

VILLAGE OF HANOVER PARK, ILLINOIS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT



*Hanover Park*<sup>USA</sup>

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2023

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**VILLAGE OF HANOVER PARK, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**

**Prepared by:  
Finance Department**

**Remy Navarrete  
Director of Finance**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village including:

- List of Principal Officials
- Table of Organization
- Letter of Transmittal
- GFOA Certificate of Achievement for Excellence in Financial Reporting

# Village of Hanover Park

## Principal Officials

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### Mailing Address

2121 W. Lake Street  
Hanover Park, IL 60133

Phone (630) 823-5600

Fax (630) 823-5786

TDD (630) 823-5479

Web Site: [www.HPIL.org](http://www.HPIL.org)

## Village President and Board of Trustees

Rodney S. Craig, Village President  
Kristy Merrill, Village Clerk

### Trustees

Herb Porter

Yasmeen Bankole

Bob Prigge

Lisa Gutierrez

Syed Hussani

Jon Kunkel

## Executive Office

(630) 823-5608

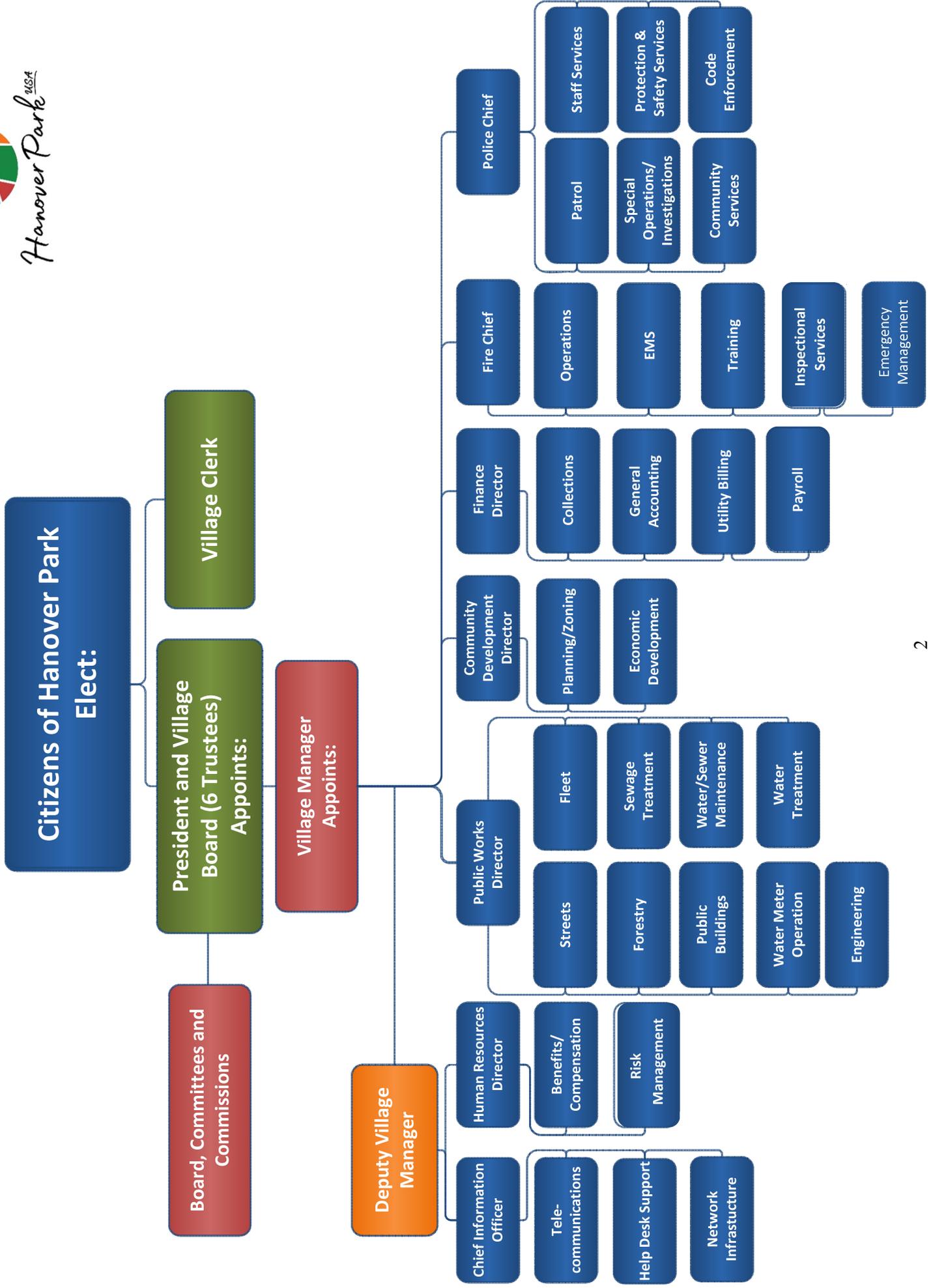
Juliana Maller, Village Manager ([jmaller@hpil.org](mailto:jmaller@hpil.org))

David Webb, Deputy Village Manager ([dwebb@hpil.org](mailto:dwebb@hpil.org))

## Village Departments

Eric Fors, Fire Chief	(630) 823-5801	<a href="mailto:efors@hpil.org">efors@hpil.org</a>
Jed Gerstein, Chief Information Officer	(630) 823-5670	<a href="mailto:jgerstein@hpil.org">jgerstein@hpil.org</a>
Shubhra Govind, Community & Economic Development Director	(630) 823-5781	<a href="mailto:sgovind@hpil.org">sgovind@hpil.org</a>
Barry Kurcz, Human Resources Director	(630) 823-5661	<a href="mailto:bkurcz@hpil.org">bkurcz@hpil.org</a>
Andy Johnson, Police Chief	(630) 823-5501	<a href="mailto:ajohnson@hpil.org">ajohnson@hpil.org</a>
T. J. Moore, Public Works Director	(630) 823-5701	<a href="mailto:tjmoore@hpil.org">tjmoore@hpil.org</a>
Remy Navarrete, Finance Director	(630) 823-5788	<a href="mailto:rnavarrete@hpil.org">rnavarrete@hpil.org</a>

# Village of Hanover Park – Table of Organization





# Village of Hanover Park Administration

Municipal Building  
2121 West Lake Street, Hanover Park, IL 60133  
630-823-5600 tel 630-823-5786 fax

hpil.org

Village President  
Rodney S. Craig

Village Clerk  
Kristy Merrill

Trustees  
Yasmeen Bankole  
Liza Gutierrez  
Syed Hussaini  
Jon Kunkel  
Herb Porter  
Bob Prigge

Village Manager  
Juliana A. Matter

August 20, 2024

The Citizens of the Village of Hanover Park,  
Village President Rodney Craig, and Board of Trustees  
and Other Interested Parties  
Village of Hanover Park, Illinois

The Annual Comprehensive Financial Report (ACFR) of the Village of Hanover Park for the fiscal year ending December 31, 2023, is hereby submitted. State law requires an annual audit for local governments. The audit must be conducted in accordance with generally accepted auditing standards (GAAS). It includes all the accounts and funds of the Village to be completed within six months after the end of the fiscal year. The Village is required to issue a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP). This report presents a comprehensive picture of the Village's financial activities and has been published to fulfill the requirement for the fiscal year ending December 31, 2023.

The financial report consists of management's representations concerning the finances of the Village of Hanover Park. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities are included. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Village of Hanover Park's financial statements in accordance with GAAP. Because the cost of internal controls should not exceed anticipated benefits, the Village's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The Village's financial statements have been audited by Lauterbach & Amen LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village of Hanover Park are free from material misstatement. The independent auditor issued an unmodified ("clean") opinion on the Village's financial statements for the year ending December 31, 2023. The independent auditor's report is in the beginning of the financial section of this report.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the Village of Hanover Park**

The Village of Hanover Park was incorporated in 1958 and operates under the Council-Manager form of government. The Village is a home-rule community as defined by the Illinois State Constitution. The Village is a residential community, with 99.36 miles of streets, located approximately 30 miles northwest of downtown Chicago and encompasses an area of approximately 7 square miles, with 2.75 square miles within Cook County and 4.25 miles within DuPage County. The Village's population, per the 2020 census, is 37,470.

Policy-making and legislative authority are vested with the Village Board, which consists of the Village President and six Trustees. This governing body is responsible for, among other things, passing ordinances and resolutions, adopting the annual budget, appointing committees, and appointing the Village Manager. The Village Manager is responsible for implementing the policies and ordinances of the Village, for overseeing the day-to-day operations of the Village, and for appointing the Village's department heads. The Village Board is elected on a nonpartisan, at-large basis. Village Trustees are elected to four-year staggered terms. The Village President is also elected to a four-year term.

The Village of Hanover Park provides a full range of services, including police and fire protection, construction and maintenance of highways, streets, sidewalks, and other infrastructure, Village planning and zoning, and general administrative services. The Village also operates water and sewer utilities and a municipal commuter parking lot.

In December 2011, the Village purchased the Hanover Square Shopping Center along Barrington Road. A management company specializing in shopping centers was hired by the Village to run operations on behalf of the Village. Bi-weekly meetings between the management company and the Village were held to report financial statements as well as receive updates on the center. In September 2015, the Village entered into a redevelopment agreement to renovate and operate the Hanover Square Shopping Center. Pursuant to the agreement the Village sold the property to the newly established Limited Liability Company, Hanover Square, LLC, and acquired a 90% membership interest in the company. During the year 2016, the developer defaulted on its obligations and the remaining 10% membership interest reverted to the Village. Hanover Square LLC was operated with only one member, the Village. As a result, Hanover Square has been presented as a discrete component unit in the government-wide financial statements as of January 1, 2016. Hanover Square was sold to a private entity in December 15, 2023, and the Village no longer has any ownership in the shopping center.

The annual budget serves as the foundation for the Village's financial planning and control. All departments annually submit their budget requests for the upcoming fiscal year to the Budget Team. The Village Manager and staff review these budget requests and develop a budget to match anticipated revenues. The Village Manager's proposed budget is presented to the Village Board in a series of workshops.

The Village Board is required to hold a public hearing on the proposed budget, and a final budget going forward must be adopted by the Village Board by December 31<sup>st</sup> of each fiscal year. The legal level of budgetary control is at the fund level.

The Village Manager is authorized to make budget transfers within any fund. Additions and transfers between funds require Village Board approval. Original and final amended budget-to-actual comparisons are provided for each individual governmental fund for which an annual budget has been adopted. The general and major special revenue fund comparisons are included in the required supplementary information. Other governmental fund comparisons are presented in the Non-major Governmental Funds subsection of this report.

There were 206 full-time positions and 40 part-time positions, excluding seasonal workers, in the Fiscal Year 2023 annual budget. There are six different labor unions that represent sworn police officers and sergeants, civilian police employees, firefighters, paid firefighters (part-time), and Public Works employees.

### **Local Economy**

The Village of Hanover Park is home to more than 430 businesses, ranging from large international businesses to 'mom-and-pop' shops. There is more than 5,000,000 sq. ft. of Class A industrial development located in three Business Parks within the Village and 23 shopping centers ranging in size from 6,000 sq. ft. to 200,000 sq. ft. Over 60 food establishments are located within the Village including family friendly, ethnic, and fast-food restaurants. We continue to expand our options for a 'global dining' experience, in keeping with our tagline of "America's Global Village". 7 new restaurants joined the Village in 2022, and an additional 5 new restaurants opened in 2023.

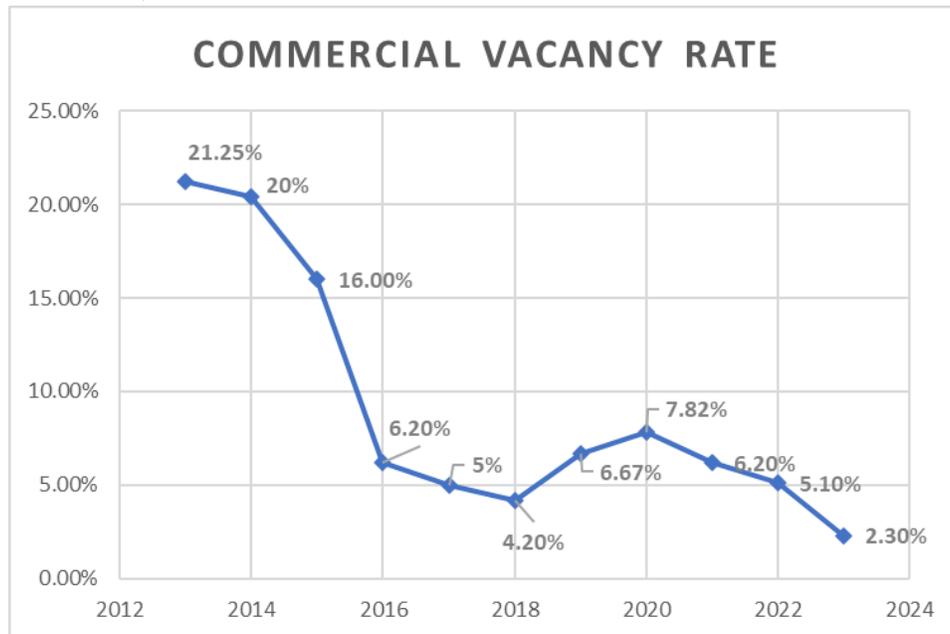
The Village saw a lot of construction activity in 2023, including two major commercial subdivisions. Construction was completed for two new three-lot commercial subdivisions approved at NWC of Lake & Gary and at the NEC of Lake & Bartels. Construction continued for a 20-unit townhome development at Wise and Farmstead which was approved as a PUD. Construction also continued at several ongoing residential subdivisions, including the Habitat for Humanity townhome redevelopment and the LaGambina Homes single-family subdivision. The Village welcomed 16 new businesses in 2023, including Thorntons, Truenorth, IGPS, Dollar Tree, and RBI Bearing.

In 2023, the Village issued permits for \$26M worth of private investment made in the business community. The Village issues permits for two new gas stations, in addition to a new fire station. Several of our industrial businesses undertook renovations, including Tri-Dim Filter Corporation, Nefab Packaging, Pinova USA, Insight Enterprises, MSC Direct, Fellers, JFC International (new business), IGPS (new business), and Woodland Windows and Doors (new business). Additionally, we had 8 restaurant renovations and 7 retail business renovations, including a gas station, grocery stores, rehabilitation center, and a new national retailer.

There was an additional \$17 million permitted for residential investment, although construction continued a 20-unit townhome development whose permits were issued the previous year. This includes \$1.3 million in remodels and \$3.8 million in new construction. Last year (2022) was an outlier with residential remodel activity with a large apartment complex Hanover Park Blue beginning a major renovation project.

About \$32 million of Real Estate transfers of non-residential property took place in Hanover Park in 2023. In addition to several small retail buildings, an industrial building and a rehabilitation center transferred ownership.

The Village commercial vacancy rate reduced from over 21.25% in 2013 to 2.3% at the end of 2023. Our industrial and office vacancy rates continue to be low as well.



The comparison of the following key revenues for the General Fund operating account is as follows:

- **Property Taxes** - the Village collected \$12,023,471 or 100.65% of the budgeted amount. This is an increase of \$77,375 from budget to actual in FY2023, due to 2022 levy received in FY2024 belongs to FY2023.
- **Home Rule Sales Tax** - the Village collected \$8,142,028 or 58.16% of the budgeted amount. This is a decrease of \$5,857,972 from budget to actual in FY2023. Due to businesses being back to normal (before COVID) some businesses increased their sales gross due to supplies related to COVID. Increase in Home Rule Tax by 0.25% effective July 1, 2021. This tax is not assessed on food, prescription medication, and registered/titled property purchases (i.e., vehicle). It is often less than the local share of the basic sales tax.

- **Telecommunication Tax** - the Village collected \$283,702 or 113.48% of the budgeted amount. This is an increase of \$33,702 from budget to actual in FY2023. The account will continue to decrease due to consumers changing to data plans for cell service which are not taxable.
- **Electric Tax** - the Village collected \$888,391 or 92.06% of the budgeted amount. This is a decrease of \$76,609 from budget to actual in FY2023. Taxes are generated based on actual usage and largely dependent on fluctuation in temperatures and population.
- **Natural Gas Tax** - the Village collected \$401,597 or 96.54% of the budgeted amount. This is a decrease of \$14,403 from budget to actual in FY2023. Similar to Electric Tax, taxes are generated based on actual usage and largely dependent on fluctuations in temperature. The change in natural gas tax rate from \$0.015 cents per therm to \$0.03 cents per therm was effective January 1, 2018.
- **Real Estate Transfer Tax** - the Village collected \$569,618 or 113.92% of the budgeted amount. This is an increase of \$69,618 from budget to actual in FY2023, due to number of houses sold. This is an imposed tax of \$1.50 for each \$500 on the transfer of title of real estate property located in the Village as evidenced by the recordation of a deed.
- **Hotel and Motel Tax** - the Village collected \$56,357 or 125.24% of the budgeted amount. This is an increase of \$11,357 from budget to actual in FY2023 due to a increase in out-of-state travelers. This revenue is based on the dollar amount of taxes upon the use and privilege of renting and leasing or letting of rooms in a hotel or motel at a rate of 3% of the gross receipts.
- **Food and Beverage Tax** - the Village collected \$1,779,898 or 131.84% of the budgeted amount. This is an increase of \$429,898 from budget to actual in FY2023. This is an imposed tax of 3% upon the purchase of alcoholic liquor, food, and beverage at any retail food facility within the Village.
- **Local Share of State Sales Tax** - the Village collected \$9,064,576 or 56.65% of the budgeted amount. This is a decrease of \$6,935,424 from budget to actual in FY2023. Due to businesses being back to normal (before COVID) some businesses increased their sales gross due to supplies related to COVID. This revenue is based on the dollar amount of purchased tangible merchandise within the Village.
- **Use Tax** - the Village collected \$1,458,521 or 106.07% of the budgeted amount. This is an increase of \$83,521 from budget to actual in FY2023. This revenue is based on purchases made outside one's state of residence on taxable items that will be used, stored, or consumed in one's state of residence and on which no tax was collected in the state of purchase.
- **State Income Tax** - the Village collected \$5,984,685 or 119.69% of the budgeted amount. This is an increase of \$984,685 from budget to actual in FY2023. This revenue is based on a portion of State Income Tax receipts distributed to the Village on a per-capita basis (population).
- **Personal Property Tax** - the Village collected \$266,911 or 177.94% of the budgeted amount. This is an increase of \$116,911 from budget to actual in FY2023. Revenue collected by Illinois Department of Revenue (IDOR) to replace money lost by local governments when their powers to impose personal property taxes were taken away.
- **Cannabis Use Tax** - the Village collected \$57,227 or 95.38% of the budgeted amount. This is a decrease of \$2,773 from budget to actual in FY2023. This is a state excise tax on all adult-use cannabis sales, a portion of which is allocated to local governments based on population. These funds must be used to fund crime prevention programs, training, and interdiction efforts, including detection, enforcement, and prevention efforts, relating to the illegal cannabis market, and driving under the influence of cannabis.

- **Video Gaming Tax** - the Village collected \$233,038 or 100.88% of the budgeted amount. This is an increase of \$2,038 from budget to actual in FY2023. The video gaming tax revenue was moved from the MWRD Fund to the General Fund effective January 1, 2022. Net terminal income (NTI) is defined as the money put into a video gaming terminal (VGT) minus the credits paid to the player. The state receives 30% of the NTI generated from each licensed VGT. Of the state's portion, five percent goes to the local municipality where the licensed VGT operates. Of the remaining 70 percent of the NTI, Scientific Games receives 0.8513% (0.7275% until 07/22/2018) as compensation for building and maintaining the central communication system (CCS). The remaining income is divided equally (by law, an even 50/50 split) between the terminal operator (who owns/leases and places the VGTs in locations) and the licensed locations.
- **Municipal Automobile Rental Tax** - the Village collected \$21,286 or 137.33% of the budgeted amount. This is an increase of \$5,786 from budget to actual in FY2023. This revenue is based on the dollar amount of taxes on the rental price of automobiles rented under lease terms of one year or less.
- **Other Intergovernmental** - the Village collected \$145,619 or 219.50% of the budgeted amount. This is an increase of \$79,279 from budget to actual in FY2023. Revenues included in the total are State reimbursement program for police training, reimbursement for COVID-19 expenses for FY2022- FY2023 (Final), reimbursement from DuPage County mowing charges, Sustained Traffic Enforcement Program (STEP) reimbursement, police special events charges, and fire recovery charges.
- **Licenses and Permits** - the Village collected \$1,358,951 or 103.36% of the budgeted amount. This is an increase of \$44,191 from budget to actual in FY2023. This revenue is based on the number of businesses, tobacco, liquor, contractors, solicitors, multi-family, single-family licenses, permits, penalties, construction and remodeling, signs, video gaming permits, solid waste, land use development, and cable franchise fees.
- **Charges for Services** - the Village collected \$2,329,950 or 97.58% of the budgeted amount. This is a decrease of \$57,787 from budget to actual in FY2023 due to ambulance and GEMT not meeting the budgeted amount. Revenues included in the total are building reinspection, plan reviews, ground emergency medical transport, immobilization, ambulance, CPR, vehicle impound, ADT, elevation inspections, overweight vehicle fees, registration of defaulted mortgage and vacant property (foreclosure fee), printed materials, renewable green energy, and rental income.
- **Fines and Forfeits** - the Village collected \$836,750 or 95.63% of the budgeted amount. This is a decrease of \$38,250 from budget to actual in FY2023, due to red light camera not in-service. Revenues included in the total are traffic fines (Cook & DuPage), police and fire false alarms, adjudication hearing process for Ordinance violations, kennel fees, and red-light camera fines.
- **Investment Income** - the Village collected \$2,104,773 or 1,677.11% of the budgeted amount. This is an increase of \$1,979,273 from budget to actual in FY2023. The increase is due to CD's, Money Market, & Treasury Notes with rates in the upper 5.00%.
- **Miscellaneous Revenue** - the Village collected \$287,923 or 243.02% of the budgeted amount. This is an increase of \$169,445 from budget to actual in FY2023. Revenues included in the total are miscellaneous reimbursement, hazardous material reimbursement, bullet proof vest, corporate partnership program, central equipment maintenance funding - water & sewer, and other miscellaneous income such as checks from the Village's risk management company IRMA.

The Village’s equalized assessed valuation increased by \$104 million, or 14.59%, from \$713.8 million in the 2021 levy year to \$818 million in the 2022 levy year. This is due to an increase in equalized assessment valuation (EAV) and change in the annual cook county equalizer by the State of Illinois.

Levy Year	Equalized Assessed Valuation	Increase in Equalized Assessed Valuation	Percent Increase (Decrease)
2014	\$533,303,999	(\$9,097,800)	-1.68%
2015	\$525,854,318	(\$7,449,681)	-1.40%
2016	\$585,885,950	\$60,031,632	11.42%
2017	\$610,236,664	\$24,350,714	4.16%
2018	\$624,489,299	\$14,252,635	2.34%
2019	\$712,977,924	\$88,488,625	14.17%
2020	\$726,416,062	\$13,438,138	1.88%
2021	\$713,898,865	(\$12,517,197)	-1.72%
2022	\$818,052,279	\$104,153,414	14.59%

**Long-Term Financial Planning and Relevant Financial Policies**

The unrestricted, unassigned fund balance of the General Fund continues to exceed 40% of the subsequent year’s budgeted expenditures. This policy was established by the Village Board to provide financing for unanticipated expenditures and accommodate shortfalls in revenues. The unassigned fund balance has increased by \$53,369. The Village management has been diligently monitoring expenses to ensure that the Village remains stable, providing core services in the most responsible way possible.

<u>Fiscal Year Ended</u>	<u>Unrestricted / Unassigned Fund Balance</u>	<u>Budgeted Expenditures and Other Financing Uses</u>	<u>Percent</u>
31-Dec-15	\$16,326,081	\$31,242,853	52.26%
31-Dec-16	\$19,432,402	\$31,151,413	62.38%
31-Dec-17	\$21,124,648	\$32,938,297	64.13%
31-Dec-18	\$22,115,466	\$35,553,157	62.20%
31-Dec-19	\$23,391,983	\$36,955,537	63.30%
31-Dec-20	\$28,830,428	\$36,668,195	78.63%
31-Dec-21	\$37,759,623	\$40,152,041	94.04%
31-Dec-22	\$37,812,992	\$53,745,707	70.36%
31-Dec-23	\$35,016,841	49,186,659**	71.19%

\*\*The \$49,186,659 is the adopted budget of General Fund for FY2024.

The Village has a “pay-as-you-go” philosophy on financing capital projects. The use of the General Capital Projects Fund, Central Equipment Fund and IT Replacement Fund has assisted the Village in the planned replacement of capital assets. Monies are set aside in these funds annually to cover the cost of planned capital purchases and improvements.

The Village prepares a five-year Capital Improvement Program (CIP) that is incorporated into the annual budget each year. The CIP is a multi-year planning instrument used to identify needed capital projects for improvements to Village buildings, equipment and infrastructure and capital equipment purchases, and to coordinate the financing and timing of these improvements.

## Major Initiatives

The Village of Hanover Park continued to manage its fiscal operations well and operate cost effectively in Fiscal Year 2023. The Village, with its budgeted full-time staffing of about 200, serves its citizens with 5.21 full-time employees per 1,000 in population. Implementation of the Village's 2022 Strategic Plan during the fiscal year reflects the Village's continued commitment to its citizens that the Village is a great place to live, visit, work, and do business. Highlights include:

- Staff marketed the community to attract new development and businesses with the focus on the Village Center and recruiting businesses for key locations. Our commercial vacancy rate dropped from about 22% in 2014 to 2.3% in 2023. Our industrial and office vacancy rates continue to be low as well.
- The Village's long-term vision for the area around the Metra station has been to develop a downtown "Village Center". To implement this vision, in previous years, the Village amended the zoning code, created new zoning districts and rezoned several parcels to enable well-designed development using transit-oriented development principles. Staff have been reviewing three major new proposals under the new code. The Village Board approved a "Master Plan Development" for 80 townhomes at the NWC of Church and Lake.
- The Village held its Business After Hours, Corks and Crafts, and the Holiday Tree Lighting event in our new Ontarioville Plaza in the Village Center. This TIF-funded project was created as a civic gathering space and will serve as a catalyst of growth in the Village Center. The Business After Hours, a networking event hosted by the Economic Development Committee, was very well received by area businesses. Several Hanover Park restaurants provided food, representing the various cuisines present in our Global Village.
- Community and Economic Development expanded their use of a new Facebook page, an electronic newsletter, and a new website to better communicate with our residents and businesses. Staff have worked to create a new Hanover Park To-Go Facebook page to promote our numerous restaurants. Staff regularly post events, business information, and promote local businesses on the Facebook page. Additionally, a business news section was added to the Village's website's home page, providing timely information to residents and businesses.
- All three TIF districts now have a positive fund balance.
- Façade Improvement Grants were approved and implemented for properties in all 3 TIF districts.
- Two new fuel stations/convenience were completed, including a new Thorntons and a redeveloped Shell gas station. The 216,000 sq. ft. industrial building was completed and occupied at the NW corner of Lake and Gary. A multi-tenant retail building will be built in the next phase.
- Construction was completed on a 20-unit townhome development at 1 Wise Rd. Additionally, the Elm Center subdivision was completed, marking the first new single-family subdivision in decades.
- Construction continues for Habitat for Humanity townhomes, off Greenbrook Blvd. Two new buildings have been completed with an additional three under construction.
- Several improvements were accomplished for the Hanover Square LLC shopping center including a façade update, parking lot improvements, replacement of most of the roof, installation of landscaping, and interior tenant space buildout. The Village also worked with a professional property manager to address ongoing property maintenance issues. Several leases were renewed, and new tenants recruited for vacant spaces. This has helped reduce vacancies from 40% to about 20%. The Village-owned shopping center was sold in December 15, 2023.
- Fire Station No 2 (Station 16) Construction: The existing Fire Station No. 16 (Station 16) located on County Farm Road inadequate to support emergency medical services and fire response in its current design, condition, size, and location. It is undersized in both apparatus floor and living facilities for on-duty personnel. A long-term strategic plan goal has been to replace and relocate this facility. The site selected for this facility is at the corner near Schick Road and Audrey Lane on property already owned by the Village. Under this program a new fire station will be constructed. A builder and architect have been selected and the design has been completed. The project was bid, and construction started in 2023 and was completed in July 2024.
- New DuComm Facility 5<sup>th</sup> Year Costs: The Police and Fire Departments are participating with other DuComm member agencies to pay the construction costs of the DuPage Communications new facility. The \$35,000 cost represents the police department's portion for FY2023. The police department plans to pay its share each year in one annual payment. The estimated total amount for the PD portion of the second facility project is \$571,309. Fire Department share is paid quarterly, budgeted for \$3,489 in FY2023. This will be paid off by year 2030.

- Automatic License Plate Recognition (ALPR) Cameras- The Police Department is implementing the use of ten Automatic License Plate Recognition (ALPR) Cameras as part of a subscription through Flock Safety. ALPR cameras have the ability to continually take snapshots of vehicle registrations as motorists travel through a camera's field of view. The accompanying Flock database then allows officers to conduct customizable nationwide searches based on vehicle type, make, color, plate, state of registration, and other unique identifiers. The availability of ALPR cameras placed at ten strategic locations throughout the Village will allow the Police Department to experience increased case clearance while also acting as a potential deterrent for further criminal activity. Several neighboring agencies utilize Flock Safety, which will further expand the network of searchable ALPR cameras throughout Chicagoland. The Village invested \$32,500 in this initiative, which includes an annual subscription of \$2,500 per camera and an initial setup fee of up to \$750 per camera.
- Infrastructure: In 2023, the Village invested \$4,934,000 into the resurfacing and reconstruction of Village streets. Of that, \$834,000 is from state capital grants, \$200,000 is from a Cook County grant, and another \$1,400,000 is from Motor Fuel Taxes. \$480,000 has been budgeted as the Village's Share for the long-awaited replacement of the Arlington Drive Bridge. A \$300,000 grant funded lighting project on Irving Park Road is scheduled for 2023 continued in 2024. \$1,200,000 invested in replacing the watermain funded by Water and Sewer Fund, and \$575,000 invested in rehab and maintenance on the Evergreen Water Tower.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hanover Park for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ending December 31, 2022. This was the 38<sup>th</sup> consecutive fiscal year that the Village has received this prestigious award. To be awarded a Certificate of Achievement for Excellence in Financial Reporting, the Village must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and will be once again submitting it to the GFOA for consideration.

In addition, the Village also received the GFOA's Award for Distinguished Budget Presentation for its Fiscal Year 2024 budget document. This was the 35<sup>th</sup> consecutive year the Village received this award. To qualify for the Distinguished Budget Presentation Award, the Village's document was judged to be proficient in several categories, including a policy document, a financial plan, an operational guide, and a communication tool.

The preparation of this ACFR was made possible by the efficient and dedicated service of the entire staff of the Finance Department. I express my appreciation to each member of the Finance Department for the contributions made in the preparation of this document.

In addition, I would like to thank the Village President, the Village Board of Trustees, Department Heads and Village staff for their assistance in planning and conducting the fiscal affairs of the Village in a responsible manner.

Respectfully submitted,



Juliana Maller  
Village Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Hanover Park  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morrill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

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

## **INDEPENDENT AUDITOR'S REPORT**

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



## **INDEPENDENT AUDITOR'S REPORT**

August 20, 2024

The Honorable President  
Members of the Board of Trustees  
Village of Hanover Park, Illinois

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hanover Park (the Village), Illinois, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hanover Park, Illinois, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the component unit as of December 31, 2023, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the component unit, are based solely on the report of the other auditors.

#### *Basis for Opinions*

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

### **Responsibilities of Management for the Financial Statements**

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

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

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

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

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

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

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

## **Required Supplementary Information**

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

### **Supplementary Information**

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

### **Other Information**

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 20, 2024, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP



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

August 20, 2024

The Honorable President  
Members of the Board of Trustees  
Village of Hanover Park, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Hanover Park, Illinois, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village’s basic financial statements, and have issued our report thereon dated August 20, 2024. Our report includes a reference to other auditors who audited the financial statements of the component unit, as described in our report on the Village’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

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

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

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

Village of Hanover Park, Illinois  
August 20, 2024

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Lauterbach & Amen, LLP*  
LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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

Since the 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 Transmittal Letter and the Village's financial statements.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Hanover Park exceeded its liabilities and deferred inflows of resources by \$141,671,763 (net position) as of December 31, 2023. The unrestricted net position has a positive balance of \$10,642,528 and may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$9,927,259 to \$141,671,763 as of December 31, 2023.
- During the year, government-wide revenues totaled \$70,722,603 while expenses totaled \$61,731,964 resulting in the increase of net position in the amount of \$8,990,639 before the gain on the sale of equity interest of \$936,620.
- The Village's combined governmental funds ending fund balance increased by \$5,033,118 to \$67,063,916 as of December 31, 2023.
- At the end of the current period, unrestricted (unassigned) fund balance of the General Fund was \$35,016,841 or 71.19% of General Fund adopted FY2024 expenditures budget. The FY2024 annualized budgeted expenditures and other financing uses totaled \$49,186,659.
- The Village's total long-term debt including pension obligation (GASB 68 and GASB 75) and compensated absences liability increased by \$3,099,738 to \$71,554,756 compared to FY2022 report.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Village of Hanover Park's basic financial statements. The Village's basic financial statements are comprised of 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 emulate the corporate sector in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government.

The Statement of Net Position presents information on all the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to serve as "the bottom line" results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

#### Government-Wide Financial Statements - Continued

The Statement of Activities presents information showing how the Village's net position changed during the most recent period and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities. All changes in net position are reported as soon as the underlying event giving rise to the changes that occurs regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both 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 reflect the Village's basic services, including police, fire, public works, highways and streets, community development, and general government. Property taxes, shared state sales taxes, local utility taxes, shared state income taxes, home rule sales taxes, and food and beverage taxes finance most of these activities. The business-type activities reflect private sector-type operations (Water and Sewer Fund, the Municipal Railroad Parking Lot Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

The Village includes one separate legal entity in its report. The Hanover Square LLC is presented as a discretely presented component unit. Although legally separate, this "component unit" is important because the Village is financially accountable for it. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

#### Fund Financial Statements

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

#### Governmental Funds

Governmental funds are used to account for essentially the same functions as reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the period. 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 Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

#### Governmental Funds - Continued

The Village maintains 16 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, Motor Fuel Tax, Tax Increment Financing #3 and Capital Projects, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The Village adopts an annual budget for each governmental fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

#### Proprietary Funds

The Village maintains two distinct types of proprietary funds. Enterprise Funds are used to report the same functions presented in business-type activities in the Government-Wide Financial Statements. The Village uses enterprise funds to account for its Waterworks and Sewerage and Municipal Railroad Parking Lot activities. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for its vehicle replacement and information technology program. Internal Service Funds predominantly serve governmental rather than business-type functions and are included with governmental activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Water and Sewer Fund is considered a major fund of the Village and is presented in a separate column in the Fund Financial Statements. The Municipal Railroad Parking Lot Fund is the Village's non-major enterprise fund. The Internal Service Fund is shown as a single presentation in the Proprietary Fund Financial Statements. Individual fund data for the Municipal Railroad Parking Lot and the Internal Service Fund is presented elsewhere in the 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 statement because the resources of those funds are not available to support the Village's own programs. The Fiduciary Funds include the Police Pension Fund and Firefighter Pension Fund. The accounting used for fiduciary funds is much like that used for proprietary funds.

#### Notes to the Financial Statements

The notes section provides additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS

#### Statement of Net Position

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

- *Net Results of Activities* - which will impact (increase/decrease) current assets and unrestricted net position.
- *Borrowing for Capital* - which will increase current assets and long-term debt outstanding.
- *Spending Borrowed Proceeds on New Capital* - which will reduce current assets and increase capital assets. There is a second impact, an increase in investment in capital assets and an increase in related net debt, which will not change the investment in capital assets, net of related debt total.
- *Spending Nonborrowed Current Assets on New Capital* - which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase investment in capital assets, net of related debt.
- *Principal Payment on Debt* - which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase investment in capital assets, net of related debt.
- *Reduction of Capital Assets through Depreciation* - which will reduce capital assets and reduce investment in capital assets, net of related debt.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management's Discussion and Analysis**

**December 31, 2023**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

**Statement of Net Position - Continued**

The following table shows the statement of net position of the Village of Hanover Park as of December 31, 2023, compared to December 31, 2022:

	Statement of Net Position					
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 103,571,764	102,894,596	12,061,579	13,838,294	115,633,343	116,732,890
Capital Assets	85,463,056	78,023,542	28,016,008	26,695,260	113,479,064	104,718,802
Total Assets	189,034,820	180,918,138	40,077,587	40,533,554	229,112,407	221,451,692
Deferred Outflows of Resources	15,339,126	17,086,533	2,792,747	1,367,088	18,131,873	18,453,621
Total Assets and Deferred Outflows of Resources	204,373,946	198,004,671	42,870,334	41,900,642	247,244,280	239,905,313
Long-Term Liabilities	67,258,588	66,722,797	4,296,168	1,732,221	71,554,756	68,455,018
Other Liabilities	11,656,972	10,137,468	1,587,738	1,336,695	13,244,710	11,474,163
Total Liabilities	78,915,560	76,860,265	5,883,906	3,068,916	84,799,466	79,929,181
Deferred Inflows of Resources	20,071,539	25,079,369	701,512	3,152,259	20,773,051	28,231,628
Total Liabilities and Deferred Inflows of Resources	98,987,099	101,939,634	6,585,418	6,221,175	105,572,517	108,160,809
Net Position						
Net Investment in Capital Assets	75,226,618	67,145,083	28,016,008	26,695,260	103,242,626	93,840,343
Restricted	27,786,609	20,638,166	—	1,592,902	27,786,609	22,231,068
Unrestricted	2,373,620	8,281,788	8,268,908	7,391,305	10,642,528	15,673,093
Total Net Position	105,386,847	96,065,037	36,284,916	35,679,467	141,671,763	131,744,504

As noted earlier, the Statement of Net Position serves as a useful indicator of a government's financial position. The Village's assets/deferred outflows of resources exceeded its liabilities/deferred inflows of resources by \$141,671,763 as of December 31, 2023. The largest portion of the Village's net position reflects its net investment in capital assets of \$103,242,626 or 72.9%. This includes land, permanent easement, right of way, construction in progress, buildings, machinery, equipment and vehicles, improvements other than buildings, and infrastructure, less any related debt. Also used are debts to acquire those assets that are still outstanding, the implementation of GASB No. 68 to record the net pension liability and the implementation of GASB No. 75 to record the OPEB liability. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

#### Statement of Net Position - Continued

An additional portion of the Village's net position of \$27,786,609 or 19.6% represents resources that are subject to external restrictions on how they may be used. The positive balance of unrestricted net position, \$10,642,528 or 7.5%, may be used to meet the Village's ongoing obligations to citizens and creditors.

The net position of governmental activities totaled \$105,386,847, an increase of 9.7% from Fiscal Year 2022.

The net position of business-type activities totaled \$36,284,916, an increase of 1.7% from Fiscal Year 2022. The unrestricted net position of \$8,268,908 within the Business-Type Activities will be used to finance the continuing operation of its water and sewer utility as well as its municipal commuter parking programs.

#### Changes in Net Position

There are eight basic (normal) impacts on revenues and expenses as reflected below:

##### *Revenues:*

- *Economic Condition* - which can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales, and utility tax revenue as well as public spending habits for building permits, elective user fees, and levels of consumption.
- *Increase/Decrease in Village-Approved Rates* - while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (property taxes, water, sewer, impact fees, building fees, home rule sales tax, etc.).
- *Changing Patterns in Intergovernmental and Grant Revenue (both Recurring and Nonrecurring)* - certain recurring revenues (state-shared revenues, etc.) may experience significant changes periodically, while nonrecurring (or one-time) grants are less predictable and often distorting due to their impact on year-to-year comparisons.
- *Market Impacts on Investment Income* - the Village's investment policy is managed using a similar average maturity to most governments. Market conditions may cause investment income.

##### *Expenses:*

- *Introduction of New Programs* - within the functional expense categories (general government, public works, public safety, etc.), individual programs may be added or deleted to meet changing community needs.
- *Change in Authorized Personnel* - changes in service demand may cause the Village Board to increase/decrease authorized staffing. Personnel costs (salary and related benefits).
- *Salary Increases (Annual Adjustment and Merit)* - the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.
- *Inflation* - while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels, and parts. Some functions may experience unusual commodity-specific increases.

VILLAGE OF HANOVER PARK, ILLINOIS

Management's Discussion and Analysis

December 31, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Changes in Net Position - Continued

Following is a table that summarizes the changes in net position of the Village of Hanover Park as of December 31, 2023, compared to December 31, 2022:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 4,549,829	4,922,311	10,700,412	10,280,785	15,250,241	15,203,096
Operating Grants and Contrib.	1,762,880	3,242,419	132,448	3,260,726	1,895,328	6,503,145
General Revenues						
Property Taxes	16,671,650	16,321,211	—	—	16,671,650	16,321,211
Home Rule Sales Taxes	8,142,028	11,273,479	—	—	8,142,028	11,273,479
Utility Taxes	1,573,690	1,669,839	—	—	1,573,690	1,669,839
Other Taxes	2,562,109	2,663,801	—	—	2,562,109	2,663,801
Intergovernmental	17,899,839	20,178,673	—	—	17,899,839	20,178,673
Investment Income	3,262,031	503,363	502,851	123,679	3,764,882	627,042
Miscellaneous	356,254	348,441	2,606,582	2,426,159	2,962,836	2,774,600
Total Revenues	56,780,310	61,123,537	13,942,293	16,091,349	70,722,603	77,214,886
Expenses						
General Government	9,660,692	5,104,206	—	—	9,660,692	5,104,206
Public Works	4,780,144	4,615,317	—	—	4,780,144	4,615,317
Public Safety	26,644,818	26,570,820	—	—	26,644,818	26,570,820
Community Development	4,975,152	7,017,499	—	—	4,975,152	7,017,499
Highways and Streets	2,128,771	4,884,665	—	—	2,128,771	4,884,665
Interest on Long-Term Debt	235,543	276,076	—	—	235,543	276,076
Waterworks and Sewerage	—	—	12,657,540	13,134,009	12,657,540	13,134,009
Municipal Commuter Parking Lot	—	—	649,304	1,164,758	649,304	1,164,758
Total Expenses	48,425,120	48,468,583	13,306,844	14,298,767	61,731,964	62,767,350
Change in Net Position Before Transfers	8,355,190	12,654,954	635,449	1,792,582	8,990,639	14,447,536
Transfers	30,000	—	(30,000)	—	—	—
Change in Net Position Before Special Items	8,385,190	12,654,954	605,449	1,792,582	8,990,639	14,447,536
Special Item						
Gain on Sale of Equity Interest	936,620	—	—	—	936,620	—
Change in Net Position	9,321,810	12,654,954	605,449	1,792,582	9,927,259	14,447,536
Net Position - Beginning	96,065,037	83,410,083	35,679,467	33,886,885	131,744,504	117,296,968
Net Position - Ending	105,386,847	96,065,037	36,284,916	35,679,467	141,671,763	131,744,504

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2023

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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

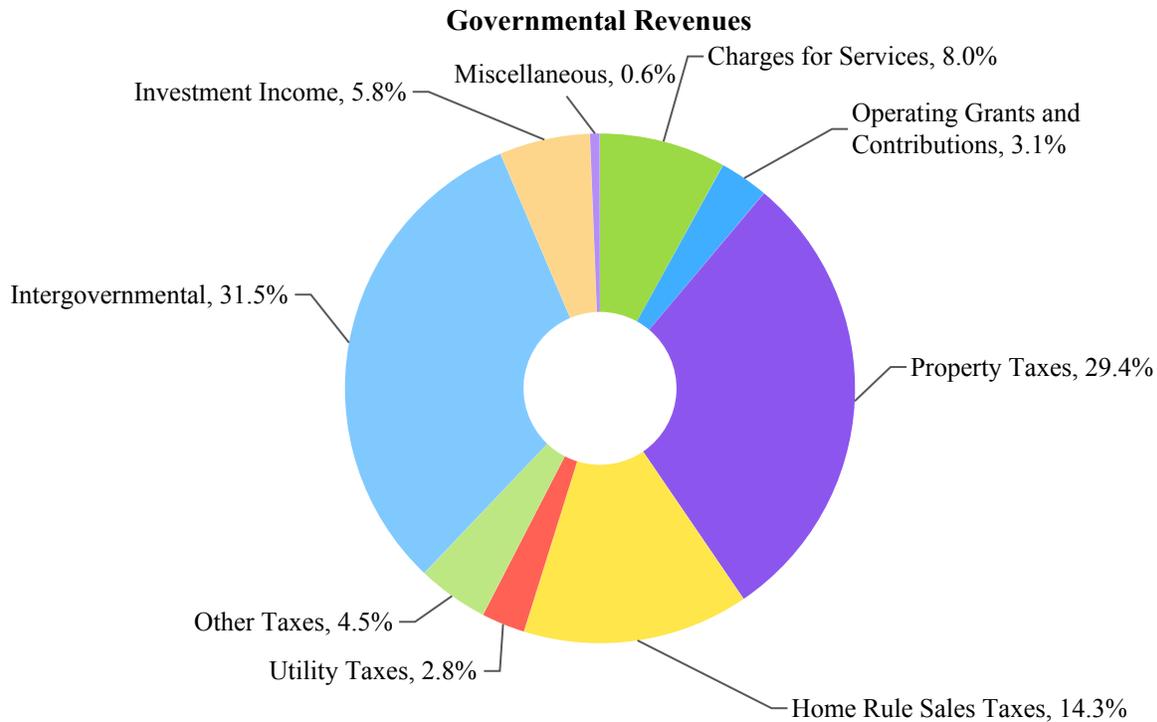
Changes in Net Position - Continued

Net position of the Village’s governmental activities increased by 9.7% or \$9,321,810 (\$105,386,847 in 2023 compared to \$96,065,037 in 2022). Net position of business-type activities increased by 1.7% or \$605,449 (\$36,284,916 in 2023 compared to \$35,679,467 in 2022). Key elements contributing to this net change are as follows:

Governmental Activities

Revenues

Revenues for governmental activities totaled \$56,780,310 and \$61,123,537 for December 31, 2023 and December 31, 2022 respectively. This is a decrease of \$4,343,227.



Some key changes during the year for the governmental activity revenues are described below:

- Charges for services revenues decreased by \$372,482 compared to prior year due to ground emergency medical transportation portion of the share to state of Illinois in FY2022 deducted was taken in FY2023, ambulance services due to year end entry of ambulance receivable (entry will be reverse in January 1, 2024), and red-light camera out of service.
- Operating grants and contributions revenues decreased by \$1,479,539 compared to prior year due to the final Rebuild Illinois Grant Funds, and the Reimbursement Fund for the Hanover Park Sports complex received in FY2022.

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

Revenues - Continued

- Property taxes revenues increased by \$350,439 compared to prior year due to an increase in property tax revenue attributed to an increase in Equalized Assessed Valuation (EAV).
- Home rule sales taxes decreased by \$3,131,451 compared to prior year due to businesses being back to normal (before COVID some businesses increased their sales gross due to supplies related to COVID).
- Utility Taxes decreased by \$96,149 compared to prior year due to telecommunication tax continuing to decline due to customers changing to data plans for cell service, which are not taxable. Natural and Electric taxes are based on actual usage and largely dependent on fluctuations in temperature.
- Other Taxes decreased by \$101,692 compared to prior year due to real estate transfer tax decrease attributed to mortgage high interest rate in FY2023.
- Intergovernmental revenues decreased by \$2,278,834 compared to prior year due to decrease in local share of state sales taxes, businesses being back to normal (before COVID) some businesses increased their sales gross due to supplies related to COVID.
- Investment income increased by \$2,758,668 due to CD’s Treasury notes, and Money Market accounts with rates in the upper 5.00%.
- Miscellaneous revenues increased by \$7,813 compared to prior year FY2022. These revenues are not consistent revenue sources such as hazardous material, OJP bullet proof vest, confiscated permit bonds, unclaimed property, claim reimbursement, reimbursement expenses of Village Corporate Counsel, corporate partnership sponsors, offset the decrease in maintenance of water and sewer equipment funding.

	Changes in Governmental Activities Revenues			
	2023	2022	Increase (Decrease)	% Increase (Decrease)
Charges for Services	\$ 4,549,829	4,922,311	(372,482)	(7.57%)
Operating Grants and Contrib.	1,762,880	3,242,419	(1,479,539)	(45.63%)
Property Taxes	16,671,650	16,321,211	350,439	2.15%
Home Rule Sales Taxes	8,142,028	11,273,479	(3,131,451)	(27.78%)
Utility Taxes	1,573,690	1,669,839	(96,149)	(5.76%)
Other Taxes	2,562,109	2,663,801	(101,692)	(3.82%)
Intergovernmental	17,899,839	20,178,673	(2,278,834)	(11.29%)
Investment Income	3,262,031	503,363	2,758,668	548.05%
Miscellaneous	356,254	348,441	7,813	2.24%
	<u>56,780,310</u>	<u>61,123,537</u>	<u>(4,343,227)</u>	<u>(7.11%)</u>

VILLAGE OF HANOVER PARK, ILLINOIS

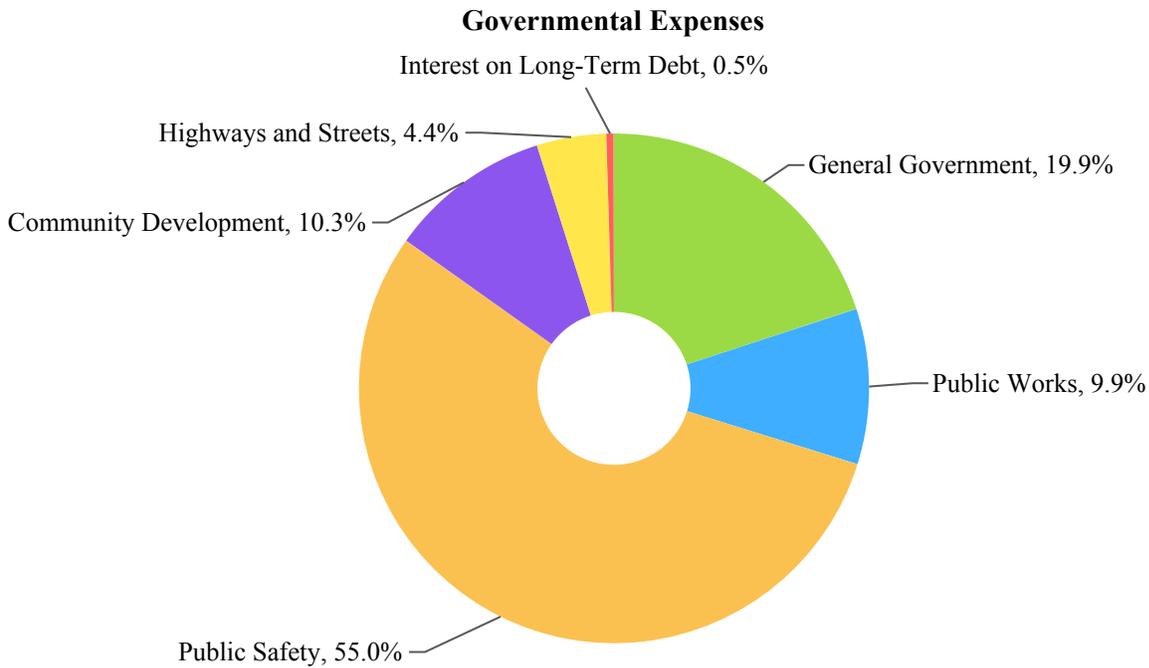
Management’s Discussion and Analysis  
December 31, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

*Expenses*

For the year ending December 31, 2023, governmental expenses totaled \$48,425,120. There is a decrease of \$43,463 or 0.09% from the December 31, 2022 expenses of \$48,468,583. The decrease is due to less street program resurfacing and lower incentive tax payment. Village management closely monitored expenditures to make sure we were within budget.



	Changes in Governmental Activities Expenses			
	2023	2022	Increase (Decrease)	% Increase (Decrease)
General Government	\$ 9,660,692	5,104,206	4,556,486	89.27%
Public Works	4,780,144	4,615,317	164,827	3.57%
Public Safety	26,644,818	26,570,820	73,998	0.28%
Community Development	4,975,152	7,017,499	(2,042,347)	(29.10%)
Highways and Streets	2,128,771	4,884,665	(2,755,894)	(56.42%)
Interest on Long-Term Debt	235,543	276,076	(40,533)	(14.68%)
	<u>48,425,120</u>	<u>48,468,583</u>	<u>(43,463)</u>	<u>(0.09%)</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Management's Discussion and Analysis

December 31, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities

Business-type activities posted total revenues of \$13,942,293 while the cost of all business-type activities totaled \$13,306,844. There is a surplus of \$635,449 before transfers out of \$30,000. In 2022, revenues of \$16,091,349 and expenses of \$14,298,767 showed a surplus of \$1,792,582.

*Revenues*

Proprietary Fund, for the fiscal year ending December 31, 2023, revenues for the business-type activities totaled \$13,942,293, showing a decrease of \$2,149,056, or 13.4% from FY2022. This is due to final American Rescue Plan (ARPA) received in FY2022 and the Build Illinois Grant reimbursement for the Metra Crossing safety project. Offset by a rate increase of 4.5% for water & sewer and 8.00% for infrastructure service charge, and increase on investment income due to higher CD's, Money Market and Treasury Note rates in upper 5.00%.

Waterworks and Sewerage decreased by \$1,597,492 or 10.5% compared to prior year due to final American Resue Plan (ARPA) received in FY2022. Offset by a rate increase of 4.5% for water & sewer and 8.00% for infrastructure service charge effective March 1, 2023, and increase on investment income due to higher CD's, Money Market and Treasury Note rates in upper 5.00%.

Municipal Commuter Parking Lot decreased by \$551,564 or 67.4% compared to prior year due to reimbursement expenses from Build Illinois Grant for Metra Crossing Safety Project. The Commuter Parking Lot Fund rates are currently \$1.75 daily parking fee; and \$35.00 monthly parking fee.

	Changes in Business-Type Activities Revenues			
	2023	2022	Increase	% Increase
Waterworks and Sewerage	\$ 13,675,278	15,272,770	(1,597,492)	(10.5%)
Municipal Railroad Parking Lot	267,015	818,579	(551,564)	(67.4%)
	<u>13,942,293</u>	<u>16,091,349</u>	<u>(2,149,056)</u>	<u>(13.4%)</u>

*Expenses*

Expenses for the year ending December 31, 2023, totaled \$13,306,844. It shows a decrease of \$991,923 or 6.9% over the FY2022 expenses of \$14,298,767. The decrease is due to completion of the water meter change-out project which started in FY2021 and completed in mid-FY2022, and the project in Municipal Railroad Parking Lot for the Metra Crossing Safety Grant expense reimbursement through a Build Illinois Grant in FY2022.

	Changes in Business-Type Activities Expenses			
	2023	2022	Increase (Decrease)	% Increase (Decrease)
Waterworks and Sewerage	\$ 12,657,540	13,134,009	(476,469)	(3.6%)
Municipal Railroad Parking Lot	649,304	1,164,758	(515,454)	(44.3%)
	<u>13,306,844</u>	<u>14,298,767</u>	<u>(991,923)</u>	<u>(6.9%)</u>

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

#### Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The Village's governmental funds reported combined ending fund balances of \$67,063,916 which is \$5,033,118 or 8.1%, higher than last year's total of \$62,030,798. Of the \$67,063,916 total, \$35,016,841 or approximately 52.2% of the fund balance constitutes unassigned fund balance.

**General Fund:** The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance in the General Fund decreased by \$2,813,492 to \$35,054,674 of which \$35,016,841 is the unassigned amount. The decrease is due primarily to local share of state sales taxes and the home rule sales taxes to businesses being back to normal (before COVID some businesses increased their sales gross due to supplies related to COVID), offset by an increase in investment income due to higher CD's, Money Market and Treasury Note rates in upper 5.00%. Village Board policy requires that the General Fund unrestricted fund balance be maintained at a minimum of 40% of the General Fund total budgeted annual expenditures to provide financing for unanticipated expenditures and revenue shortfalls. The difference between the restricted amount and the unrestricted amount is available for use as determined by the Village Board. The Village will use the unassigned fund balance for the Village owed property improvements and the Village's infrastructure program, which will be funded in part by reimbursable grants.

	Comparison of the Results of Operations and the Unassigned Fund Balance (Last Four Fiscal Years)			
	2020	2021	2022	2023
Revenues and Transfers	\$ 41,943,735	48,785,026	53,021,018	48,295,349
Expenditures and Transfers	36,668,195	39,852,049	52,945,706	51,108,841
Results of Operations	5,275,540	8,932,977	75,312	(2,813,492)
Fund Balance - Beginning	23,584,337	28,859,877	37,792,854	37,868,166
Fund Balance - Ending	28,859,877	37,792,854	37,868,166	35,054,674
Reserved/Nonspendable and Restricted	29,449	33,231	55,174	37,833
Unassigned	28,830,428	37,759,623	37,812,992	35,016,841
Total Fund Balance	28,859,877	37,792,854	37,868,166	35,054,674
Unassigned Fund Balance as a Percentage of Budgeted Expenditures	78.63%	94.75%	74.42%	71.19%

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2023

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS - Continued

*Other Major Funds*

**Motor Fuel Fund:** the state motor fuel tax is based on the consumption of motor fuel. The State of Illinois distributes the monies to local taxing districts based on a statutory formula. Motor Fuel Fund reported a decrease in fund balance for the year of \$396,136, a decision made by the Village Board to use a portion of Fund Balance to offset the excess street resurfacing project expense.

**Tax Increment Financing #3:** is used to account for the incremental property tax revenue that is generated through the growth of the assessed valuation of the defined TIF#3 area which includes Church Street Station (Townhouses and Commercial), the Animal Care Building, the Claremont (Nursing Facility) and the Hanover Square Shopping Center. As of December 31, 2023, the Tax Increment Financing #3 saw an increase of \$7,015,295. The increase was due to property tax revenue attribute to increase in equalize assessed valuation (EAV), investment income due to higher CD’s, Money Market and Treasury Note rates in upper 5.00%, and capital contribution proceeds from the sale of Hanover Square LLC.

**Capital Projects Fund:** is used to account for the purchase of land, machinery, office equipment and furniture and for various capital improvements. Resources are assigned and provided from transfer from other funds. As of December 31, 2023, the Capital Projects Fund saw a decrease of \$2,899,480. A decision made by the Village Board to use a portion of the Fund Balance to offset the construction of fire station #16 started this year. It was budgeted since FY2021 through FY2022 any unspent budget for the past two years went to fund balance.

**Proprietary Funds**

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

The Village reports the Water and Sewer as a major proprietary fund. The Village reports one non-major proprietary fund. The Waterworks and Sewerage Fund accounts for all the operations of the municipal water and sewerage system. The Village sells water to all residential municipal customers of Hanover Park (Cook and DuPage counties) at a rate of \$9.77 per 1,000 gallons. The sewer rate is \$2.16 per 1,000 gallons for Cook County residents and \$5.82 per 1,000 gallons for DuPage County residents. A restructuring of infrastructure service charge from a fixed rate to a fixed scale meter rate based off meter size. The rates are intended to finance the operations of the water and sewer system, including labor cost, supplies, repair, and replacement, and required infrastructure maintenance. The Waterworks and Sewerage Fund actual expenses exceeded actual revenues in Fiscal Year 2023. Total operating revenues were \$13,675,278 (including grants) versus \$12,687,540 in operating expenditures. As of December 31, 2023, the overall net position in this fund increased by \$987,738 (including grants) after transfers out of \$30,000.

	Waterworks and Sewerage Fund Revenues			
	2023	2022	Increase (Decrease)	% Increase (Decrease)
Water Sales	\$ 7,088,889	6,750,766	338,123	5.01%
Sewer Sales	2,804,656	2,673,439	131,217	4.91%
Leachate Treatment	176,924	247,721	(70,797)	(28.58%)
Interest	499,102	121,037	378,065	312.35%
Other Revenues	3,105,707	2,932,174	173,533	5.92%
	<u>13,675,278</u>	<u>12,725,137</u>	<u>950,141</u>	<u>7.47%</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2023

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS - Continued

Proprietary Funds - Continued

The Municipal Railroad Parking Lot Fund actual revenues fell short of actual expenses in Fiscal Year 2023. Total operating expenditures were \$649,304 versus \$265,916 in operating revenues. The overall net position in this fund as of December 31, 2023 decreased by \$382,289. The decrease is due to the COVID-19 pandemic, customers (employees) continuing to work remotely from home. The Municipal Railroad Parking Lot continues to struggle due to lack of parking activity.

GENERAL FUND BUDGETARY HIGHLIGHTS

During 2023, the Village Board approved a budget amendment to increase the budget by \$200,000 to provide for an advance to the Municipal Railroad Parking Lot Fund, to pay for operating expenses. Once the Municipal Railroad Parking Lot fund recovers and has a positive fund balance it will then be paid back to the General Fund the amount owed \$1,300,000.

General Fund actual revenues (including other financing sources) for the year totaled \$48,295,349 compared to budgeted revenues of \$57,195,456. It shows a difference of \$8,900,107. This is due primarily to the local share of state sales taxes and the home rule sales taxes to businesses being back to normal (before COVID some businesses increased their sales gross due to supplies related to COVID in the previous year).

The General Fund actual expenditures (including other financing uses) for the year totaled \$51,108,841. This is \$6,499,586 or 11.3% lower than final budgeted expenditures of \$57,608,427. The staff has been diligently monitoring expenses to ensure that the Village remains stable, while still providing core services in the most responsible way.

	2023			2022 Actual
	Original Budget	Final Budget	Actual	
Revenues	\$ 57,191,411	57,195,456	48,295,349	52,991,018
Expenditures	45,929,979	46,170,415	39,870,829	41,271,174
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,261,432	11,025,041	8,424,520	11,719,844
Other Financing Sources	—	—	—	30,000
Other Financing (Uses)	(11,238,012)	(11,438,012)	(11,238,012)	(11,674,532)
Net Change in Fund Balance	23,420	(412,971)	(2,813,492)	75,312

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management's Discussion and Analysis**

**December 31, 2023**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Village's investment in capital assets for its governmental and business-type activities as of December 31, 2023, was \$113,479,064 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvement other than buildings, machinery, equipment, and vehicles, water and sewer underground system improvements, and other infrastructure improvements.

	Capital Assets (Net of Depreciation)					
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2023	2022	2023	2022	2023	2022
Land	\$ 4,770,078	4,534,078	2,254,634	2,254,634	7,024,712	6,788,712
Permanent Easements	33,873	33,873	—	—	33,873	33,873
Right of Way	25,058,691	25,058,691	—	—	25,058,691	25,058,691
Construction in Progress	10,141,514	2,466,119	136,741	171,737	10,278,255	2,637,856
Buildings	20,198,448	20,175,232	4,885,687	5,126,324	25,084,135	25,301,556
Machinery, Equipment, and Vehicles	7,986,303	8,373,428	784,018	593,671	8,770,321	8,967,099
Improvements Other Than Buildings	6,979,898	7,162,072	3,923,478	3,692,534	10,903,376	10,854,606
Infrastructure	9,649,903	10,220,049	—	—	9,649,903	10,220,049
Subscription Assets	644,348	—	—	—	644,348	—
Underground Systems	—	—	16,031,450	14,856,360	16,031,450	14,856,360
	<u>85,463,056</u>	<u>78,023,542</u>	<u>28,016,008</u>	<u>26,695,260</u>	<u>113,479,064</u>	<u>104,718,802</u>

This year's major additions included:

Land	\$ 236,000
Construction in Progress	7,750,120
Buildings	714,581
Machinery, Equipment, and Vehicles	1,404,316
Improvements Other Than Buildings	780,674
Subscription Assets	828,447
Underground Systems	<u>1,593,339</u>
	<u><u>13,307,477</u></u>

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management’s Discussion and Analysis**

**December 31, 2023**

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**CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued**

**Long-Term Debt**

The Village’s total outstanding debt excluding the net pension liability, IMRF, OPEB, and compensated absences decreased by \$493,464 or 5.09% compared to the prior fiscal year. A key factor in this decrease was due to the scheduled principal payments. The Village issued \$828,447 of subscriptions payable during Fiscal Year 2023.

The Village, under its home rule authority does not have a legal debt limit. The Village has a bond rating of AA from Standard & Poor which was recently updated during the refinancing of the General Obligation Refunding Bonds Series 2020.

	Long-Term Debt	
	Governmental	
	Activities	
	2023	2022
General Obligation Bonds	\$ 8,640,000	9,690,000
Subscriptions Payable	556,536	—
	<u>9,196,536</u>	<u>9,690,000</u>

Additional information on the Village's long-term debt can be found in Note 3 of this report.

**ECONOMIC FACTORS AND FUTURE PROSPECTS**

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2024 budget, tax rates, and fees that will be charged for its governmental and business-type activities. Some of those factors include the economy and the COVID-19 pandemic aftermath. The current economic conditions continue to show moderate growth in some areas while also gaining stability in areas such as permit fee revenue. A drastic change with general and home rule sales tax compared to FY2022 due to businesses being back to normal (before COVID) some businesses increased their sales gross due to supplies related to COVID.

The Village passed a balance budget for FY2024 with zero percent (0.00%) 2023 tax levy increase (8<sup>th</sup> year in a row). A water and sewer rate increase was passed for 4.5% effective January 1, 2024 billing. The infrastructure service charged from a flat rate across all meter sizes to a fixed scaled meter rate based off meter size, with an 8.0% increase effective January 1, 2024 billing. The Village continues to provide an excellent level of service, promoting modern technology and consistently taking advantage of grant funding opportunities.

The Village’s goal remains to minimize the financial burden on Hanover Park taxpayers and to continue to identify cost-cutting strategies and opportunities; responsibly utilize Village reserves when necessary and proactively structure the Village in a way that will maximize the level of service with the current level of resources.

**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or to request additional financial information should be directed to the Finance Director of The Village of Hanover Park at 2121 W. Lake St., Hanover Park, IL 60133. Phone number 630-823-5600.

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Net Position**

**December 31, 2023**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Net Position  
December 31, 2023**

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Totals	Unit Hanover Square
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 75,560,169	10,180,345	85,740,514	79,289
Receivables - Net of Allowances	23,842,794	1,728,435	25,571,229	—
Due from Other Governments	2,541,641	1,442,873	3,984,514	—
Internal Balances	1,300,000	(1,300,000)	—	—
Prepays	14,968	9,926	24,894	—
Inventories	22,865	—	22,865	—
Total Current Assets	103,282,437	12,061,579	115,344,016	79,289
Noncurrent Assets				
Capital Assets				
Nondepreciable	40,004,156	2,391,375	42,395,531	—
Depreciable	101,824,685	52,714,950	154,539,635	—
Accumulated Depreciation	(56,365,785)	(27,090,317)	(83,456,102)	—
	85,463,056	28,016,008	113,479,064	—
Other Assets				
Equity Interest	15,234	—	15,234	—
Other Assets	—	—	—	9,109
Net Pension Asset - SLEP	274,093	—	274,093	—
Total Other Assets	289,327	—	289,327	9,109
Total Noncurrent Assets	85,752,383	28,016,008	113,768,391	9,109
Total Assets	189,034,820	40,077,587	229,112,407	88,398
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	4,504,843	2,077,976	6,582,819	—
Deferred Items - SLEP	81,804	—	81,804	—
Deferred Items - Police Pension	5,903,842	—	5,903,842	—
Deferred Items - Firefighters' Pension	2,823,841	—	2,823,841	—
Deferred Items - RBP	1,875,540	401,042	2,276,582	—
Deferred Items - ARO	—	313,729	313,729	—
Unamortized Loss on Refunding	149,256	—	149,256	—
Total Deferred Outflows of Resources	15,339,126	2,792,747	18,131,873	—
Total Assets and Deferred Outflows of Resources	204,373,946	42,870,334	247,244,280	88,398

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

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Totals	Unit Hanover Square
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 4,807,750	1,420,568	6,228,318	73,164
Accrued Payroll	922,266	127,413	1,049,679	—
Unearned Revenues	77,704	—	77,704	—
Other Payable	4,600,874	29,255	4,630,129	—
Accrued Interest Payable	28,800	—	28,800	—
Current Portion of Long-Term Debt	1,219,578	10,502	1,230,080	—
Total Current Liabilities	11,656,972	1,587,738	13,244,710	73,164
Noncurrent Liabilities				
Compensated Absences Payable	1,069,204	199,529	1,268,733	—
Net Pension Liability - IMRF	5,209,254	2,407,433	7,616,687	—
Net Pension Liability - Police Pension	31,010,438	—	31,010,438	—
Net Pension Liability - Firefighters' Pension	14,484,279	—	14,484,279	—
Total OPEB Liability - RBP	6,263,023	1,339,206	7,602,229	—
General Obligation Bonds Payable - Net	8,734,158	—	8,734,158	—
Subscriptions Payable	488,232	—	488,232	—
Asset Retirement Obligation	—	350,000	350,000	—
Total Noncurrent Liabilities	67,258,588	4,296,168	71,554,756	—
Total Liabilities	78,915,560	5,883,906	84,799,466	73,164
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	13,833,732	—	13,833,732	—
Leases	1,020,075	—	1,020,075	—
Grants	—	40,272	40,272	—
Deferred Items - IMRF	—	30,232	30,232	—
Deferred Items - Police Pension	669,261	—	669,261	—
Deferred Items - Firefighters' Pension	1,597,453	—	1,597,453	—
Deferred Items - RBP	2,951,018	631,008	3,582,026	—
Total Deferred Inflows of Resources	20,071,539	701,512	20,773,051	—
Total Liabilities and Deferred Inflows of Resources	98,987,099	6,585,418	105,572,517	73,164
<b>NET POSITION</b>				
Net Investment in Capital Assets	75,226,618	28,016,008	103,242,626	—
Restricted				
Public Safety	515,513	—	515,513	—
Highways and Streets	6,664,100	—	6,664,100	—
Community Development	19,376,479	—	19,376,479	—
Debt Service	588,127	—	588,127	—
Special Service Areas	368,297	—	368,297	—
IMRF	274,093	—	274,093	—
Unrestricted	2,373,620	8,268,908	10,642,528	15,234
Total Net Position	105,386,847	36,284,916	141,671,763	15,234

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended December 31, 2023**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 9,660,692	1,331,011	38,794	—
Public Works	4,780,144	463,431	—	—
Public Safety	26,644,818	2,668,730	106,825	—
Community Development	4,975,152	86,657	—	—
Highways and Streets	2,128,771	—	1,617,261	—
Interest on Long-Term Debt	235,543	—	—	—
Total Governmental Activities	48,425,120	4,549,829	1,762,880	—
<b>Business-Type Activities</b>				
Waterworks and Sewerage	12,657,540	10,570,693	—	—
Municipal Commuter Parking Lot	649,304	129,719	132,448	—
Total Business-Type Activities	13,306,844	10,700,412	132,448	—
Total Primary Government	61,731,964	15,250,241	1,895,328	—
<b>Discretely Presented Component Unit</b>				
Hanover Square	970,732	975,879	—	—

General Revenues

Taxes

Property Taxes

Home Rule Sales Taxes

Utility Taxes

Other Taxes

Intergovernmental - Unrestricted

Sales Taxes

Use Taxes

State Income Taxes

Other Intergovernmental

Investment Income

Miscellaneous

Special Item - Gain (Loss) on Sale of Equity Interest

Interfund Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues			
Primary Government			Component
Governmental	Business-Type	Totals	Unit
Activities	Activities		Hanover Square
(8,290,887)	—	(8,290,887)	—
(4,316,713)	—	(4,316,713)	—
(23,869,263)	—	(23,869,263)	—
(4,888,495)	—	(4,888,495)	—
(511,510)	—	(511,510)	—
(235,543)	—	(235,543)	—
(42,112,411)	—	(42,112,411)	—
—	(2,086,847)	(2,086,847)	—
—	(387,137)	(387,137)	—
—	(2,473,984)	(2,473,984)	—
(42,112,411)	(2,473,984)	(44,586,395)	—
—	—	—	5,147
16,671,650	—	16,671,650	—
8,142,028	—	8,142,028	—
1,573,690	—	1,573,690	—
2,562,109	—	2,562,109	—
9,064,576	—	9,064,576	—
1,458,521	—	1,458,521	—
5,984,685	—	5,984,685	—
1,392,057	—	1,392,057	—
3,262,031	502,851	3,764,882	—
356,254	2,606,582	2,962,836	—
936,620	—	936,620	(4,053,867)
30,000	(30,000)	—	—
51,434,221	3,079,433	54,513,654	(4,053,867)
9,321,810	605,449	9,927,259	(4,048,720)
96,065,037	35,679,467	131,744,504	4,063,954
105,386,847	36,284,916	141,671,763	15,234

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

VILLAGE OF HANOVER PARK, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2023

	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 31,033,534
Receivables - Net of Allowances	
Taxes	17,221,610
Accounts	409,852
Leases	1,028,611
Accrued Interest	2,776,238
Due from Other Governments	1,588,813
Due from Other Funds	—
Advances to Other Funds	1,300,000
Prepays	14,968
Inventories	<u>22,865</u>
 Total Assets	 <u><u>55,396,491</u></u>
<b>LIABILITIES</b>	
Accounts Payable	562,403
Accrued Payroll	922,266
Unearned Revenues	77,704
Other Payable	5,816,273
Due to Other Funds	—
Total Liabilities	<u>7,378,646</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	11,943,096
Leases	<u>1,020,075</u>
Total Deferred Inflows of Resources	<u>12,963,171</u>
Total Liabilities and Deferred Inflows of Resources	 <u>20,341,817</u>
<b>FUND BALANCES</b>	
Nonspendable	37,833
Restricted	—
Assigned	—
Unassigned	<u>35,016,841</u>
Total Fund Balances	<u>35,054,674</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u><u>55,396,491</u></u>

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

Special Revenue				
Motor Fuel Tax	Tax Increment Financing #3	Capital Projects	Nonmajor	Totals
1,438,864	16,900,307	7,214,695	9,518,569	66,105,969
—	3,683	—	1,966,095	19,191,388
—	—	925	110,986	521,763
—	—	—	—	1,028,611
7,170	163,019	28,344	23,548	2,998,319
146,244	—	806,584	—	2,541,641
—	—	—	204	204
—	—	—	—	1,300,000
—	—	—	—	14,968
—	—	—	—	22,865
<u>1,592,278</u>	<u>17,067,009</u>	<u>8,050,548</u>	<u>11,619,402</u>	<u>93,725,728</u>
213,847	45,496	3,582,622	286,312	4,690,680
—	—	—	—	922,266
—	—	—	—	77,704
—	84,433	—	216,445	6,117,151
—	—	—	204	204
<u>213,847</u>	<u>129,929</u>	<u>3,582,622</u>	<u>502,961</u>	<u>11,808,005</u>
—	—	—	1,890,636	13,833,732
—	—	—	—	1,020,075
—	—	—	1,890,636	14,853,807
<u>213,847</u>	<u>129,929</u>	<u>3,582,622</u>	<u>2,393,597</u>	<u>26,661,812</u>
—	—	—	—	37,833
1,378,431	16,937,080	—	9,225,805	27,541,316
—	—	4,467,926	—	4,467,926
—	—	—	—	35,016,841
<u>1,378,431</u>	<u>16,937,080</u>	<u>4,467,926</u>	<u>9,225,805</u>	<u>67,063,916</u>
<u>1,592,278</u>	<u>17,067,009</u>	<u>8,050,548</u>	<u>11,619,402</u>	<u>93,725,728</u>

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

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

**December 31, 2023**

<b>Total Governmental Fund Balances</b>	<b>\$ 67,063,916</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	85,463,056
Less: Internal Service Capital Assets	(5,379,104)
Internal service funds are used by the City to charge the costs of insurance and motor pool to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	14,262,411
Revenue that is deferred in the funds financial statement because it is not available and recognized as revenue in the government-wide financial statements.	1,516,277
The equity interest in Hanover Square in included in the governmental activities in the Statement of Net Position	15,234
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds. Net Pension Asset - SLEP	274,093
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	4,504,843
Deferred Items - SLEP	81,804
Deferred Items - Police Pension	5,234,581
Deferred Items - Firefighters' Pension	1,226,388
Deferred Items - RBP	(1,075,478)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,125,478)
Net Pension Liability - IMRF	(5,209,254)
Net Pension Liability - Police Pension	(31,010,438)
Net Pension Liability - Firefighters' Pension	(14,484,279)
Total OPEB Liability - RBP	(6,263,023)
General Obligation Bonds Payable - Net	(9,829,158)
Unamortized Loss on Refunding	149,256
Accrued Interest Payable	(28,800)
<b>Net Position of Governmental Activities</b>	<b><u>105,386,847</u></b>

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2023**

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**See Following Page**

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2023

	<u>General</u>
Revenues	
Taxes	\$ 24,145,140
Intergovernmental	17,231,863
Licenses and Permits	1,358,951
Charges for Services	2,329,950
Fines and Forfeitures	836,750
Investment Income	2,104,772
Miscellaneous	287,923
Total Revenues	<u>48,295,349</u>
Expenditures	
Current	
General Government	5,080,027
Public Works	4,780,144
Public Safety	25,776,894
Community Development	4,233,764
Highways and Streets	—
Capital Outlay	—
Debt Service	
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>39,870,829</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,424,520</u>
Other Financing Sources (Uses)	
Transfers In	—
Transfers Out	<u>(11,238,012)</u>
	<u>(11,238,012)</u>
Change in Fund Balances Before Special Items	(2,813,492)
Special Item - Gain on Sale of Equity Interest	<u>—</u>
Net Change in Fund Balances	(2,813,492)
Fund Balances - Beginning	<u>37,868,166</u>
Fund Balances - Ending	<u><u>35,054,674</u></u>

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

Special Revenue				
Motor Fuel Tax	Tax Increment Financing #3	Capital Projects	Nonmajor	Totals
—	2,008,052	—	2,796,285	28,949,477
1,617,261	—	806,584	7,011	19,662,719
—	—	—	—	1,358,951
—	—	—	2,140	2,332,090
—	—	—	22,038	858,788
88,589	370,311	212,932	186,548	2,963,152
—	—	15,150	53,181	356,254
1,705,850	2,378,363	1,034,666	3,067,203	56,481,431
—	—	89,886	399	5,170,312
—	—	—	—	4,780,144
—	—	—	44,972	25,821,866
—	315,246	—	199,201	4,748,211
—	—	—	948,249	948,249
2,101,986	33,162	9,892,272	1,499,851	13,527,271
—	—	—	1,050,000	1,050,000
—	—	—	387,600	387,600
2,101,986	348,408	9,982,158	4,130,272	56,433,653
(396,136)	2,029,955	(8,947,492)	(1,063,069)	47,778
—	—	6,048,012	5,200,000	11,248,012
—	—	—	(10,000)	(11,248,012)
—	—	6,048,012	5,190,000	—
(396,136)	2,029,955	(2,899,480)	4,126,931	47,778
—	4,985,340	—	—	4,985,340
(396,136)	7,015,295	(2,899,480)	4,126,931	5,033,118
1,774,567	9,921,785	7,367,406	5,098,874	62,030,798
1,378,431	16,937,080	4,467,926	9,225,805	67,063,916

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to  
the Statement of Activities - Governmental Activities  
For the Fiscal Year Ended December 31, 2023**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 5,033,118</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	10,872,539
Depreciation Expense	(3,264,446)
Disposals - Cost	(1,068,609)
Disposals - Accumulated Depreciation	900,030
Less: Internal Service Funds	(15,057)
Internal service funds are used by the City to charge the costs of insurance and motor pool to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	406,717
Some revenues not collected as of the year end are not considered available revenues in the governmental funds. These are the amounts that were not considered available in the current year.	(90,906)
The change in equity interest in Hanover Square is reported only in the Statement of Activities	(4,048,720)
An addition to a net pension asset is not considered to be an increase in a financial asset in the governmental funds.	
Change in Net Pension Asset - SLEP	(223,718)
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	8,274,169
Change in Deferred Items - SLEP	239,164
Change in Deferred Items - Police Pension	(2,170,418)
Change in Deferred Items - Firefighters' Pension	(2,390,113)
Change in Deferred Items - RBP	370,448
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences Payable	(291,563)
Change in Net Pension Liability - IMRF	(8,586,683)
Change in Net Pension Liability - Police Pension	2,207,211
Change in Net Pension Liability - Firefighters' Pension	2,525,429
Change in Total OPEB Liability - RBP	(558,839)
Retirement of Debt - Net	1,219,879
Amortization of Loss on Refunding	(21,322)
Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>3,500</u>
<b>Changes in Net Position of Governmental Activities</b>	<b><u><u>9,321,810</u></u></b>

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Net Position - Proprietary Funds**

**December 31, 2023**

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**See Following Page**

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Net Position - Proprietary Funds  
December 31, 2023

	Business-Type Activities		Totals	Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot		Activities
				Internal Service
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 9,323,063	857,282	10,180,345	9,454,200
Receivables - Net of Allowances				
Accounts	1,098,049	—	1,098,049	—
Accrued Interest	603,884	26,502	630,386	102,713
Due from Other Governments	1,416,688	26,185	1,442,873	—
Prepays	9,926	—	9,926	—
Total Current Assets	<u>12,451,610</u>	<u>909,969</u>	<u>13,361,579</u>	<u>9,556,913</u>
Noncurrent Assets				
Capital Assets				
Nondepreciable	1,073,858	1,317,517	2,391,375	—
Depreciable	50,235,473	2,479,477	52,714,950	13,574,492
Accumulated Depreciation	(25,574,541)	(1,515,776)	(27,090,317)	(8,195,388)
Total Noncurrent Assets	<u>25,734,790</u>	<u>2,281,218</u>	<u>28,016,008</u>	<u>5,379,104</u>
Total Assets	<u>38,186,400</u>	<u>3,191,187</u>	<u>41,377,587</u>	<u>14,936,017</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	1,975,823	102,153	2,077,976	—
Deferred Items - RBP	373,508	27,534	401,042	—
Deferred Items - ARO	313,729	—	313,729	—
Total Deferred Outflow of Resources	<u>2,663,060</u>	<u>129,687</u>	<u>2,792,747</u>	<u>—</u>
Total Assets and Deferred Outflow of Resources	<u>40,849,460</u>	<u>3,320,874</u>	<u>44,170,334</u>	<u>14,936,017</u>

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

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot	Totals	Internal Service
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 1,225,892	194,676	1,420,568	117,070
Accrued Payroll	119,798	7,615	127,413	—
Other Payables	26,150	3,105	29,255	—
Advances from Other Funds	—	1,300,000	1,300,000	—
Compensated Absences Payable	10,502	—	10,502	68,304
Total Current Liabilities	1,382,342	1,505,396	2,887,738	185,374
Noncurrent Liabilities				
Compensated Absences Payable	199,529	—	199,529	—
Net Pension Liability - IMRF	2,284,325	123,108	2,407,433	—
Total OPEB Liability - RBP	1,247,262	91,944	1,339,206	—
Subscriptions Payable	—	—	—	488,232
Asset Retirement Obligation	350,000	—	350,000	—
Total Noncurrent Liabilities	4,081,116	215,052	4,296,168	488,232
Total Liabilities	5,463,458	1,720,448	7,183,906	673,606
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Grants	—	40,272	40,272	—
Deferred Items - IMRF	30,232	—	30,232	—
Deferred Items - RBP	587,686	43,322	631,008	—
Total Deferred Inflows of Resources	617,918	83,594	701,512	—
Total Liabilities and Deferred Inflows of Resources	6,081,376	1,804,042	7,885,418	673,606
<b>NET POSITION</b>				
Net Investment in Capital Assets	25,734,790	2,281,218	28,016,008	4,822,568
Unrestricted (Deficit)	9,033,294	(764,386)	8,268,908	9,439,843
Total Net Position	34,768,084	1,516,832	36,284,916	14,262,411

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

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds  
For the Fiscal Year Ended December 31, 2023

	Business-Type Activities		Totals	Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot		Internal Service
Operating Revenues				
Charges for Services	\$ 10,570,693	129,719	10,700,412	—
Interfund Services	—	—	—	1,885,840
Total Operating Revenues	10,570,693	129,719	10,700,412	1,885,840
Operating Expenses				
Administrative	2,573,633	—	2,573,633	—
Operations	9,041,051	570,718	9,611,769	542,646
Depreciation and Amortization	1,042,856	78,586	1,121,442	1,249,373
Total Operating Expenses	12,657,540	649,304	13,306,844	1,792,019
Operating Income (Loss)	(2,086,847)	(519,585)	(2,606,432)	93,821
Nonoperating Revenues (Expenses)				
Infrastructure Charge	2,605,483	—	2,605,483	—
State Grants	—	132,448	132,448	—
Investment Income	499,102	3,749	502,851	298,879
Interest Expense	—	—	—	(15,983)
Miscellaneous	—	1,099	1,099	—
	3,104,585	137,296	3,241,881	282,896
Income (Loss) Before Transfers	1,017,738	(382,289)	635,449	376,717
Transfers In	—	—	—	30,000
Transfers Out	(30,000)	—	(30,000)	—
	(30,000)	—	(30,000)	30,000
Change in Net Position	987,738	(382,289)	605,449	406,717
Net Position - Beginning	33,780,346	1,899,121	35,679,467	13,855,694
Net Position - Ending	34,768,084	1,516,832	36,284,916	14,262,411

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Cash Flows - Proprietary Funds  
For the Fiscal Year Ended December 31, 2023**

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot	Totals	Internal Service
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers and Users	\$ 13,291,850	303,726	13,595,576	—
Interfund Services Provided	—	—	—	1,822,442
Payments to Suppliers	(8,814,416)	(121,180)	(8,935,596)	(614,311)
Payments to Employees	(2,602,553)	(134,261)	(2,736,814)	—
	<u>1,874,881</u>	<u>48,285</u>	<u>1,923,166</u>	<u>1,208,131</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Transfers In	—	—	—	30,000
Transfers Out	(30,000)	—	(30,000)	—
	<u>(30,000)</u>	<u>—</u>	<u>(30,000)</u>	<u>30,000</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of Capital Assets	(2,434,938)	—	(2,434,938)	(1,427,483)
Disposal of Capital Assets	—	—	—	163,053
Issuance of Debt	—	—	—	828,447
Principal Paid on Debt	—	—	—	(271,911)
Principal Retirement	—	—	—	(15,983)
	<u>(2,434,938)</u>	<u>—</u>	<u>(2,434,938)</u>	<u>(723,877)</u>
<b>Cash Flows from Investing Activities</b>				
Investment Income	<u>499,102</u>	<u>3,749</u>	<u>502,851</u>	<u>298,879</u>
Net Change in Cash and Cash Equivalents	(90,955)	52,034	(38,921)	813,133
Cash and Cash Equivalents - Beginning	<u>9,414,018</u>	<u>805,248</u>	<u>10,219,266</u>	<u>8,641,067</u>
Cash and Cash Equivalents - Ending	<u><u>9,323,063</u></u>	<u><u>857,282</u></u>	<u><u>10,180,345</u></u>	<u><u>9,454,200</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	(2,086,847)	(519,585)	(2,606,432)	93,821
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation and Amortization	1,042,856	78,586	1,121,442	1,249,373
Other Income	2,772,396	177,874	2,950,270	—
(Increase) Decrease in Current Assets	(51,239)	(3,867)	(55,106)	(63,398)
Increase (Decrease) in Current Liabilities	197,715	315,277	512,992	(71,665)
Net Cash Provided by Operating Activities	<u><u>1,874,881</u></u>	<u><u>48,285</u></u>	<u><u>1,923,166</u></u>	<u><u>1,208,131</u></u>

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Fiduciary Net Position  
December 31, 2023**

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	<u>Pension Trust</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 4,382,133
Investments	
Illinois Police Officers' Pension Investment Fund	45,725,379
Illinois Firefighters' Pension Investment Fund	26,023,919
Due from Municipality	38,892
Prepays	<u>5,229</u>
Total Assets	<u>76,175,552</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>7,750</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u><u>76,167,802</u></u>

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

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended December 31, 2023

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	Pension Trust
Additions	
Contributions - Employer	\$ 5,798,234
Contributions - Plan Members	1,036,791
Other	14,443
Total Contributions	<u>6,849,468</u>
Investment Earnings	
Interest Earned	936,320
Net Change in Fair Value	8,228,741
	<u>9,165,061</u>
Less Investment Expenses	(87,572)
Net Investment Income	<u>9,077,489</u>
Total Additions	<u>15,926,957</u>
Deductions	
Administration	5,567,397
Benefits and Refunds	87,078
Total Deductions	<u>5,654,475</u>
Change in Fiduciary Net Position	10,272,482
Net Position Restricted for Pensions	
Beginning	<u>65,895,320</u>
Ending	<u><u>76,167,802</u></u>

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

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Hanover Park, Illinois (the Village) was incorporated in 1958. The Village is a municipal corporation governed by an elected seven-member board. The Village operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, highways and streets, health, social and cultural services, water and sanitation, public improvements, planning and zoning, and general administrative services.

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

#### REPORTING ENTITY

The Village is a municipal corporation governed by an elected president, village clerk, and six-member Board of Trustees. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds and there is one discretely presented component unit to include in the reporting entity.

#### Blended Component Units

##### Police Pension Employees Retirement System

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

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### REPORTING ENTITY - Continued

##### Blended Component Units - Continued

##### Firefighters' Pension Employees Retirement System

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

##### Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 and GASB Statement No. 84 but do not meet the criteria for blending.

##### Hanover Square

In 2015, the Village entered into a redevelopment agreement to renovate and operate the Hanover Square Shopping Center. Pursuant to the agreement the Village sold the property to the newly established Limited Liability Company (LLC), Hanover Square, LLC (Hanover Square), and acquired a 90% membership interest in the company. During 2016, the developer defaulted on its obligations and the remaining 10% membership interest reverted to the Village. Hanover Square is now operated with only one member, the Village. The Village can impose its will on Hanover Square as the Village board has approval rights over Hanover Square's annual budget. As the Village has a majority equity interest in the Limited Liability Company, Hanover Square's financial statements have been presented as a discrete column in the government-wide financial statements. The information presented is for the fiscal year ended December 31, 2023. Separately issued financial statements of the Hanover Square may be obtained from the LLC or from the Village Clerk's office. On November 2, 2023, the Village approved the sale of the Shopping Center to SIANINC LLC in the amount of \$7,250,000, but the LLC was not officially dissolved until June 6, 2024, thus the Village maintained control of the LLC until that date and the LLC is disclosed as a discretely presented component unit as of December 31, 2023. The sale of the property is reported in the Village's December 31, 2023 financial statements as a special item, as it was within Management's control, but unusual and infrequent in nature. See separate Special Item note disclosure in Note 4 to the financial statements.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's general government, public works, public safety, community development, and highways and streets services are classified as governmental activities. The Village's waterworks and sewerage and municipal railroad parking lot services are classified as business-type activities.

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

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

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, investment income, etc.).

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

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

##### Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Fund Financial Statements - Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

#### Governmental Funds

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

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

*Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains twelve special revenues funds. The Motor Fuel Tax Fund, a major fund, is used to account for revenues restricted for the operation and maintenance of street and storm water programs and capital projects authorized by the Illinois Department of Transportation. The Tax Increment Financing #3 Fund, also a major fund, is used to account for the restricted financing of improvements in the Village Center Tax Increment Financing Redevelopment Project Area. Additionally, the Village maintains ten nonmajor special revenue funds.

*Debt service funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one debt service fund.

*Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains two capital projects funds. The Capital Projects Fund, a major fund, is used to account for the purchase of land, machinery, office equipment and furniture and for various capital improvements. Resources are assigned and provided from transfers from other funds.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### BASIS OF PRESENTATION - Continued

##### Proprietary Funds

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

*Enterprise funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund and one nonmajor enterprise fund. The Waterworks and Sewerage Fund, a major fund, is used to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collections. The Municipal Railroad Parking Lot Fund, a major fund, is used to account for the provision of parking services to the residents of the Village and surrounding communities. All activities necessary to provide such services are accounted for in this fund including, but not limited to, operations, maintenance, financing and collections.

*Internal service funds* are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains two internal services funds. The Central Equipment Fund accounts for the purchase of vehicles and equipment for various department throughout the Village. The IT Equipment Replacement Fund accounts for the purchase of computer equipment for departments throughout the Village. The Village's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public works, public safety, community development, highways and streets, etc.).

##### Fiduciary Funds

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

*Pension trust funds* are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund is used to account for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. The Firefighters' Pension Fund is used to account for the accumulation of resources to pay retirement and other related benefits for the Village's firefighter employees.

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

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

##### Measurement Focus

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

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

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

##### Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues, except for sales taxes and utility taxes which use a 90-day period. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

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

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

##### Basis of Accounting - Continued

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds and of the Village's internal service funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

##### Cash and Investments

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

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

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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

**Receivables**

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

**Prepays/Inventories**

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

**Capital Assets**

Capital assets with an acquisition cost of \$10,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets and bridges are capitalized.

The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

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

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

Buildings and Structures	20 - 50 Years
Machinery, Equipment, and Vehicles	3 - 20 Years
Improvements Other Than Buildings	10 - 20 Years
Infrastructure	25 - 75 Years
Subscription Assets	8 Years

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

##### Deferred Outflows/Inflows of Resources

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

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

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

##### Long-Term Obligations

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

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

##### Net Position

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

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

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

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

##### Net Position - Continued

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

##### Use of Estimates

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

### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

All departments of the Village submit budget requests to the Village Manager in September of each year so that a budget may be prepared. The budget is prepared by fund, and includes information on the past year, current year estimates and requested budget for the next fiscal year, covering a period from January 1st to December 31st.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may adjust proposed budgeted amounts. The final budget must be approved by December 31 through passage of an ordinance.

Management is authorized to transfer budgeted amounts within any fund without the approval of the governing body. The budget may be amended by the governing body. Expenditures may not legally exceed the budget at the fund level, the Village’s legal level of budgetary control. There were four budgetary amendments for the year ended December 31, 2023.

The budget is adopted on the modified accrual basis of accounting and the current financial resources measurement focus, consistent with GAAP. Annual budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects (except the Special Service Area #6 Fund), Enterprise, Internal Service and Pension Trust Funds. Budgetary comparisons are reflected in the Village’s financial report for all governmental funds.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

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

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

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

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

#### **Village**

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$66,877,846 the bank balances totaled \$67,219,346. In addition, the Village has \$18,121,658 invested in Illinois Funds, \$134,499 invested in IMET, and \$606,511 invested in IPRIME at year-end and, which have an average maturity of less than one year and are measured at net asset value per share as determined by the pool.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states the investment portfolio shall be structured so that securities mature to meet cash requirements for ongoing operations, thereby, avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools and limiting the maximum maturity. The Village will not directly invest in securities maturing more than five years from the date of purchase unless matched to a specific cash flow. Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds to ensure that appropriate liquidity is maintained to meet ongoing obligations.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### Village - Continued

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's limits its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and the other securities noted above. At year-end, the Village's investments in IMET convenience have no rating available, investments in IPRIME were rated at AAAM by Standard & Poor's and the investments in Illinois Fund were rated at AAAMmf by Fitch.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a market value of 110% of all bank balances in excess of federal depository insurance to be held by the Village's agent in the Village's name. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name. The Illinois Fund, IMET, and IPRIME is not subject to custodial credit risk.

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

##### Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at [www.ipopif.org](http://www.ipopif.org).

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$2,115,380 and the bank balances totaled \$2,115,380.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### DEPOSITS AND INVESTMENTS - Continued

##### Police Pension Fund - Continued

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

*Investments.* At year-end the Fund has \$45,725,379 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ipopif.org](http://www.ipopif.org). Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

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

##### Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.05%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at [www.ifpif.org](http://www.ifpif.org).

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$2,266,753 and the bank balances totaled \$2,266,753.

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Firefighters' Pension Fund - Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Investments. At year-end the Fund has \$26,023,919 invested in IFPIF. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

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

Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.69%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

INTERFUND BALANCES

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made.

The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental	Nonmajor Governmental	\$ 204

INTERFUND ADVANCES

Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Municipal Commuter Parking Lot	\$ 1,300,000

Interfund advances represents a loan from General Fund to the Municipal Commuter Parking Fund. These amounts will be paid over several years.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Capital Projects	General	\$ 6,038,012 (1)
Nonmajor Governmental	General	5,200,000 (2)
Internal Service	Waterworks and Sewerage	30,000 (1)
Capital Projects	Nonmajor Governmental	<u>10,000 (1)</u>
		<u><u>11,278,012</u></u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**PROPERTY TAXES**

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

**CONSTRUCTION CONTRACTS**

The Village has entered into contracts for the construction or renovation of various facilities as follows:

	Project Authorizations	Expended to Date	Commitments
Fire Station #16 Construction	\$ 9,264,186	4,918,332	4,345,854
West Branch Stabilization Project	6,500,000	3,175,057	3,324,943
	<u>15,764,186</u>	<u>8,093,389</u>	<u>7,670,797</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LEASES RECEIVABLE**

The Village is a lessor on the following leases at year end:

Lease	Term Length	Start Date	Payments	Interest Rate
Verizon - Hartman Tower	8 Years	April 1, 2023	\$44,056 - 54,183 annually	3.50%
T-Mobile - Morton Tower	8 Years	May 1, 2023	\$53,059 - \$57,506 annually	3.50%
Verizon - Mallard	108 Months	February 1, 2023	\$3,697 - \$4,683 monthly	3.50%

Under these lease agreements, the Village recognized \$137,782 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2024	\$ 110,413	35,465
2025	118,969	31,559
2026	127,976	27,354
2027	137,455	22,829
2028	147,426	17,969
2029	157,914	12,759
2030	168,939	7,179
2031	54,852	1,211
2032	4,667	14
	1,028,611	156,339

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending
<b>Nondepreciable Capital Assets</b>				
Land	\$ 4,534,078	236,000	—	4,770,078
Permanent Easements	33,873	—	—	33,873
Right of Way	25,058,691	—	—	25,058,691
Construction in Progress	2,466,119	7,750,120	74,725	10,141,514
	<u>32,092,761</u>	<u>7,986,120</u>	<u>74,725</u>	<u>40,004,156</u>
<b>Depreciable Capital Assets</b>				
Buildings	31,916,423	714,581	—	32,631,004
Machinery, Equipment, and Vehicles	19,761,822	1,212,442	1,068,609	19,905,655
Improvements Other Than Buildings	9,439,759	205,674	—	9,645,433
Infrastructure	38,814,146	—	—	38,814,146
Subscription Assets - Software	—	828,447	—	828,447
	<u>99,932,150</u>	<u>2,961,144</u>	<u>1,068,609</u>	<u>101,824,685</u>
<b>Less Accumulated Depreciation</b>				
Buildings	11,741,191	691,365	—	12,432,556
Machinery, Equipment, and Vehicles	11,388,394	1,430,988	900,030	11,919,352
Improvements Other Than Buildings	2,277,687	387,848	—	2,665,535
Infrastructure	28,594,097	570,146	—	29,164,243
Subscription Assets - Software	—	184,099	—	184,099
	<u>54,001,369</u>	<u>3,264,446</u>	<u>900,030</u>	<u>56,365,785</u>
Total Net Depreciable Capital Assets	<u>45,930,781</u>	<u>(303,302)</u>	<u>168,579</u>	<u>45,458,900</u>
Total Net Capital Assets	<u>78,023,542</u>	<u>7,682,818</u>	<u>243,304</u>	<u>85,463,056</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 1,020,012
Public Works	995,061
Internal Service	<u>1,249,373</u>
	<u>3,264,446</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 2,254,634	—	—	2,254,634
Construction in Progress	171,737	—	34,996	136,741
	<u>2,426,371</u>	<u>—</u>	<u>34,996</u>	<u>2,391,375</u>
<b>Depreciable Capital Assets</b>				
Buildings and Structures	12,662,864	—	—	12,662,864
Machinery, Equipment, and Vehicles	3,457,816	266,599	—	3,724,415
Improvements Other Than Buildings	10,651,355	575,000	—	11,226,355
Underground Systems	23,472,981	1,628,335	—	25,101,316
	<u>50,245,016</u>	<u>2,469,934</u>	<u>—</u>	<u>52,714,950</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Structures	7,536,540	240,637	—	7,777,177
Machinery, Equipment, and Vehicles	2,864,145	76,252	—	2,940,397
Improvements Other Than Buildings	6,958,821	344,056	—	7,302,877
Underground Systems	8,616,621	453,245	—	9,069,866
	<u>25,976,127</u>	<u>1,114,190</u>	<u>—</u>	<u>27,090,317</u>
Total Net Depreciable Capital Assets	<u>24,268,889</u>	<u>1,355,744</u>	<u>—</u>	<u>25,624,633</u>
Total Net Capital Assets	<u>26,695,260</u>	<u>1,355,744</u>	<u>34,996</u>	<u>28,016,008</u>

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

Waterworks and Sewerage	\$ 1,035,604
Municipal Railroad Parking Lot	<u>78,586</u>
	<u>1,114,190</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$12,980,000 General Obligation Refunding Bonds of 2020, due in annual installments of \$970,000 to \$1,385,000 plus interest at 4.00% through December 1, 2030.	General Obligation Bond Series of 2020	\$ 9,690,000	—	1,050,000	8,640,000

**Subscriptions Payable**

The Village has the following subscription payable at year end:

Subscriptions	Term Length	Start Date	Payments	Interest Rate
Axon	5 Years	March 1, 2023	\$82,579	2.57%

During the fiscal year, the Village has recognized \$287,894 of subscription expenses. The future principal and interest subscription arrangement payments as of the year-end were as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2024	\$ 68,304	14,275
2025	70,056	12,523
2026	74,330	10,726
2027	78,788	8,820
2028	83,437	6,799
2029	88,284	4,659
2030	93,337	2,394
	556,536	60,196

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Long-Term Liabilities Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 833,915	583,126	291,563	1,125,478	56,274
Net Pension Liability/(Asset) - IMRF	(3,377,429)	8,586,683	—	5,209,254	—
Net Pension Liability - Police	33,217,649	—	2,207,211	31,010,438	—
Net Pension Liability - Fire	17,009,708	—	2,525,429	14,484,279	—
Total OPEB Liability - RBP	5,704,184	558,839	—	6,263,023	—
General Obligation Bonds	9,690,000	—	1,050,000	8,640,000	1,095,000
Plus: Unamortized Premium	1,359,037	—	169,879	1,189,158	—
Subscriptions Payable	—	828,447	271,911	556,536	68,304
	<u>64,437,064</u>	<u>10,557,095</u>	<u>6,515,993</u>	<u>68,478,166</u>	<u>1,219,578</u>
<b>Business-Type Activities</b>					
Compensated Absences	144,821	130,420	65,210	210,031	10,502
Net Pension Liability/(Asset) - IMRF	(1,592,902)	4,000,335	—	2,407,433	—
Total OPEB Liability - RBP	1,244,641	94,565	—	1,339,206	—
Asset Retirement Obligation	350,000	—	—	350,000	—
	<u>146,560</u>	<u>4,225,320</u>	<u>65,210</u>	<u>4,306,670</u>	<u>10,502</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities/(assets), and the total OPEB liability are made by the General Fund. Payments on the general obligation bonds are liquidated by the General Obligation Bond Series of 2020 Fund.

Additionally, for business-type activities, the compensated absences, the net pension liability/(asset), the total OPEB liability, and asset retirement obligation are liquidated by the Waterworks and Sewerage Fund.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included are part of the above totals for governmental activities. Payments on the subscriptions payable are being made by the IT Equipment Replacement Fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Debt Service Requirements to Maturity**

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

Fiscal Year	Governmental Activities	
	General Obligation	
	Bonds	
	Principal	Interest
2024	\$ 1,095,000	345,600
2025	1,135,000	301,800
2026	1,185,000	256,400
2027	1,230,000	209,000
2028	1,280,000	159,800
2029	1,330,000	108,600
2030	1,385,000	55,400
Totals	<u>8,640,000</u>	<u>1,436,600</u>

**Asset Retirement Obligation**

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the Village's water towers and stand pipes at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 36 to 53 years.

**Legal Debt Margin**

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

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS

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

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

	General	Special Revenue		Capital Projects	Nonmajor	Totals
		Motor Fuel Tax	Increment Financing #3			
<b>Nonspendable</b>						
Prepays	\$ 14,968	—	—	—	—	14,968
Inventories	22,865	—	—	—	—	22,865
	<u>37,833</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>37,833</u>
<b>Restricted</b>						
Public Safety	—	—	—	—	515,513	515,513
Highways and Streets	—	1,378,431	—	—	5,285,669	6,664,100
Community Development	—	—	16,937,080	—	2,439,399	19,376,479
Debt Service	—	—	—	—	616,927	616,927
Special Service Areas	—	—	—	—	368,297	368,297
	<u>—</u>	<u>1,378,431</u>	<u>16,937,080</u>	<u>—</u>	<u>9,225,805</u>	<u>27,541,316</u>
<b>Assigned</b>						
Capital Improvements	—	—	—	4,467,926	—	4,467,926
<b>Unassigned</b>						
	<u>35,016,841</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>35,016,841</u>
<b>Total Fund Balances</b>	<u><u>35,054,674</u></u>	<u><u>1,378,431</u></u>	<u><u>16,937,080</u></u>	<u><u>4,467,926</u></u>	<u><u>9,225,805</u></u>	<u><u>67,063,916</u></u>

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

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

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

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NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

*Assigned Fund Balance.* Consists of amounts that are constrained by the Village Board's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Village Board itself or b) a body or official to which the Village Board has delegated the authority to assign amounts to be used for specific purposes. The Village has adopted a financial policy authorizing the Village Manager to assign amounts for a specific purpose.

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

*Minimum Fund Balance Policy.* The Village's policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures to provide financing for unanticipated expenditures and revenue shortfalls.

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 85,463,056
Plus: Unamortized Loss on Refunding	149,256
Less Capital Related Debt:	
General Obligation Bonds	(8,640,000)
Subscriptions Payable	(556,536)
Unamortized Premium	<u>(1,189,158)</u>
Net Investment in Capital Assets	<u><u>75,226,618</u></u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	28,016,008
Less Capital Related Debt:	<u>—</u>
Net Investment in Capital Assets	<u><u>28,016,008</u></u>

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION

#### RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

#### Intergovernmental Personnel Benefit Cooperative (IPBC)

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

#### Intergovernmental Risk Management Agency (IRMA)

The Village also participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs.

The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### CONTINGENT LIABILITIES

##### Litigation

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

##### Grants

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

##### Northwest Suburban Municipal Joint Action Water Agency

The Village's water purchase contract with JAWA provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

##### Economic Development Agreement

The Village has entered into an economic development agreement with one company to provide property tax rebates as allowed under state statute. The agreement requires the Village to rebate 50% of annual TIF increment property taxes up to a maximum of \$2,000,000 beyond a threshold of \$250,000. The total cumulative expenditures incurred under this agreement is \$464,115 as of December 31, 2023.

The Village has an agreement with a Developer for incremental real estate taxes generated from the Redevelopment Project up to a maximum of \$1,900,000. Those incremental real estate shall be the source of funding for reimbursing the Developer for up to \$1.2M of its Redevelopment Project Cost and satisfying the \$700,000 Notes. The Village and the business will share the incremented property taxes 50/50 until the \$700,000 is reached. The \$700,000 was paid in full in June 2017. For the reimbursement of the Developer the total cumulative expenditures incurred under this agreement is \$1,125,561 as of December 31, 2023.

#### TAX ABATEMENTS

The Village rebates sales taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

The Village has an agreement with a developer to rebate 50% of sales tax collected including both the Retailers Occupation Tax (1%) and the Home Rule Municipal Tax (0.50%) to increase sales tax collection. Up to nine employees would be transferred to the Hanover Park location. The agreement requires the Village to rebate to the developer the sales taxes semi-annually based upon sales taxes actually received for a term of ten years that expires on December 31, 2028.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**TAX ABATEMENTS - Continued**

Total rebates incurred for this agreement during the year ended December 31, 2023 was \$3,706,902. A liability of \$1,813,081 has been reported as of December 31, 2023 and is included in accounts payables and other payables. The total expenditures incurred to date in rebates for the currently effective agreements as of December 31, 2023 is \$39,962,233.

**JOINT VENTURES**

**Northwest Suburban Municipal Joint Action Water Agency (JAWA)**

The Village is a member of JAWA which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. The seven members of JAWA and their percentage shares as of December 31, 2023 are as follows:

	Percent Share
Village of Elk Grove	\$ 16.01%
Village of Hanover Park	11.05%
Village of Hoffman	16.64%
Village of Mount Prospect	11.56%
City of Rolling Meadows	8.36%
Village of Schaumburg	26.06%
Village of Streamwood	10.32%
	<u>100.00%</u>

These percentage shares are based upon formulae contained in the water supply agreement and are subject to change in future years based upon consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the Agency Agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 901 Wellington Avenue, Elk Grove Village, Illinois 60007.

## VILLAGE OF HANOVER PARK, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

##### JOINT VENTURES - Continued

##### Northwest Suburban Municipal Joint Action Water Agency (JAWA) - Continued

Revenues of the system consist of: (a) all receipts derived from Water Supply Agreements or any other contract for the supply of water; (b) all income derived from the investment of monies; and (c) all income, fees, water service charges and all rates, rents and receipts derived by JAWA from the ownership and operation of the system and the sale of water. JAWA covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

JAWA has entered into Water Supply Agreements with the seven-member municipalities for a term of 40 years, extending to December 31, 2032. The agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the City of Chicago (the City) under which the City has agreed to sell quantities of lake water sufficient to supply the projected water needs of JAWA through the year 2035.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this agreement.

The payments required to be made by the Village under this agreement shall be required to be made solely from revenues to be derived by the Village from the operation of the Waterworks and Sewerage System. Members are not prohibited by the agreement from using other available funds to make payments under the agreement. This agreement shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The obligation of the Village to make payments required by this agreement from revenues of the Waterworks and Sewerage System shall be payable from the operation and maintenance account of the Waterworks and Sewerage Fund.

In accordance with the joint venture agreement, the Village remitted \$5,225,032 to JAWA for the year ended December 31, 2023. All payments were paid from the Waterworks and Sewerage Fund.

##### SPECIAL ITEM - GAIN (LOSS) ON SALE OF EQUITY INTEREST

In 2023, the Village, as the sole member of the Hanover Square, LLC, which is reported as a discretely presented component unit, executed a purchase and sale agreement for the sale of the Hanover Square Shopping Center in the amount of \$7,250,000 that closed on December 15, 2023. The sale of the Shopping Center was within the control of the Village, but due to the nature of this arrangement this transaction and significant value of the assets sold, was determined to be a special item for reporting purposes. As of December 31, 2023, the Village’s investment in the equity interest of the LLC is \$15,234 and is reported in the Village’s governmental activities. The proceeds from the sale of the Shopping Center were recorded in the Tax Increment Financing #3 Fund and the gain (loss) from the sale is reported as a special item on the Statement of Activities.

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Sheriff’s Law Enforcement Personnel Fund (SLEP), which is administered by the IMRF, the Police Pension Plan which is a single-employer pension plan, and the Firefighters’ Pension Plan which is also a single-employer pension plan. Publicly available financial reports that include financial statements and required supplementary information (RSI) for the Police Pension Plan and Firefighter Pension Plan may be obtained by writing to the Village at 2121 Lake Street, Hanover Park, Illinois 60133. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expense/ (Revenue)	Net Pension Asset	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
IMRF					
Regular	\$ 1,177,972	—	7,616,687	6,582,819	30,232
SLEP	(15,446)	274,093	—	81,804	—
Police Pension	3,641,174	—	31,010,438	5,903,842	669,261
Firefighters' Pension	1,984,951	—	14,484,279	2,823,841	1,597,453
	<u>6,788,651</u>	<u>274,093</u>	<u>53,111,404</u>	<u>15,392,306</u>	<u>2,296,946</u>

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

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NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

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

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

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

	<u>Regular</u>	<u>SLEP</u>
Inactive Plan Members Currently Receiving Benefits	152	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	94	—
Active Plan Members	<u>100</u>	<u>—</u>
Total	<u><u>346</u></u>	<u><u>2</u></u>

*Contributions.* As set by statute, the Village's Regular Plan and SLEP Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year-ended December 31, 2023, the Village's contribution was 8.49% of covered payroll for the Regular Plan and there was no covered payroll for the SLEP plan.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

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

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

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

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Plan Descriptions - Continued**

*Actuarial Assumptions - Continued.*

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

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The discount rate is for both the Regular and the SLEP plan. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Village'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.

**Discount Rate Sensitivity**

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

	Regular Plan		
	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 13,987,850	7,616,687	2,428,558

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity - Continued

	SLEP Plan		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (221,495)	(274,093)	(319,958)

Changes in the Net Pension Liability/(Asset) - Regular Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 58,392,710	63,363,041	(4,970,331)
Changes for the Year:			
Service Cost	703,210	—	703,210
Interest on the Total Pension Liability	4,129,135	—	4,129,135
Difference between Expected and Actual Experience of the total Pension Liability	984,724	—	984,724
Changes in Assumptions	—	—	—
Contributions - Employer	—	838,711	(838,711)
Contributions - Employees	—	361,203	(361,203)
Net Investment Income	—	(8,495,083)	8,495,083
Benefit Payments, Including Refunds of Employee Contributions	(3,581,452)	(3,581,452)	—
Other (Net Transfer)	—	525,220	(525,220)
Net Changes	2,235,617	(10,351,401)	12,587,018
Balances at December 31, 2022	60,628,327	53,011,640	7,616,687

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension (Asset) - SLEP Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2021	\$ 622,055	1,119,866	(497,811)
Changes for the Year:			
Service Cost	—	—	—
Interest on the Total Pension Liability	43,141	—	43,141
Difference between Expected and Actual Experience of the total Pension Liability	7,665	—	7,665
Changes in Assumptions	—	—	—
Contributions - Employer	—	—	—
Contributions - Employees	—	—	—
Net Investment Income	—	(176,574)	176,574
Benefit Payments, Including Refunds of Employee Contributions	(54,009)	(54,009)	—
Other (Net Transfer)	—	3,662	(3,662)
Net Changes	(3,203)	(226,921)	223,718
Balances at December 31, 2022	618,852	892,945	(274,093)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

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

For the year ended December 31, 2023, the Village recognized pension expense of \$1,177,972 for the Regular Plan and a pension revenue of \$15,446 for the SLEP Plan. At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Regular Plan		SLEP Plan		Totals
	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Deferred Outflows of Resources	Deferred (Inflows) of Resources	
Difference Between Expected and Actual Experience	\$ 1,283,192	(18,333)	—	—	1,264,859
Change in Assumptions	—	(11,899)	—	—	(11,899)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,596,104	—	81,804	—	4,677,908
Total Pension Expense to be Recognized in Future Periods	5,879,296	(30,232)	81,804	—	5,930,868
Pension Contributions Made Subsequent to the Measurement Date	703,523	—	—	—	703,523
<b>Total Deferred Amounts Related to IMRF &amp; SLEP</b>	<b>6,582,819</b>	<b>(30,232)</b>	<b>81,804</b>	<b>—</b>	<b>6,634,391</b>

\$703,523 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended December 31, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources		
	Regular Plan	SLEP Plan	Totals
2024	\$ 590,219	(9,936)	580,283
2025	1,141,510	12,511	1,154,021
2026	1,513,011	28,042	1,541,053
2027	2,604,324	51,187	2,655,511
2028	—	—	—
Thereafter	—	—	—
<b>Totals</b>	<b>5,849,064</b>	<b>81,804</b>	<b>5,930,868</b>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

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NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

*Plan Membership.* At December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	50
Inactive Plan Members Entitled to but not yet Receiving Benefits	13
Active Plan Members	<u>61</u>
Total	<u><u>124</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Police Pension Plan - Continued

##### Plan Descriptions - Continued

*Benefits Provided - Continued.* Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the preceding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2023, the Village's contribution was 56.17% of covered payroll.

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Police Pension Plan - Continued**

**Actuarial Assumptions**

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	3.50%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the PubS-2010(A) study, improved generationally using MP-2019 improvement rates.

**Discount Rate**

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

**Discount Rate Sensitivity**

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 42,706,674	31,010,438	21,528,295

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 74,912,045	41,694,396	33,217,649
Changes for the Year:			
Service Cost	1,328,067	—	1,328,067
Interest on the Total Pension Liability	5,114,849	—	5,114,849
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	1,208,364	—	1,208,364
Changes of Assumptions	—	—	—
Contributions - Employer	—	3,677,967	(3,677,967)
Contributions - Employees	—	695,698	(695,698)
Contributions - Other	—	8,314	(8,314)
Net Investment Income	—	5,521,042	(5,521,042)
Benefit Payments, Including Refunds of Employee Contributions	(3,686,404)	(3,686,404)	—
Other (Net Transfer)	—	(44,530)	44,530
Net Changes	3,964,876	6,172,087	(2,207,211)
Balances at December 31, 2023	78,876,921	47,866,483	31,010,438

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Police Pension Plan - Continued**

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

For the year ended December 31, 2023, the Village recognized pension expense of \$3,641,174. At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 3,570,345	(496,781)	3,073,564
Change in Assumptions	834,626	(172,480)	662,146
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,498,871	—	1,498,871
 Total Deferred Amounts Related to Police Pension	 <u>5,903,842</u>	 <u>(669,261)</u>	 <u>5,234,581</u>

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

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 1,307,796
2025	1,246,010
2026	1,738,751
2027	137,994
2028	472,970
Thereafter	<u>331,060</u>
Total	<u>5,234,581</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

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NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan

Plan Descriptions

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

*Plan Membership.* At December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	31
Inactive Plan Members Entitled to but not yet Receiving Benefits	16
Active Plan Members	<u>33</u>
Total	<u><u>80</u></u>

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan - Continued**

**Plan Descriptions - Continued**

*Benefits Provided - Continued.* Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions.* Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2023, the Village's contribution was 58.83% of covered payroll.

*Concentrations.* At year end, the Pension Plan has no investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for retirement benefits.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan - Continued**

**Actuarial Assumptions**

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	3.50%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on the PubS-2010(A) study, improved generationally using MP-2019 improvement rates.

**Discount Rate**

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

**Discount Rate Sensitivity**

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 20,730,419	14,484,279	9,377,462

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Firefighters' Pension Plan - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 41,210,632	24,200,924	17,009,708
Changes for the Year:			
Service Cost	918,644	—	918,644
Interest on the Total Pension Liability	2,819,112	—	2,819,112
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(281,797)	—	(281,797)
Changes of Assumptions	—	—	—
Contributions - Employer	—	2,120,267	(2,120,267)
Contributions - Employees	—	341,093	(341,093)
Contributions - Other	—	6,129	(6,129)
Net Investment Income	—	3,556,447	(3,556,447)
Benefit Payments, Including Refunds of Employee Contributions	(1,880,993)	(1,880,993)	—
Other (Net Transfer)	—	(42,548)	42,548
Net Changes	1,574,966	4,100,395	(2,525,429)
Balances at December 31, 2023	42,785,598	28,301,319	14,484,279

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan - Continued**

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

For the year ended December 31, 2023, the Village recognized pension expense of \$1,984,951. At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 978,078	(1,486,615)	(508,537)
Change in Assumptions	488,346	(110,838)	377,508
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,357,417	—	1,357,417
 Total Deferred Amounts Related to Firefighters' Pension	 <u>2,823,841</u>	 <u>(1,597,453)</u>	 <u>1,226,388</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ 530,971
2025	533,886
2026	847,676
2027	(574,066)
2028	(112,079)
Thereafter	<u>—</u>
Total	<u>1,226,388</u>

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### General Information about the OPEB Plan

*Plan Description.* The Village's defined benefit OPEB plan, Village of Hanover Park Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Village. The RBP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its employee manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The activity of the plan is reported in the Village's governmental and business-type activities, as well as the Square component unit.

*Benefits Provided.* RBP provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans. Upon a retiree reaching age 65, Medicare becomes the primary insurer.

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

Inactive Plan Members Currently Receiving Benefits	36
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>195</u>
Total	<u><u>231</u></u>

##### Total OPEB Liability

The Village's total OPEB liability was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Total OPEB Liability - Continued**

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.00%
Discount Rate	3.26%
Healthcare Cost Trend Rates	6.00% in 2023, with an Ultimate Trend Rate of 5.00%
Retirees' Share of Benefit-Related Costs	100% of the Projected Health Insurance Premiums for Retirees

The discount rate was based on combination of the Expected Long-Term Rate of Return on Plan Assets and the Municipal Bond Rate.

Mortality rates were based on the following:

Active IMRF Mortality follows PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020.

Active Police Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study. These Rates are Improved Generationally using MP-2019 Improvement Rates.

Active Firefighter Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study. These Rates are Improved Generationally using MP-2019 Improvement Rates.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Change in the Total OPEB Liability**

	Total OPEB Liability
Balances at December 31, 2022	\$ 6,948,825
Changes for the Year:	
Service Cost	331,737
Interest on the Total OPEB Liability	251,873
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	425,882
Benefit Payments	(356,088)
Net Changes	<u>653,404</u>
Balances at December 31, 2023	<u><u>7,602,229</u></u>

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

The discount rate used to measure the total pension liability was 3.26%, while the prior valuation used 3.72%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
Total OPEB Liability	\$ 8,682,314	7,602,229	6,724,092

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 6,441,236	7,602,229	9,097,103

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

For the year ended December 31, 2023, the Village recognized OPEB expense of \$553,512. At December 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 76,871	(1,222,733)	(1,145,862)
Change in Assumptions	2,199,711	(2,359,293)	(159,582)
Net Difference Between Projected and Actual	—	—	—
Total Deferred Amounts Related to OPEB	2,276,582	(3,582,026)	(1,305,444)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

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

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (30,098)
2025	(30,098)
2026	(30,098)
2027	(30,098)
2028	14,966
Thereafter	<u>(1,200,018)</u>
Total	<u><u>(1,305,444)</u></u>

**SUBSEQUENT EVENT**

On June 6, 2024, the Village approved the dissolution of the Hanover Square, LLC. On December 15, 2023 the Village sold the Hanover Square Shopping Center and assigned all of its leases to a private entity, but maintained sole ownership of the LLC up until the dissolution of the LLC on June 6, 2024.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule Employer Contributions
  - Illinois Municipal Retirement Fund - Regular Plan
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Notes to the Required Supplementary Information

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Illinois Municipal Retirement Fund - Regular Plan  
Schedule of Employer Contributions  
December 31, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 888,579	\$ 888,579	\$ —	\$ 6,543,294	13.58%
2016	950,875	950,875	—	6,787,117	14.01%
2017	977,967	977,967	—	7,129,096	13.72%
2018	936,901	936,901	—	7,218,031	12.98%
2019	775,041	775,041	—	7,598,438	10.20%
2020	893,629	893,629	—	7,297,551	12.25%
2021	958,923	958,923	—	7,078,914	13.55%
2022	841,360	841,360	—	7,873,728	10.69%
2023	703,523	703,523	—	8,287,194	8.49%

Notes to the Required Supplementary Information:

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Plan (SLEP)**

**Schedule of Employer Contributions**

**December 31, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ —	\$ —	\$ —	\$ —	N/A
2016	—	—	—	—	N/A
2017	—	—	—	—	N/A
2018	—	—	—	—	N/A
2019	—	—	—	—	N/A
2020	—	—	—	—	N/A
2021	—	—	—	—	N/A
2022	—	—	—	—	N/A
2023	—	—	—	—	N/A

Notes to the Required Supplementary Information:

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund**

**Schedule of Employer Contributions**

**December 31, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 1,275,435	\$ 1,275,435	\$ —	\$ 5,101,739	25.00%
2015	2,078,956	2,078,956	—	5,020,825	41.41%
2016	2,153,658	2,153,658	—	5,140,730	41.89%
2017	2,273,048	2,300,432	27,384	5,341,112	43.07%
2018	2,457,076	2,477,582	20,506	5,242,425	47.26%
2019	2,622,455	2,658,387	35,932	5,243,756	50.70%
2020	2,890,977	2,897,330	6,353	5,733,666	50.53%
2021	3,462,567	3,481,268	18,701	5,376,171	64.75%
2022	3,771,615	3,797,383	25,768	6,320,639	60.08%
2023	3,655,811	3,677,967	22,156	6,547,579	56.17%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded over 11.21 Years (Layered)
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.50%
Investment Rate of Return	7.00%
Retirement Age	2020 Illinois Police Retirement Rates Capped at Age 65
Mortality	PubS-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Firefighters' Pension Fund  
Schedule of Employer Contributions  
December 31, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 714,491	\$ 714,491	\$ —	\$ 2,980,239	23.97%
2015	1,164,625	1,164,625	—	2,965,597	39.27%
2016	1,220,758	1,220,758	—	3,115,991	39.18%
2017	1,351,723	1,380,568	28,845	3,183,775	43.36%
2018	1,517,169	1,527,385	10,216	3,241,631	47.12%
2019	1,594,025	1,615,441	21,416	3,346,426	48.27%
2020	1,735,748	1,740,298	4,550	3,506,100	49.64%
2021	2,033,260	2,045,357	12,097	3,485,097	58.69%
2022	2,099,433	2,113,604	14,171	3,616,290	58.45%
2023	2,108,122	2,120,267	12,145	3,604,051	58.83%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded over 11.29 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.50%
Investment Rate of Return	7.00%
Retirement Age	2020 Illinois Police Retirement Rates Capped at Age 65
Mortality	PubS-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Illinois Municipal Retirement Fund - Regular Plan**

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

**December 31, 2023**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Illinois Municipal Retirement Fund - Regular Plan**

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

**December 31, 2023**

	12/31/2014	12/31/2015
Total Pension Liability		
Service Cost	\$ 719,917	650,191
Interest	3,079,014	3,333,582
Differences Between Expected and Actual Experience	76,300	856,622
Change of Assumptions	1,548,180	111,824
Benefit Payments, Including Refunds of Member Contributions	(1,722,335)	(2,138,221)
Net Change in Total Pension Liability	3,701,076	2,813,998
Total Pension Liability - Beginning	41,609,538	45,310,614
Total Pension Liability - Ending	45,310,614	48,124,612
Plan Fiduciary Net Position		
Contributions - Employer	889,907	888,579
Contributions - Members	283,210	316,164
Net Investment Income	2,352,058	201,816
Benefit Payments, Including Refunds of Member Contributions	(1,722,335)	(2,138,221)
Other (Net Transfer)	194,216	331,390
Net Change in Plan Fiduciary Net Position	1,997,056	(400,272)
Plan Net Position - Beginning	38,832,938	40,829,994
Plan Net Position - Ending	40,829,994	40,429,722
Employer's Net Pension Liability/(Asset)	\$ 4,480,620	7,694,890
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.11%	84.01%
Covered Payroll	\$ 5,998,378	6,543,294
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	74.70%	117.60%

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

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2014 through 2021. Changes in assumptions related to the demographics were made in 2014 and 2017.

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
707,092	726,316	695,329	729,567	764,839	669,361	703,210
3,533,657	3,562,670	3,553,263	3,646,223	3,851,402	3,921,847	4,129,135
(1,609,789)	(547,766)	(111,902)	1,290,861	(222,297)	1,703,369	984,724
(220,887)	(1,441,816)	1,335,586	—	(198,217)	—	—
(2,220,212)	(2,350,721)	(2,467,948)	(2,679,082)	(3,029,386)	(3,323,261)	(3,581,452)
189,861	(51,317)	3,004,328	2,987,569	1,166,341	2,971,316	2,235,617
48,124,612	48,314,473	48,263,156	51,267,484	54,255,053	55,421,394	58,392,710
48,314,473	48,263,156	51,267,484	54,255,053	55,421,394	58,392,710	60,628,327
950,875	977,967	936,901	775,040	893,629	958,620	838,711
305,421	324,714	324,812	341,930	361,530	354,735	361,203
2,772,593	7,317,983	(2,568,462)	8,107,687	7,259,720	9,547,565	(8,495,083)
(2,220,212)	(2,350,721)	(2,467,948)	(2,679,082)	(3,029,386)	(3,323,261)	(3,581,452)
(1,139,027)	(989,389)	636,938	510,225	(91,027)	132,949	525,220
669,650	5,280,554	(3,137,759)	7,055,800	5,394,466	7,670,608	(10,351,401)
40,429,722	41,099,372	46,379,926	43,242,167	50,297,967	55,692,433	63,363,041
41,099,372	46,379,926	43,242,167	50,297,967	55,692,433	63,363,041	53,011,640
7,215,101	1,883,230	8,025,317	3,957,086	(271,039)	(4,970,331)	7,616,687
85.07%	96.10%	84.35%	92.71%	100.49%	108.51%	87.44%
6,787,117	7,129,096	7,218,031	7,598,438	7,283,037	7,632,327	7,837,393
106.31%	26.42%	111.18%	52.08%	(3.72%)	(65.12%)	97.18%

VILLAGE OF HANOVER PARK, ILLINOIS

Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Plan (SLEP)

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

December 31, 2023

	12/31/2014	12/31/2015
Total Pension Liability		
Service Cost	\$ —	—
Interest	43,096	44,500
Differences Between Expected and Actual Experience	2,204	4,854
Change of Assumptions	18,072	—
Benefit Payments, Including Refunds of Member Contributions	(43,449)	(45,853)
Net Change in Total Pension Liability	19,923	3,501
Total Pension Liability - Beginning	596,342	616,265
Total Pension Liability - Ending	616,265	619,766
Plan Fiduciary Net Position		
Contributions - Employer	—	—
Contributions - Members	—	—
Net Investment Income	41,034	3,360
Benefit Payments, Including Refunds of Member Contributions	(43,449)	(45,853)
Other (Net Transfer)	2,936	20,078
Net Change in Plan Fiduciary Net Position	521	(22,415)
Plan Net Position - Beginning	694,409	694,930
Plan Net Position - Ending	694,930	672,515
Employer's Net Pension (Asset)	\$ (78,665)	(52,749)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	112.76%	108.51%
Covered Payroll	\$ —	—
Employer's Net Pension (Asset) as a Percentage of Covered Payroll	—%	—%

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

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2014 through 2021. Changes in assumptions related to the demographics were made in 2014 and 2017.

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
—	—	—	—	—	—	—
44,719	44,892	43,788	43,316	43,244	43,351	43,141
5,169	5,481	6,131	6,779	7,326	7,179	7,665
—	(16,371)	13,607	—	3,163	—	—
(47,017)	(48,143)	(49,313)	(50,498)	(51,675)	(52,839)	(54,009)
2,871	(14,141)	14,213	(403)	2,058	(2,309)	(3,203)
619,766	622,637	608,496	622,709	622,306	624,364	622,055
622,637	608,496	622,709	622,306	624,364	622,055	618,852
—	—	—	—	—	—	—
—	—	—	—	—	—	—
52,097	155,674	(69,668)	166,163	140,478	185,371	(176,574)
(47,017)	(48,143)	(49,313)	(50,498)	(51,675)	(52,839)	(54,009)
95,708	(14,355)	20,080	3,410	11,192	686	3,662
100,788	93,176	(98,901)	119,075	99,995	133,218	(226,921)
672,515	773,303	866,479	767,578	886,653	986,648	1,119,866
773,303	866,479	767,578	886,653	986,648	1,119,866	892,945
(150,666)	(257,983)	(144,869)	(264,347)	(362,284)	(497,811)	(274,093)
124.20%	142.40%	123.26%	142.48%	158.02%	180.03%	144.29%
—	—	—	—	—	—	—
—%	—%	—%	—%	—%	—%	—%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund**

**Schedule of Changes in the Employer's Net Pension Liability**

**December 31, 2023**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 826,153	933,500	957,853
Interest	2,120,601	3,388,095	3,535,205
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(74,557)	(1,191,861)	493,707
Change of Assumptions	884,268	1,065,729	697,595
Benefit Payments, Including Refunds of Member Contributions	1,164,414	(1,952,464)	(2,235,335)
Administrative Expense	—	—	—
Net Change in Total Pension Liability	4,920,879	2,242,999	3,449,025
Total Pension Liability - Beginning	44,456,711	49,377,590	51,620,589
Total Pension Liability - Ending	49,377,590	51,620,589	55,069,614
Plan Fiduciary Net Position			
Contributions - Employer	1,275,435	2,078,956	2,153,658
Contributions - Members	323,746	510,565	508,475
Contributions - Other	—	—	11,811
Net Investment Income	415,166	(492,361)	2,266,438
Benefit Payments, Including Refunds of Member Contributions	(1,164,414)	(1,952,464)	(2,235,335)
Administrative Expenses	(50,938)	(29,889)	(40,102)
Net Change in Plan Fiduciary Net Position	798,995	114,807	2,664,945
Plan Net Position - Beginning	26,222,203	27,021,198	27,136,005
Plan Net Position - Ending	27,021,198	27,136,005	29,800,950
Employer's Net Pension Liability	\$ 22,356,392	24,484,584	25,268,664
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.72%	52.57%	54.12%
Covered Payroll	\$ 5,101,739	5,020,825	5,140,730
Employer's Net Pension Liability as a Percentage of Covered Payroll	438.21%	487.66%	491.54%

*Changes of Assumptions.* Changes in assumptions related to the assumed rate were made in 2014, 2015, 2016 and 2021. Changes in assumptions related to certain demographics were made in 2014 and 2015. In addition, mortality assumptions were updated in 2016, 2019 and 2021.

12/31/2017	12/31/2018	12/31/2019	12/30/2020	12/31/2021	12/31/2022	12/31/2023
963,023	1,030,435	1,057,469	1,134,336	1,318,728	1,184,197	1,328,067
3,765,976	3,976,549	4,127,425	4,542,986	4,736,247	4,764,422	5,114,849
—	—	497,177	—	—	(54,506)	—
836,552	(116,138)	1,465,219	1,078,943	(781,965)	1,445,290	1,208,364
—	—	1,357,340	—	(304,786)	204,999	—
(2,539,916)	(2,574,815)	(2,896,129)	(3,160,583)	(3,674,708)	(3,477,789)	(3,686,404)
—	—	—	—	(63,547)	—	—
3,025,635	2,316,031	5,608,501	3,595,682	1,229,969	4,066,613	3,964,876
55,069,614	58,095,249	60,411,280	66,019,781	69,615,463	70,845,432	74,912,045
58,095,249	60,411,280	66,019,781	69,615,463	70,845,432	74,912,045	78,876,921
2,300,432	2,477,582	2,658,387	2,897,330	3,481,268	3,797,383	3,677,967
509,894	547,137	625,248	555,842	529,397	632,651	695,698
7,378	—	—	568	53,061	110,225	8,314
3,350,793	(2,484,821)	4,754,224	2,838,277	5,652,178	(4,735,429)	5,521,042
(2,539,916)	(2,574,815)	(2,896,129)	(3,160,583)	(3,674,708)	(3,477,789)	(3,686,404)
(50,125)	(47,871)	(50,722)	(61,964)	(63,547)	(67,390)	(44,530)
3,578,456	(2,082,788)	5,091,008	3,069,470	5,977,649	(3,740,349)	6,172,087
29,800,950	33,379,406	31,296,618	36,387,626	39,457,096	45,434,745	41,694,396
33,379,406	31,296,618	36,387,626	39,457,096	45,434,745	41,694,396	47,866,483
24,715,843	29,114,662	29,632,155	30,158,367	25,410,687	33,217,649	31,010,438
57.46%	51.81%	55.12%	56.68%	64.13%	55.66%	60.69%
5,341,112	5,242,425	5,243,756	5,733,666	5,376,171	6,320,639	6,547,579
462.75%	555.37%	565.09%	525.99%	472.65%	525.54%	473.62%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Firefighters' Pension Fund  
Schedule of Changes in the Employer's Net Pension Liability  
December 31, 2023**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 534,054	697,712	789,376
Interest	1,153,817	1,787,834	1,917,310
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(123,447)	(121,544)	558,032
Change of Assumptions	(297,826)	517,009	(160,539)
Benefit Payments, Including Refunds of Member Contributions	593,064	(975,580)	(1,087,111)
Administrative Expenses	—	—	—
Net Change in Total Pension Liability	1,859,662	1,905,431	2,017,068
Total Pension Liability - Beginning	24,168,610	26,028,272	27,933,703
Total Pension Liability - Ending	26,028,272	27,933,703	29,950,771
Plan Fiduciary Net Position			
Contributions - Employer	714,492	1,164,625	1,220,758
Contributions - Members	184,034	293,937	293,235
Contributions - Other	—	—	109
Net Investment Income	237,412	(295,023)	1,308,890
Benefit Payments, Including Refunds of Member Contributions	(593,064)	(975,580)	(1,087,111)
Administrative Expenses	(33,424)	(25,611)	(25,152)
Net Change in Plan Fiduciary Net Position	509,450	162,348	1,710,729
Plan Net Position - Beginning	14,815,557	15,325,007	15,487,355
Plan Net Position - Ending	15,325,007	15,487,355	17,198,084
Employer's Net Pension Liability	\$ 10,703,265	12,446,348	12,752,687
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.88%	55.44%	57.42%
Covered Payroll	\$ 2,980,239	2,965,597	3,115,991
Employer's Net Pension Liability as a Percentage of Covered Payroll	359.14%	419.69%	409.27%

*Changes of Assumptions.* Changes in assumptions related to the assumed rate were made in 2014, 2015, 2016 and 2021. Changes in assumptions related to certain demographics were made in 2014 and 2015. In addition, mortality assumptions were updated in 2016, 2019 and 2021.

12/31/2017	12/31/2018	12/31/2019	12/30/2020	12/31/2021	12/31/2022	12/31/2023
802,166	858,318	825,155	883,281	996,009	891,127	918,644
2,052,799	2,167,052	2,314,830	2,476,269	2,630,397	2,727,263	2,819,112
—	—	285,475	—	—	(97,683)	—
106,820	544,169	120,121	62,411	1,134,455	(1,832,967)	(281,797)
—	—	884,261	—	(160,093)	161,841	—
(1,250,155)	(1,409,038)	(1,507,812)	(1,638,486)	(1,776,440)	(1,917,775)	(1,880,993)
—	—	—	—	(73,909)	—	—
1,711,630	2,160,501	2,922,030	1,783,475	2,750,419	(68,194)	1,574,966
29,950,771	31,662,401	33,822,902	36,744,932	38,528,407	41,278,826	41,210,632
31,662,401	33,822,902	36,744,932	38,528,407	41,278,826	41,210,632	42,785,598
1,380,568	1,527,385	1,615,441	1,740,298	2,045,357	2,113,604	2,120,267
297,440	313,564	325,933	321,125	347,350	323,701	341,093
—	—	—	3,873	41,076	—	6,129
1,970,968	(1,484,133)	2,805,517	1,646,028	3,442,662	(3,979,080)	3,556,447
(1,250,155)	(1,409,038)	(1,507,812)	(1,638,486)	(1,776,440)	(1,917,775)	(1,880,993)
(38,591)	(45,159)	(44,266)	(48,596)	(73,909)	(45,610)	(42,548)
2,360,230	(1,097,381)	3,194,813	2,024,242	4,026,096	(3,505,160)	4,100,395
17,198,084	19,558,314	18,460,933	21,655,746	23,679,988	27,706,084	24,200,924
19,558,314	18,460,933	21,655,746	23,679,988	27,706,084	24,200,924	28,301,319
12,104,087	15,361,969	15,089,186	14,848,419	13,572,742	17,009,708	14,484,279
61.77%	54.58%	58.94%	61.46%	67.12%	58.72%	66.15%
3,183,775	3,241,631	3,346,426	3,506,100	3,485,097	3,616,290	3,604,051
380.18%	473.90%	450.90%	423.50%	389.45%	470.36%	401.89%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund  
Schedule of Investment Returns  
December 31, 2023**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	2.15%
2015	(1.71%)
2016	8.38%
2017	11.27%
2018	(7.35%)
2019	15.14%
2020	8.15%
2021	14.69%
2022	(10.65%)
2023	15.05%

VILLAGE OF HANOVER PARK, ILLINOIS

Firefighters' Pension Fund  
Schedule of Investment Returns  
December 31, 2023

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	2.25%
2015	(1.76%)
2016	8.44%
2017	11.39%
2018	(7.42%)
2019	15.28%
2020	7.62%
2021	14.45%
2022	(14.25%)
2023	14.69%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Retiree Benefit Plan**

**Schedule of Changes in the Employer's Total OPEB Liability**

**December 31, 2023**

	<u>12/31/2018</u>
Total OPEB Liability	
Service Cost	\$ 220,378
Interest	223,062
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	(590,417)
Benefit Payments	<u>(294,312)</u>
Net Change in Total OPEB Liability	(441,289)
Total OPEB Liability - Beginning	<u>6,627,403</u>
Total OPEB Liability - Ending	<u><u>6,186,114</u></u>
Covered-Employee Payroll	\$ 15,750,457
Total OPEB Liability as a Percentage of Covered-Employee Payroll	39.28%

Notes:

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

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

*Changes of Assumptions.* Changes of assumptions related to the discount rate were made in 2018 through 2023.

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
195,099	255,215	584,904	582,589	331,737
247,704	234,820	206,809	203,248	251,873
—	111,039	—	—	—
—	—	—	(1,450,009)	—
2,377,075	856,682	(422,722)	(2,123,644)	425,882
(291,069)	(289,674)	(255,800)	(259,555)	(356,088)
2,528,809	1,168,082	113,191	(3,047,371)	653,404
6,186,114	8,714,923	9,883,005	9,996,196	6,948,825
8,714,923	9,883,005	9,996,196	6,948,825	7,602,229
16,681,390	15,802,144	16,276,208	16,831,342	18,606,108
52.24%	62.54%	61.42%	41.29%	40.86%

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes	\$ 29,472,096	29,472,096	24,145,140
Intergovernmental	22,897,840	22,897,840	17,231,863
Licenses and Permits	1,314,760	1,314,760	1,358,951
Charges for Services	2,387,737	2,387,737	2,329,950
Fines and Forfeitures	875,000	875,000	836,750
Investment Income	125,500	125,500	2,104,772
Miscellaneous	118,478	122,523	287,923
Total Revenues	<u>57,191,411</u>	<u>57,195,456</u>	<u>48,295,349</u>
Expenditures			
General Government	5,360,948	5,460,422	5,080,027
Public Works	5,034,222	5,157,662	4,780,144
Public Safety	26,205,734	26,223,256	25,776,894
Community Development	9,329,075	9,329,075	4,233,764
Total Expenditures	<u>45,929,979</u>	<u>46,170,415</u>	<u>39,870,829</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,261,432	11,025,041	8,424,520
Other Financing (Uses)			
Transfers Out	<u>(11,238,012)</u>	<u>(11,438,012)</u>	<u>(11,238,012)</u>
Net Change in Fund Balance	<u>23,420</u>	<u>(412,971)</u>	(2,813,492)
Fund Balance - Beginning			<u>37,868,166</u>
Fund Balance - Ending			<u>35,054,674</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

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	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 1,400,000	1,400,000	1,617,261
Investment Income	200	200	88,589
Total Revenues	<u>1,400,200</u>	<u>1,400,200</u>	<u>1,705,850</u>
Expenditures			
Capital Outlay	<u>2,234,000</u>	<u>2,370,000</u>	<u>2,101,986</u>
Net Change in Fund Balance	<u>(833,800)</u>	<u>(969,800)</u>	(396,136)
Fund Balance - Beginning			<u>1,774,567</u>
Fund Balance - Ending			<u><u>1,378,431</u></u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Tax Increment Financing #3 - Special Revenue Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 1,770,000	1,770,000	2,008,052
Investment Income	4,000	4,000	370,311
Total Revenues	<u>1,774,000</u>	<u>1,774,000</u>	<u>2,378,363</u>
Expenditures			
Community Development			
Commodities	8,000	8,000	8,000
Contractual Services	666,000	666,000	307,246
Capital Outlay	487,000	487,000	33,162
Total Expenditures	<u>1,161,000</u>	<u>1,161,000</u>	<u>348,408</u>
Change in Fund Balance Before Special Items	613,000	613,000	2,029,955
Special Item - Gain on Sale of Equity Interest	—	—	<u>4,985,340</u>
Net Change in Fund Balance	<u>613,000</u>	<u>613,000</u>	7,015,295
Fund Balance - Beginning			<u>9,921,785</u>
Fund Balance - Ending			<u><u>16,937,080</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

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

## INDIVIDUAL FUND DESCRIPTIONS

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### GENERAL FUND

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

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### SPECIAL REVENUE FUNDS

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

#### Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the revenues restricted for the operation and maintenance of street and storm water programs and capital projects authorized by the Illinois Department of Transportation. Financing is provided by the Village's share of the state gasoline taxes.

#### Tax Increment Financing #3 Fund

The Tax Increment Financing #3 Fund is used to account for the restricted financing of improvements in the Village Center Tax Increment Financing Redevelopment Project Area. Financing is being provided by incremental revenues from real property taxes.

#### Road and Bridge Fund

The Road and Bridge Fund is used to account for the revenues restricted for the operation and maintenance of the Village's roads and bridges. Financing provided by the Village's annual property tax levy and contributions from other government agencies.

#### MWRD Fields Fund

The MWRD Fields Fund is used to account for the revenues restricted for the maintenance and improvement of the MWRD fields. Financing provided by video gaming tax and permit revenues.

#### State Restricted Fund

The State Restricted Fund is used to account for revenues restricted by state statute for general law enforcement purposes. Financing provided by various state asset seizure funds.

#### Federal Restricted Fund

The Federal Restricted Fund is used to account for revenues restricted by federal statute for general law enforcement purposes. Financing provided by DEA seized funds.

## INDIVIDUAL FUND DESCRIPTIONS - Continued

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### SPECIAL REVENUE FUNDS - Continued

#### Foreign Fire Insurance Tax

The Foreign Fire Insurance Tax Fund is used to account for revenues restricted for fire department purposes. Financing provided by foreign fire insurance tax proceeds.

#### Tax Increment Financing #4

The Tax Increment Financing #4 Fund is used to account for the restricted financing of improvements in the redevelopment district located at Barrington and Irving Park Roads. Revenues include incremental property taxes from the TIF district.

#### Tax Increment Financing #5

The Tax Increment Financing #5 Fund is used to account for the restricted financing of improvements in the redevelopment district located at Irving Park Road East. Financing is provided by incremental revenues from real property taxes.

#### Special Service Area #3

The Special Service Area #3 Fund is used to account for the restricted financing of public improvements and scavenger and snow removal services for multi-family housing units located on Astor Avenue. Funding is provided by taxes to be levied upon the taxable property in that area of the Village designated as the "Village of Hanover Park Special Service Area Number Three."

#### Special Service Area #4

The Special Service Area #4 Fund is used to account for the restricted financing of public improvements and scavenger service and snow removal services for multi-family housing units located on Mark Thomas and Leslie Lanes. Funding is provided by taxes to be levied upon property in that area of the Village designated as the "Village of Hanover Park Special Service Area Number Four."

#### Special Service Area #5

The Special Service Area #5 is used to account for restricted financing of public improvements and scavenger services for multi-family housing units located in the Tanglewood development. Funding is provided by taxes to be levied upon taxable property in that area of the Village designated as the "Village of Hanover Park Special Service Area Number Five."

## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **DEBT SERVICE FUND**

#### **General Obligation Bond Series of 2020**

The General Obligation Bond Series of 2020 Fund is used to accumulate monies restricted for the payment of the \$12,980,000 General Obligation Refunding Bond Series of 2020. Financing is provided by an annual property tax levy. The debt payments have been structured so that they are lower in the earlier years.

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### **CAPITAL PROJECTS FUNDS**

The Capital Projects Fund is used to account for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary Funds.

#### **Capital Projects**

The Capital Projects Fund is used to account for the purchase of land, machinery, office equipment and furniture and for various capital improvements. Resources are assigned and provided from transfers from other funds.

#### **Special Service Area #6**

The Special Service Area #6 is used to account for the restricted financing of public improvements and eventually scavenger services, for the Hanover Square multi-family housing units. Initial funding was provided by an advance from the General Fund. Resources include special service area property taxes.

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### **ENTERPRISE FUNDS**

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

#### **Waterworks and Sewerage Fund**

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

## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **ENTERPRISE FUNDS - Continued**

#### **Municipal Railroad Parking Lot Fund**

The Municipal Railroad Parking Lot Fund is used to account for the provision of parking services to the residents of the Village and surrounding communities. All activities necessary to provide such services are accounted for in this fund including, but not limited to, operations, maintenance, financing and collections.

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### **INTERNAL SERVICE FUNDS**

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

#### **Central Equipment Fund**

The Central Equipment Fund is used to account for the purchase of vehicles and equipment for various departments throughout the Village. Financing is provided by charges to the various village funds.

#### **IT Equipment Replacement Fund**

The IT Equipment Replacement Fund is used to account for the purchase of computer equipment for departments throughout the Village. Financing is provided by charges to the various village funds.

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### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the City's sworn police personnel. Resources are contributed by sworn police personnel at rates fixed by State statutes and by the City at an amount determined by an annual actuarial study.

#### **Firefighters' Pension Fund**

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

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VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
<b>Taxes</b>			
Property Taxes	\$ 11,946,096	11,946,096	12,023,471
Home Rule Sales Taxes	14,000,000	14,000,000	8,142,028
Utility - Simplified Telephone	250,000	250,000	283,702
Utility - Electric	965,000	965,000	888,391
Utility - Natural Gas	416,000	416,000	401,597
Real Estate Transfer Taxes	500,000	500,000	569,618
Hotel and Motel Taxes	45,000	45,000	56,357
Prepared Food Taxes	1,350,000	1,350,000	1,779,898
Push Taxes	—	—	78
Total Taxes	29,472,096	29,472,096	24,145,140
<b>Intergovernmental</b>			
Sales Taxes	16,000,000	16,000,000	9,064,576
Use Taxes	1,375,000	1,375,000	1,458,521
State Income Taxes	5,000,000	5,000,000	5,984,685
Replacement Taxes	150,000	150,000	266,911
Cannabis Taxes	60,000	60,000	57,227
Video Gaming Taxes	231,000	231,000	233,038
Auto Rental Taxes	15,500	15,500	21,286
State Grants	—	—	20,926
Federal Grants	—	—	29,543
Other Grants	3,360	3,360	—
Opioid Settlement	—	—	(11,675)
Reimbursement - DuPage County	20,030	20,030	20,030
Reimbursement - ILEAS	450	450	—
Reimbursement - Police	25,000	25,000	71,282
Reimbursement - Fire	17,500	17,500	15,513
Total Intergovernmental	22,897,840	22,897,840	17,231,863
<b>Licenses and Permits</b>			
<b>Licenses</b>			
Business	67,000	67,000	63,126
Liquor	62,760	62,760	75,871
Contractor	45,000	45,000	50,160
Vendor/Solicitor	300	300	925
Penalties on Licenses	43,500	43,500	27,202
Multi Family	98,100	98,100	81,825
Single Family	90,000	90,000	75,450
Land Use Development	—	—	8,775

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Licenses and Permits - Continued			
Licenses - Continued			
Cable Franchise Fee	\$ 340,000	340,000	280,832
Solid Waste Franchise Fee	115,000	115,000	141,704
Tobacco	19,600	19,600	23,925
Permits			
Building	355,000	355,000	453,013
Sign	500	500	1,643
Video Game	78,000	78,000	74,500
Total Licenses and Permits	<u>1,314,760</u>	<u>1,314,760</u>	<u>1,358,951</u>
Charges for Services			
Printed Materials	6,000	6,000	5,752
Ambulance Fees	1,000,000	1,000,000	916,957
Ground Emergency Medical Transport	500,000	500,000	413,105
Plan Review - Engineer Fees	—	—	3,356
Plan Review - Inspection Service Fees	77,000	77,000	75,711
Building Reinspection Fees	200	200	1,350
Immobilization Fees	2,400	2,400	4,100
CPR Fees	2,500	2,500	7,985
Vehicle Impound Fees	350,000	350,000	471,790
ADT Administrative Fees	6,900	6,900	8,434
Child Safety Seat Install Fees	—	—	105
Elevator Inspection Fee	—	—	(372)
Rental Income	352,737	352,737	369,162
Overweight Vehicle Fee	20,000	20,000	14,027
Foreclosure Registration Fee	70,000	70,000	33,488
Renewable Green Energy	—	—	5,000
Total Charges for Services	<u>2,387,737</u>	<u>2,387,737</u>	<u>2,329,950</u>
Fines and Forfeitures			
Traffic Fines - Cook	15,000	15,000	18,012
Traffic Fines - DuPage	210,000	210,000	260,948
Ordinance Violations	505,000	505,000	526,283
Police False Alarm Fines	1,000	1,000	600
Fire False Alarm Fines	3,000	3,000	8,350
Red Light Camera	140,000	140,000	21,852
Kennel Fees	1,000	1,000	705
Total Fines and Forfeitures	<u>875,000</u>	<u>875,000</u>	<u>836,750</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

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	Original Budget	Final Budget	Actual
Investment Income	\$ 125,500	125,500	2,104,772
Miscellaneous			
Reimbursements	50,846	50,846	224,123
Corporate Partnership Program	11,000	12,500	9,750
Central Equipment Funding - Water and Sewer	11,632	11,632	11,632
Other	45,000	47,545	42,418
Total Miscellaneous	118,478	122,523	287,923
Total Revenues	57,191,411	57,195,456	48,295,349

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VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
General Government			
President and Board of Trustees			
Personal Services	\$ 76,683	76,683	76,680
Commodities	54,235	54,235	49,097
Contractual Services	26,900	26,900	23,564
	<u>157,818</u>	<u>157,818</u>	<u>149,341</u>
Village Clerk			
Personal Services	101,390	101,390	102,494
Commodities	3,035	3,035	1,029
Contractual Services	36,010	36,010	31,954
	<u>140,435</u>	<u>140,435</u>	<u>135,477</u>
Environmental Committee			
Commodities	100	100	87
Contractual Services	1,000	1,000	903
	<u>1,100</u>	<u>1,100</u>	<u>990</u>
Special Events Committee			
Contractual Services	49,000	49,000	50,373
	<u>49,000</u>	<u>49,000</u>	<u>50,373</u>
Historical Commission			
Commodities	2,450	2,450	2,374
Contractual Services	650	650	54
	<u>3,100</u>	<u>3,100</u>	<u>2,428</u>
Cultural Inclusion and Diversity Committee			
Commodities	200	200	—
Contractual Services	3,550	3,550	890
	<u>3,750</u>	<u>3,750</u>	<u>890</u>
Sister Cities Committee			
Commodities	770	770	660
Contractual Services	7,250	11,295	8,763
	<u>8,020</u>	<u>12,065</u>	<u>9,423</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
General Government - Continued			
Veterans Committee			
Commodities	\$ 500	500	112
Contractual Services	2,000	2,000	1,547
	<u>2,500</u>	<u>2,500</u>	<u>1,659</u>
Development Commission			
Commodities	150	150	—
Contractual Services	750	750	—
	<u>900</u>	<u>900</u>	<u>—</u>
Economic Development Committee			
Commodities	1,100	1,100	1,080
Contractual Services	4,350	4,350	3,543
	<u>5,450</u>	<u>5,450</u>	<u>4,623</u>
Finance Department Administration			
Personal Services	195,744	195,744	200,407
Commodities	2,395	2,395	1,711
Contractual Services	9,165	9,165	5,784
	<u>207,304</u>	<u>207,304</u>	<u>207,902</u>
Collections			
Personal Services	192,300	192,300	168,619
Commodities	9,450	9,450	(937)
Contractual Services	966	966	498
	<u>202,716</u>	<u>202,716</u>	<u>168,180</u>
General Accounting			
Personal Services	165,990	165,990	163,623
Commodities	3,668	3,668	4,127
Contractual Services	52,491	52,491	42,839
	<u>222,149</u>	<u>222,149</u>	<u>210,589</u>
General Administrative Services			
Personal Services	118,351	118,351	111,722
Contractual Services	1,366,600	1,462,029	1,268,154
	<u>1,484,951</u>	<u>1,580,380</u>	<u>1,379,876</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
General Government - Continued			
Village Manager			
Personal Services	\$ 624,395	624,395	605,600
Commodities	31,791	31,791	33,344
Contractual Services	65,525	65,525	63,096
	<u>721,711</u>	<u>721,711</u>	<u>702,040</u>
Human Resources			
Personal Services	419,815	419,815	384,942
Commodities	34,126	34,126	36,158
Contractual Services	152,724	152,724	113,112
	<u>606,665</u>	<u>606,665</u>	<u>534,212</u>
Information Technology			
Personal Services	296,703	296,703	304,087
Commodities	57,780	57,780	51,191
Contractual Services	1,188,896	1,188,896	1,166,746
	<u>1,543,379</u>	<u>1,543,379</u>	<u>1,522,024</u>
	<u>5,360,948</u>	<u>5,460,422</u>	<u>5,080,027</u>
Public Works			
Administration			
Personal Services	164,919	164,919	165,517
Commodities	1,345	1,345	1,731
Contractual Services	14,618	14,618	14,288
	<u>180,882</u>	<u>180,882</u>	<u>181,536</u>
Streets			
Personal Services	1,205,407	1,205,407	1,107,658
Commodities	159,490	159,490	153,829
Contractual Services	476,244	476,244	402,606
	<u>1,841,141</u>	<u>1,841,141</u>	<u>1,664,093</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Public Works - Continued			
Forestry			
Personal Services	\$ 298,425	298,425	255,725
Commodities	18,950	18,950	18,737
Contractual Services	411,673	411,673	312,530
	<u>729,048</u>	<u>729,048</u>	<u>586,992</u>
Public Buildings			
Personal Services	378,401	378,401	348,320
Commodities	91,175	91,175	115,225
Contractual Services	236,778	236,778	326,392
	<u>706,354</u>	<u>706,354</u>	<u>789,937</u>
Fleet Services			
Personal Services	435,788	435,788	401,983
Commodities	492,206	492,206	456,579
Contractual Services	108,813	108,813	98,293
	<u>1,036,807</u>	<u>1,036,807</u>	<u>956,855</u>
Engineering			
Personal Services	482,949	482,949	401,299
Commodities	4,840	4,840	3,802
Contractual Services	52,201	175,641	195,630
	<u>539,990</u>	<u>663,430</u>	<u>600,731</u>
Total Public Works	<u>5,034,222</u>	<u>5,157,662</u>	<u>4,780,144</u>
Public Safety			
Fire Department			
Administration			
Personal Services	645,572	645,572	624,813
Commodities	10,806	10,806	9,583
Contractual Services	20,048	20,048	17,275
	<u>676,426</u>	<u>676,426</u>	<u>651,671</u>
Fire Suppression			
Personal Services	7,305,241	7,305,241	7,175,493
Commodities	87,458	87,458	61,900
Contractual Services	633,319	637,663	615,484
	<u>8,026,018</u>	<u>8,030,362</u>	<u>7,852,877</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Fire Department - Continued			
Inspectional Services			
Personal Services	\$ 771,791	771,791	591,040
Commodities	6,766	6,766	6,739
Contractual Services	63,867	63,867	70,000
	<u>842,424</u>	<u>842,424</u>	<u>667,779</u>
Non-Emergency 911			
Personal Services	122,841	122,841	94,409
Commodities	3,885	3,885	4,042
Contractual Services	14,343	14,343	10,812
	<u>141,069</u>	<u>141,069</u>	<u>109,263</u>
Total Fire Department	<u>9,685,937</u>	<u>9,690,281</u>	<u>9,281,590</u>
Police Department			
Administration			
Personal Services	1,042,523	1,042,523	1,046,702
Commodities	11,110	11,110	8,081
Contractual Services	18,284	18,284	17,619
	<u>1,071,917</u>	<u>1,071,917</u>	<u>1,072,402</u>
Patrol			
Personal Services	9,670,751	9,670,751	9,660,479
Commodities	92,936	92,936	103,954
Contractual Services	312,086	312,086	318,570
	<u>10,075,773</u>	<u>10,075,773</u>	<u>10,083,003</u>
Investigations			
Personal Services	2,381,842	2,381,842	2,494,208
Commodities	50,015	50,015	52,967
Contractual Services	43,208	43,208	44,375
	<u>2,475,065</u>	<u>2,475,065</u>	<u>2,591,550</u>
Community Services			
Personal Services	109,637	109,637	105,901
Commodities	371	371	75
Contractual Services	12,930	12,930	12,323
	<u>122,938</u>	<u>122,938</u>	<u>118,299</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police Department - Continued			
Staff Services			
Personal Services	\$ 1,209,883	1,209,883	1,144,004
Commodities	27,384	27,384	28,833
Contractual Services	853,978	867,156	859,339
	<u>2,091,245</u>	<u>2,104,423</u>	<u>2,032,176</u>
Code Enforcement			
Personal Services	666,808	666,808	577,885
Commodities	4,191	4,191	6,907
Contractual Services	11,860	11,860	13,082
	<u>682,859</u>	<u>682,859</u>	<u>597,874</u>
Total Police Department	<u>16,519,797</u>	<u>16,532,975</u>	<u>16,495,304</u>
Total Public Safety	<u>26,205,734</u>	<u>26,223,256</u>	<u>25,776,894</u>
Community Development			
Economic Development			
Personal Services	629,132	629,132	486,881
Commodities	12,440	12,440	7,938
Contractual Services	8,687,503	8,687,503	3,738,945
	<u>9,329,075</u>	<u>9,329,075</u>	<u>4,233,764</u>
Total Community Development	<u>9,329,075</u>	<u>9,329,075</u>	<u>4,233,764</u>
Total Expenditures	<u>45,929,979</u>	<u>46,170,415</u>	<u>39,870,829</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
State Grants	\$ 750,000	2,943,540	806,584
Investment Income	500	500	212,932
Miscellaneous	15,000	2,768,548	15,150
Total Revenues	<u>765,500</u>	<u>5,712,588</u>	<u>1,034,666</u>
Expenditures			
General Government	90,254	120,254	89,886
Contractual Services			
Capital Outlay	12,270,936	17,686,489	9,892,272
Total Expenditures	<u>12,361,190</u>	<u>17,806,743</u>	<u>9,982,158</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,595,690)	(12,094,155)	(8,947,492)
Other Financing Sources			
Transfers In	<u>6,048,012</u>	<u>6,048,012</u>	<u>6,048,012</u>
Net Change in Fund Balance	<u>(5,547,678)</u>	<u>(6,046,143)</u>	(2,899,480)
Fund Balance - Beginning			<u>7,367,406</u>
Fund Balance - Ending			<u><u>4,467,926</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

**Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2023**

	Special Revenue	Debt Service General Obligation Bond Series of 2020	Capital Projects Special Service Area #6	Total
<b>ASSETS</b>				
Cash and Investments	\$ 8,832,899	593,474	92,196	9,518,569
Receivables - Net of Allowances				
Taxes	515,764	1,450,331	—	1,966,095
Accounts	110,986	—	—	110,986
Accrued Interest	9,580	13,722	246	23,548
Due from Other Funds	204	—	—	204
Total Assets	<u>9,469,433</u>	<u>2,057,527</u>	<u>92,442</u>	<u>11,619,402</u>
<b>LIABILITIES</b>				
Accounts Payable	286,312	—	—	286,312
Other Payable	216,445	—	—	216,445
Due to Other Funds	204	—	—	204
Total Liabilities	<u>502,961</u>	<u>—</u>	<u>—</u>	<u>502,961</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	450,036	1,440,600	—	1,890,636
Total Liabilities and Deferred Inflows of Resources	952,997	1,440,600	—	2,393,597
<b>FUND BALANCES</b>				
Restricted	<u>8,516,436</u>	<u>616,927</u>	<u>92,442</u>	<u>9,225,805</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>9,469,433</u>	<u>2,057,527</u>	<u>92,442</u>	<u>11,619,402</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended December 31, 2023

	Special Revenue	Debt Service General Obligation Bond Series of 2020	Capital Projects Special Service Area #6	Total
<b>Revenues</b>				
Taxes	\$ 1,342,342	1,453,943	—	2,796,285
Intergovernmental	7,011	—	—	7,011
Charges for Services	2,140	—	—	2,140
Fines and Forfeitures	22,038	—	—	22,038
Investment Income	158,376	26,804	1,368	186,548
Miscellaneous	100	53,081	—	53,181
Total Revenues	<u>1,532,007</u>	<u>1,533,828</u>	<u>1,368</u>	<u>3,067,203</u>
<b>Expenditures</b>				
General Government	—	399	—	399
Public Safety	44,972	—	—	44,972
Community Development	199,201	—	—	199,201
Highways and Streets	948,249	—	—	948,249
Capital Outlay	1,499,851	—	—	1,499,851
Debt Service				
Principal Retirement	—	1,050,000	—	1,050,000
Interest and Fiscal Charges	—	387,600	—	387,600
Total Expenditures	<u>2,692,273</u>	<u>1,437,999</u>	<u>—</u>	<u>4,130,272</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,160,266)</u>	<u>95,829</u>	<u>1,368</u>	<u>(1,063,069)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	5,200,000	—	—	5,200,000
Transfers Out	(10,000)	—	—	(10,000)
	<u>5,190,000</u>	<u>—</u>	<u>—</u>	<u>5,190,000</u>
Net Change in Fund Balances	4,029,734	95,829	1,368	4,126,931
Fund Balances - Beginning	<u>4,486,702</u>	<u>521,098</u>	<u>91,074</u>	<u>5,098,874</u>
Fund Balances - Ending	<u><u>8,516,436</u></u>	<u><u>616,927</u></u>	<u><u>92,442</u></u>	<u><u>9,225,805</u></u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**December 31, 2023**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**December 31, 2023**

	Road and Bridge	MWRD Fields	State Restricted	Federal Restricted
<b>ASSETS</b>				
Cash and Investments	\$ 5,177,453	302,415	354,196	3,894
Receivables - Net of Allowances				
Taxes	1,445	—	—	—
Accounts	20,172	—	3,306	—
Accrued Interest	2,329	—	—	—
Due from Other Funds	—	—	—	—
Total Assets	<u>5,201,399</u>	<u>302,415</u>	<u>357,502</u>	<u>3,894</u>
<b>LIABILITIES</b>				
Accounts Payable	124,752	91,158	30,979	—
Other Payable	2,235	—	69,838	—
Due to Other Funds	—	—	—	—
Total Liabilities	<u>126,987</u>	<u>91,158</u>	<u>100,817</u>	<u>—</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	—	—	—	—
Total Liabilities and Deferred Inflows of Resources	<u>126,987</u>	<u>91,158</u>	<u>100,817</u>	<u>—</u>
<b>FUND BALANCES</b>				
Restricted	<u>5,074,412</u>	<u>211,257</u>	<u>256,685</u>	<u>3,894</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>5,201,399</u>	<u>302,415</u>	<u>357,502</u>	<u>3,894</u>

Foreign Fire Insurance Tax	Tax Increment Financing #4	Tax Increment Financing #5	Special Service Area #3	Special Service Area #4	Special Service Area #5	Totals
254,934	1,800,058	644,182	26,985	25,829	242,953	8,832,899
—	64,283	—	20,878	35,842	393,316	515,764
—	87,508	—	—	—	—	110,986
—	—	6,905	346	—	—	9,580
—	204	—	—	—	—	204
254,934	1,952,053	651,087	48,209	61,671	636,269	9,469,433
—	5,288	15,881	1,330	1,550	15,374	286,312
—	102,572	40,000	1,800	—	—	216,445
—	—	—	—	204	—	204
—	107,860	55,881	3,130	1,754	15,374	502,961
—	—	—	20,878	35,842	393,316	450,036
—	107,860	55,881	24,008	37,596	408,690	952,997
254,934	1,844,193	595,206	24,201	24,075	227,579	8,516,436
254,934	1,952,053	651,087	48,209	61,671	636,269	9,469,433

VILLAGE OF HANOVER PARK, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

For the Fiscal Year Ended December 31, 2023

	Road and Bridge	MWRD Fields	State Restricted	Federal Restricted
<b>Revenues</b>				
Taxes	\$ 212,482	—	—	—
Intergovernmental	7,011	—	—	—
Charges for Services	—	—	—	—
Fines and Forfeitures	—	—	22,038	—
Investment Income	78,097	2,250	4,428	137
Miscellaneous	—	—	—	—
Total Revenues	297,590	2,250	26,466	137
<b>Expenditures</b>				
Public Safety	—	—	44,959	—
Community Development	—	—	—	—
Highways and Streets	909,295	38,954	—	—
Capital Outlay	1,244,971	4,479	—	—
Total Expenditures	2,154,266	43,433	44,959	—
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	(1,856,676)	(41,183)	(18,493)	137
<b>Other Financing Sources (Uses)</b>				
Transfers In	5,000,000	200,000	—	—
Transfers Out	—	—	—	(10,000)
	5,000,000	200,000	—	(10,000)
<b>Net Change in Fund Balances</b>				
	3,143,324	158,817	(18,493)	(9,863)
<b>Fund Balances - Beginning</b>				
	1,931,088	52,440	275,178	13,757
<b>Fund Balances - Ending</b>				
	5,074,412	211,257	256,685	3,894

Foreign Fire Insurance Tax	Tax Increment Financing #4	Tax Increment Financing #5	Service Area #3	Special Service Area #4	Special Service Area #5	Totals
47,301	453,811	202,603	19,633	34,347	372,165	1,342,342
—	—	—	—	—	—	7,011
—	—	—	2,140	—	—	2,140
—	—	—	—	—	—	22,038
2,818	52,488	14,090	481	190	3,397	158,376
—	100	—	—	—	—	100
50,119	506,399	216,693	22,254	34,537	375,562	1,532,007
13	—	—	—	—	—	44,972
—	3,392	9,861	15,351	27,934	142,663	199,201
—	—	—	—	—	—	948,249
—	5,210	19,500	—	—	225,691	1,499,851
13	8,602	29,361	15,351	27,934	368,354	2,692,273
50,106	497,797	187,332	6,903	6,603	7,208	(1,160,266)
—	—	—	—	—	—	5,200,000
—	—	—	—	—	—	(10,000)
—	—	—	—	—	—	5,190,000
50,106	497,797	187,332	6,903	6,603	7,208	4,029,734
204,828	1,346,396	407,874	17,298	17,472	220,371	4,486,702
254,934	1,844,193	595,206	24,201	24,075	227,579	8,516,436

VILLAGE OF HANOVER PARK, ILLINOIS

Road and Bridge - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 105,000	105,000	103,625
Gasoline Taxes	135,000	135,000	108,857
Intergovernmental			
Replacement Taxes	3,500	3,500	7,011
State Grants	2,660,000	2,660,000	—
Investment Income	300	300	78,097
Total Revenues	<u>2,903,800</u>	<u>2,903,800</u>	<u>297,590</u>
Expenditures			
Highways and Streets			
Commodities	165,000	165,000	107,319
Contractual Services	1,220,500	1,455,500	801,976
Capital Outlay	3,620,000	4,413,850	1,244,971
Total Expenditures	<u>5,005,500</u>	<u>6,034,350</u>	<u>2,154,266</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,101,700)	(3,130,550)	(1,856,676)
Other Financing Sources			
Transfers In	<u>5,000,000</u>	<u>5,000,000</u>	<u>5,000,000</u>
Net Change in Fund Balance	<u>2,898,300</u>	<u>1,869,450</u>	3,143,324
Fund Balance - Beginning			<u>1,931,088</u>
Fund Balance - Ending			<u>5,074,412</u>

VILLAGE OF HANOVER PARK, ILLINOIS

MWRD Fields - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Other Grants	\$ —	150,500	—
Investment Income	200	200	2,250
Total Revenues	<u>200</u>	<u>150,700</u>	<u>2,250</u>
Expenditures			
Highways and Streets			
Contractual Services	48,150	48,150	38,954
Capital Outlay	55,000	205,500	4,479
Total Expenditures	<u>103,150</u>	<u>253,650</u>	<u>43,433</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(102,950)	(102,950)	(41,183)
Other Financing Sources			
Transfers In	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Net Change in Fund Balance	<u>97,050</u>	<u>97,050</u>	158,817
Fund Balance - Beginning			<u>52,440</u>
Fund Balance - Ending			<u>211,257</u>

VILLAGE OF HANOVER PARK, ILLINOIS

State Restricted - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Fines and Forfeitures			
DUI Fines	\$ 15,000	15,000	13,548
Traffic Court Supervision	—	—	73
Sex Offender Fees	980	980	465
Drug Forfeiture	20,000	20,000	7,952
Investment Income	125	125	4,428
Total Revenues	<u>36,105</u>	<u>36,105</u>	<u>26,466</u>
Expenditures			
Public Safety			
Contractual Services	<u>90,751</u>	<u>105,751</u>	<u>44,959</u>
Net Change in Fund Balance	<u>(54,646)</u>	<u>(69,646)</u>	(18,493)
Fund Balance - Beginning			<u>275,178</u>
Fund Balance - Ending			<u>256,685</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Federal Restricted - Special Revenue Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Fines and Forfeitures			
Drug Forfeitures	\$ 1,000	1,000	—
Investment Income	10	10	137
Total Revenues	<u>1,010</u>	<u>1,010</u>	<u>137</u>
Expenditures			
Public Safety			
Contractual Services	500	500	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	510	510	137
Other Financing (Uses)			
Transfers Out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>
Net Change in Fund Balance	<u><u>(9,490)</u></u>	<u><u>(9,490)</u></u>	<u>(9,863)</u>
Fund Balance - Beginning			<u>13,757</u>
Fund Balance - Ending			<u><u>3,894</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

Foreign Fire Insurance Tax - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Foreign Fire Taxes	\$ 40,000	40,000	47,301
Investment Income	50	50	2,818
Total Revenues	<u>40,050</u>	<u>40,050</u>	<u>50,119</u>
Expenditures			
Public Safety			
Commodities	<u>40,000</u>	<u>40,000</u>	<u>13</u>
Net Change in Fund Balance	<u>50</u>	<u>50</u>	<u>50,106</u>
Fund Balance - Beginning			<u>204,828</u>
Fund Balance - Ending			<u>254,934</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Tax Increment Financing #4 - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 545,000	545,000	453,811
Investment Income	200	200	52,488
Miscellaneous	—	—	100
Total Revenues	<u>545,200</u>	<u>545,200</u>	<u>506,399</u>
Expenditures			
Community Development			
Contractual Services	31,000	31,000	3,392
Capital Outlay	140,000	140,000	5,210
Total Expenditures	<u>171,000</u>	<u>171,000</u>	<u>8,602</u>
Net Change in Fund Balance	<u>374,200</u>	<u>374,200</u>	497,797
Fund Balance - Beginning			<u>1,346,396</u>
Fund Balance - Ending			<u>1,844,193</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Tax Increment Financing #5 - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 242,819	242,819	202,603
Investment Income	50	50	14,090
Total Revenues	<u>242,869</u>	<u>242,869</u>	<u>216,693</u>
Expenditures			
Community Development			
Contractual Services	20,000	20,000	9,861
Capital Outlay	75,000	75,000	19,500
Total Expenditures	<u>95,000</u>	<u>95,000</u>	<u>29,361</u>
Net Change in Fund Balance	<u>147,869</u>	<u>147,869</u>	187,332
Fund Balance - Beginning			<u>407,874</u>
Fund Balance - Ending			<u>595,206</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Special Service Area #3 - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 19,884	19,884	19,633
Charges for Services			
Fee Parking Lot Permit Fee	2,100	2,100	2,140
Investment Income	20	20	481
Total Revenues	<u>22,004</u>	<u>22,004</u>	<u>22,254</u>
Expenditures			
Community Development			
Contractual Services	<u>22,408</u>	<u>22,408</u>	<u>15,351</u>
Net Change in Fund Balance	<u>(404)</u>	<u>(404)</u>	6,903
Fund Balance - Beginning			<u>17,298</u>
Fund Balance - Ending			<u><u>24,201</u></u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Special Service Area #4 - Special Revenue Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 34,135	34,135	34,347
Investment Income	15	15	190
Total Revenues	<u>34,150</u>	<u>34,150</u>	<u>34,537</u>
Expenditures			
Community Development			
Contractual Services	34,135	34,135	27,934
Net Change in Fund Balance	<u>15</u>	<u>15</u>	6,603
Fund Balance - Beginning			<u>17,472</u>
Fund Balance - Ending			<u><u>24,075</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

Special Service Area #5 - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 374,587	374,587	372,165
Investment Income	110	110	3,397
Total Revenues	<u>374,697</u>	<u>374,697</u>	<u>375,562</u>
Expenditures			
Community Development			
Contractual Services	137,525	137,525	142,663
Capital Outlay	237,062	337,062	225,691
Total Expenditures	<u>374,587</u>	<u>474,587</u>	<u>368,354</u>
Net Change in Fund Balance	<u>110</u>	<u>(99,890)</u>	7,208
Fund Balance - Beginning			<u>220,371</u>
Fund Balance - Ending			<u><u>227,579</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Obligation Bond Series of 2020 - Debt Service Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 1,437,600	1,437,600	1,453,943
Investment Income	300	300	26,804
Miscellaneous	—	—	53,081
Total Revenues	<u>1,437,900</u>	<u>1,437,900</u>	<u>1,533,828</u>
Expenditures			
General Government			
Contractual Services	1,000	1,000	399
Debt Service			
Principal Retirement	1,050,000	1,050,000	1,050,000
Interest and Fiscal Charges	387,600	387,600	387,600
Total Expenditures	<u>1,438,600</u>	<u>1,438,600</u>	<u>1,437,999</u>
Net Change in Fund Balance	<u>(700)</u>	<u>(700)</u>	95,829
Fund Balance - Beginning			<u>521,098</u>
Fund Balance - Ending			<u><u>616,927</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Water Sales	\$ 6,797,660	6,797,660	7,088,889
Sewer Service	2,725,004	2,725,004	2,804,656
Leachate Treatment	356,496	356,496	176,924
Penalties	300,000	300,000	364,533
Tap-On-Fees	55,680	55,680	74,721
Meter Sales	8,206	8,206	14,136
Miscellaneous	45,750	45,750	46,834
Total Operating Revenues	<u>10,288,796</u>	<u>10,288,796</u>	<u>10,570,693</u>
Operating Expenses			
Administration	2,416,757	2,429,921	2,573,633
Operations			
Water Treatment	7,005,481	7,015,481	5,913,294
Water Maintenance	1,953,062	2,298,062	683,058
Water Meter Operations	217,173	217,173	191,789
Sewage Treatment	1,929,242	1,929,242	1,586,673
Sewer Maintenance	1,328,069	1,628,069	666,237
Depreciation and Amortization	—	—	1,042,856
Total Operating Expenses	<u>14,849,784</u>	<u>15,517,948</u>	<u>12,657,540</u>
Operating (Loss)	<u>(4,560,988)</u>	<u>(5,229,152)</u>	<u>(2,086,847)</u>
Nonoperating Revenues			
Infrastructure Charge	2,802,000	2,802,000	2,605,483
State Grants	2,000,000	2,000,000	—
Investment Income	15,000	15,000	499,102
	<u>4,817,000</u>	<u>4,817,000</u>	<u>3,104,585</u>
Income (Loss) Before Transfers	256,012	(412,152)	1,017,738
Transfers Out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Change in Net Position	<u>226,012</u>	<u>(442,152)</u>	987,738
Net Position - Beginning			<u>33,780,346</u>
Net Position - Ending			<u>34,768,084</u>

VILLAGE OF HANOVER PARK, ILLINOIS

**Waterworks and Sewerage - Enterprise Fund - Continued**  
**Schedule of Operating Expenditures - Budget and Actual**  
**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual
<b>Administration</b>			
Personal Services	\$ 1,552,177	1,552,177	1,632,958
Commodities	4,754	4,754	4,577
Contractual Services	859,826	872,990	936,098
<b>Total Administration</b>	<b>2,416,757</b>	<b>2,429,921</b>	<b>2,573,633</b>
<b>Operations</b>			
<b>Water Treatment</b>			
Personal Services	403,787	403,787	477,638
Commodities	16,662	16,662	13,238
Contractual Services	5,895,032	5,895,032	5,420,883
Contractual Services	690,000	700,000	1,535
	<b>7,005,481</b>	<b>7,015,481</b>	<b>5,913,294</b>
<b>Water Maintenance</b>			
Personal Services	374,740	374,740	317,966
Commodities	92,891	92,891	140,764
Contractual Services	215,431	215,431	224,328
Capital Outlay	1,270,000	1,615,000	—
	<b>1,953,062</b>	<b>2,298,062</b>	<b>683,058</b>
<b>Water Meter Operations</b>			
Personal Services	115,419	115,419	116,343
Commodities	23,602	23,602	22,934
Contractual Services	53,152	53,152	52,512
Capital Outlay	25,000	25,000	—
	<b>217,173</b>	<b>217,173</b>	<b>191,789</b>
<b>Sewage Treatment</b>			
Personal Services	742,059	742,059	790,672
Commodities	90,108	90,108	88,796
Contractual Services	663,075	663,075	666,213
Capital Outlay	434,000	434,000	40,992
	<b>1,929,242</b>	<b>1,929,242</b>	<b>1,586,673</b>

VILLAGE OF HANOVER PARK, ILLINOIS

Waterworks and Sewerage - Enterprise Fund - Continued  
Schedule of Operating Expenditures - Budget and Actual  
For the Fiscal Year Ended December 31, 2023

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	Original Budget	Final Budget	Actual
Operations - Continued			
Sewer Maintenance			
Personal Services	\$ 374,740	374,740	317,959
Commodities	30,100	30,100	24,419
Contractual Services	154,229	154,229	153,720
Capital Outlay	769,000	1,069,000	170,139
	<u>1,328,069</u>	<u>1,628,069</u>	<u>666,237</u>
 Total Operations	 <u>12,433,027</u>	 <u>13,088,027</u>	 <u>9,041,051</u>
 Depreciation and Amortization	 <u>—</u>	 <u>—</u>	 <u>1,042,856</u>
 Total Expenditures	 <u>14,849,784</u>	 <u>15,517,948</u>	 <u>12,657,540</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Municipal Railroad Parking Lot - Enterprise Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Parking Fees	\$ 93,700	93,700	129,119
Other	2,400	202,400	600
Total Operating Revenues	<u>96,100</u>	<u>296,100</u>	<u>129,719</u>
Operating Expenses			
Operations			
Personal Services	212,305	212,305	198,610
Commodities	5,794	5,794	3,322
Contractual Services	89,105	89,105	57,062
Capital Outlay	255,000	462,697	311,724
Depreciation	—	—	78,586
Total Operating Expenses	<u>562,204</u>	<u>769,901</u>	<u>649,304</u>
Operating (Loss)	<u>(466,104)</u>	<u>(473,801)</u>	<u>(519,585)</u>
Nonoperating Revenues			
State Grants	—	207,697	132,448
Investment Income	10	10	3,749
Miscellaneous	—	—	1,099
	<u>10</u>	<u>207,707</u>	<u>137,296</u>
Change in Net Position	<u>(466,094)</u>	<u>(266,094)</u>	(382,289)
Net Position - Beginning			<u>1,899,121</u>
Net Position - Ending			<u><u>1,516,832</u></u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Internal Service Funds  
Combining Statement of Net Position  
December 31, 2023**

	Central Equipment	IT Equipment Replacement	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 8,237,402	1,216,798	9,454,200
Receivables - Net of Allowances			
Accrued Interest	90,909	11,804	102,713
Total Current Assets	<u>8,328,311</u>	<u>1,228,602</u>	<u>9,556,913</u>
Noncurrent Assets			
Capital Assets			
Depreciable	12,574,731	999,761	13,574,492
Accumulated Depreciation	<u>(7,948,474)</u>	<u>(246,914)</u>	<u>(8,195,388)</u>
Total Capital Assets	<u>4,626,257</u>	<u>752,847</u>	<u>5,379,104</u>
Total Assets	<u>12,954,568</u>	<u>1,981,449</u>	<u>14,936,017</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	—	117,070	117,070
Current Portion of Long-Term Debt	—	68,304	68,304
Total Current Liabilities	—	<u>185,374</u>	<u>185,374</u>
Noncurrent Liabilities			
Subscriptions Payable	—	488,232	488,232
Total Liabilities	—	<u>673,606</u>	<u>673,606</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	4,626,257	196,311	4,822,568
Unrestricted	<u>8,328,311</u>	<u>1,111,532</u>	<u>9,439,843</u>
Total Net Position	<u>12,954,568</u>	<u>1,307,843</u>	<u>14,262,411</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Internal Service Funds**

**Combining Statement of Revenues, Expenses and Changes in Net Position**

**For the Fiscal Year Ended December 31, 2023**

	Central Equipment	IT Equipment Replacement	Totals
Operating Revenues			
Interfund Services	\$ 1,374,131	511,709	1,885,840
Operating Expenses			
Operations	—	542,646	542,646
Depreciation	1,053,853	195,520	1,249,373
Total Operating Expenses	1,053,853	738,166	1,792,019
Operating (Loss)	320,278	(226,457)	93,821
Nonoperating Revenues (Expenses)			
Investment Income	244,314	54,565	298,879
Interest Expense	—	(15,983)	(15,983)
	244,314	38,582	282,896
Income (Loss) Before Transfers	564,592	(187,875)	376,717
Transfers In	—	30,000	30,000
Change in Net Position	564,592	(157,875)	406,717
Net Position - Beginning	12,389,976	1,465,718	13,855,694
Net Position - Ending	12,954,568	1,307,843	14,262,411

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Internal Service Funds**

**Combining Statement of Cash Flows**

**For the Fiscal Year Ended December 31, 2023**

	Central Equipment	IT Equipment Replacement	Totals
<b>Cash Flows from Operating Activities</b>			
Interfund Services Provided	\$ 1,313,238	509,204	1,822,442
Payments to Suppliers	(17,000)	(597,311)	(614,311)
	<u>1,296,238</u>	<u>(88,107)</u>	<u>1,208,131</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers In	—	30,000	30,000
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchase of Capital Assets	(599,036)	(828,447)	(1,427,483)
Disposal of Capital Assets	163,053	—	163,053
Issuance of Debt	—	828,447	828,447
Principal Paid on Debt	—	(271,911)	(271,911)
Interest Expense	—	(15,983)	(15,983)
	<u>(435,983)</u>	<u>(287,894)</u>	<u>(723,877)</u>
<b>Cash Flows from Investing Activities</b>			
Investment Income	244,314	54,565	298,879
Net Change in Cash and Cash Equivalents	1,104,569	(291,436)	813,133
Cash and Cash Equivalents - Beginning	7,132,833	1,508,234	8,641,067
Cash and Cash Equivalents - Ending	<u>8,237,402</u>	<u>1,216,798</u>	<u>9,454,200</u>
<b>Reconciliation of Operating Income to Net Cash</b>			
Provided (Used) by Operating Activities			
Operating (Loss)	320,278	(226,457)	93,821
Adjustments to Reconcile Operating Income to Net			
Cash Provided by (Used in) Operating Activities:			
Depreciation and Amortization	1,053,853	195,520	1,249,373
(Increase) Decrease in Current Assets	(60,893)	(2,505)	(63,398)
Increase (Decrease) in Current Liabilities	(17,000)	(54,665)	(71,665)
Net Cash Provided by Operating Activities	<u>1,296,238</u>	<u>(88,107)</u>	<u>1,208,131</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Central Equipment - Internal Service Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 1,374,131	1,374,131	1,374,131
Operating Expenses			
Operations			
Capital Outlay	1,387,800	1,387,800	—
Depreciation	1,220,000	1,220,000	1,053,853
Total Operating Expenses	<u>2,607,800</u>	<u>2,607,800</u>	<u>1,053,853</u>
Operating Income (Loss)	(1,233,669)	(1,233,669)	320,278
Nonoperating Revenues			
Investment Income	11,000	11,000	<u>244,314</u>
Change in Net Position	<u>(1,222,669)</u>	<u>(1,222,669)</u>	564,592
Net Position - Beginning			<u>12,389,976</u>
Net Position - Ending			<u><u>12,954,568</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

IT Equipment Replacement - Internal Service Fund

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

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 511,709	511,709	511,709
Operating Expenses			
Operations			
Capital Outlay	707,800	865,430	542,646
Depreciation and Amortization	—	—	195,520
Total Operating Expenses	707,800	865,430	738,166
Operating (Loss)	(196,091)	(353,721)	(226,457)
Nonoperating Revenues (Expenses)			
Investment Income	500	500	54,565
Interest Expense	—	—	(15,983)
	500	500	38,582
(Loss) Before Transfers	(195,591)	(353,221)	(187,875)
Transfers In	30,000	30,000	30,000
Change in Net Position	(165,591)	(323,221)	(157,875)
Net Position - Beginning			1,465,718
Net Position - Ending			1,307,843

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Fiduciary Net Position**

**December 31, 2023**

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	Police Pension	Firefighters' Pension	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,115,380	2,266,753	4,382,133
Investments			
Illinois Police Officers' Pension Investment Fund	45,725,379	—	45,725,379
Illinois Firefighters' Pension Investment Fund	—	26,023,919	26,023,919
Due from Municipality	24,666	14,226	38,892
Prepays	4,618	611	5,229
Total Assets	<u>47,870,043</u>	<u>28,305,509</u>	<u>76,175,552</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>3,560</u>	<u>4,190</u>	<u>7,750</u>
<b>NET POSITION</b>			
Net Position Restricted for Pensions	<u>47,866,483</u>	<u>28,301,319</u>	<u>76,167,802</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Changes in Fiduciary Net Position**

**For the Fiscal Year Ended December 31, 2023**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 3,677,967	2,120,267	5,798,234
Contributions - Plan Members	695,698	341,093	1,036,791
Other	8,314	6,129	14,443
Total Contributions	<u>4,381,979</u>	<u>2,467,489</u>	<u>6,849,468</u>
<b>Investment Income</b>			
Interest Earned	421,464	514,856	936,320
Net Change in Fair Value	5,160,329	3,068,412	8,228,741
	<u>5,581,793</u>	<u>3,583,268</u>	<u>9,165,061</u>
Less Investment Expenses	(60,751)	(26,821)	(87,572)
Net Investment Income	<u>5,521,042</u>	<u>3,556,447</u>	<u>9,077,489</u>
Total Additions	<u>9,903,021</u>	<u>6,023,936</u>	<u>15,926,957</u>
<b>Deductions</b>			
Benefits and Refunds	3,686,404	1,880,993	5,567,397
Administration	44,530	42,548	87,078
Total Deductions	<u>3,730,934</u>	<u>1,923,541</u>	<u>5,654,475</u>
Change in Fiduciary Net Position	6,172,087	4,100,395	10,272,482
<b>Net Position Restricted for Pensions</b>			
Beginning	<u>41,694,396</u>	<u>24,200,924</u>	<u>65,895,320</u>
Ending	<u>47,866,483</u>	<u>28,301,319</u>	<u>76,167,802</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in the Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 3,655,811	3,655,811	3,677,967
Contributions - Plan Members	622,710	622,710	695,698
Other	—	—	8,314
Total Contributions	<u>4,278,521</u>	<u>4,278,521</u>	<u>4,381,979</u>
Investment Income			
Interest Earned	100,000	100,000	421,464
Net Change in Fair Value	1,000,000	1,000,000	5,160,329
	<u>1,100,000</u>	<u>1,100,000</u>	<u>5,581,793</u>
Less Investment Expenses	(68,000)	(68,000)	(60,751)
Net Investment Income	<u>1,032,000</u>	<u>1,032,000</u>	<u>5,521,042</u>
Total Additions	<u>5,310,521</u>	<u>5,310,521</u>	<u>9,903,021</u>
Deductions			
Benefits and Refunds	3,675,675	3,675,675	3,686,404
Administration	67,765	67,765	44,530
Total Deductions	<u>3,743,440</u>	<u>3,743,440</u>	<u>3,730,934</u>
Change in Fiduciary Net Position	<u>1,567,081</u>	<u>1,567,081</u>	6,172,087
Net Position Restricted for Pensions			
Beginning			<u>41,694,396</u>
Ending			<u>47,866,483</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Firefighters' Pension - Pension Trust Fund

Schedule of Changes in Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 2,108,122	2,108,122	2,120,267
Contributions - Plan Members	343,000	343,000	341,093
Other	—	—	6,129
Total Contributions	<u>2,451,122</u>	<u>2,451,122</u>	<u>2,467,489</u>
Investment Income			
Interest Earned	75,000	75,000	514,856
Net Change in Fair Value	800,000	800,000	3,068,412
	<u>875,000</u>	<u>875,000</u>	<u>3,583,268</u>
Less Investment Expenses	(84,850)	(84,850)	(26,821)
Net Investment Income	<u>790,150</u>	<u>790,150</u>	<u>3,556,447</u>
Total Additions	<u>3,241,272</u>	<u>3,241,272</u>	<u>6,023,936</u>
Deductions			
Benefits and Refunds	2,028,690	2,028,690	1,880,993
Administration	28,855	28,855	42,548
Total Deductions	<u>2,057,545</u>	<u>2,057,545</u>	<u>1,923,541</u>
Change in Fiduciary Net Position	<u>1,183,727</u>	<u>1,183,727</u>	4,100,395
Net Position Restricted for Pensions			
Beginning			<u>24,200,924</u>
Ending			<u>28,301,319</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Consolidated Year-End Financial Report  
December 31, 2023**

CSFA #	Program Name	State	Federal	Other	Totals
420-00-1758	Site Improvements	\$ 132,448	—	—	132,448
532-60-2388	Green Infrastructure Grant Opportunities	806,584	—	—	806,584
569-00-3146	ILETSB Camera Grant - PHASE II - Data Storage	20,926	—	—	20,926
	All Other Costs Not Allocated	—	—	60,772,006	60,772,006
	Totals	959,958	—	60,772,006	61,731,964

## **STATISTICAL SECTION (Unaudited)**

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***

**December 31, 2023 (Unaudited)**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	12/31/2014	12/31/2015 (1)	12/31/2016	12/31/2017
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 49,462,602	50,362,373	52,470,477	53,331,685
Restricted	4,835,944	6,932,172	7,366,374	8,097,770
Unrestricted (Deficit)	17,292,137	(14,151,561)	(14,420,304)	(14,243,345)
<b>Total Governmental   Activities Net Position</b>	<b>71,590,683</b>	<b>43,142,984</b>	<b>45,416,547</b>	<b>47,186,110</b>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	28,088,831	23,651,515	23,578,647	23,575,332
Restricted	—	—	—	—
Unrestricted	8,965,544	8,534,548	8,846,752	8,984,517
<b>Total Business-Type   Activities Net Position</b>	<b>37,054,375</b>	<b>32,186,063</b>	<b>32,425,399</b>	<b>32,559,849</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	77,551,433	74,013,888	76,049,124	76,907,017
Restricted	4,835,944	6,932,172	7,366,374	8,097,770
Unrestricted (Deficit)	26,257,681	(5,617,013)	(5,573,552)	(5,258,828)
<b>Total Primary Government   Net Position</b>	<b>108,645,058</b>	<b>75,329,047</b>	<b>77,841,946</b>	<b>79,745,959</b>

Data Source: Audited Financial Statements

\*Accrual Basis of Accounting

(1) The Village implemented GASB 68 for year ended December 31, 2015.

(2) The Village implemented GASB 75 for year ended December 31, 2018.

12/31/2018 (2)	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
56,319,828	59,646,563	64,256,664	65,186,567	67,145,083	75,226,618
9,354,849	11,225,970	11,030,353	14,358,584	20,638,166	27,786,609
(17,856,992)	(13,530,269)	(7,402,325)	3,864,932	8,281,788	2,373,620
47,817,685	57,342,264	67,884,692	83,410,083	96,065,037	105,386,847
23,868,701	23,624,289	24,261,288	23,512,012	26,695,260	28,016,008
—	—	—	—	1,592,902	—
8,967,072	9,797,313	9,860,670	10,374,873	7,391,305	8,268,908
32,835,773	33,421,602	34,121,958	33,886,885	35,679,467	36,284,916
80,188,529	83,270,852	88,517,952	88,698,579	93,840,343	103,242,626
9,354,849	11,225,970	11,030,353	14,358,584	22,231,068	27,786,609
(8,889,920)	(3,732,956)	2,458,345	14,239,805	15,673,093	10,642,528
80,653,458	90,763,866	102,006,650	117,296,968	131,744,504	141,671,763

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Changes in Net Position - Last Ten Fiscal Years\*  
December 31, 2023 (Unaudited)**

	12/31/2014	12/31/2015 (1)	12/31/2016	12/31/2017	12/31/2018 (2)	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
<b>Primary Governmental Expenses</b>										
<b>Governmental Activities</b>										
General Government	\$ 2,111,972	4,114,698	5,009,322	5,760,254	4,502,681	5,296,307	5,796,773	3,094,879	5,104,206	9,660,692
Public Works	2,876,529	3,706,168	5,182,283	6,368,070	5,015,307	5,533,768	4,396,004	4,299,445	4,615,317	4,780,144
Public Safety	12,928,235	19,447,414	20,981,314	21,225,292	23,825,108	23,384,681	22,301,152	22,264,675	26,570,820	26,644,818
Community Development	1,858,421	4,022,556	4,005,981	3,618,986	4,193,206	4,082,104	5,149,348	7,122,168	7,017,499	4,975,152
Highway and Streets	2,276,624	1,917,673	703,424	866,856	591,102	700,207	881,961	3,845,558	4,884,665	2,128,771
Interest	976,489	646,489	925,399	894,677	858,826	819,786	323,799	314,373	276,076	235,543
Total Governmental Activities Expenses	23,028,270	33,854,998	36,807,723	38,734,135	38,986,230	39,816,853	38,849,037	40,941,098	48,468,583	48,425,120
<b>Business-Type Activities</b>										
Water and Sewer	7,265,389	11,338,126	11,669,151	12,302,852	11,535,226	11,262,405	11,129,895	14,267,474	13,134,009	12,657,540
Parking	202,907	373,475	380,323	341,781	336,950	390,377	340,495	339,367	1,164,758	649,304
Hanover Square	524,861	593,909	—	—	—	—	—	—	—	—
Total Business-Type Activities Expenses	7,993,157	12,305,510	12,049,474	12,644,633	11,872,176	11,652,782	11,470,390	14,606,841	14,298,767	13,306,844
<b>Total Primary Government Expenses</b>	<b>31,021,427</b>	<b>46,160,508</b>	<b>48,857,197</b>	<b>51,378,768</b>	<b>50,858,406</b>	<b>51,469,635</b>	<b>50,319,427</b>	<b>55,547,939</b>	<b>62,767,350</b>	<b>61,731,964</b>
<b>Primary Government Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
General Government	769,081	1,125,855	1,315,662	1,322,448	1,330,699	1,478,753	1,238,169	1,327,770	1,411,482	1,331,011
Public Safety	1,286,735	1,894,715	2,043,407	2,113,433	2,540,205	2,561,575	2,362,402	2,602,346	2,845,559	463,431
Community Development	42,531	18,758	11,794	16,181	68,644	3,849,912	173,563	153,353	109,324	2,668,730
Public Works	193,819	337,246	283,057	327,493	330,295	335,096	246,916	548,628	555,946	86,657
Operating Grants and Contributions	1,082,681	1,600,902	1,267,251	1,522,434	1,946,078	1,831,037	3,757,088	57,000	—	—
Capital Grants and Contributions	—	258,796	255,138	247,958	—	—	—	2,824,321	3,242,419	1,762,880
Total Governmental Activities Program Revenues	3,374,847	5,236,272	5,176,309	5,549,947	6,215,921	10,056,373	7,778,138	7,513,418	8,164,730	6,312,709
<b>Business-Type Activities</b>										
Charges for Services										
Water and Sewer	7,089,864	10,749,484	10,615,438	10,577,058	10,382,911	10,172,855	10,356,322	10,187,094	10,177,941	10,570,693
Parking	265,895	389,405	443,695	393,290	432,160	400,871	183,141	56,474	102,844	129,719
Hanover Square	560,678	643,541	—	—	—	—	—	—	—	—
Grants and Contributions	—	—	—	—	—	—	—	2,546,552	3,260,726	132,448
Total Business-Type Activities Program Revenues	7,916,437	11,782,430	11,059,133	10,970,348	10,815,071	10,573,726	10,539,463	12,790,120	13,541,511	10,832,860
<b>Total Primary Government Program Revenues</b>	<b>11,291,284</b>	<b>17,018,702</b>	<b>16,235,442</b>	<b>16,520,295</b>	<b>17,030,992</b>	<b>20,630,099</b>	<b>18,317,601</b>	<b>20,303,538</b>	<b>21,706,241</b>	<b>17,145,569</b>

	12/31/2014	12/31/2015 (1)	12/31/2016	12/31/2017	12/31/2018 (2)	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
<b>Net (Expenses) Revenues</b>										
Governmental Activities	\$ (19,653,423)	(28,618,726)	(31,631,414)	(33,184,188)	(32,770,309)	(29,760,480)	(31,070,899)	(33,427,680)	(40,303,853)	(42,112,411)
Business-Type Activities	(76,720)	(523,080)	(990,341)	(1,674,285)	(1,057,105)	(1,079,056)	(930,927)	(1,816,721)	(757,256)	(2,473,984)
	(19,730,143)	(29,141,806)	(32,621,755)	(34,858,473)	(33,827,414)	(30,839,536)	(32,001,826)	(35,244,401)	(41,061,109)	(44,586,395)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities										
Taxes										
Property	11,423,311	15,426,633	15,837,755	15,741,338	15,673,297	16,811,936	16,203,849	16,506,192	16,321,211	16,671,650
Home Rule Sales Tax	2,524,471	3,689,384	3,851,280	4,197,024	4,481,756	4,753,609	6,038,100	9,443,282	11,273,479	8,142,028
Utility	1,219,601	1,987,557	1,896,000	1,788,223	1,997,184	1,854,237	1,740,974	1,688,896	1,669,839	1,573,690
Other Taxes	1,190,789	1,712,797	2,110,440	1,790,427	2,100,771	2,178,732	2,203,104	2,802,177	2,663,801	2,562,109
Intergovernmental										
Sales Tax	3,723,115	5,641,105	5,911,386	6,395,188	6,757,407	7,189,023	8,976,875	11,395,783	11,915,838	9,064,576
Use Tax	545,220	844,592	922,304	982,230	1,115,475	1,281,271	1,695,618	1,448,845	1,518,590	1,458,521
State Income Tax	2,335,241	4,040,449	3,696,445	3,487,788	3,636,525	4,041,810	4,126,485	5,012,020	6,105,635	5,984,685
Other Intergovernmental	51,945	93,510	87,160	101,644	84,998	101,684	93,807	235,858	638,610	1,392,057
Investment Income	58,063	61,070	89,607	198,840	575,434	763,849	232,320	79,484	503,363	3,262,031
Miscellaneous	215,566	(1,571,337)	282,508	412,898	301,930	257,683	278,795	340,534	348,441	356,254
Special Item - Gain on Sale of Equity Interest	—	—	—	—	—	—	—	—	—	936,620
Transfers	(1,010,515)	4,404,281	76,000	(141,849)	—	—	23,400	—	—	30,000
Total Governmental Activities	22,276,807	36,330,041	34,760,885	34,953,751	36,724,777	39,233,834	41,613,327	48,953,071	52,958,807	51,434,221
Business-Type Activities										
Investment Income	11,102	(202)	12,081	73,199	180,893	257,078	80,269	7,387	123,679	502,851
Miscellaneous	586,052	1,546,822	1,350,513	1,593,687	1,572,459	1,574,689	1,574,414	1,574,261	2,426,159	2,606,582
Transfers	1,010,515	(4,404,281)	(76,000)	141,849	—	—	(23,400)	—	—	(30,000)
Total Business-Type Activities	1,607,669	(2,857,661)	1,286,594	1,808,735	1,753,352	1,831,767	1,631,283	1,581,648	2,549,838	3,079,433
Total Primary Government	23,884,476	33,472,380	36,047,479	36,762,486	38,478,129	41,065,601	43,244,610	50,534,719	55,508,645	54,513,654
<b>Changes in Net Position</b>										
Governmental Activities	2,623,384	7,711,315	3,129,471	1,769,563	3,954,468	9,473,354	10,542,428	15,525,391	12,654,954	9,321,810
Business-Type Activities	1,530,949	(3,380,741)	296,253	134,450	696,247	752,711	700,356	(235,073)	1,792,582	605,449
Total Primary Government Changes in Net Position	4,154,333	4,330,574	3,425,724	1,904,013	4,650,715	10,226,065	11,242,784	15,290,318	14,447,536	9,927,259

Data Source: Audited Financial Statements

\* Accrual Basis of Accounting

(1) The Village implemented GASB 68 for year ended December 31, 2015.

(2) The Village implemented GASB 75 for year ended December 31, 2018.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	12/31/2014	12/31/2015	12/31/2016	12/31/2017
General Fund				
Nonspendable	\$ 556,466	294,419	381,659	324,481
Unassigned	14,180,226	16,326,081	19,432,402	21,124,648
Total General Fund	14,736,692	16,620,500	19,814,061	21,449,129
All Other Governmental Funds				
Nonspendable	—	—	—	8,099
Restricted	4,835,944	6,932,172	7,366,374	8,097,770
Assigned	373,202	845,601	925,390	1,465,047
Unassigned	(484,093)	(461,479)	(363,202)	(234,789)
Total All Other Governmental Funds	4,725,053	7,316,294	7,928,562	9,336,127
Total Governmental Funds	19,461,745	23,936,794	27,742,623	30,785,256

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
293,222	192,354	29,449	33,231	55,174	37,833
22,115,466	23,391,983	28,830,428	37,759,623	37,812,992	35,016,841
22,408,688	23,584,337	28,859,877	37,792,854	37,868,166	35,054,674
—	—	—	—	—	—
9,354,849	11,225,970	11,030,353	14,394,251	16,795,226	27,541,316
793,723	1,039,084	1,255,720	1,212,347	7,367,406	4,467,926
(156,190)	(88,402)	—	—	—	—
9,992,382	12,176,652	12,286,073	15,606,598	24,162,632	32,009,242
32,401,070	35,760,989	41,145,950	53,399,452	62,030,798	67,063,916

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	12/31/2014	12/31/2015	12/31/2016
<b>Revenues</b>			
Taxes	\$ 16,358,172	22,816,370	23,695,474
Intergovernmental	7,968,269	12,436,273	11,898,609
Licenses and Permits	718,779	1,224,977	1,168,407
Charges for Services and Fees	1,036,818	1,451,562	1,719,499
Fines and Forfeitures	536,820	700,467	766,115
Investment Income	58,063	61,070	89,607
Miscellaneous	176,651	441,974	523,483
<b>Total Revenues</b>	<b>26,853,572</b>	<b>39,132,693</b>	<b>39,861,194</b>
<b>Expenditures</b>			
General Government	2,483,520	3,344,230	3,671,745
Public Works	2,644,628	3,962,391	3,874,431
Public Safety	13,027,697	19,322,453	19,551,407
Community Development	1,879,756	4,003,728	3,574,079
Highways and Streets	427,967	628,804	728,074
Capital Outlay	2,982,751	1,318,476	2,817,230
Debt Service			
Principal	875,000	945,000	985,000
Interest and Fiscal Charges	986,620	957,562	929,399
<b>Total Expenditures</b>	<b>25,307,939</b>	<b>34,482,644</b>	<b>36,131,365</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,545,633</b>	<b>4,650,049</b>	<b>3,729,829</b>
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	—	—	—
Disposal of Capital Assets	—	—	—
Premiums on Bond Issuance	—	—	—
Payment to Escrow Agent	—	—	—
Transfers In	1,408,526	1,430,802	1,273,396
Transfers Out	(1,283,276)	(1,605,802)	(1,197,396)
Sale of Property	82,883	—	—
	<b>208,133</b>	<b>(175,000)</b>	<b>76,000</b>
<b>Change in Fund Balances Before Special Items</b>	<b>1,753,766</b>	<b>4,475,049</b>	<b>3,805,829</b>
<b>Special Item - Gain on Sale of Equity Interest</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Net Change in Fund Balances</b>	<b>1,753,766</b>	<b>4,475,049</b>	<b>3,805,829</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>7.51%</b>	<b>5.82%</b>	<b>5.99%</b>

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
23,517,011	24,253,008	25,598,513	26,186,026	30,440,547	31,928,330	28,949,477
12,420,236	13,248,330	14,235,104	18,539,007	20,916,827	23,421,092	19,662,719
1,267,962	1,279,465	1,294,601	1,143,061	1,470,518	1,478,284	1,358,951
1,603,708	1,880,744	1,986,105	1,698,259	2,218,944	2,497,968	2,332,090
907,692	1,109,612	1,160,816	1,061,886	999,635	946,059	858,788
198,840	575,434	763,849	232,320	21,304	387,484	2,963,152
730,098	594,105	467,427	389,613	340,534	348,441	356,254
40,645,547	42,940,698	45,506,415	49,250,172	56,408,309	61,007,658	56,481,431
3,946,578	4,287,169	4,468,215	5,214,787	4,604,107	4,920,718	5,170,312
3,981,239	4,237,892	4,296,111	4,018,408	4,299,445	4,615,317	4,780,144
20,500,538	21,372,010	21,740,295	21,719,698	22,715,333	25,252,746	25,821,866
3,536,293	4,232,128	3,762,696	5,042,370	6,489,435	6,769,510	4,748,211
885,352	619,997	739,471	910,523	753,511	877,200	948,249
2,923,902	4,812,292	5,024,317	5,197,456	3,816,176	8,502,821	13,527,271
1,030,000	1,050,000	1,070,000	1,310,000	970,000	1,010,000	1,050,000
899,012	863,396	824,691	498,842	466,800	428,000	387,600
37,702,914	41,474,884	41,925,796	43,912,084	44,114,807	52,376,312	56,433,653
2,942,633	1,465,814	3,580,619	5,338,088	12,293,502	8,631,346	47,778
—	—	—	12,980,000	—	—	—
—	—	—	—	—	—	—
—	—	—	1,868,674	—	—	—
—	—	—	(14,747,201)	—	—	—
2,178,155	2,190,805	2,948,642	1,673,775	2,138,382	11,704,532	11,248,012
(2,078,155)	(2,190,805)	(3,169,342)	(1,728,375)	(2,178,382)	(11,704,532)	(11,248,012)
—	150,000	—	—	—	—	—
100,000	150,000	(220,700)	46,873	(40,000)	—	—
3,042,633	1,615,814	3,359,919	5,384,961	12,253,502	8,631,346	47,778
—	—	—	—	—	—	4,985,340
3,042,633	1,615,814	3,359,919	5,384,961	12,253,502	8,631,346	5,033,118
5.99%	5.04%	4.97%	4.40%	3.46%	2.96%	3.16%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Cook County - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
2013	\$ 172,348,742	\$ 1,656	\$ 50,024,995	\$ 7,085,250
2014	178,053,406	2,948	55,059,521	—
2015	173,215,080	2,948	52,111,633	—
2016	207,382,952	2,948	54,022,230	—
2017	204,823,395	2,948	56,692,894	—
2018	200,296,460	2,948	55,213,759	—
2019	243,467,047	2,948	60,280,496	—
2020	240,170,906	2,948	61,186,458	—
2021	220,515,669	2,948	56,540,027	—
2022	297,337,730	2,948	56,527,891	70,172

Data Source: Office of the County Clerk and Treasurer

Total	Railroad	Total Taxable Assessed Value	Estimated Actual Taxable Value	Tax Rate
\$ 229,460,643	\$ —	\$ 229,460,643	\$ 688,381,929	2.6370
233,115,875	—	233,115,875	699,347,625	2.6870
225,329,661	—	225,329,661	675,988,983	2.8630
261,408,130	—	261,408,130	784,224,390	2.5129
261,519,237	—	261,519,237	784,557,711	2.4715
255,513,167	—	255,513,167	766,539,501	2.5445
303,750,491	—	303,750,491	911,251,473	2.1459
301,360,312	—	301,360,312	904,080,936	2.1425
277,058,644	—	277,058,644	831,175,932	2.2871
353,938,741	—	353,938,741	1,061,816,2	1.7676

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - DuPage County - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

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Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
2013	\$ 234,486,782	\$ 31,364	\$ 17,528,130	\$ 60,863,810
2014	224,823,993	34,501	16,622,430	58,665,170
2015	220,471,689	37,195	16,870,870	63,099,260
2016	239,246,373	40,606	17,470,380	67,664,580
2017	259,873,936	68,256	19,057,860	69,672,030
2018	277,836,903	73,079	19,715,550	71,309,510
2019	314,404,213	78,374	20,242,910	74,462,770
2020	325,971,704	75,460	22,426,270	76,539,630
2021	334,752,665	81,158	22,468,100	79,491,430
2022	356,018,527	87,280	24,304,680	83,653,070

Data Source: Office of the County Clerk and Treasurer

Total	Railroad	Total Taxable Assessed Value	Estimated Actual Taxable Value	Tax Rate
\$ 312,910,086	\$ 31,070	\$ 312,941,156	\$ 938,823,468	2.3941
300,146,094	42,030	300,188,124	900,564,372	2.5856
300,479,014	45,643	300,524,657	901,573,971	2.7346
324,421,939	55,881	324,477,820	973,433,460	2.4411
348,672,082	45,345	348,717,427	1,046,152,281	2.3051
368,935,042	41,090	368,976,132	1,106,928,396	2.1702
409,188,267	39,166	409,227,433	1,227,682,299	1.9419
425,013,064	42,686	425,055,750	1,275,167,250	1.8999
436,793,353	46,868	436,840,221	1,310,520,663	1.8675
464,063,557	49,981	464,113,538	1,392,340,614	1.7781

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Cook County - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

	2013	2014	2015
<b>Village Direct Rates</b>			
General Corporate Rate	2.3090	2.3570	2.4750
Police Pension	—	—	—
Fire Pension	—	—	—
Debt Service Rate	0.3280	0.3300	0.3880
Total Direct	<u>2.6370</u>	<u>2.6870</u>	<u>2.8630</u>
<b>Overlapping Rates</b>			
School District #46	7.5800	7.6680	7.9470
School District #509	0.6380	0.6380	0.6540
Hanover Park District	0.6290	0.6240	0.6650
County Including Forest Preserve District and TB Sanitarium	0.6290	0.6370	0.6210
Hanover Township	0.3910	0.2980	0.3180
Metropolitan Water Reclamation District	0.4170	0.4300	0.4260
Northwest Mosquito Abatement District	0.0130	0.0130	0.0110
Poplar Creek Library	0.6310	0.6320	0.6630
Community Mental Health	0.0610	0.0610	0.0580
Consolidated Elections	0.0310	—	0.0340
Total Overlapping Rates	<u>11.0200</u>	<u>11.0010</u>	<u>11.3970</u>
 Total Tax Rates	 <u>13.6570</u>	 <u>13.6880</u>	 <u>14.2600</u>

Data Source: Cook County Clerk's Office

Notes: Overlapping rates are those of local and county governments that apply to property owners within the Village.

2016	2017	2018	2019	2020	2021	2022
1.5041	1.4128	1.4115	1.1272	1.0306	1.0359	0.8148
0.4212	0.4525	0.4973	0.4624	0.5531	0.6432	0.4818
0.2531	0.2794	0.3023	0.2776	0.3248	0.3580	0.2778
0.3345	0.3268	0.3334	0.2787	0.2340	0.2500	0.1932
2.5129	2.4715	2.5445	2.1459	2.1425	2.2871	1.7676
6.8370	6.9320	7.1200	6.4390	6.5750	7.1970	6.0220
0.5700	0.5620	0.6120	0.5440	0.5270	0.5520	0.4660
0.5970	0.5970	0.6280	0.5420	0.5600	0.6040	0.5010
0.5960	0.5580	0.5490	0.5130	0.5110	0.5040	0.5120
0.2750	0.2810	0.3840	0.3410	0.3520	0.3920	0.3320
0.4060	0.4020	0.3960	0.3890	0.3780	0.3820	0.3740
0.0100	0.0100	0.0110	0.0100	0.0100	0.0110	0.0090
0.5800	0.5900	0.6210	0.5460	0.5640	0.6230	0.5240
0.0570	0.0590	0.0630	0.0570	0.0590	0.0670	0.0570
—	0.0310	—	0.0300	—	0.0190	—
9.9280	10.0220	10.3840	9.4110	9.5360	10.3510	8.7970
12.4409	12.4935	12.9285	11.5569	11.6785	12.6381	10.5646

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates - DuPage County - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

	2013	2014	2015
<b>Village Direct Rates</b>			
General Corporate Rate	0.9991	0.9836	0.9664
Fire Protection	1.1292	1.3204	1.4449
Police Protection	—	—	—
Fire Pension	—	—	—
Debt Service Rate	0.2658	0.2816	0.3233
Total Direct	2.3941	2.5856	2.7346
<b>Overlapping Rates</b>			
School District #93	5.0165	5.1272	5.0951
School District #87	2.4877	2.5824	2.5173
Community College #502	0.2956	0.2975	0.2786
Hanover Park District	0.5673	0.5834	0.6099
County Including Forest Preserve District and Airport	0.3875	0.3944	0.3781
Wayne Township	0.1796	0.1880	0.1847
Poplar Creek Library	0.6249	0.6272	0.6601
Total Overlapping Rates	9.5591	9.8001	9.7238
Total Tax Rates	11.9532	12.3857	12.4584

Data Source: DuPage County Clerk's Office

Notes: Overlapping rates are those of local and county governments that apply to property owners within the Village.

2016	2017	2018	2019	2020	2021	2022
0.5699	0.4692	0.3819	0.2735	0.1689	0.1127	0.1119
0.9382	0.8951	0.8694	0.7910	0.7948	0.7884	0.7590
0.3676	0.3790	0.3802	0.3771	0.4383	0.4675	0.4310
0.2791	0.2933	0.2882	0.2774	0.3159	0.3189	0.3049
0.2863	0.2685	0.2505	0.2229	0.1820	0.1800	0.1713
2.4411	2.3051	2.1702	1.9419	1.8999	1.8675	1.7781
4.8165	4.6931	4.5643	4.5364	4.5597	4.4370	4.4300
2.4030	2.3402	2.2834	2.2296	2.2255	2.2284	2.2216
0.2625	0.2431	0.2317	0.2112	0.2114	0.2037	0.1946
0.5606	0.5415	0.5194	0.4796	0.4801	0.4859	0.4787
0.3538	0.3221	0.3097	0.3038	0.2962	0.2908	0.2697
0.1759	0.1724	0.1704	0.0911	0.0904	0.0899	0.0891
0.5906	0.5725	0.5552	0.5023	0.5173	0.5373	0.5163
9.1629	8.8849	8.6341	8.3540	8.3806	8.2730	8.2000
11.6040	11.1900	10.8043	10.2959	10.2805	10.1405	9.9781

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago  
December 31, 2023 (Unaudited)**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
AMB Prop RE Tax Co.	\$ 14,969,130	1	1.83%	\$ 12,259,340	1	2.26%
Harvest A Fuji LLC	5,751,130	2	0.70%			
Fisher Scientific Company	4,978,300	3	0.61%	3,470,440	7	0.64%
Cardinal Capital Partners - GE Trans	4,263,580	4	0.52%	2,685,930	10	0.50%
GPT Hunter Road Owner LLC	3,349,940	5	0.41%			
Iron Mountain Info Mgmt	2,978,510	6	0.36%			
Menards	1,134,242	7	0.14%	6,517,034	5	1.20%
MS Claremont LP - Symphony	718,167	8	0.09%			
WestView LLC (IG Capital LLC)	576,196	9	0.07%	2,718,222	9	0.50%
Pebblewood 23 LLC	457,952	10	0.06%			
New Wxcel Realty				11,093,894	2	2.05%
Hanover Park Village				7,975,263	3	1.47%
Reality Associates Fund IX				7,750,480	4	1.43%
Liberty Property LTD				5,537,570	6	1.02%
NEQ/EOLA - Turnberry Lakes				3,325,240	8	0.61%
<b>Total</b>	<b>39,177,147</b>		<b>4.79%</b>	<b>60,008,173</b>		<b>11.68%</b>

Data Source: Office of the Cook and DuPage County Clerk's.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxes Levied	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
12/31/14	2013	\$ 12,692,238	\$ 4,013,571	31.62%	\$ 7,373,104	\$ 11,386,675	89.71%
12/31/15	2014	13,249,064	13,110,424	98.95%	78,873	13,189,297	99.55%
12/31/16	2015	13,386,715	13,577,532	101.43%	16,177	13,593,709	101.55%
12/31/17	2016	13,386,715	13,475,667	100.66%	90,720	13,566,387	101.34%
12/31/18	2017	13,386,715	13,322,460	99.52%	102,246	13,424,706	100.28%
12/31/19	2018	13,386,715	13,403,723	100.13%	98,752	13,502,475	100.86%
12/31/20	2019	13,383,696	13,365,395	99.86%	58,272	13,423,667	100.30%
12/31/21	2020	13,383,696	13,324,310	99.56%	72,941	13,397,251	100.10%
12/31/22	2021	13,383,696	13,373,215	99.92%	41,800	13,415,015	100.23%
12/31/23	2022	13,383,696	13,345,346	99.71%	—	13,345,346	99.71%

Data Source: Village Records

Note: Levies for all Special Service Areas have been excluded from this table. Because there was one tax levy for the periods ended April 30 and December 31, 2014, those collections were combined above.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Sales Tax Collected by Category - Last Ten Calendar Years  
December 31, 2023 (Unaudited)**

	2014	2015	2016	2017
General Merchandise	\$ 12,127	—	—	14,364
Food	561,648	574,319	576,736	583,480
Drinking and Eating Places	273,975	303,626	305,715	277,375
Apparel	522	—	—	4,142
Furniture, HH and Radio	25,639	28,226	20,856	16,786
Lumber, Building, and Hardware	533,309	604,029	615,656	628,656
Automobile and Filling Stations	316,758	282,731	292,880	288,816
Drugs and Miscellaneous Retail	571,484	512,741	519,202	524,001
Agriculture and All Others	2,927,845	3,171,299	3,486,299	3,956,078
Manufacturers	77,973	138,599	72,118	71,165
Totals	5,301,280	5,615,570	5,889,462	6,364,863
Village Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%

Data Source: Illinois Department of Revenues

2018	2019	2020	2021	2022	2023
(18,810)	9,760	—	945	966	2,311
582,809	606,709	690,629	646,492	695,037	659,405
308,618	326,183	290,686	334,955	355,801	379,200
9,826	227	—	26,822	34,934	43,074
18,161	20,353	20,699	64,987	57,799	29,627
642,765	638,648	713,681	730,233	727,014	719,258
177,235	229,666	239,934	321,590	325,647	312,885
618,984	584,634	559,661	894,277	966,080	922,000
4,341,891	4,725,843	6,436,460	8,322,766	8,702,129	5,965,306
75,243	46,459	24,229	52,715	50,428	31,510
6,756,722	7,188,482	8,975,979	11,395,782	11,915,835	9,064,576
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**VILLAGE OF HANOVER PARK, ILLINOIS****Home Rule Taxable Sales by Category - Last Ten Calendar Years  
December 31, 2023 (Unaudited)**

	2014	2015	2016	2017
General Merchandise	\$ 7,561	—	—	9,282
Food	81,138	107,834	116,472	123,923
Drinking and Eating Places	195,334	215,732	217,608	198,415
Apparel	—	—	—	3,093
Furniture, HH and Radio	19,228	21,163	15,643	12,583
Lumber, Building, and Hardware	392,241	444,486	453,347	463,134
Automobile and Filling Stations	218,435	195,829	198,978	197,843
Drugs and Miscellaneous Retail	249,511	190,616	186,821	178,906
Agriculture and All Others	2,190,176	2,378,404	2,592,831	2,958,260
Manufacturers	57,674	91,765	53,339	52,671
Totals	3,411,298	3,645,829	3,835,039	4,198,110
Village Home Rule Sales Tax Rate	0.75%	0.75%	0.75%	0.75%

Data Source: Illinois Department of Revenues

2018	2019	2020	2021	2022	2023
(12,331)	6,080	—	825	949	2,168
127,167	125,720	130,777	181,301	201,552	209,364
222,819	237,864	217,062	295,095	354,234	374,808
7,367	170	—	25,290	34,697	42,702
13,615	15,265	15,516	60,505	57,610	29,593
473,570	469,685	524,697	627,400	711,619	704,555
117,780	152,325	155,483	247,906	270,399	266,700
253,395	228,438	206,367	535,419	668,527	594,257
3,251,305	3,535,375	4,822,572	7,490,612	8,699,775	5,960,795
55,703	33,968	892,623	44,444	49,444	37,385
4,510,390	4,804,890	6,965,097	9,508,797	11,048,806	8,222,327
0.75%	0.75%	0.75%	0.75%	1.00%	1.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Sales Tax Rates Cook County - Last Ten Calendar Years  
December 31, 2023 (Unaudited)**

Calendar Year	Village Direct Rate	Village Home Rule Rate	Regional Transportation Authority	County Direct Rate	County Home Rule Rate	State Rate	Total
2014	1.00%	0.75%	1.00%	0.25%	0.75%	5.00%	8.75%
2015	1.00%	0.75%	1.00%	0.25%	0.75%	5.00%	8.75%
2016	1.00%	0.75%	1.00%	0.25%	1.75%	5.00%	9.75%
2017	1.00%	0.75%	1.00%	0.25%	1.75%	5.00%	9.75%
2018	1.00%	0.75%	1.00%	0.25%	1.75%	5.00%	9.75%
2019	1.00%	0.75%	1.00%	0.25%	1.75%	5.00%	9.75%
2020	1.00%	0.75%	1.00%	0.25%	1.75%	5.00%	9.75%
2021	1.00%	1.00%	1.00%	0.25%	1.75%	5.00%	10.00%
2022	1.00%	1.00%	1.00%	0.25%	1.75%	5.00%	10.00%
2023	1.00%	1.00%	1.00%	0.25%	1.75%	5.00%	10.00%

Data Source: Illinois Department of Revenues

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Sales Tax Rates DuPage County - Last Ten Calendar Years  
December 31, 2023 (Unaudited)**

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Calendar Year	Village Direct Rate	Village Home Rule Rate	Regional Transportation Authority	County Direct Rate	State Rate	Total
42004	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
2015	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
2016	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
2017	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
2018	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
2019	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
1905	1.00%	0.75%	0.75%	0.25%	5.00%	7.75%
1905	1.00%	1.00%	0.75%	0.25%	5.00%	8.00%
2022	1.00%	1.00%	0.75%	0.25%	5.00%	8.00%
2023	1.00%	1.00%	0.75%	0.25%	5.00%	8.00%

Data Source: Illinois Department of Revenues

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Ratio of Outstanding Debt by Type - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Fiscal Year	Governmental Activities		Business Type	Total		Percentage of EAV	Percentage of Personal Income (1)	Per Capita
	General Obligation Bonds	Subscription Payable	IEPA Loan	Total Primary Government	Equalized Assessed Value (EAV)			
2014	\$ 19,615,000	\$ —	\$ 1,067,648	\$ 20,682,648	\$ 546,057,031	3.79%	2.41%	\$ 544.67
2015	18,654,164	—	730,463	19,384,627	525,517,785	3.69%	2.25%	510.48
2016	17,667,537	—	383,924	18,051,461	561,932,787	3.21%	2.10%	475.38
2017	16,635,910	—	151,013	16,786,923	585,997,057	2.86%	1.95%	442.08
2018	15,584,283	—	36,694	15,620,977	604,230,594	2.59%	1.82%	411.37
2019	14,512,658	—	—	14,512,658	672,726,623	2.16%	1.69%	382.18
2020	13,368,795	—	—	13,368,795	710,587,745	1.88%	1.55%	352.06
2021	12,228,916	—	—	12,228,916	726,416,062	1.68%	1.22%	326.37
2022	11,049,037	—	—	11,049,037	713,898,865	1.55%	1.10%	294.88
2023	9,829,158	556,536	—	10,385,694	818,052,279	1.27%	1.03%	277.17

Data Source: Village Records

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less Amounts Available for Debt Service Fund	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
12/31/2014	\$ 19,615,000	\$ 214,928	\$ 19,400,072	3.55%	\$ 510.89
12/31/2015	18,654,164	172,733	18,481,431	3.52%	486.70
12/31/2016	17,667,537	192,710	17,474,827	3.11%	460.19
12/31/2017	16,635,910	288,429	16,347,481	2.79%	430.50
12/31/2018	15,584,283	379,804	15,204,479	2.52%	400.40
12/31/2019	14,512,658	477,033	14,035,625	2.09%	369.62
12/31/2020	13,368,795	485,633	12,883,162	1.81%	339.27
12/31/2021	12,228,916	460,464	11,768,452	1.62%	314.08
12/31/2022	11,049,037	488,798	10,560,239	1.48%	281.83
12/31/2023	9,829,158	588,127	9,241,031	1.13%	246.62

Data Source: Village Records

Note: The amounts in the Village's debt service funds are externally restricted and , as such, the per capita ratio uses the net bonded debt. Further details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Ratios of Outstanding Debt by Type for equalized assessed value data (actual taxable value of property).

(2) See the Schedule of Demographic and Economic Statistics for the per capita income data.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2023 (Unaudited)**

Governmental Unit	GO Bonded Debt		Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Hanover Park	\$ 10,385,694		100.00%	\$ 10,385,694
School District #20	506,206,718		15.54%	78,664,524
School District #93	3,865,000	(4)	19.31%	746,332
High School District #211	—	(3)(4)	15.19%	—
High School District #108	9,120,000	(3)	8.81%	803,472
High School District #54	—		20.65%	—
Community School District #46	165,801,492	(2)	33.75%	55,958,004
Community College District #502	106,415,000	(3)	0.85%	904,528
Community College District #509	160,968,576	(2)	2.61%	4,201,280
Community College District #512	235,760,000		2.30%	5,422,480
Total School Districts	<u>1,188,136,786</u>			<u>146,700,620</u>
Cook County	3,175,584,376		2.42%	76,849,142
DuPage County	122,210,008	(3)(4)	0.68%	831,028
Cook County Forest Preserve District	98,005,000	(3)	0.45%	441,023
DuPage County Forest Preserve District	67,807,513	(2)(3)	0.49%	332,257
Metropolitan Water Reclamation District	4,353,930,000	(1)	2.10%	91,432,530
Bartlett Park District	16,314,312	(3)	2.49%	406,226
Hanover Park Park District	8,802,650	(3)	2.81%	247,354
Schaumburg Park District	11,730,284	(3)	1.84%	215,837
Bloomington Fire Protection District	2,572,865		2.94%	75,642
Total Other	<u>7,856,957,008</u>			<u>170,831,039</u>
Total Overlapping Debt	<u>9,045,093,794</u>			<u>317,531,659</u>
Total Direct and Overlapping Debt	<u><u>9,055,479,488</u></u>			<u><u>327,917,353</u></u>

Data Sources: Cook and DuPage County Clerk's Office, Cook County Comptroller and the Treasurer of the Metropolitan Water Reclamation District of Greater Chicago.

(1) Includes IEPA Revolving Loan Fund Bonds.

(2) Includes original principal amounts of outstanding General Obligation Alternate Revenue Source Bonds.

(3) Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(4) Excludes outstanding debt certificates.

## VILLAGE OF HANOVER PARK, ILLINOIS

### Legal Debt Margin

December 31, 2023 (Unaudited)

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The Village is a home rule municipality.

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

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

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Schedule of Demographic and Economic Statistics - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate (1)
12/31/2014	37,973	\$ 859,822,639	\$ 22,643	32	7,799	10.10%
12/31/2015	37,973	859,822,639	22,643	32	7,799	6.10%
12/31/2016	37,973	859,822,639	22,643	32	7,799	5.70%
12/31/2017	37,973	859,822,639	22,643	32	7,799	5.80%
12/31/2018	37,973	859,822,639	22,643	32	7,799	5.70%
12/31/2019	37,973	859,822,639	22,643	32	7,799	5.70%
12/31/2020	37,973	859,822,639	22,643	32	7,799	8.20%
12/31/2021	37,470	1,005,057,810	26,823	32	7,518	6.70%
12/31/2022	37,470	1,005,057,810	26,823	32	7,518	5.50%
12/31/2023	37,470	1,005,057,810	26,823	32	7,518	4.80%

Data Source: (1) Illinois Department of Employment Security (using annual averages)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago  
December 31, 2023 (Unaudited)**

Employer	2023			2014		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Tri-Dem Filter	300	1	1.5%			
Insight Enterprises, Inc.	285	2	1.4%	250	3	5.0%
Camcraft, Inc.	280	3	1.4%	225	4	4.5%
Thermo Fischer Scientific	275	4	1.4%	300	2	6.0%
Village of Hanover Park	225	5	1.1%	193	7	3.9%
Fuji Film	195	6	1.0%	150	8	3.0%
Hanover Park Park Districk	170	7	0.9%			
Menards	165	8	0.8%			
Jabil Packaging Solutions	160	9	0.8%			
Pentair/Everpure, LLC	160	10	0.8%	200	5	4.0%
Lineage Food Service Solution (aka. Maines Paper & Food Service)				400	1	8.0%
AMPAC				200	6	4.0%
Fellowes Manufacturing				150	9	3.0%
Wilson Pet Supply				120	10	2.4%
<b>Total</b>	<b>2,215</b>		<b>11.1%</b>	<b>2,188</b>		<b>43.8%</b>

Data Source: 2021 Illinois Manufacturers Directory and 2021 Illinois Services Directory

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Function/Program	12/31/2014	12/31/2015	12/31/2016	12/31/2017
General Government				
Village Clerk	2	2	2	2
Administration	2	2	3	3
Human Resources	4	3	3	3
Information Technology	3	3	3	3
Finance	10	11	11	11
Public Works	36	36	38	34
Police	85	85	85	84
Fire	41	41	41	41
Community Development	3	3	3	3
Water and Sewer	10	10	9	12
Totals	196	196	198	196

Data Source: Village Records

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
2	2	2	1	1	1
3	3	3	3	3	3
3	3	3	3	3	4
3	3	3	3	3	3
11	11	11	11	11	11
34	32	33	33	34	32
81	85	85	85	85	86
41	41	41	40	41	44
3	3	4	4	4	5
15	15	15	15	15	17
196	198	200	198	200	206

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Function/Program	12/31/2014	12/31/2015	12/31/2016	12/31/2017
<b>Public Works</b>				
<b>Forestry</b>				
Number of Parkway Trees Planted	—	159	630	521
Number of Parkway Trees Trimmed	1,550	1,467	1,570	959
Brush Pickup Program (Cubic Yards Collected)	965	1,090	1,095	905
<b>Fleet Services</b>				
Number of Vehicles Maintained	154	156	156	161
Preventative Maintenance Services	420	435	408	477
<b>Public Safety</b>				
<b>Fire</b>				
Number of Fire Calls	653	1,089	1,101	1,265
Number of EMS Calls	1,845	2,434	2,455	2,293
Number of Training Hours	9,982	15,954	14,120	13,595
ISO Rating	4	2	2	2
<b>Police</b>				
Part I Crime	290	305	295	279
Part II Crime	2,626	3,583	3,998	3,637
Calls for Service	28,375	43,255	49,150	48,763
State Tickets Issued	4,617	6,807	7,116	7,319
Compliance Tickets Issued	—	—	1,463	—
Parking Tickets Issued	7,709	9,270	10,223	9,058
<b>Community Development</b>				
Number of Building Permits Issued	684	1,654	1,896	1,971
Number of Building Inspections	1,829	5,896	6,076	5,773
Number of Food Service Inspections	295	422	401	386
<b>Highways and Streets</b>				
Sidewalk Replaced (Square Feet)	23,690	28,159	20,661	25,260
Annual Resurfacing Program (\$)	900,000	—	1,082,954	842,910
Crack Sealing (Pounds Installed)	15,600	16,080	16,666	18,000
<b>Water and Sewer</b>				
Water Main Breaks	43	41	55	63
Hydrants Flushed	1,599	1,475	1,482	1,546
Water Meters Read	40,462	41,239	107,171	118,874
Water Meter Service Requests	3,765	4,477	3,393	3,097
Water Meters Replaced	25	102	100	136
Total Distribution Pumpage (1,000 Gallons)	873,958	886,487	806,682	815,048
Average Daily Pumpage (1,000 Gallons)	2,394	2,429	2,204	2,233
Sanitary Sewer Televising (Feet)	600	20,831	54,051	27,692
Sanitary Sewer Repairs	1	2	5	2

Data Source: Village Records

Note: Indicators are not for the general government functions.

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
548	587	—	—	75	78
1,435	1,516	—	1,550	1,200	1,588
705	835	685	965	560	750
160	160	155	156	151	154
442	456	471	475	428	395
1,360	1,011	981	991	1,222	1,313
2,197	2,478	2,412	2,699	2,853	2,784
14,389	13,435	8,508	7,549	7,225	8,186
2	2	2	2	2	2
250	288	297	234	234	246
3,797	3,089	2,111	2,164	2,296	2,328
4,765	43,406	39,056	40,992	40,644	43,152
6,577	6,929	5,111	5,136	5,448	6,766
1,497	2,662	793	902	521	713
9,481	9,206	4,423	6,936	9,044	9,117
2,020	1,952	1,499	1,727	1,901	1,789
6,033	3,460	3,638	3,644	3,805	3,909
313	396	430	155	161	163
27,929	32,360	33,542	49,907	79,135	44,963
908,441	2,554,715	1,428,568	2,246,570	4,556,301	3,066,113
19,050	15,900	—	17,000	—	27,013
81	56	53	63	72	79
1,488	1,428	1,484	1,461	1,633	1,539
157,217	143,121	161,561	161,561	19,855	3,521
5,053	318	3,843	1,900	849	723
247	149	61	11	32	28
870,411	849,511	854,638	893,382	935,535	889,585
2,385	2,327	2,335	2,448	2,555	2,437
21,579	2,585	14,631	43,768	94,334	52,060
8	1	2	5	3	3

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Function/Program	12/31/2014	12/31/2015	12/31/2016	12/31/2017
Public Safety				
Police				
Stations	1	1	1	1
Patrol Units	20	20	20	20
Fire				
Fire Stations	2	2	2	2
Public Works				
Streets (Miles)	80.13	80.13	80.13	80.13
Sidewalks (Miles)	155.25	155.25	155.30	155.37
Streetlights	1,088	1,088	1,088	1,121
Water and Sewer				
Water Mains (Miles)	112.35	112.35	112.35	112.35
Fire Hydrants	1,475	1,482	1,483	1,482
Sanitary Sewers (Miles)	93.80	94.03	94.03	94.03
Manholes	2,348	2,353	2,353	2,353

Data Source: Village Records

12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
1	1	1	1	1	1
20	20	20	20	20	20
2	2	2	2	2	2
85.22	85.22	85.22	85.41	85.41	85.53
155.37	155.38	155.38	155.57	155.57	155.57
1,154	1,160	1,185	1,185	1,306	1,352
125.58	125.58	125.58	126.39	122.16	122.55
1,485	1,482	1,482	1,495	1,503	1,511
93.10	93.10	93.10	93.10	93.10	90.49
2,383	2,353	2,353	2,394	2,394	90