditures and changes in fund balance. (7,616)

Revenues in the statement of activities do not provide current financial resources, and are not reported as revenues in the individual funds. 14,722

The net effect of changes in the net pension liability is reported as an expense in the statement of activities. 465,565

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds:
Change in compensated absence payable 104

Change in net position of governmental activities (page 13) \$ 716,398

See accompanying notes.

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund
For the Year Ended April 30, 2022

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ 599,398	\$ 596,617	\$ (2,781)
Property taxes - police pension	221,169	220,140	(1,029)
State income tax	262,300	354,462	92,162
Municipal retailers' tax	120,000	192,740	72,740
Amusement tax	68,000	48,788	(19,212)
Building permits	88,064	102,970	14,906
Truck permits	3,000	690	(2,310)
Liquor licenses	1,250	1,250	-
Vehicle stickers	70,000	56,550	(13,450)
Utilities tax	222,000	239,625	17,625
Traffic fines	40,400	49,240	8,840
Grants and contributions	2,500	5,306	2,806
Interest	2,500	2,900	400
Miscellaneous	8,490	10,340	1,850
Total revenues	1,709,071	1,881,618	172,547
Current expenditures - general government:			
Administrative department:			
Personnel services	70,123	74,871	(4,748)
Contractual services	119,329	129,623	(10,294)
Commodities	6,400	5,076	1,324
Insurance	16,993	15,161	1,832
Other expenditures	6,051	5,575	476
Total administrative department	218,896	230,306	(11,410)
Building department:			
Personnel services	54,943	54,042	901
Contractual services	18,149	18,951	(802)
Commodities	1,681	872	809
Insurance	8,452	7,480	972
Total building department	83,225	81,345	1,880

(cont'd)

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund (cont'd)
For the Year Ended April 30, 2022

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Current expenditures - public safety:			
Personnel services	\$ 530,779	\$ 516,212	\$ 14,567
Police pension contribution	275,000	275,000	-
Contractual services	146,098	145,265	833
Commodities	37,975	37,925	50
Insurance	46,230	42,202	4,028
Other expenditures	1,500	2,281	(781)
Total public safety	<u>1,037,582</u>	<u>1,018,885</u>	<u>18,697</u>
Current expenditures - highways and streets:			
Personnel services	49,009	26,538	22,471
Contractual services	114,599	182,321	(67,722)
Commodities	7,375	3,183	4,192
Other expenditures	850	718	132
Total highways and streets	<u>171,833</u>	<u>212,760</u>	<u>(40,927)</u>
Total current expenditures	<u>1,511,536</u>	<u>1,543,296</u>	<u>(31,760)</u>
Capital expenditures:			
Administrative department	-	1,008	(1,008)
Public safety	59,000	47,397	11,603
Highways and streets	105,100	1,112	103,988
Total capital expenditures	<u>164,100</u>	<u>49,517</u>	<u>114,583</u>
Total expenditures	<u>1,675,636</u>	<u>1,592,813</u>	<u>82,823</u>
Net change in fund balance	<u>\$ 33,435</u>	<u>288,805</u>	<u>\$ 255,370</u>
Fund balance, beginning of the year		<u>2,378,927</u>	
Fund balance, end of the year		<u>\$ 2,667,732</u>	

See accompanying notes.

Village of Wayne, Illinois
Statement of Fiduciary Net Position -
Fiduciary Funds - Trust and Custodial Funds
April 30, 2022

Assets	Police Pension Trust Fund	Special Service Area #5 Custodial Fund
Cash and cash equivalents	\$ -	\$ -
Investments:		
Money market funds	262,446	117,344
Illinois Funds	5,788	8,705
Certificates of deposit	70,848	-
U.S. government and agency securities	788,040	-
Corporate bonds	277,649	-
Municipal bonds	300,808	-
Equity mutual funds	200,780	-
Treasury bonds	210,274	-
Accrued interest receivable	12,827	-
Total assets	\$ 2,129,460	\$ 126,049
Liabilities		
Liabilities:		
Accounts payable	\$ 53	\$ -
Total liabilities	53	-
Net Position		
Restricted for pension	2,129,407	-
Restricted for debt service	-	126,049
Total liabilities and net position	\$ 2,129,460	\$ 126,049

See accompanying notes.

Village of Wayne, Illinois
Statement of Changes in Net Position -
Fiduciary Funds - Trust and Custodial Funds
For the Year Ended April 30, 2022

	Police Pension Trust Fund	Special Service Area #5 Custodial Fund
Additions:		
Contributions:		
Employer	\$ 275,000	\$ -
Total contributions	275,000	-
Investment income:		
Interest	57,059	44
Net increase in fair value of investments	(195,972)	-
Total investment income	(138,913)	44
Total additions	136,087	44
Deductions:		
Pension benefit payments	313,990	-
Dues	795	-
Professional fees	10,219	-
Training	275	-
Insurance	3,172	-
Debt service:		
Principal	-	25,000
Interest and service charges	-	8,770
Total deductions	328,451	33,770
Net changes in net position	(192,364)	(33,726)
Net position:		
Beginning of the year	2,321,771	159,775
End of the year	\$ 2,129,407	\$ 126,049

See accompanying notes.

Village of Wayne, Illinois Notes to the Financial Statements

I. Summary of Significant Accounting Policies

The Village of Wayne, Illinois (Village), was incorporated on September 19, 1958. The Village operates under a Board of Trustees form of government and provides the following services: police protection, streets and roads, planning and zoning, public improvements, and general administration.

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

A. The Reporting Entity

As defined by generally accepted accounting principles established by GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either: (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2. Fiscal dependency on the primary government including a financial benefit or burden relationship.

Several other governmental entities have operations within or serve the residents of the Village but are separate legal entities. The Village is not financially accountable for these entities, and they are not included in the Village's reporting entity. In addition, the Village does not believe that any of these is a component unit of any other entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Village has no business-type activities.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

B. Government-wide and Fund Financial Statements (cont'd)

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

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has legal claim to the resources. Grants, entitlements, state shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, and expenditures related to compensated absences payable and claims and judgments, are recorded only when payment is due.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. **Summary of Significant Accounting Policies (cont'd)**

C. **Measurement Focus, Basis of Accounting (cont'd)**

Property taxes, utility taxes, grants and contributions and interest are susceptible to accrual. Replacement income tax, state income tax, amusement tax and municipal retailers' tax collected and held by the state at year end on behalf of the Village are also recognized as revenue. Other receipts become measurable and available when cash is received by the Village, and are recognized as revenue at that time.

The Village reports the following major governmental fund:

General Fund – The 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 major departments of the General Fund are administration, building, public safety, and highways and streets.

Additionally, the Village administers fiduciary funds for assets held by the Village in a fiduciary capacity. The Village reports the following fiduciary funds:

Police Pension Trust Fund – The Village has a pension trust fund which is used to account for the activities of the Police Pension Plan. The Police Pension Plan accumulates resources for pension benefit payments to qualified employees.

Special Service Area #5 Custodial Fund – The Village acts as agent for the individual homeowners in the special service area, collecting taxes levied for and making payments on bonds issued for the construction of a private road. The fund is custodial in nature and does not involve measurement of operations.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Unearned revenue is reported on the statement of net position and the governmental funds' balance sheet. Unearned revenues arise when potential revenue does not meet both the measurable and available criteria. Unearned revenues also arise when resources are received prior to the government having a legal claim to them. In a subsequent period, when both the recognition criteria are met, or when the government has a legal claim to the resources, the liability is removed and the revenue is recognized.

Differences occur from the manner in which the governmental fund and the Village-wide financial statements are prepared. The government-wide financial statements report capital asset activity, compensated absences payable, and a net pension liability and related deferred inflows. Governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements and the statements for governmental funds.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity

1. Deposits and Investments

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from these estimates.

Cash – The Village considers cash on hand and cash in banks to be cash.

Investments – Investments are reported at fair value except certain short-term investments, including funds on deposit with Illinois Funds, which are reported at cost, and approximates fair value. 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.

The Village's investment in the Illinois Funds meets the criteria contained in GASB Statement No. 79, Certain Investment Pools and Pool Participants. This allows the Illinois Funds and those local governments investing in it to measure its investment at amortized cost. The criteria contained in GASB Statement No. 79 address (1) how the pool interacts with participants, (2) requirements for portfolio maturity, quality, diversification and liquidity, and (3) calculation and requirements of a shadow price.

Following is a description of the valuation methodologies used for investments measured at fair value, as well as the general classification of such investments pursuant to the valuation hierarchy.

Actively traded mutual funds are valued using quoted market prices. Accordingly, these assets are categorized in Level 1 of the fair value hierarchy.

Corporate and municipal bonds, U.S. government securities and agency securities, and certificates of deposit are valued using pricing models based on standard inputs. These standard inputs typically include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data, including market research publications. Accordingly, these types of investments are categorized in Level 2 of the fair value hierarchy.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity (cont'd)

1. Deposits and Investments (cont'd)

Under Illinois law, the Village is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by state law:

- Securities issued or guaranteed by the United States, its agencies and its instrumentalities.
- Interest-bearing savings accounts, certificates of deposit, and time deposits for banks and savings and loans insured up to \$250,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the highest classification by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds Investment Pool.
- Repurchase agreements that meet instrument transaction requirements of Illinois law.

In addition, Pension Trust Funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies.
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds, and real estate, limited to 10% of the fund's investments.
- Interest-bearing bonds of the State of Illinois, and bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
- Mutual funds which meet the following requirements: (1) managed by an investment company as defined under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953, (2) mutual fund has been in operation for 5 years, (3) mutual fund has assets of \$250 million or more, (4) mutual fund is comprised of stocks, bonds, or money market instruments, and (5) limited to 35% of net present assets.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity (cont'd)

1. Deposits and Investments (cont'd)

- Common and preferred stocks which meet the following requirements: (1) investments must be made through an investment advisor, (2) stocks of U.S. corporations that have been in existence for five years, (3) corporations not in arrears in payment of dividends in last five years, (4) market value of stock in any one corporation does not exceed 5% of cash and invested assets of pension fund, (5) stock in any one corporation does not exceed 5% of total outstanding stock in the corporation, (6) stock listed on national securities exchange or quoted in NASDAQNMS, and (7) limited to 35% of net present assets.

The Village's and the Police Pension Trust Fund's investment policies do not further restrict the types of investments in which the Village may invest.

2. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The Village's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk not later than the last Tuesday in December of each year. Taxes are due and collectible one-half on June 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are based on the assessed valuation of the Village's real property as equalized by the state of Illinois. The rate-setting equalized assessed valuation of real property totaled \$153,412,316 for the calendar year 2021.

Property tax revenues are recorded on the "deferred method." Because of the extraordinarily long period of time between the levy date and the receipt of tax distributions from the county collector, the property taxes are not "available" to finance current year expenditures. For those funds on the modified accrual basis of accounting, the current year tax levy is recorded as property taxes receivable and deferred inflows of resources.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity (cont'd)

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Capital assets, which include property, buildings, equipment, vehicles, and infrastructure assets (e.g., roads, bridges, storm sewers, streetlights, sidewalks, and similar items), are reported in the government-wide financial statements. The Village defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year.

All purchased capital assets are recorded at cost where historical records are available or at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

All reported capital assets except land, site improvements, and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. The following estimated useful lives are used to compute depreciation on a straight-line basis:

Buildings and improvements	10 – 35 years
Infrastructure	25 years
Machinery and equipment	5 – 10 years
Vehicles	7 years

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity (cont'd)

5. Compensated Absences

Full-time and regular part-time employees are permanent employees and are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Village. Generally, after one year of service, permanent employees are entitled to all accrued vacation leave upon termination. Sick leave accrues to permanent employees to specified maximums and may be carried over indefinitely but is not paid out to an employee upon separation of service from the Village.

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated vacation, and vested sick leave balances for Village employees that are carried over from the previous policy. Compensated absences will be paid as they come due and will be paid from the fund where the employee's salary is paid (typically the General Fund).

6. Long-term Obligations

The Village has no long-term obligations. The Village has a fiduciary obligation to levy and collect special purpose property taxes for the long-term debt payable by residents of Special Service Area #5 and makes payments to the bondholders with the taxes collected. The debt is not an obligation of the Village and is secured only by special purpose property taxes and, therefore, is not included in the financial statements of the Village.

7. Fund Balances and Net Position

Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances for any borrowing used for the acquisition, construction, or improvement of those assets. The Village had no such borrowings. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restriction imposed by creditors, grantors, laws, or regulations of other governments.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. **Summary of Significant Accounting Policies (cont'd)**

D. **Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity (cont'd)**

7. **Fund Balances and Net Position (cont'd)**

The statement of net position presents the Village's nonfiduciary assets and liabilities with the difference reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position results when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the criteria of the two preceding categories.

In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent. The Village's fund balances have the following restrictions and commitments. There are no assigned fund balances at April 30, 2022.

Individual Fund Restrictions, Commitments and Assignments:

The fund balances for the special revenue funds are considered restricted, as the source of these fund balances are dedicated property tax levies, except for the Motor Fuel Tax Fund, which is funded by a legislatively mandated tax, and the Sanctuary Fund, which was initially funded by a private donation to be used for the preservation and maintenance of property conveyed to the Village as a wildlife sanctuary and nature preserve. Also, within the Jensen Memorial Fund, nonmajor permanent funds are considered nonspendable to the extent the source of the funds' fund balances is a permanently restricted donation. Income earned in the permanent funds is also restricted for the purpose of the funds.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets/Deferred Outflows, Liabilities/Deferred Inflows and Equity (cont'd)

7. Fund Equity/Net Position (cont'd)

Individual Fund Restrictions, Commitments and Assignments (cont'd):

All nonmajor Capital Projects Funds are considered to be committed for capital projects as decreed by the passage of ordinances by the Board of Trustees.

The Village has a portion of the fund balance (\$27,291) that represents the remaining balance on contributions received for police equipment that is considered restricted. The remaining fund balance in the General Fund is considered to be unassigned, as those funds are available for the general use of the Village, including funding other fund deficits.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

8. Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represents an acquisition of net assets that applies to a future period(s) so will not be recognized as an inflow of resources (revenue) until then.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

II. Budgetary Information

A. Budget Process

The annual appropriation ordinance is adopted on a basis consistent with the modified accrual basis for all governmental funds. All annual appropriated amounts lapse at year end. Expenditures may not legally exceed appropriations at the fund level. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- The appropriations are prepared in tentative form by the Village Treasurer, reviewed and approved by the Board of Trustees. The appropriations are prepared by the Village Treasurer and are made available for public inspection 30 days prior to final Board action. A public hearing is held on the tentative appropriations to obtain taxpayer comments.
- Prior to August 1, the appropriations are legally adopted by the Board of Trustees. All actual expenditures contained herein have been compared to the annual operating budget.
- The Board of Trustees may:
 - Amend the approved appropriations in the same manner as its original enactment.
 - Transfer up to ten percent of the total appropriated in a fund between budgeted items within that fund.
 - After six months and by two-thirds vote, amend the budget or transfer amounts between departments and funds. No amendment or transfer shall be made increasing the budget, in the event funds are not available to effectuate the purpose of the amendment or transfer.
 - Adopt a supplemental budget in an amount not to exceed any additional revenue available, including unbudgeted fund balances, or amounts estimated to be received after adoption of the annual budget.
- The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system in accordance with various legal requirements which govern the Village.
- The Village adopts a budget for the General Fund which is less than the appropriated amount. Actual amounts are compared to the budget in the General Fund. Actual amounts are compared to the appropriation for the other funds.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types

A. Deposits and Investments

The carrying amount of cash and investments at April 30, 2022, is as follows:

	Village	Police Pension Trust Fund	Special Service Area #5 Agency Fund	Total
Cash on hand	\$ 50	\$ -	\$ -	\$ 50
Cash in banks	339,242	-	-	339,242
Total cash	339,292	-	-	339,292
Money market funds	1,118,856	262,446	117,344	1,498,646
Illinois Funds	2,375,933	5,788	8,705	2,390,426
Certificates of deposit	-	70,848	-	70,848
U.S. Government and agency securities	-	998,314	-	998,314
Corporate bonds	-	277,649	-	277,649
Municipal bonds	-	300,808	-	300,808
Equity mutual funds	-	200,780	-	200,780
Total investments	3,494,789	2,116,633	126,049	5,737,471
Total cash and investments	\$ 3,834,081	\$ 2,116,633	\$ 126,049	\$ 6,076,763

The Village's and Special Service Area #5 Agency Fund's money market fund and its Illinois Funds have an investment maturity of less than one year. The carrying value and maturities of the Police Pension Trust Fund's investments at April 30, 2022, are as follows:

	Investment Maturities (in Years)				
	Carrying Value	Less than 1	1 to 5	6 to 10	More than 10
Money market fund	\$ 262,446	\$ 262,446	\$ -	\$ -	\$ -
U.S. Government and agency securities	998,314	10,006	222,626	765,682	-
Corporate bonds	277,649	40,046	185,446	52,157	-
Municipal bonds	300,808	-	179,739	121,069	-
Equity mutual funds	200,780	200,780	-	-	-
Total measured at fair value	2,039,997	513,278	587,811	938,908	-
Certificates of deposit	70,848	-	70,848	-	-
Illinois Funds	5,788	5,788	-	-	-
Total investments	\$ 2,116,633	\$ 519,066	\$ 658,659	\$ 938,908	\$ -

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types (cont'd)

A. Deposits and Investments (cont'd)

The Village had the following recurring fair value measurements as of April 30, 2022:

	Fair Value	Level 1	Level 2	Level 3
Money market fund	\$ 1,118,856	\$ 1,118,856	\$ -	\$ -
Total measured at fair value	1,118,856	\$ 1,118,856	\$ -	\$ -
Illinois Funds	2,375,933			
Total investments	\$ 3,494,789			

Special Service Area #5 Agency Fund had the following recurring fair value measurements as of April 30, 2022:

	Fair Value	Level 1	Level 2	Level 3
Money market fund	\$ 117,344	\$ 117,344	\$ -	\$ -
Total measured at fair value	117,344	\$ 117,343	\$ -	\$ -
Illinois Funds	8,705			
Total investments	\$ 126,049			

The Police Pension Trust Fund has the following recurring fair value measurements as of April 30, 2022:

	Fair Value	Level 1	Level 2	Level 3
Money market fund	\$ 262,446	\$ 262,446	\$ -	\$ -
U.S. Government and agency securities	998,314	-	998,314	-
Corporate bonds	277,649	-	277,649	-
Municipal bonds	300,808	-	300,808	-
Equity mutual funds	200,780	200,780	-	-
Total measured at fair value	2,039,997	\$ 463,226	\$ 1,576,771	\$ -
Certificates of deposit	70,848			
Illinois Funds	5,788			
Total investments	\$ 2,116,633			

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types (cont'd)

A. Deposits and Investments (cont'd)

Credit Risk – State law limits investment in commercial paper and corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs). The Village’s policy places no further limits beyond those required by state law.

As of April 30, 2022, the Police Pension Trust Fund’s investments were rated as follows:

Investment Type	Fair Value	Moody’s Rating
U.S government and agency securities:		
U.S. Treasury	\$ 210,274	NR
Federal Farm Credit System	562,233	Aaa
Federal National Mortgage Association	23,041	Aaa
Federal Home Loan Bank	202,766	Aaa
Corporate bonds:		
	42,876	Aaa
	49,259	Aa2
	34,577	Aa3
	73,549	A1
	62,512	A2
	14,876	Baa2
Municipal bonds:		
	33,910	Aaa
	132,057	Aa2
	28,605	A1
	19,436	A2
	86,800	NR

NR = Not Rated

The Police Pension Trust Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in obligations guaranteed by the United States government, securities issued by agencies of the United States government that are explicitly or implicitly guaranteed by the United States government and investment grade corporate bonds rated at or above Baa by Moody’s. The fixed income securities are rated Aaa to Baa2 by Moody’s. U.S. Treasury securities are not rated.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types (cont'd)

A. Deposits and Investments (cont'd)

Custodial Credit Risk – For deposits and investments, 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 investment or collateral securities that are in the possession of another party. It is the policy of the Village to invest public funds in a manner which will preserve capital, maintain liquidity, and provide a competitive market return while conforming to all state and local statutes governing the investment of public funds. Statutes require that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. The Police Pension Trust Fund's investment policy requires all bank balances to be covered by federal depository insurance or collateralized by the financial institution. The Police Pension Trust Fund's investment policy requires that its investments are registered in the name of the Police Pension Trust Fund and placed with a custodian approved by the Police Pension Trust Fund's Board so long as the custodian meets the requirements of State of Illinois statutes. All cash in banks and certificates of deposit were within FDIC insurance limits at April 30, 2022, or supplemented by collateral agreements with the related financial institution.

Concentration of Credit Risk – The Village's investment policy places no limit on the amount the Village may invest in any one issuer. The Village has investments in the Illinois Funds that exceeds 5% of the Village's investments. For the Police Pension Trust Fund, the following investments (other than those issued or guaranteed by the U.S. government, mutual funds, and other pooled investments) represent 5% or more of net position available for benefits:

<u>Investment Type</u>	<u>% of Net Position</u>
Federal Farm Credit System securities	26.40%
Federal Home Loan Bank securities	9.52%

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types (cont'd)

A. Deposits and Investments (cont'd)

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village structures its investment portfolio so that deposits and investments meet cash requirements for ongoing operations and special projects, thereby avoiding the need to sell securities on the open market at unfavorable times.

In accordance with their investment policy, both the Village and the Police Pension Trust Fund limits its exposure to interest rate risk by structuring the portfolios to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The Police Pension Trust Fund investment policy indicates the average maturity/duration of the portfolio will be managed based on the existing interest rate environment, and under most circumstances, will be maintained at approximately 5 years and will range from 2-7 years, except that the investment manager may change the duration of the portfolio as market conditions permit.

The Village's investment policy structures maturities of securities and invests operating funds in shorter-term securities, money market funds, or similar investment pools as a means of managing its exposure to fair value losses arising from increasing interest rates. At April 30, 2022, the Village's investments are invested in the Illinois Funds, a highly liquid short-term maturity investment pool, and a money market fund.

Other Information – The Illinois Funds Investment Pool (Pool) is not registered with the SEC. The Illinois State Treasury administers the Pool and oversight is provided by the Auditor General's Office of the State of Illinois. The fair value of the positions in this Pool is the same as the value of the Pool shares. Separate financial statements for the Pool can be found on the Illinois State Treasurer's website. The Illinois Funds Investment Pool was rated AAAMf by Fitch Ratings, Inc.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types (cont'd)

B. Capital Assets

Capital asset activity for the year ended April 30, 2022, is as follows:

	<u>Balances May 1, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30, 2022</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 3,014,502	\$ -	\$ -	\$ 3,014,502
Capital assets being depreciated:				
Buildings and improvements	309,679	-	-	309,679
Infrastructure	57,005	-	-	57,005
Machinery and equipment	182,032	6,317	-	188,349
Vehicles	441,887	37,759	(48,214)	431,432
	<u>990,603</u>	<u>44,076</u>	<u>(48,214)</u>	<u>986,465</u>
Less accumulated depreciation:				
Building improvements	90,468	9,295	-	99,763
Infrastructure	39,111	2,280	-	41,391
Machinery and equipment	124,056	11,300	-	135,356
Vehicles	213,886	61,633	(40,598)	234,921
	<u>467,521</u>	<u>84,508</u>	<u>(40,598)</u>	<u>511,431</u>
Total capital assets being depreciated, net	<u>523,082</u>	<u>(40,432)</u>	<u>(7,616)</u>	<u>475,034</u>
Governmental activities, capital assets, net	<u>\$ 3,537,584</u>	<u>\$ (40,432)</u>	<u>\$ (7,616)</u>	<u>\$ 3,489,536</u>

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

General government	\$ 6,170
Public safety	36,687
Highways and streets	<u>41,651</u>
Total depreciation – governmental activities	<u>\$ 84,508</u>

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

III. Detailed Notes For All Activities and Fund Types (cont'd)

C. Commitments

KaneComm

The Village is a subscriber to Kane County Emergency Communications (KaneComm). Under the subscription agreement, KaneComm provides all necessary 911 communications and dispatch services. The agreement with KaneComm dated May 1, 2017, extends through March 2023, and may be automatically renewed for successive one-year periods unless the Village notifies KaneComm of its intent to withdraw. There are early termination features in the agreement, which generally would require the Village to make a substantial payment to KaneComm which is not estimable at this time.

KaneComm assesses a one-time non-refundable implementation fee of two percent of KaneComm's current fiscal year annual operating budget. In addition to the implementation fee, fees due to KaneComm under the agreement are divided into two cost components - a base fee and a usage fee. Both cost components are determined using the Village's percentage of calls for service as a percentage of total calls. The base fee is a flat amount that ranges from \$5,000 to \$25,000 depending on the Village's percentage of KaneComm's total calls for service. The usage fee is computed by taking the Village's percentage of calls for service multiplied by the difference in the KaneComm operating budget less base fees.

After the first year of the agreement, total costs for the Village are not to exceed five percent over the previous year's cost unless the Village's calls for service volume increases by more than fifty percent. The Village is committed to KaneComm for any debt attributable to the Village while a member of KaneComm, which would be incorporated into the base fee. The current year expenditures and expense to the Village under this agreement totaled \$48,042 and is included in the general fund public safety contractual services expenditures on the governmental fund financial statements statement of revenues, expenditures and changes in fund balances and public safety expenses on the government-wide statement of activities.

IV. Other Information

A. Permanent Fund

In October 2010, the Village received a \$100,000 donation to establish a permanent endowment in memory of a past trustee. Any earnings above the original donation are available for the preservation and maintenance of parks and other open space controlled by the Village. The original donation is reported as nonspendable net position on the statement of net position and on the balance sheet – governmental funds. Cumulative unexpended investment earnings of \$6,616 at April 30, 2022, is reported as expendable restricted net position on the statement of net position, and as restricted fund balance on the balance sheet – governmental funds.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

B. Risk Management

The Village is exposed to various risks related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; and natural disasters. For all claims, settlement amounts have not exceeded insurance in the current or three prior years.

Effective January 1, 2014, the Village became a member of the Illinois Municipal League Risk Management Association (IMLRMA), a joint risk management pool through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The difference between the coverage limit and the self-insured retention represented the amount payable by the Association's reinsurance. The Village made an annual contribution of \$50,367 to IMLRMA during the year ended April 30, 2022.

C. Police Pension Plan

General Information About the Pension Plan

Plan Description – Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

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.

At April 30, 2022, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members entitled to, but not yet receiving, benefits	1
Active plan members	0
Total	8

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. **Other Information** (cont'd)

C. **Police Pension Plan** (cont'd)

General Information About the Pension Plan (cont'd)

Benefits Provided – The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service. Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee's retirement benefit. Employees disabled in the line of duty receive 65% of final salary.

The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, is increased annually, following the first anniversary date of retirement and paid upon reaching the age of at least 55 years, by 3% of the originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3% of the amount of the pension payable at the time of the increase.

For employees hired after January 1, 2011, the normal retirement age is attainment of age 55 and completion of 10 years of service; early retirement age is attainment of age 50, completion of 10 years of service and the early retirement factor is 6% per year. The employee's accrued benefit is based on their final 8-year average salary not to exceed \$106,800 (as indexed). Cost of living adjustments are simple increases, not compounded, and are the lesser of 3% or 50% of CPI beginning the later of the anniversary date or age 60. Surviving spouses receive 66.67% of the employee's benefit at the time of death.

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 costs of benefits earned by Plan members as actuarially determined by an enrolled actuary. By the year 2041, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded. Actuarial valuations are performed annually. For the year ended April 30, 2022, the Village's contribution was \$275,000 and there was no covered payroll as all plan participants were not active.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. **Other Information** (cont'd)

C. **Police Pension Plan** (cont'd)

General Information About the Pension Plan (cont'd)

Investment Policy – The pension plan’s investment policy was established in accordance with provisions of the Illinois Compiled Statutes (ILCS) for pension plans, and may be amended by the Pension Board of Trustees. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The primary policies of the fund, in order of priority are safety, liquidity and return on investment. The ILCS limit the Police Pension Trust Fund’s investments in equities, mutual funds and variable annuities to 10%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Police Pension Trust Fund’s investments was determined using an asset allocation study conducted by the Police Pension Trust Fund’s investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return excluding inflation for each major asset class included in the Fund’s target asset allocation as of April 30, 2022, are listed in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity investments:		
U.S. large	23.00%	6.65%
U.S. small	5.00%	7.04%
International developed	18.00%	7.14%
International developed small	5.00%	2.25%
Emerging markets	7.00%	7.81%
Private equity (direct)	7.00%	9.65%
Real estate/infrastructure	8.00%	6.50%
Fixed income and cash:		
Cash	1.00%	2.23%
Bank loans	3.00%	4.98%
Emerging market debt	3.00%	5.32%
High yield corporate credit	3.00%	4.98%
Private credit	5.00%	6.87%
US TIPS	3.00%	2.38%
Short-term government/credit	3.00%	3.23%
U.S. Treasury	3.00%	1.90%
Core plus fixed income	3.00%	3.23%

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. **Other Information** (cont'd)

C. **Police Pension Plan** (cont'd)

General Information About the Pension Plan (cont'd)

Investment Valuations – Equity mutual funds in the Police Pension Trust Fund are stated at fair value as of the trade date. Fair value is based on quoted market prices at April 30, for debt securities and equity mutual funds. Debt securities in the Police Pension Trust Fund are stated at fair value as of the trade date. Fair value is based on pricing models based on standard inputs. These standard inputs typically include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data, including market research publications.

Investment Concentrations – There are no assets legally reserved for purposes other than the payment of plan member benefits. There are no long-term contracts for contributions.

Investment Rate of Return – For the year ended April 30, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Subsequent Event – On or about June 1, 2022, the Police Pension Trust Fund transferred substantially all of its assets to the Illinois Police Officer Pension Investment Fund in accordance with State statute.

Net Pension Liability

The Police Pension Plan's net pension liability was measured as of April 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of May 1, 2021.

Actuarial Valuation and Assumptions – The actuarial assumptions used in the April 30, 2022, valuation were based on a 2021 comprehensive study of Police Officers and Police Pension Funds in Illinois conducted by Lauterbach and Amen. The valuation was done using the entry age normal actuarial cost method and the market value asset valuation method. The total pension liability in the April 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

C. Police Pension Plan (cont'd)

Net Pension Liability (cont'd)

Discount rate used for the total pension liability	6.00%
Long-term expected rate of return on plan assets	6.00%
High quality 20-year tax- exempt G.O. bond rate	3.21%
Projected individual pay increases	3.00%
Projected increase in total payroll	3.00%
Consumer price index (Urban)	2.25%
Inflation rate included	2.25%
Retirement age	L&A 2020 Illinois Police Retirement Rates capped at age 65
Disability rates	L&A 2020 Illinois Police Disability Rates
Termination rates	L&A 2020 Illinois Police Termination Rates
Mortality	Retiree Mortality follows the L&A Assumption Study for Police 2020. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.
	Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
Percent married	80%

The assumptions were changed from the prior year as follows:

The High-Quality 20 Year Tax-Exempt General Obligation (“G.O.”) Bond Rate assumption was changed from 2.27% to 3.21% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. Index as discussed in more detail later in this section. The choice of Index is unchanged from the prior year. The rate has been updated to the current Fiscal Year End based on changes in market conditions as reflected in the Index.

The Discount Rate used in the determination of the Total Pension Liability was changed from 5.00% to 6.00%. The Discount Rate is impacted by a couple of metrics. Any change in the underlying High-Quality 20 Year Tax Exempt G.O. Bond Rate will impact the blended Discount Rate.

The Expected Rate of Return on Investments assumption was changed from 5.00% to 6.00%.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. **Other Information** (cont'd)

C. **Police Pension Plan** (cont'd)

Net Pension Liability (cont'd)

The above stated assumption changes were made to better reflect the future anticipated experience of the Plan.

The actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at April 30, 2022, was 20 years.

Discount Rate – The discount rate used in the determination of the total pension liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The discount rate used to measure the total pension liability was 6.00%.

The discount rate is impacted by a couple of metrics. Any change in the underlying High Quality 20-Year Tax Exempt G.O. Bond Rate (assumed at 3.21% at April 30, 2022) will impact the blended discount rate. In addition, there are changes that can be made that impact the projection of the net position of the fund. For example, changes in the formal or informal funding policy can impact the discount rate. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension (Asset) Liability</u>
Balance, April 30, 2021	\$ 5,769,888	\$ 2,321,771	\$ 3,448,117
Changes for the year:			
Interest	291,491	-	291,491
Differences between expected and actual experience	218,992	-	218,992
Changes in assumptions	(658,977)	-	(658,977)
Contributions - employer	-	275,000	(275,000)
Net investment loss	-	(138,913)	138,913
Benefit payments, including refunds of employee contributions	(313,990)	(313,990)	-
Administrative expenses	-	(14,461)	14,461
Net changes	<u>(462,484)</u>	<u>(192,364)</u>	<u>(270,120)</u>
Balances at April 30, 2022	<u>\$ 5,307,404</u>	<u>\$ 2,129,407</u>	<u>\$ 3,177,997</u>

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. **Other Information** (cont'd)

C. **Police Pension Plan** (cont'd)

Net Pension Liability (cont'd)

Changes in Net Pension Liability

Discount Rate Sensitivity – The following 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 higher or lower than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net Pension Liability	\$ 3,836,974	\$ 3,177,997	\$ 2,631,692

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

For the year ended April 30, 2022, the Village recognized pension expense to the Police Pension Plan of \$190,565. At April 30, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Net difference between projected and actual earnings in pension plan investments	\$ 219,527	\$ (31,349)	\$ 188,178

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

Year Ending April 30,		
2023	\$	47,641
2024		37,065
2025		52,739
2026		50,733
	\$	188,178

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. New Governmental Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued several other pronouncements that become effective in future years, including GASB Statement No. 95 that postponed the effective date of most of these statements by one year due to the COVID-19 pandemic. The effective dates shown below are the newly extended effective dates.

GASB Statement No. 87, *Leases*, addresses the accounting and financial reporting requirements for leases by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows and outflows of resources based on the payment provisions of the contracts, and is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 91, *Conduit Debt Obligations*, provides for a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. Statement No. 91 is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 92, *Omnibus 2020*, improves the consistency and comparability in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Statement No. 92 is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses the accounting and financial reporting implications that result from the replacement of an interbank offered rate in derivative instruments and lease agreements. Statement No. 93 is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by establishing definitions of public-public and public-private arrangements (PPPs), and availability payment arrangements (APAs), and providing uniform guidance on accounting and financial reporting for transactions that meet these definitions. Statement No. 94 is effective for the fiscal year ending April 30, 2024.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, improves financial reporting by establishing definitions of subscription-based information technology arrangements, and providing uniform guidance on accounting and financial reporting for transactions that meet these definitions. Statement No. 96 is effective for the fiscal year ending April 30, 2024.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, improves financial reporting by increasing consistency and comparability related to the reporting of fiduciary component units including Internal Revenue Code Section 457 deferred compensation plans and the benefits provided through these plans. Statement No. 97 is effective for the fiscal year ending April 30, 2023.

Village of Wayne, Illinois
Notes to the Financial Statements (cont'd)

IV. Other Information (cont'd)

D. New Governmental Accounting Standards (cont'd)

GASB Statement No. 99, *Omnibus 2022*, improves the comparability in the application of accounting and financial reporting requirements and the consistency of authoritative literature by clarifying items within recently released accounting standards. Portions of this standard were effective upon issuance, while other portions become effective for the fiscal years ending April 30, 2024, and 2025.

GASB Statement 100, *Accounting Changes and Error Corrections*, improves the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. Statement No. 100 is effective for the fiscal year ending April 30, 2025.

GASB Statement 101, *Compensated Absences*, improves financial reporting by establishing a unified recognition and measurement model for compensated absences that more appropriately reflects when a government incurs an obligation which can be applied to any type of compensated absence, eliminating potential comparability issues between governments that offer different types of leave. Statement No. 101 is effective for the fiscal year ending April 30, 2025.

Management has not yet completed its assessment of these statements and a determination as to their impact on the overall financial statement presentation has not been made.

E. Subsequent Events

Management has evaluated subsequent events through October 21, 2022, the date these financial statements were available to be issued.

F. Risks, Uncertainties, and Contingencies

The Village has received grant funding from various governmental agencies and these grants are subject to examination by the granting agencies and if claims of reimbursable costs under the grants are disallowed, the Village may incur a liability that would require the related funding.

REQUIRED SUPPLEMENTARY INFORMATION

**Village of Wayne, Illinois
Police Pension Fund
Required Supplementary Information - Multiyear Schedule of
Changes in the Employer's Net Pension Liability and Related Ratios**

	<u>2022</u>	<u>2021</u>
Total pension liability:		
Service cost	\$ -	\$ 33,957
Interest	291,491	278,985
Changes in benefit terms		-
Differences between expected and actual experience	218,992	83,366
Changes in assumptions	(658,977)	-
Benefit payments, including refunds of member contributions	(313,990)	(252,735)
Net change in total pension liability	(462,484)	143,573
Total pension liability, beginning of year	5,769,888	5,626,315
Total pension liability, end of year	\$ 5,307,404	\$ 5,769,888
Plan fiduciary net position:		
Contributions - employer	\$ 275,000	\$ 250,000
Contributions - member	-	7,139
Net investment income	(138,913)	100,534
Benefit payments, including refunds of member contributions	(313,990)	(252,735)
Administrative expense	(14,461)	(10,778)
Prior period audit adjustment		13,136
Net change in plan fiduciary net position	(192,364)	107,296
Plan fiduciary net position, beginning of year	2,321,771	2,214,475
Plan fiduciary net position, end of year	\$ 2,129,407	\$ 2,321,771
Employer's net pension liability	\$ 3,177,997	\$ 3,448,117
Plan fiduciary net position as a percentage of the total pension liability	<u>40.12%</u>	<u>40.24%</u>
Covered employee payroll	\$ -	\$ 70,160
Employer's net pension liability as a percentage of covered-employee payroll	<u>N/A</u>	<u>4914.65%</u>

See independent auditor's report.

2020	2019	2018	2017	2016
\$ 35,372	\$ 47,485	\$ 65,936	\$ 62,796	\$ 108,882
258,741	247,662	245,672	232,585	222,885
-	-	-	-	-
166,315	156,062	1,237	159,793	-
(10,599)	(27,794)	107,942	1,780	-
(251,169)	(225,472)	(209,025)	(181,421)	(94,081)
198,660	197,943	211,762	275,533	237,686
5,427,655	5,229,712	5,017,950	4,742,417	4,504,731
<u>\$ 5,626,315</u>	<u>\$ 5,427,655</u>	<u>\$ 5,229,712</u>	<u>\$ 5,017,950</u>	<u>\$ 4,742,417</u>
\$ 274,997	\$ 225,000	\$ 208,708	\$ 190,000	\$ 208,708
8,721	8,108	16,738	19,846	34,196
180,171	47,162	45,539	48,252	6,081
(251,169)	(225,472)	(209,025)	(181,421)	(94,081)
(24,584)	(39,925)	(10,841)	(9,570)	(8,687)
(5,621)	-	-	-	-
182,515	14,873	51,119	67,107	146,217
2,031,960	2,017,087	1,965,968	1,898,861	1,752,644
<u>\$ 2,214,475</u>	<u>\$ 2,031,960</u>	<u>\$ 2,017,087</u>	<u>\$ 1,965,968</u>	<u>\$ 1,898,861</u>
<u>\$ 3,411,840</u>	<u>\$ 3,395,695</u>	<u>\$ 3,212,625</u>	<u>\$ 3,051,982</u>	<u>\$ 2,843,556</u>
<u>39.36%</u>	<u>37.44%</u>	<u>38.57%</u>	<u>39.18%</u>	<u>40.04%</u>
<u>\$ 91,325</u>	<u>\$ 81,815</u>	<u>\$ 160,016</u>	<u>\$ 288,096</u>	<u>\$ 362,971</u>
<u>3735.93%</u>	<u>4150.46%</u>	<u>2007.69%</u>	<u>1059.36%</u>	<u>783.41%</u>

**Village of Wayne, Illinois
Police Pension Fund
Required Supplementary Information -
Multiyear Schedule of Employer Contributions**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 205,416	\$ 208,561	\$ 171,612	\$ 172,561
Contributions in relation to actuarially determined contribution	<u>275,000</u>	<u>250,000</u>	<u>274,997</u>	<u>225,000</u>
Contribution deficiency (excess)	<u>\$ (69,584)</u>	<u>\$ (41,439)</u>	<u>\$ (103,385)</u>	<u>\$ (52,439)</u>
Covered-employee payroll	\$ -	\$ 70,160	\$ 91,325	\$ 81,815
Contributions as a percentage of covered-employee payroll	N/A	356.33%	301.12%	275.01%

Notes to Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Actuarial Asset Method	Level % Pay (Closed)
Equivalent Single Amortization Period	90% Funded Over 20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Remaining Amortization Period	20 Years
Inflation (CPI-U)	2.50%
Payroll Increases	3.50%
Individual Pay Increases	3.50% - 11.00%
Investment Rate of Return	4.75%
Mortality	RP-2014 Healthy Annuitant with Blue Collar Data, as Described
Retirement Age	IL. Dept. of Insur. Actuarial Experience Study Dated 10/05/17
Disability Rates	IL. Dept. of Insur. Actuarial Experience Study Dated 10/05/17
Termination Rates	IL. Dept. of Insur. Actuarial Experience Study Dated 10/05/17

The actuarially determined contribution shown for the current year is the statutory minimum requirement from the May 1, 2020, actuary's report completed by the Illinois Department of Insurance for the tax levy recommendation for the December 2020 tax levy. Actuarially determined contributions shown for years prior to 2019 are based on full funding recommendations using the Entry Age Normal Cost Method and targeting 100% funding.

See independent auditor's report.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 176,919	\$ 193,272	\$ 193,272	\$ 182,215	\$ 184,777	\$ 194,391
<u>208,708</u>	<u>190,000</u>	<u>208,708</u>	<u>200,000</u>	<u>282,913</u>	<u>157,000</u>
<u>\$ (31,789)</u>	<u>\$ 3,272</u>	<u>\$ (15,436)</u>	<u>\$ (17,785)</u>	<u>\$ (98,136)</u>	<u>\$ 37,391</u>
\$ 160,016	\$ 288,096	\$ 362,971	\$ 293,222	\$ 313,569	\$ 325,774
130.43%	65.95%	57.50%	68.21%	90.22%	48.19%

SUPPLEMENTAL SECTION

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Governmental Funds

Special Revenue Funds

Social Security Fund – To account for revenues derived from a specific annual property tax levy and employee contributions which are fixed by law and subsequently paid to the United States Treasury Social Security Fund.

Audit Fund – To account for revenues derived from a specific annual property tax levy and expenditure of these monies for the annual audit of the Village.

Road and Bridge Fund – To account for revenues derived from a specific annual property tax levy and expenditures of these monies for street and bridge repairs and maintenance.

Motor Fuel Tax Fund – To account for revenues derived from the state of Illinois motor fuel taxes and expenditures of these monies for road repairs and maintenance.

Special Service Area #3 Fund – To account for revenues derived from a specific annual property tax levy and expenditures of these monies for the special service area.

Special Service Area #4 Fund – To account for revenues derived from a specific annual property tax levy and expenditures of these monies for the special service area.

Sanctuary Fund – To account for revenues received and expenditures for sanctuary maintenance.

Capital Projects Funds

School Fund – To account for the contributions, grants, and other income received from third parties, and expenditures for school projects within the Village as directed by the appropriate School District and agreed to by the Village Board.

Park Fund – To account for the contributions, grants and other income received and expenditures for capital projects.

Special Service Area #5 Fund – To account for proceeds from SSA #5 bonds and expenditures of these monies for the Special Service Area.

Permanent Funds

William T. Jensen III Memorial Fund – To account for contributions received, investment income and park maintenance expenses related to the William T. Jensen III endowment.

**Village of Wayne, Illinois
Combining Balance Sheet
Nonmajor Governmental Funds
April 30, 2022**

	Special Revenue Funds					
	Social Security Fund	Audit Fund	Road and Bridge Fund	Motor Fuel Tax Fund	Special Service Area #3	Special Service Area #4
Assets						
Current assets:						
Cash and investments	\$ 15,327	\$ -	\$ 56,581	\$ 319,810	\$ 39,568	\$ 140,214
Receivables:						
Motor fuel taxes	-	-	-	8,157	-	-
Property taxes, net of allowance for uncollectible taxes	44,624	14,561	-	-	15,000	11,001
Total assets	\$ 59,951	\$ 14,561	\$ 56,581	\$ 327,967	\$ 54,568	\$ 151,215
Liabilities						
Accrued expenses	\$ 706	\$ 359	\$ -	\$ -	\$ -	\$ -
Deferred Inflows of Resources						
Property taxes	44,624	14,561	-	-	15,000	11,001
Total liabilities and deferred inflows of resources	45,330	14,920	-	-	15,000	11,001
Fund balances (deficit):						
Nonspendable	-	-	-	-	-	-
Restricted for:						
Donor purposes	-	-	-	-	-	-
Retirement	14,621	-	-	-	-	-
Road and bridge maintenance	-	-	56,581	327,967	-	-
Special service areas	-	-	-	-	39,568	140,214
Committed for capital outlay	-	-	-	-	-	-
Unassigned	-	(359)	-	-	-	-
Total fund balances (deficit)	14,621	(359)	56,581	327,967	39,568	140,214
Total liabilities and fund balances	\$ 59,951	\$ 14,561	\$ 56,581	\$ 327,967	\$ 54,568	\$ 151,215

See independent auditor's report.

Sanctuary Fund	Total	Capital Projects Funds			Total	Permanent Fund Jensen Memorial Fund	Total Nonmajor Governmental Funds
		School Fund	Park Fund	Special Service Area #5			
\$ 75,674	\$ 647,174	\$ -	\$ 88,373	\$ 4,547	\$ 92,920	\$ 106,616	\$ 846,710
-	8,157	-	-	-	-	-	8,157
-	85,186	-	-	-	-	-	85,186
\$ 75,674	\$ 740,517	\$ -	\$ 88,373	\$ 4,547	\$ 92,920	\$ 106,616	\$ 940,053
\$ -	\$ 1,065	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,065
-	85,186	-	-	-	-	-	85,186
-	86,251	-	-	-	-	-	86,251
-	-	-	-	-	-	100,000	100,000
75,674	75,674	-	-	-	-	6,616	82,290
-	14,621	-	-	-	-	-	14,621
-	384,548	-	-	-	-	-	384,548
-	179,782	-	-	-	-	-	179,782
-	-	-	88,373	4,547	92,920	-	92,920
-	(359)	-	-	-	-	-	(359)
75,674	654,266	-	88,373	4,547	92,920	106,616	853,802
\$ 75,674	\$ 740,517	\$ -	\$ 88,373	\$ 4,547	\$ 92,920	\$ 106,616	\$ 940,053

Village of Wayne, Illinois
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficit)
Nonmajor Governmental Funds
For the Year Ended April 30, 2022

	Special Revenue Funds					
	Social Security Fund	Audit Fund	Road and Bridge Fund	Motor Fuel Tax Fund	Special Service Area #3	Special Service Area #4
Revenues:						
Property taxes	\$ 24,450	\$ 10,683	\$ 2,230	\$ -	\$ 14,969	\$ 11,107
Road and bridge taxes	-	-	242	-	-	-
State income tax	250	3,400	-	-	-	-
Motor fuel tax allotments	-	-	-	96,911	-	-
Grants and contributions	-	-	-	53,404	-	-
Interest	-	-	51	353	-	-
Total revenues	24,700	14,083	2,523	150,668	14,969	11,107
Expenditures:						
Current:						
General government:						
Audit	-	15,350	-	-	-	-
Payroll taxes	49,830	-	-	-	-	-
Highways and streets	-	-	-	100,000	4,885	-
Total expenditures	49,830	15,350	-	100,000	4,885	-
Net changes in fund balances	(25,130)	(1,267)	2,523	50,668	10,084	11,107
Fund balances, beginning of the year	39,751	908	54,058	277,299	29,484	129,107
Fund balances (deficit), end of the year	\$ 14,621	\$ (359)	\$ 56,581	\$ 327,967	\$ 39,568	\$ 140,214

See independent auditor's report.

Sanctuary Fund	Total	Capital Projects Funds			Total	Permanent Fund Jensen Memorial Fund	Total Nonmajor Governmental Funds
		School Fund	Park Fund	Special Service Area #5			
\$ -	\$ 63,439	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,439
-	242	-	-	-	-	-	242
-	3,650	-	-	-	-	-	3,650
-	96,911	-	-	-	-	-	96,911
-	53,404	-	-	-	-	-	53,404
74	478	2	87	3	92	104	674
74	218,124	2	87	3	92	104	218,320
-	15,350	-	-	-	-	-	15,350
-	49,830	-	-	-	-	-	49,830
-	104,885	53,005	-	-	53,005	-	157,890
-	170,065	53,005	-	-	53,005	-	223,070
74	48,059	(53,003)	87	3	(52,913)	104	(4,750)
75,600	606,207	53,003	88,286	4,544	145,833	106,512	858,552
\$ 75,674	\$ 654,266	\$ -	\$ 88,373	\$ 4,547	\$ 92,920	\$ 106,616	\$ 853,802

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Social Security Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues:			
Property taxes	\$ 24,568	\$ 24,450	\$ (118)
State income tax	185	250	65
	24,753	24,700	(53)
Total revenues			
Expenditures - current - payroll taxes	49,881	49,830	51
Net change in fund balance	\$ (25,128)	(25,130)	\$ (2)
Fund balance, beginning of the year		39,751	
Fund balance, end of the year		\$ 14,621	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance (Deficit)- Appropriation and Actual
Audit Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues:			
Property taxes	\$ 10,744	\$ 10,683	\$ (61)
State income tax	2,515	3,400	885
	<hr/>	<hr/>	<hr/>
Total revenues	13,259	14,083	824
	<hr/>	<hr/>	<hr/>
Expenditures - current - auditing expenditures	17,750	15,350	2,400
	<hr/>	<hr/>	<hr/>
Net change in fund balance	\$ (4,491)	(1,267)	\$ 3,224
	<hr/>	<hr/>	<hr/>
Fund balance, beginning of the year		908	
		<hr/>	
Fund deficit, end of the year		\$ (359)	
		<hr/>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Road and Bridge Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues:			
Property taxes	\$ -	\$ 2,230	\$ 2,230
Road and bridge taxes	-	242	242
Interest	-	51	51
	<hr/>	<hr/>	<hr/>
Total revenues	-	2,523	2,523
	<hr/>	<hr/>	<hr/>
Expenditures	62,500	-	62,500
	<hr/>	<hr/>	<hr/>
Net change in fund balance	\$ (62,500)	2,523	\$ 65,023
	<hr/>	<hr/>	<hr/>
Fund balance, beginning of the year		54,058	
		<hr/>	
Fund balance, end of the year		\$ 56,581	
		<hr/>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Motor Fuel Tax Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues:			
Motor fuel tax allotments	\$ -	\$ 96,911	\$ 96,911
Grants and contracts	-	53,404	53,404
Interest	-	353	353
	<u>-</u>	<u>150,668</u>	<u>150,668</u>
Total revenues	<u>-</u>	<u>150,668</u>	<u>150,668</u>
Expenditures - current - general government - highways and streets	<u>500,000</u>	<u>100,000</u>	<u>400,000</u>
Net change in fund balance	<u>\$ (500,000)</u>	<u>50,668</u>	<u>\$ 550,668</u>
Fund balance, beginning of the year		<u>277,299</u>	
Fund balance, end of the year		<u>\$ 327,967</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Special Service Area #3 Fund
For the Year Ended April 30, 2022

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance With Final Appropriation Positive (Negative)</u>
Revenues - property taxes	\$ 15,000	\$ 14,969	\$ (31)
Expenditures:			
Current - general government - highways and streets:			
Contractual services	15,000	-	15,000
Repairs and maintenance	<u>55,000</u>	<u>4,885</u>	<u>50,115</u>
Total expenditures	<u>70,000</u>	<u>4,885</u>	<u>65,115</u>
Net change in fund balance	<u>\$ (55,000)</u>	<u>10,084</u>	<u>\$ 65,084</u>
Fund balance, beginning of the year		<u>29,484</u>	
Fund balance, end of the year		<u>\$ 39,568</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Special Service Area #4 Fund
For the Year Ended April 30, 2022

	<u>Original and Final Appropriation</u>	<u>Actual</u>	<u>Variance With Final Appropriation Positive (Negative)</u>
Revenues - property taxes	\$ 11,000	\$ 11,107	\$ 107
Expenditures:			
Current - general government - highways and streets:			
Contractual services	66,000	-	66,000
Repairs and maintenance	<u>109,000</u>	<u>-</u>	<u>109,000</u>
Total expenditures	<u>175,000</u>	<u>-</u>	<u>175,000</u>
Net change in fund balance	<u>\$ (164,000)</u>	11,107	\$ 175,107
Fund balance, beginning of the year		<u>129,107</u>	
Fund balance, end of the year		<u>\$ 140,214</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Sanctuary Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues - interest	\$ -	\$ 74	\$ 74
Expenditures - contractual services	95,000	-	95,000
Net change in fund balance	\$ (95,000)	74	\$ 95,074
Fund balance, beginning of the year		75,600	
Fund balance, end of the year		\$ 75,674	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
School Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues:			
Interest	\$ -	\$ 2	\$ 2
Total revenues	<u>-</u>	<u>2</u>	<u>2</u>
Expenditures - current:			
General government - administration	40,000	-	40,000
Highways and streets - land improvements and equipment	<u>40,000</u>	<u>53,005</u>	<u>(13,005)</u>
Total expenditures	<u>80,000</u>	<u>53,005</u>	<u>26,995</u>
Net change in fund balance	<u>\$ (80,000)</u>	<u>(53,003)</u>	<u>\$ 26,997</u>
Fund balance, beginning of the year		<u>53,003</u>	
Fund balance, end of the year		<u>\$ -</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
Park Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues - interest	\$ -	\$ 87	\$ 87
Expenditures:			
Current - general government - administration	10,000	-	10,000
Capital outlay - land improvements and equipment	95,000	-	95,000
Total expenditures	105,000	-	105,000
Net change in fund balance	\$ (105,000)	87	\$ 105,087
Fund balance, beginning of the year		88,286	
Fund balance, end of the year		\$ 88,373	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Appropriation and Actual
William T. Jensen III Memorial Fund
For the Year Ended April 30, 2022

	Original and Final Appropriation	Actual	Variance With Final Appropriation Positive (Negative)
Revenues - interest	\$ -	\$ 104	\$ 104
Expenditures - park maintenance	8,000	-	8,000
Net change in fund balance	\$ (8,000)	104	\$ 8,104
Fund balance, beginning of the year		106,512	
Fund balance, end of the year		\$ 106,616	

See independent auditor's report.

OTHER FINANCIAL SCHEDULES

Capital Assets Used in the Operation of Governmental Funds

Capital assets used in the operation of governmental funds are not reported in the fund financial statements, but are reported on the statement of net position at the entity-wide level.

Adequate accounting procedures and records for fixed assets are essential to the protective custody of governmental property. The responsibility of stewardship for substantial investments can be effectively discharged only through adequate fixed asset accounting.

Village of Wayne, Illinois
Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
April 30, 2022

General fixed assets:	
Land	\$ 3,014,502
Building improvements	309,679
Infrastructure	57,005
Equipment	188,349
Vehicles	<u>431,432</u>
Total	<u>\$ 4,000,967</u>
Investment in general fixed assets:	
Donations	\$ 2,621,512
General, Special Revenue and Capital Projects Funds	<u>1,379,455</u>
Total	<u>\$ 4,000,967</u>

See independent auditor's report.

Village of Wayne, Illinois
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
April 30, 2022

	Function and Activity			Total
	General Government	Street and Bridge (Public Works)	Police Protection	
Land	\$ 3,014,502	\$ -	\$ -	\$ 3,014,502
Building and improvements	55,232	254,447	-	309,679
Infrastructure	57,005	-	-	57,005
Equipment	62,790	57,725	67,834	188,349
Vehicles	-	209,272	222,160	431,432
Total	\$ 3,189,529	\$ 521,444	\$ 289,994	\$ 4,000,967

See independent auditor's report.

Village of Wayne, Illinois
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
For the Year Ended April 30, 2021

	<u>Balances May 1,</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30,</u>
Function and activity:				
General Government	\$ 3,189,529	\$ -	\$ -	\$ 3,189,529
Street and Bridge (Public Works)	521,444	-	-	521,444
Police Protection	294,132	44,076	(48,214)	289,994
Total	\$ 4,005,105	\$ 44,076	\$ (48,214)	\$ 4,000,967

See independent auditor's report.

Long-term Debt Payable by Special Service Area #5

Long-term debt payable by Special Service Area #5 was issued for the private road construction and maintenance for homeowners within the service area. The Village levies property taxes on the homeowners for the repayment of the bonds payable.

Village of Wayne, Illinois
Long-term Debt Requirements
Special Service Area #5 Special Tax Bonds
April 30, 2022

Series 2007, Special Tax Bonds

Bond date	August 23, 2007
Interest rate	5.80%
Principal payment date	January 15
Interest payment dates	July 15 and January 15
Payable from	Special Service Area #5

<u>Due Date</u>	<u>Future Principal and Interest Requirements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
04/30/23	115,000	6,670	121,670

The Village acts in a custodial capacity, collecting special tax assessments from property owners in the Special Service Area #5 and making principal and interest payments on the above bonds. The Village is not obligated in any manner for this obligation.

See independent auditor's report.

STATISTICAL INFORMATION

**Village of Wayne, Illinois
General Governmental Revenues by Source
Last Ten Fiscal Years**

Fiscal Year Ended April 30,	Village Property Taxes	Police Pension Property Taxes	State Income Tax	Other Taxes	Investment Income	Permits, Licenses and Traffic Fines	Other	Total
2013	\$ 624,952	\$ 102,425	\$ 240,120	\$ 437,319	\$ 4,112	\$ 180,931	\$ 100,361	\$ 1,690,220
2014	624,466	126,844	236,891	440,088	2,282	168,975	34,375	1,633,921
2015	629,697	142,777	238,078	432,250	2,048	191,423	281,826	1,918,099
2016	635,915	143,489	292,237	443,144	4,757	238,155	87,464	1,845,161
2017	633,693	154,968	196,630	446,224	19,212	192,666	12,318	1,655,711
2018	642,321	154,386	269,191	416,616	25,957	219,254	87,722	1,815,447
2019	657,691	166,498	251,343	436,462	55,335	227,977	21,828	1,817,134
2020	677,099	164,282	239,111	456,937	56,085	288,702	119,607	2,001,823
2021	689,653	171,116	315,791	529,846	10,166	234,717	209,261	2,160,550
2022	660,056	220,140	358,112	578,306	3,574	210,700	69,050	2,099,938

Data source: Village of Wayne annual financial reports.

See independent auditor's report.

**Village of Wayne, Illinois
General Governmental Expenditures by Function
Last Ten Fiscal Years**

Fiscal Year Ended April 30,	General Government	Police Protection	Police Pension Contribution	Capital Expenditures	Street and Bridge Maintenance	Social Security	Repairs and Maintenance	Total
2013	\$ 281,281	\$ 719,967	\$ 157,000	\$ 45,043	\$ 109,216	\$ 45,076	\$ 49,011	\$ 1,406,594
2014	287,754	721,863	282,913	58,096	189,786	47,292	54,851	1,642,555
2015	295,602	741,766	200,000	221,164	247,656	48,416	66,506	1,821,110
2016	290,196	742,216	208,708	398,347	358,203	48,557	69,487	2,115,714
2017	288,181	720,070	190,000	76,820	240,329	48,520	63,438	1,627,358
2018	244,743	734,788	208,708	67,078	350,508	50,666	60,426	1,716,917
2019	217,702	691,203	225,000	156,938	313,876	48,330	79,683	1,732,732
2020	217,232	621,014	274,997	228,869	212,848	46,161	92,814	1,693,935
2021	234,473	704,932	250,000	146,264	328,752	51,074	86,502	1,801,997
2022	245,656	743,885	275,000	49,517	370,650	49,830	81,345	1,815,883

Data source: Village of Wayne annual financial reports.

See independent auditor's report.

Village of Wayne, Illinois
Property Tax Levies and Collections
Last Ten Fiscal Years

Kane County:

Fiscal Year Ended April 30,	Tax Year Levy	Total Tax Levy	Total Tax Levy Extension	Total Tax Collections	Percent of Total Tax Collections to Tax Levy Extension	Adjustments From Prior Years	Percent of Delinquent Taxes of Tax Levy Extension
2013	2011	\$ 318,190	\$ 314,260	\$ 313,638	99.80%	\$ 622	0.20%
2014	2012	336,950	336,950	329,159	97.69%	7,791	2.31%
2015	2013	342,874	342,874	342,373	99.85%	501	0.15%
2016	2014	349,605	349,605	348,329	99.64%	1,276	0.36%
2017	2015	355,467	355,467	355,649	100.05%	-	0.00%
2018	2016	349,076	349,076	347,401	99.52%	1,675	0.48%
2019	2017	364,609	364,609	363,891	99.80%	718	0.20%
2020	2018	367,667	367,667	367,576	99.98%	91	0.02%
2021	2019	376,174	376,174	375,798	99.90%	-	0.00%
2022	2020	383,953	383,953	380,819	99.18%	-	0.00%

Includes Corporate, Police Protection, Police Pension, Audit, Liability Insurance, Street and Bridge, and Social Security Funds.

Data source: Kane County Collector

DuPage County:

Fiscal Year Ended April 30,	Tax Year Levy	Total Tax Levy	Total Tax Levy Extension	Total Tax Collections	Percent of Total Tax Collections to Tax Levy Extension	Adjustments From Prior Years	Percent of Delinquent Taxes of Tax Levy Extension
2013	2011	\$ 383,668	\$ 383,668	\$ 383,807	100.04%	\$ -	0.00%
2014	2012	386,149	386,149	385,568	99.85%	581	0.15%
2015	2013	397,163	397,163	396,348	99.79%	815	0.21%
2016	2014	403,126	403,126	402,204	99.77%	922	0.23%
2017	2015	405,996	405,996	404,399	99.61%	1,597	0.39%
2018	2016	421,011	421,011	420,511	99.88%	500	0.12%
2019	2017	431,476	431,476	431,440	99.99%	36	0.01%
2020	2018	447,508	447,508	447,379	99.97%	129	0.03%
2021	2019	456,944	456,944	456,307	99.86%	637	0.14%
2022	2020	471,926	471,926	471,071	99.82%	855	0.18%

Includes Corporate, Police Protection, Police Pension, Audit, Liability Insurance, Street and Bridge, and Social Security Funds.

Data source: DuPage County Collector

See independent auditor's report.

Village of Wayne, Illinois
Assessed and Estimated Actual Value of Taxable Properties
Last Ten Fiscal Years

Kane County:

<u>Fiscal Year Ended April 30,</u>	<u>Tax Year Levy</u>	<u>Assessed Value (1)</u>	<u>Estimated Actual Value</u>
2013	2011	\$ 78,102,323	\$234,306,969
2014	2012	76,220,996	228,662,988
2015	2013	71,051,712	213,155,136
2016	2014	69,393,765	208,181,295
2017	2015	70,495,525	211,486,575
2018	2016	70,429,377	211,288,131
2019	2017	72,459,530	217,378,590
2020	2018	69,471,997	208,415,991
2021	2019	67,917,404	203,752,212
2022	2020	69,550,402	208,651,206

Data source: Kane County Collector

DuPage County:

<u>Fiscal Year Ended April 30,</u>	<u>Tax Year Levy</u>	<u>Assessed Value (1)</u>	<u>Estimated Actual Value</u>
2013	2011	\$ 95,344,931	\$286,034,793
2014	2012	87,344,185	262,032,555
2015	2013	82,296,451	246,889,353
2016	2014	80,017,132	240,051,396
2017	2015	80,506,885	241,520,655
2018	2016	84,932,646	254,797,938
2019	2017	85,746,497	257,239,491
2020	2018	84,547,110	253,641,330
2021	2019	82,495,671	247,487,013
2022	2020	85,478,336	256,435,008

Data source: DuPage County Collector

(1) Assessed value is set by the County Assessor on an annual basis. The assessment level is then adjusted by the State with a county multiplier based on the factor needed to bring the average prior years' level up to 33 1/3% of market value.

See independent auditor's report.