

VILLAGE OF HANOVER PARK, ILLINOIS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT



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

FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2024

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**VILLAGE OF HANOVER PARK, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**

**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  
Troy Albuck  
Jon Kunkel

## Executive Office

(630) 823-5608

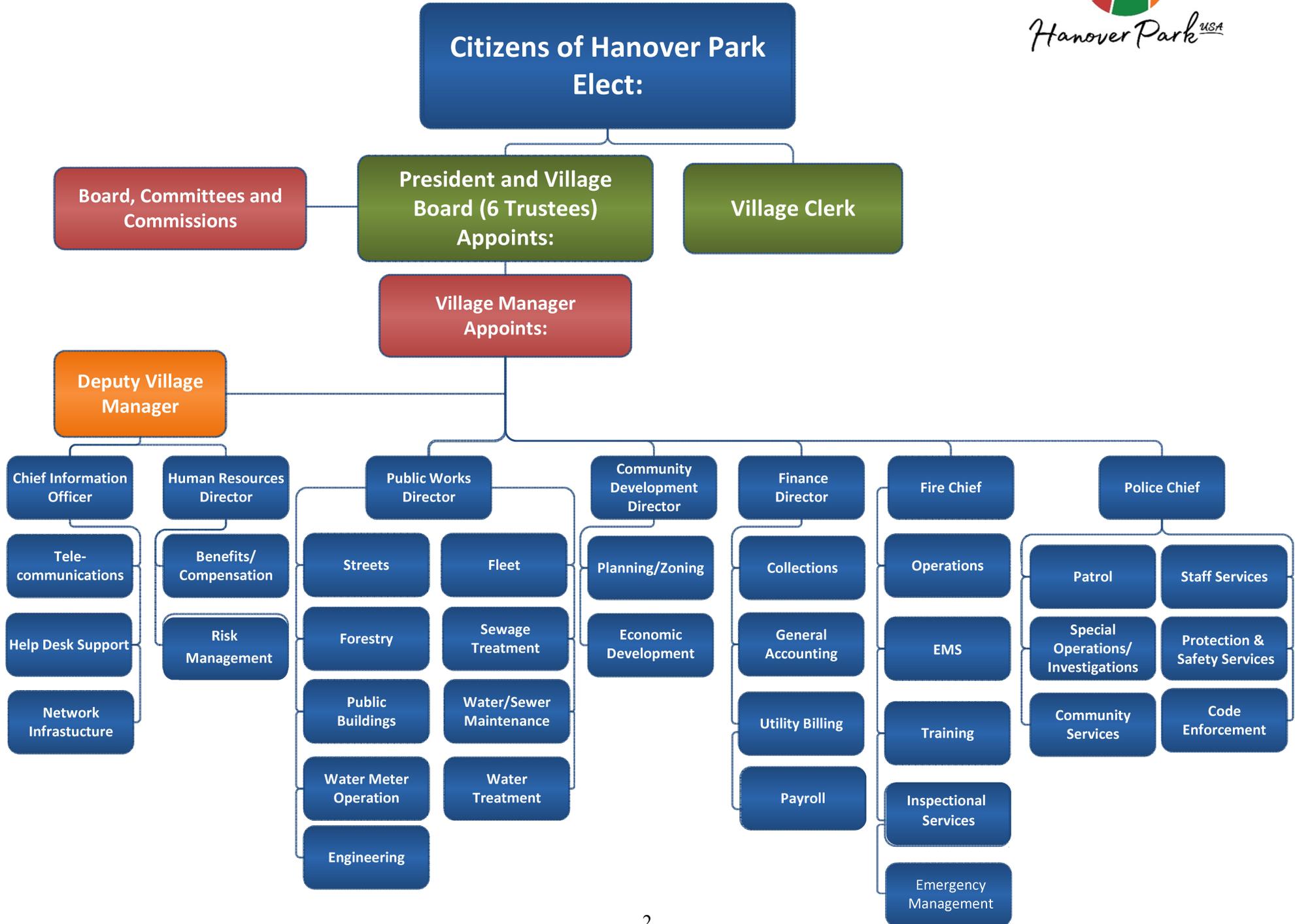
Juliana Maller, Village Manager ([jmaller@hpil.org](mailto:jmaller@hpil.org))

Courtney Sage, Deputy Village Manager ([csage@hpil.org](mailto:csage@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

June 20, 2025

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, 2024, 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, 2024.

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, 2024. 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.

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 2024 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 480 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, 5 new restaurants opened in 2023, and an additional 7 new family-friendly restaurants opened in 2024. More are planned or under construction for 2025.

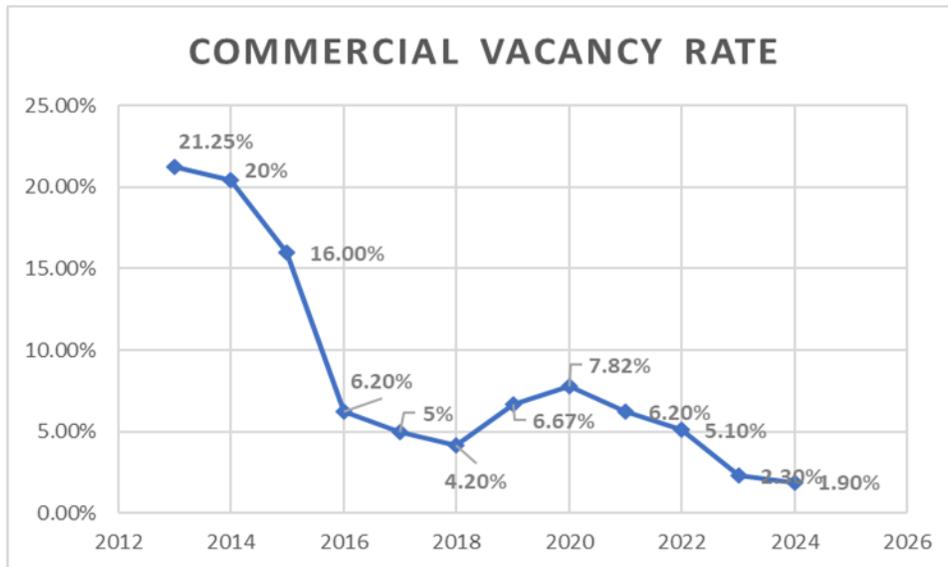
The Village saw an increase in construction activity in 2024, including two residential subdivisions. In addition two small two-lot subdivisions were approved. Construction was completed for a 20-unit townhome development at Wise and Farmstead which was approved as a PUD. Construction was also completed at several ongoing residential subdivisions, including the Habitat for Humanity's Tanglewood Resubdivision (final approvals in 2025), and the LAGambina Homes' Elm Center Resubdivision single-family subdivision. The Village welcomed 18 new businesses in 2024, including Sweet Basil Café, Orale Mexican Bax and Grill, All American Nut & Candy Corp., and several salons.

In 2024, the Village issued permits for \$9.5M of private investment made in the business community. While this is substantially smaller than 2023, several projects permitted in 2023 were completed in 2024 including two new gas stations, and a new fire station. Several of our industrial businesses undertook renovations and buildouts, including Associated Material Handling Industries (new business), and Pentair Filtration Solutions. Industrial vacancy remains very low. Caputo’s Fresh Market undertook a major renovation of their Lake Street store. Additionally, we permitted 78 new and renovated restaurants and several retail/service business renovations, including two refreshed self-storage facilities, a cannabis dispensary, a dental spa, and a Halal food store. A new Chipotle was approved, construction will begin in 2025.

There was an additional \$18 million permitted for residential investment. This includes \$2 million in comprehensive remodels and \$1.1 million in new construction for 3 new single-family houses and a new duplex. Permits were issued for \$2.2 million in window/door replacement alone. Hanover Park has seen increasing investment in single-family houses.

An estimated \$188 million of Real Estate transfers of non-residential property took place in Hanover Park in 2024, including \$90 million of non-residential property. Of this, 3 were industrial zoned properties valued at more than \$10 million.

The Village’s commercial vacancy rate decreased from 21.25% in 2013 to 1.9% at the end of 2024. Our industrial and office vacancies 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 \$11,857,106 or 99.28% of the budgeted amount. This decreased by \$85,990 from budget to actual in FY2024, due to timing on collection and distribution.
- **Home Rule Sales Tax** - the Village collected \$8,157,212 or 82.60% of the budgeted amount. This decreased by \$1,717,788 from budget to actual in FY2024, due to the amount owed to the Illinois Department of Revenue (IDOR) for erroneously distributed taxes, refund or credit issued to a taxpayer where taxes were mistakenly paid on non-taxable transaction to the Village not anticipated in FY2024. 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 \$270,760 or 108.30% of the budgeted amount. This is an increase of \$20,760 from budget to actual in FY2024. The accounts will continue to decrease due to consumers changing to data plans for cell service which are not taxable.

- **Electric Tax** - the Village collected \$901,749 or 98.02% of the budgeted amount. This is a decrease of \$18,251 from budget to actual in FY2024. Taxes are generated based on actual usage and largely dependent on fluctuation in temperatures and population.
- **Natural Gas Tax** - the Village collected \$367,566 or 88.36% of the budgeted amount. This is a decrease of \$48,434 from budget to actual in FY2024. Similar to Electric Tax, taxes are generated based on actual usage and largely dependent on fluctuations in temperature. The natural gas tax rate is \$0.03 cents per therm, effective January 1, 2018.
- **Real Estate Transfer Tax** - the Village collected \$561,550 or 112.31% of the budgeted amount. This is an increase of \$61,550 from budget to actual in FY2024, due to the 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 \$59,399 or 118.80% of the budgeted amount. This is an increase of \$9,399 from budget to actual in FY2024. This revenue is based on the dollar amount of taxes upon the use and privilege of renting and leasing or letting rooms in a hotel or motel at a rate of 3% of the gross receipts.
- **Food and Beverage Tax** - the Village collected \$1,819,465 or 121.30% of the budgeted amount. This is an increase of \$319,465 from budget to actual in FY2024. 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 \$8,889,360 or 90.02% of the budgeted amount. This is a decrease of \$985,640 from budget to actual in FY2024, due to the amount owed to the Illinois Department of Revenue (IDOR) for erroneously distributed taxes, refund or credit issued to a taxpayer where taxes were mistakenly paid on non-taxable transaction to the Village not anticipated in FY2024. This revenue is based on the dollar amount of purchased tangible merchandise within the Village.
- **Use Tax** - the Village collected \$1,328,147 or 88.54% of the budgeted amount. This is a decrease of \$171,853 from budget to actual in FY2024. This account continues to decrease due to the changes in State law regarding the “Leveling the playing field for Illinois Retailer”. 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 \$6,363,170 or 100.21% of the budgeted amount. This is an increase of \$13,170 from budget to actual in FY2024. 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 \$159,173 or 54.89% of the budgeted amount. This is a decrease of \$130,827 from budget to actual in FY2024. 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 \$60,062 or 100.10% of the budgeted amount. This is an increase of \$62 from budget to actual in FY2024. 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 \$251,301 or 108.79% of the budgeted amount. This is an increase of \$20,301 from budget to actual in FY2024. 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 \$19,597 or 126.43% of the budgeted amount. This is an increase of \$4,097 from budget to actual in FY2024. 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 \$4,313,506 or 3,845.16% of the budgeted amount. This is an increase of \$4,201,326 from budget to actual in FY2024. Revenues included in the total are law enforcement camera grant, Invest in Cook grant for the - bicycle & pedestrian facility plan, Build Illinois grant (reimbursement for FY2022 road and resurfacing project) State reimbursement program for police training, reimbursement from DuPage County for mowing charges, Sustained Traffic Enforcement Program (STEP) reimbursement, police special events charges, and fire recovery charges.
- **Licenses and Permits** - the Village collected \$1,321,607 or 91.50% of the budgeted amount. This is a decrease of \$122,718 from budget to actual in FY2024. 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 \$2,383,255 or 95.65% of the budgeted amount. This is a decrease of \$108,400 from budget to actual in FY2024 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 \$1,002,852 or 138.10% of the budgeted amount. This is an increase of \$276,652 from budget to actual in FY2024. The 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 \$2,162,672 or 432.53% of the budgeted amount. This is an increase of \$1,662,672 from budget to actual in FY2024. The increase is due to CD's, Money Market, & Treasury Notes with rates in the upper 4.00%.
- **Miscellaneous Revenue** - the Village collected \$1,420,057 or 131.58% of the budgeted amount. This is an increase of \$340,857 from budget to actual in FY2024. Revenues included in the total are miscellaneous reimbursement, hazardous material reimbursement, bullet proof vest, corporate partnership program, central equipment maintenance funding - water & sewer, other miscellaneous income such as checks from the Village's risk management company IRMA, and one-time reimbursement from taxpayers for overpayment of tax incentives from 2012 - 2020.

The Village’s equalized assessed valuation increased by \$56.9 million, or 6.96%, from \$818 million in the 2022 levy year to \$874.9 million in the 2023 levy year.

Levy Year	Equalized Assessed Valuation	Increase in Equalized Assessed Valuation	Percent Increase (Decrease)
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%
2023	\$874,979,819	\$56,927,540	6.96%

**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 \$1,638,355. 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	\$51,308,840	68.25%
31-Dec-24	\$36,655,196	\$46,767,895**	78.38%

\*\*The \$46,767,895 is the adopted/Amended budget of General Fund for FY2025.

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 costs effectively in Fiscal Year 2024. 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. The Village's Strategic Plan 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. Interest in the Village Center was strong and Staff was able to attract interest from 5 developers who proposed residential projects in the Village Center along with a national restaurant in Church Street Station.
- 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, 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 7 proposals under the new code, including 2 townhomes proposals, 4 multi-family proposals, and a mixed-use daycare.
- The Village held its Business After Hours, Summer Soiree, 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 serves 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.
- All three TIF districts have a positive fund balance and planning and work continues on projects for use of unobligated funds to fully implement the TIF plans.
- Façade Improvement Grants were approved and implemented for properties in all 3 TIF districts, including a major refresh at 1555 Irving Park Rd (Backstreet BBQ & Sushi).
- Two small residential subdivisions were approved.
- Construction was largely completed for the Habitat for Humanity townhomes, on Greenbrook Blvd.
- Fire Station No 16 was completed in July 2024. The former Fire Station No. 16 located on County Farm Road was inadequate to support emergency medical services and fire response in its current design, condition, size, and location. It was undersized in both apparatus floor and living facilities for on-duty personnel. A long-term strategic plan goal had been to replace and relocate this facility. The Village marketed the former fire station for sale with the closing expected in 2025.
- New DuComm Facility 6<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 FY2024. 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 \$3,144 in FY2024. This will be paid off by the year 2030.
- Police Drone Program: In June 2023, the Illinois legislature updated the Drone Act to provide police departments with greater flexibility in the use of drones. As a result, the Police Department implemented a drone program in 2024. The police department will use the drones for searching for missing people, public relations, crime scene photography, security during public events, airborne assistance during high-risk police calls and training. Two drones purchased in 2024: one to be utilized for training and crime scene photography, and the other to be utilized for all other purposes. The Village invested \$29,648 in this initiative for FY2024, which included initial equipment purchases of two drones and first year annual costs. Both drones are compatible with current evidence software utilized by the police department.

- Infrastructure: In 2024, the Village invested \$3,763,985 into the resurfacing and reconstruction of Village streets. Of that, \$263,985 is from state capital grants and another \$1,500,000 is from Motor Fuel Taxes. \$480,000 was budgeted as the Village's Share for the long-awaited replacement of Arlington Drive Bridge. Additionally, the Village is working to improve bicycle and pedestrian facilities by funding the engineering related to the County Farm Road Trail, the Lake Street Multi-Use Path, and the Center Avenue Sidewalk. The Village invested \$4,500,000 in the replacement of the water main. Also, with the help of federal funding sponsored by Rep. Krishnamoorthi, the Village replaced the UV disinfection system at the Wastewater Treatment Plant.

### **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, 2023. This was the 39<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 2025 budget document. This was the 36<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, 2023

*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 opinion of the Village's independent auditing firm.



## INDEPENDENT AUDITOR'S REPORT

June 20, 2025

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, Illinois (the Village), as of and for the year ended December 31, 2024, 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, 2024, 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, 2024, 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 opinion, insofar as it relates to the amounts included for the component unit, is 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 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other 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 June 20, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

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

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

# VILLAGE OF HANOVER PARK, ILLINOIS

## Management's Discussion and Analysis

December 31, 2024

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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 \$159,354,442 (net position) as of December 31, 2024. The unrestricted net position has a positive balance of \$10,028,439 and may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$17,682,679 to \$159,354,442 as of December 31, 2024.
- During the year, government-wide revenues totaled \$81,413,814 while expenses totaled \$63,731,135 resulting in the increase of net position in the amount of \$17,682,679.
- The Village's combined governmental funds ending fund balance increased by \$8,608,405 to \$75,672,321 as of December 31, 2024.
- At the end of the current period, unrestricted (unassigned) fund balance of the General Fund was \$36,655,196 or 78.38% of General Fund adopted FY2025 expenditures budget. The FY2025 annualized budgeted expenditures and other financing uses totaled \$46,767,895.
- The Village's total long-term debt including pension obligation (GASB 68 and GASB 75) and compensated absences liability decreased by \$147,864 to \$71,406,892 compared to FY2023 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, 2024

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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, 2024

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### OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

#### Governmental Funds - Continued

The Village maintains 17 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 nonmajor 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 schedule 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 Waterworks and Sewerage Fund and the Municipal Railroad Parking Lot Fund are considered major funds of the Village and are presented in a separate columns in the Fund Financial Statements. The Internal Service Fund is shown as a single presentation in the Proprietary Fund Financial Statements. Individual fund data for 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, 2024

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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, 2024**

**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, 2024, compared to December 31, 2023:

	Statement of Net Position					
	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2024	2023	2024	2023	2024	2023
Current and Other Assets	\$ 111,864,765	103,571,764	13,478,562	12,061,579	125,343,327	115,633,343
Capital Assets	91,807,606	85,463,056	33,001,010	28,016,008	124,808,616	113,479,064
Total Assets	203,672,371	189,034,820	46,479,572	40,077,587	250,151,943	229,112,407
Deferred Outflows of Resources	11,566,294	15,339,126	2,185,429	2,792,747	13,751,723	18,131,873
Total Assets and Deferred Outflows of Resources	215,238,665	204,373,946	48,665,001	42,870,334	263,903,666	247,244,280
Long-Term Liabilities	64,137,877	67,258,588	7,269,015	4,296,168	71,406,892	71,554,756
Other Liabilities	9,506,093	11,656,972	2,430,843	1,587,738	11,936,936	13,244,710
Total Liabilities	73,643,970	78,915,560	9,699,858	5,883,906	83,343,828	84,799,466
Deferred Inflows of Resources	20,404,473	20,071,539	800,923	701,512	21,205,396	20,773,051
Total Liabilities and Deferred Inflows of Resources	94,048,443	98,987,099	10,500,781	6,585,418	104,549,224	105,572,517
Net Position						
Net Investment in Capital Assets	82,883,029	75,226,618	29,226,024	28,016,008	112,109,053	103,242,626
Restricted	37,216,950	27,786,609	—	—	37,216,950	27,786,609
Unrestricted	1,090,243	2,373,620	8,938,196	8,268,908	10,028,439	10,642,528
Total Net Position	121,190,222	105,386,847	38,164,220	36,284,916	159,354,442	141,671,763

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 \$159,354,442 as of December 31, 2024. The largest portion of the Village's net position reflects its net investment in capital assets of \$112,109,053 or 70.3%. 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, 2024

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

#### Statement of Net Position - Continued

An additional portion of the Village's net position of \$37,216,950 or 23.4% represents resources that are subject to external restrictions on how they may be used. The positive balance of unrestricted net position, \$10,028,439 or 6.3%, may be used to meet the Village's ongoing obligations to citizens and creditors.

The net position of governmental activities totaled \$121,190,222, an increase of 15.0% from Fiscal Year 2023.

The net position of business-type activities totaled \$38,164,220, an increase of 5.2% from Fiscal Year 2023. The unrestricted net position of \$8,938,196 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, 2024**

**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, 2024, compared to December 31, 2023:

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	\$ 4,730,102	4,549,829	11,104,126	10,700,412	15,834,228	15,250,241
Operating Grants and Contrib.	6,179,053	1,762,880	545,316	132,448	6,724,369	1,895,328
General Revenues						
Property Taxes	16,575,520	16,671,650	—	—	16,575,520	16,671,650
Home Rule Sales Taxes	8,157,212	8,142,028	—	—	8,157,212	8,142,028
Utility Taxes	1,540,075	1,573,690	—	—	1,540,075	1,573,690
Other Taxes	2,692,858	2,562,109	—	—	2,692,858	2,562,109
Intergovernmental	19,139,453	17,899,839	—	—	19,139,453	17,899,839
Investment Income	3,620,886	3,262,031	346,659	502,851	3,967,545	3,764,882
Miscellaneous	3,853,170	356,254	2,929,384	2,606,582	6,782,554	2,962,836
Total Revenues	66,488,329	56,780,310	14,925,485	13,942,293	81,413,814	70,722,603
Expenses						
General Government	11,069,502	9,660,692	—	—	11,069,502	9,660,692
Public Works	5,186,235	4,780,144	—	—	5,186,235	4,780,144
Public Safety	28,211,192	26,644,818	—	—	28,211,192	26,644,818
Community Development	4,398,251	4,975,152	—	—	4,398,251	4,975,152
Highways and Streets	1,626,381	2,128,771	—	—	1,626,381	2,128,771
Interest on Long-Term Debt	193,393	235,543	—	—	193,393	235,543
Waterworks and Sewerage	—	—	12,657,800	12,657,540	12,657,800	12,657,540
Municipal Commuter Parking Lot	—	—	388,381	649,304	388,381	649,304
Total Expenses	50,684,954	48,425,120	13,046,181	13,306,844	63,731,135	61,731,964
Change in Net Position Before Transfers	15,803,375	8,355,190	1,879,304	635,449	17,682,679	8,990,639
Transfers	—	30,000	—	(30,000)	—	—
Change in Net Position Before Special Items	15,803,375	8,385,190	1,879,304	605,449	17,682,679	8,990,639
Special Item						
Gain on Sale of Equity Interest	—	936,620	—	—	—	936,620
Change in Net Position	15,803,375	9,321,810	1,879,304	605,449	17,682,679	9,927,259
Net Position - Beginning	105,386,847	96,065,037	36,284,916	35,679,467	141,671,763	131,744,504
Net Position - Ending	121,190,222	105,386,847	38,164,220	36,284,916	159,354,442	141,671,763

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2024

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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

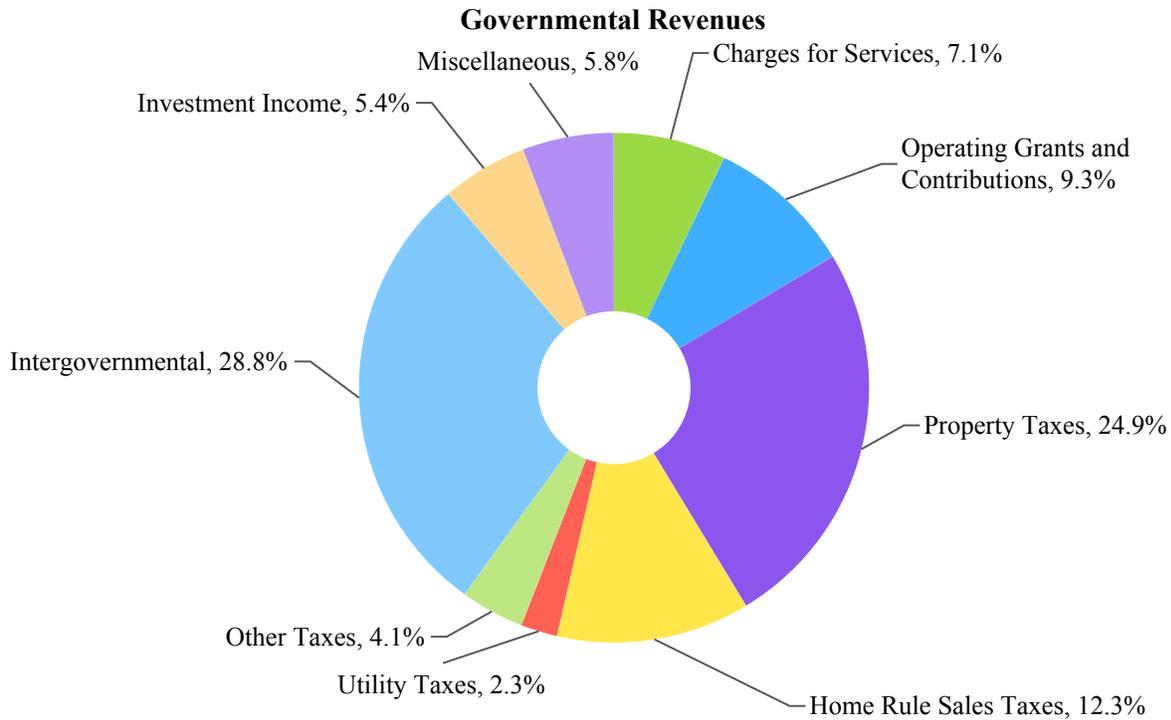
Changes in Net Position - Continued

Net position of the Village’s governmental activities increased by 15.0% or \$15,803,375 (\$121,190,222 in 2024 compared to \$105,386,847 in 2023). Net position of business-type activities increased by 5.2% or \$1,879,304 (\$38,164,220 in 2024 compared to \$36,284,916 in 2023).

Governmental Activities

Revenues

Revenues for governmental activities totaled \$66,488,329 and \$56,780,310 for December 31, 2024 and December 31, 2023 respectively. This is an increase of \$9,708,019.



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

- Charges for services revenues increased by \$180,273 compared to the prior year due to business and liquor licenses, video gaming terminal, ground emergency medical transportation, ambulance services, overweight vehicles fee, and foreclosure registration fee coming in higher.
- Operating grants and contributions revenues increased by \$4,416,173 compared to prior year due to the Rebuild Illinois Grant Funds reimbursement, motor fuel tax allotment, and invest in Cook grant.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management’s Discussion and Analysis**

**December 31, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

**Governmental Activities - Continued**

**Revenues - Continued**

- Property taxes revenues decreased by \$96,130 compared to prior year due to delayed/timing in receiving property tax revenue.
- Home rule sales taxes increased by \$15,184 compared to the previous year due to a general increase in retail sales and sales generated by retailers located in the Village.
- Utility Taxes decreased by \$33,615 compared to the previous 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 increased by \$130,749 compared to prior year due to hotel & motel tax, food and beverage tax, gasoline tax, and foreign fire fee.
- Intergovernmental revenues increased by \$1,239,614 compared to prior year due to general increase in retail sales and sales generated by new retailers located in the Village and the steady stream of the state income tax, cannabis use tax, video gaming tax, and auto rental tax. Grant reimbursement from MWRDGC and EPA for the West Branch Stabilization Anne Fox project is also included.
- Investment income increased by \$358,855 due to CD’s Treasury notes, and Money Market accounts with rates in the upper 4.00%.
- Miscellaneous revenues increased by \$3,496,916 compared to the previous year. These revenues are not consistent revenue sources such as hazardous material, OJP bullet proof vest, mental wellness screening, confiscated permit bonds, unclaimed property, claim reimbursement, reimbursement expenses of Village Corporate Counsel, corporate partnership sponsors, offset by the decrease in maintenance of water and sewer equipment funding, and reimbursement from other local government joint project (Anne Fox).

	Changes in Governmental Activities Revenues			
	2024	2023	Increase (Decrease)	% Increase (Decrease)
Charges for Services	\$ 4,730,102	4,549,829	180,273	3.96%
Operating Grants and Contrib.	6,179,053	1,762,880	4,416,173	250.51%
Property Taxes	16,575,520	16,671,650	(96,130)	(0.58%)
Home Rule Sales Taxes	8,157,212	8,142,028	15,184	0.19%
Utility Taxes	1,540,075	1,573,690	(33,615)	(2.14%)
Other Taxes	2,692,858	2,562,109	130,749	5.10%
Intergovernmental	19,139,453	17,899,839	1,239,614	6.93%
Investment Income	3,620,886	3,262,031	358,855	11.00%
Miscellaneous	3,853,170	356,254	3,496,916	981.58%
	<u>66,488,329</u>	<u>56,780,310</u>	<u>9,708,019</u>	<u>17.10%</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management’s Discussion and Analysis**

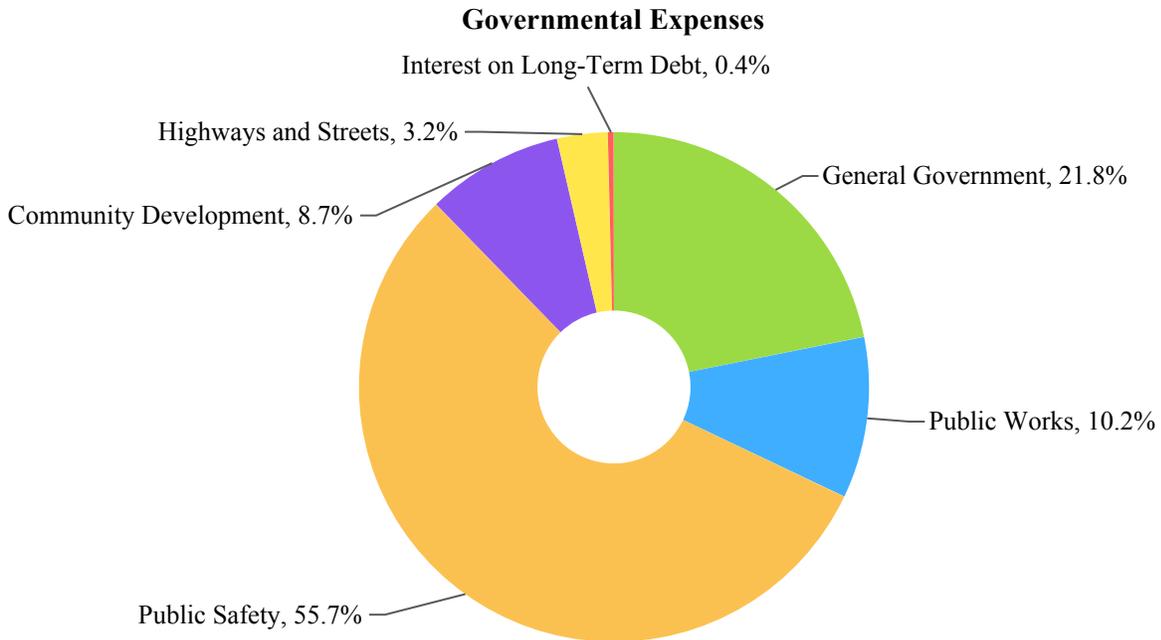
**December 31, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

**Governmental Activities - Continued**

*Expenses*

For the year ending December 31, 2024, governmental expenses totaled \$50,684,954. There is an increase of \$2,259,834 or 4.67% from the December 31, 2023 expenses of \$48,425,120. The increase is due to implementation of GASB 101 (Compensated absences), personal services (salaries, pension etc.) less street program resurfacing and lower incentive tax payment. Village management closely monitored expenditures to make sure we stayed within budget.



**Changes in Governmental Activities Expenses**

	2024	2023	Increase (Decrease)	% Increase (Decrease)
General Government	\$ 11,069,502	9,660,692	1,408,810	14.58%
Public Works	5,186,235	4,780,144	406,091	8.50%
Public Safety	28,211,192	26,644,818	1,566,374	5.88%
Community Development	4,398,251	4,975,152	(576,901)	(11.60%)
Highways and Streets	1,626,381	2,128,771	(502,390)	(23.60%)
Interest on Long-Term Debt	193,393	235,543	(42,150)	(17.89%)
	<u>50,684,954</u>	<u>48,425,120</u>	<u>2,259,834</u>	<u>4.67%</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2024

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

**Business-Type Activities**

Business-type activities posted total revenues of \$14,925,485 while the cost of all business-type activities totaled \$13,046,181, showing a surplus of \$1,879,304. In 2023, revenues of \$13,942,293 and expenses of \$13,306,844 showed a surplus of \$635,449 before transfers out of \$30,000.

*Revenues*

Proprietary Fund, for the fiscal year ending December 31, 2024, revenues for the business-type activities totaled \$14,925,485, showing an increase of \$983,192, or 7.1% from FY2023. This is due to a rate increase of 4.5% for water & sewer and 8.00% for infrastructure service charge, commuter permit fees, and UV reimbursement grant for UV disinfection replacement project.

Waterworks and Sewerage increased by \$980,175 or 7.2% compared to prior year due to a rate increase of 4.5% for water & sewer and 8.00% for infrastructure service charge effective January 1, 2024, and UV reimbursement grant for UV disinfection replacement project.

Municipal Commuter Parking Lot increased by \$3,017 or 1.1% compared to prior year due to final reimbursement expenses from Build Illinois Grant for Metra Crossing Safety Project. Switch to daily permit only effective June 2024 from pay-by-space to pay-by-plate. Slight increase in commuter daily parking fee \$1.75.

	Changes in Business-Type Activities Revenues			
	2024	2023	Increase	% Increase
Waterworks and Sewerage	\$ 14,655,453	13,675,278	980,175	7.2%
Municipal Railroad Parking Lot	270,032	267,015	3,017	1.1%
	<u>14,925,485</u>	<u>13,942,293</u>	<u>983,192</u>	<u>7.1%</u>

*Expenses*

Expenses for the year ending December 31, 2024, totaled \$13,046,181. It shows a decrease of \$260,663 or 2.0% over the FY2023 expenses of \$13,306,844. The decrease is due to the completion of the project in Municipal Railroad Parking Lot for the Metra Crossing Safety Grant expense reimbursement through a Build Illinois Grant, and parking maintenance and improvement at the Metra Station.

	Changes in Business-Type Activities Expenses			
	2024	2023	Increase (Decrease)	% Increase (Decrease)
Waterworks and Sewerage	\$ 12,657,800	12,657,540	260	—%
Municipal Railroad Parking Lot	388,381	649,304	(260,923)	(40.2%)
	<u>13,046,181</u>	<u>13,306,844</u>	<u>(260,663)</u>	<u>(2.0%)</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management’s Discussion and Analysis**

**December 31, 2024**

**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 \$75,672,321 which is \$8,608,405 or 12.8%, higher than last year’s total of \$67,063,916. Of the \$75,672,321 total, \$36,655,196 or approximately 48.4% 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 increased by \$7,797,388 to \$42,852,062 of which \$36,655,196 is the unassigned amount. The increase is due to receiving the Rebuild Illinois reimbursement grant, and the one-time revenue for the dissolution of Hanover Square LLC. Local share of state sales taxes and the home rule sales taxes in retail sales and sales generated by new retailers located in the Village and the steady stream of the state income tax investment income due to higher CD’s, Money Market and Treasury Note rates in upper 4.00%. 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)			
	2021	2022	2023	2024
Revenues, Transfers and Disposals	\$ 48,785,026	53,021,018	48,295,349	55,892,783
Expenditures and Transfers	39,852,049	52,945,706	51,108,841	48,095,395
Results of Operations	8,932,977	75,312	(2,813,492)	7,797,388
Fund Balance - Beginning	28,859,877	37,792,854	37,868,166	35,054,674
Fund Balance - Ending	37,792,854	37,868,166	35,054,674	42,852,062
Reserved/Nonspendable and Restricted	33,231	55,174	37,833	6,196,866
Unassigned	37,759,623	37,812,992	35,016,841	36,655,196
Total Fund Balance	37,792,854	37,868,166	35,054,674	42,852,062
Unassigned Fund Balance as a Percentage of Budgeted Expenditures	94.75%	74.42%	71.19%	78.38%

VILLAGE OF HANOVER PARK, ILLINOIS

Management’s Discussion and Analysis

December 31, 2024

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 \$6,807, 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 sold on December 15, 2023. As of December 31, 2024, the Tax Increment Financing #3 saw an increase of \$499,830. The increase was due to investment income due to higher CD’s, Money Market and Treasury Note rates in upper 4.00%, and the remaining capital 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, 2024, the Capital Projects Fund saw a decrease of \$2,397,949. A decision was made by the Village Board to use a portion of the Fund Balance to offset the construction of Fire Station #16. In addition, the Village completed the west branch stabilization Anne Fox project.

**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 Waterworks and Sewerage and the Municipal Commuter Parking Lot as major proprietary funds. 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 \$10.21 per 1,000 gallons. The sewer rate is \$2.26 per 1,000 gallons for Cook County residents and \$6.08 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 was put in place in 2023. 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 2024. Total operating revenues were \$14,655,453 (including grants) versus \$12,657,800 in operating expenditures. As of December 31, 2024, the overall net position in this fund increased by \$1,997,653 (including grants).

	Waterworks and Sewerage Fund Revenues			
	2024	2023	Increase (Decrease)	% Increase (Decrease)
Water Sales	\$ 7,407,518	7,088,889	318,629	4.49%
Sewer Sales	2,897,285	2,804,656	92,629	3.30%
Leachate Treatment	188,458	176,924	11,534	6.52%
Interest	342,589	499,102	(156,513)	(31.36%)
Other Revenues	3,819,603	3,105,707	713,896	22.99%
	<u>14,655,453</u>	<u>13,675,278</u>	<u>980,175</u>	<u>7.17%</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management’s Discussion and Analysis**

**December 31, 2024**

**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 2024. Total operating expenditures were \$388,381 versus \$270,032 in operating revenues. The overall net position in this fund as of December 31, 2024 decreased by \$118,349. The Municipal Railroad Parking Lot continues to struggle due to lack of parking activity.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During 2024, the Village Board approved a budget amendment to increase the budget by \$336,927 due to tax incentive payments exceeding the budgeted amount. This increase was fully offset by unanticipated revenue ensuring no negative impact on the overall financial position of the Village. A separate budget amendment was approved to increase the budget by \$71,857 to facilitate the transfer of funds to a newly established National Opioid Settlement Fund. This fund was created to monitor and manage opioid settlement-related activities and to meet the required quarterly reporting obligations. The revenue to fund this transfer was originally recorded in the General Fund. A budget amendment was also approved to pay the amount owed to the Illinois Department of Revenue (IDOR) by \$1,079,643 due to erroneously distributed taxes, and a refund issued to taxpayers where taxes were mistakenly paid on non-taxable transaction to the Village. A budget amendment was approved to increase revenue budget by \$940,699 due to reimbursement from taxpayers of incentives taxes from 2012 – 2020 triggered by the audit performed by the Illinois Department of Revenue (IDPR). Another budget amendment was approved to increase the revenue budget by \$2,032,639 a one-time transfer due to dissolution of Hanover Square LLC.

General Fund actual revenues (including other financing sources) for the year totaled \$55,892,783 compared to budgeted revenues of \$52,152,795. It shows a difference of \$3,739,988. This is due to receiving the Rebuild Illinois reimbursement grant, and the one-time revenue for dissolution of Hanover Square LLC. Local share of state sales tax, state income tax, and investment income due to higher CD’s, Money Market and Treasury Note rates in upper 4.00%.

The General Fund actual expenditures (including other financing uses) for the year totaled \$48,095,395. This is \$2,579,691 or 5.1% lower than final budgeted expenditures of \$50,675,086. The staff has been diligently monitoring expenses to ensure that the Village remains stable, while still providing core services in the most responsible way.

	2024			2023 Actual
	Original Budget	Final Budget	Actual	
Revenues	\$ 49,188,457	50,129,156	53,669,644	48,295,349
Expenditures	43,668,647	45,085,217	42,505,527	39,870,829
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,519,810	5,043,939	11,164,117	8,424,520
Other Financing Sources	—	2,023,639	2,223,139	—
Other Financing (Uses)	(5,518,012)	(5,589,869)	(5,589,868)	(11,238,012)
Net Change in Fund Balance	1,798	1,477,709	7,797,388	(2,813,492)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Management’s Discussion and Analysis**

**December 31, 2024**

**CAPITAL ASSETS**

The Village’s investment in capital assets for its governmental and business-type activities as of December 31, 2024, was \$124,808,616 (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	
	2024	2023	2024	2023	2024	2023
Land	\$ 4,437,543	4,770,078	2,254,634	2,254,634	6,692,177	7,024,712
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	74,880	10,141,514	5,490,384	136,741	5,565,264	10,278,255
Buildings	28,733,484	20,198,448	4,681,715	4,885,687	33,415,199	25,084,135
Machinery, Equipment, and Vehicles	7,636,884	7,986,303	917,111	784,018	8,553,995	8,770,321
Improvements Other Than Buildings	8,828,674	6,979,898	3,778,882	3,923,478	12,607,556	10,903,376
Infrastructure	16,451,279	9,649,903	—	—	16,451,279	9,649,903
Subscription Assets	552,298	644,348	—	—	552,298	644,348
Underground Systems	—	—	15,878,284	16,031,450	15,878,284	16,031,450
	<u>91,807,606</u>	<u>85,463,056</u>	<u>33,001,010</u>	<u>28,016,008</u>	<u>124,808,616</u>	<u>113,479,064</u>

This year's major additions included:

Land	\$ 68,531
Construction in Progress	5,428,523
Machinery, Equipment, and Vehicles	1,384,893
Improvements Other Than Buildings	2,533,590
Infrastructure	6,526,080
Underground Systems	<u>325,818</u>
	<u><u>16,267,435</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, 2024

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### DEBT ADMINISTRATION

The Village's total outstanding debt excluding the net pension liability, IMRF, OPEB, and compensated absences increased by \$2,611,682 or 28.40% compared to the prior fiscal year. A key factor in this increase was due to the Village issuing \$3,774,986 of IEPA loan payable during Fiscal Year 2024.

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		Business-Type		Total	
	Activities		Activities		Primary Government	
	2024	2023	2024	2023	2024	2023
General Obligation Bonds	\$ 7,545,000	8,640,000	—	—	7,545,000	8,640,000
Subscriptions Payable	488,232	556,536	—	—	488,232	556,536
IEPA Loan Payable	—	—	3,774,986	—	3,774,986	—
	8,033,232	9,196,536	—	—	8,033,232	9,196,536

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 2025 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. The current economic conditions continue to show moderate growth in some areas while also gaining stability in areas such as permit fee revenue. A recent trend has shown moderate growth with local share of state sales tax and home rule sales tax compared to FY2024.

The Village passed a balance budget for FY2025 with zero percent (0.00%) 2024 tax levy increase (9<sup>th</sup> year in a row). A water and sewer rate increase was passed for 4.5% effective January 1, 2025 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, 2025 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, 2024**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Statement of Net Position  
December 31, 2024**

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Totals	Unit Hanover Square
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 81,799,196	10,866,809	92,666,005	—
Receivables - Net of Allowances	24,929,625	2,023,649	26,953,274	—
Due from Other Governments	3,417,218	1,873,731	5,290,949	—
Internal Balances	1,300,000	(1,300,000)	—	—
Prepays	38,218	14,373	52,591	—
Inventories	23,669	—	23,669	—
Total Current Assets	111,507,926	13,478,562	124,986,488	—
Noncurrent Assets				
Capital Assets				
Nondepreciable	29,604,987	7,745,018	37,350,005	—
Depreciable	121,673,004	53,358,007	175,031,011	—
Accumulated Depreciation	(59,470,385)	(28,102,015)	(87,572,400)	—
	91,807,606	33,001,010	124,808,616	—
Other Assets				
Net Pension Asset - SLEP	356,839	—	356,839	—
Total Noncurrent Assets	92,164,445	33,001,010	125,165,455	—
Total Assets	203,672,371	46,479,572	250,151,943	—
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	3,405,908	1,498,483	4,904,391	—
Deferred Items - SLEP	57,415	—	57,415	—
Deferred Items - Police Pension	3,905,207	—	3,905,207	—
Deferred Items - Firefighters' Pension	2,157,879	—	2,157,879	—
Deferred Items - RBP	1,911,951	380,472	2,292,423	—
Deferred Items - ARO	—	306,474	306,474	—
Unamortized Loss on Refunding	127,934	—	127,934	—
Total Deferred Outflows of Resources	11,566,294	2,185,429	13,751,723	—
Total Assets and Deferred Outflows of Resources	215,238,665	48,665,001	263,903,666	—

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	\$ 2,465,036	2,000,649	4,465,685	—
Accrued Payroll	1,238,441	156,897	1,395,338	—
Unearned Revenues	38,958	—	38,958	—
Other Payable	4,001,461	18,450	4,019,911	—
Accrued Interest Payable	25,150	—	25,150	—
Current Portion of Long-Term Debt	1,737,047	254,847	1,991,894	—
Total Current Liabilities	9,506,093	2,430,843	11,936,936	—
Noncurrent Liabilities				
Compensated Absences Payable	4,196,105	663,875	4,859,980	—
Net Pension Liability - IMRF	3,491,659	1,540,365	5,032,024	—
Net Pension Liability - Police Pension	29,058,294	—	29,058,294	—
Net Pension Liability - Firefighters' Pension	14,027,790	—	14,027,790	—
Total OPEB Liability - RBP	5,516,574	1,097,988	6,614,562	—
General Obligation Bonds Payable - Net	7,429,279	—	7,429,279	—
Subscriptions Payable	418,176	—	418,176	—
IEPA Loan Payable	—	3,616,787	3,616,787	—
Asset Retirement Obligation	—	350,000	350,000	—
Total Noncurrent Liabilities	64,137,877	7,269,015	71,406,892	—
Total Liabilities	73,643,970	9,699,858	83,343,828	—
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	13,856,234	—	13,856,234	—
Leases	880,963	—	880,963	—
Deferred Items - IMRF	34,513	16,387	50,900	—
Deferred Items - Police Pension	478,913	—	478,913	—
Deferred Items - Firefighters' Pension	1,211,386	—	1,211,386	—
Deferred Items - RBP	3,942,464	784,536	4,727,000	—
Total Deferred Inflows of Resources	20,404,473	800,923	21,205,396	—
Total Liabilities and Deferred Inflows of Resources	94,048,443	10,500,781	104,549,224	—
<b>NET POSITION</b>				
Net Investment in Capital Assets	82,883,029	29,226,024	112,109,053	—
Restricted				
Public Safety	586,464	—	586,464	—
Highways and Streets	8,329,317	—	8,329,317	—
Community Development	26,806,714	—	26,806,714	—
Debt Service	623,284	—	623,284	—
Special Service Areas	514,332	—	514,332	—
IMRF	356,839	—	356,839	—
Unrestricted	1,090,243	8,938,196	10,028,439	—
Total Net Position	121,190,222	38,164,220	159,354,442	—

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, 2024**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 11,069,502	1,364,717	4,177,724	—
Public Works	5,186,235	397,616	—	—
Public Safety	28,211,192	2,888,977	135,782	—
Community Development	4,398,251	78,792	—	—
Highways and Streets	1,626,381	—	1,865,547	—
Interest on Long-Term Debt	193,393	—	—	—
Total Governmental Activities	50,684,954	4,730,102	6,179,053	—
<b>Business-Type Activities</b>				
Waterworks and Sewerage	12,657,800	10,970,560	412,942	—
Municipal Commuter Parking Lot	388,381	133,566	132,374	—
Total Business-Type Activities	13,046,181	11,104,126	545,316	—
Total Primary Government	63,731,135	15,834,228	6,724,369	—
<b>Discretely Presented Component Unit</b>				
Hanover Square	15,234	—	—	—

- 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

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	
(5,527,061)	—	(5,527,061)	—	
(4,788,619)	—	(4,788,619)	—	
(25,186,433)	—	(25,186,433)	—	
(4,319,459)	—	(4,319,459)	—	
239,166	—	239,166	—	
(193,393)	—	(193,393)	—	
(39,775,799)	—	(39,775,799)	—	
—	(1,274,298)	(1,274,298)	—	
—	(122,441)	(122,441)	—	
—	(1,396,739)	(1,396,739)	—	
(39,775,799)	(1,396,739)	(41,172,538)	—	
—	—	—	(15,234)	
16,575,520	—	16,575,520	—	
8,157,212	—	8,157,212	—	
1,540,075	—	1,540,075	—	
2,692,858	—	2,692,858	—	
8,889,360	—	8,889,360	—	
1,328,147	—	1,328,147	—	
6,363,170	—	6,363,170	—	
2,558,776	—	2,558,776	—	
3,620,886	346,659	3,967,545	—	
3,853,170	2,929,384	6,782,554	—	
55,579,174	3,276,043	58,855,217	—	
15,803,375	1,879,304	17,682,679	(15,234)	
105,386,847	36,284,916	141,671,763	15,234	
121,190,222	38,164,220	159,354,442	—	

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

VILLAGE OF HANOVER PARK, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2024

	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 38,173,730
Receivables - Net of Allowances	
Taxes	17,580,985
Accounts	545,148
Leases	918,199
Accrued Interest	3,169,041
Grants	—
Due from Other Governments	1,932,556
Advances to Other Funds	1,300,000
Prepays	38,218
Inventories	<u>23,669</u>
Total Assets	<u><u>63,681,546</u></u>
<b>LIABILITIES</b>	
Accounts Payable	1,102,562
Accrued Payroll	1,238,441
Unearned Revenues	38,958
Other Payable	<u>5,621,664</u>
Total Liabilities	<u><u>8,001,625</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	11,946,896
Leases	<u>880,963</u>
Total Deferred Inflows of Resources	<u><u>12,827,859</u></u>
Total Liabilities and Deferred Inflows of Resources	<u><u>20,829,484</u></u>
<b>FUND BALANCES</b>	
Nonspendable	61,887
Restricted	6,134,979
Assigned	—
Unassigned	<u>36,655,196</u>
Total Fund Balances	<u><u>42,852,062</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>63,681,546</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
1,275,020	17,455,610	799,913	12,547,199	70,251,472
—	—	—	1,909,342	19,490,327
—	—	314,888	110,272	970,308
—	—	—	—	918,199
—	91,363	38,936	17,683	3,317,023
—	—	—	—	—
140,703	—	1,343,959	—	3,417,218
—	—	—	—	1,300,000
—	—	—	—	38,218
—	—	—	—	23,669
1,415,723	17,546,973	2,497,696	14,584,496	99,726,434
44,099	25,630	427,719	569,624	2,169,634
—	—	—	—	1,238,441
—	—	—	—	38,958
—	84,433	—	163,786	5,869,883
44,099	110,063	427,719	733,410	9,316,916
—	—	—	1,909,338	13,856,234
—	—	—	—	880,963
—	—	—	1,909,338	14,737,197
44,099	110,063	427,719	2,642,748	24,054,113
—	—	—	—	61,887
1,371,624	17,436,910	—	11,941,748	36,885,261
—	—	2,069,977	—	2,069,977
—	—	—	—	36,655,196
1,371,624	17,436,910	2,069,977	11,941,748	75,672,321
1,415,723	17,546,973	2,497,696	14,584,496	99,726,434

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, 2024

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<b>Total Governmental Fund Balances</b>	\$ 75,672,321
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.	91,807,606
Less: Internal Service Capital Assets	(5,216,255)
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.	16,214,113
Revenue that is deferred in the funds financial statement because it is not available and recognized as revenue in the government-wide financial statements.	1,868,422
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds. Net Pension Asset - SLEP	356,839
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	3,371,395
Deferred Items - SLEP	57,415
Deferred Items - Police Pension	3,426,294
Deferred Items - Firefighters' Pension	946,493
Deferred Items - RBP	(2,030,513)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(4,416,952)
Net Pension Liability - IMRF	(3,491,659)
Net Pension Liability - Police Pension	(29,058,294)
Net Pension Liability - Firefighters' Pension	(14,027,790)
Total OPEB Liability - RBP	(5,827,718)
General Obligation Bonds Payable - Net	(8,564,279)
Unamortized Loss on Refunding	127,934
Accrued Interest Payable	(25,150)
<b>Net Position of Governmental Activities</b>	<u>121,190,222</u>

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, 2024**

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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, 2024

	<u>General</u>
Revenues	
Taxes	\$ 23,994,885
Intergovernmental	21,384,316
Licenses and Permits	1,321,607
Charges for Services	2,383,255
Fines and Forfeitures	1,002,852
Investment Income	2,162,672
Miscellaneous	1,420,057
Total Revenues	<u>53,669,644</u>
Expenditures	
Current	
General Government	5,300,672
Public Works	5,186,235
Public Safety	27,869,087
Community Development	4,149,533
Highways and Streets	—
Capital Outlay	—
Debt Service	
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>42,505,527</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>11,164,117</u>
Other Financing Sources (Uses)	
Disposal of Capital Assets	190,500
Transfers In	2,032,639
Transfers Out	(5,589,868)
	<u>(3,366,729)</u>
Net Change in Fund Balances	7,797,388
Fund Balances - Beginning	<u>35,054,674</u>
Fund Balances - Ending	<u><u>42,852,062</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
—	1,926,483	—	3,044,297	28,965,665
1,665,547	—	2,065,452	203,191	25,318,506
—	—	—	—	1,321,607
—	—	—	2,100	2,385,355
—	—	—	20,288	1,023,140
91,607	656,190	129,165	211,116	3,250,750
—	15,361	2,382,886	50,100	3,868,404
1,757,154	2,598,034	4,577,503	3,531,092	66,133,427
—	—	59,759	750	5,361,181
—	—	—	—	5,186,235
—	—	—	74,936	27,944,023
—	42,625	—	206,093	4,398,251
—	—	—	1,380,380	1,380,380
1,763,961	22,940	7,733,705	2,484,246	12,004,852
—	—	—	1,095,000	1,095,000
—	—	—	345,600	345,600
1,763,961	65,565	7,793,464	5,587,005	57,715,522
(6,807)	2,532,469	(3,215,961)	(2,055,913)	8,417,905
—	—	—	—	190,500
—	—	818,012	4,771,856	7,622,507
—	(2,032,639)	—	—	(7,622,507)
—	(2,032,639)	818,012	4,771,856	190,500
(6,807)	499,830	(2,397,949)	2,715,943	8,608,405
1,378,431	16,937,080	4,467,926	9,225,805	67,063,916
1,371,624	17,436,910	2,069,977	11,941,748	75,672,321

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, 2024**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 8,608,405</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	10,123,920
Depreciation Expense	(3,360,916)
Disposals - Cost	(674,770)
Disposals - Accumulated Depreciation	256,316
Less: Internal Service Funds	162,849
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.	1,951,702
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.	352,145
The change in equity interest in Hanover Square is reported only in the Statement of Activities	(15,234)
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	82,746
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	(1,133,448)
Change in Deferred Items - SLEP	(24,389)
Change in Deferred Items - Police Pension	(1,808,287)
Change in Deferred Items - Firefighters' Pension	(279,895)
Change in Deferred Items - RBP	(955,035)
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	(3,291,474)
Change in Net Pension Liability - IMRF	1,717,595
Change in Net Pension Liability - Police Pension	1,952,144
Change in Net Pension Liability - Firefighters' Pension	456,489
Change in Total OPEB Liability - RBP	435,305
Retirement of Debt - Net	1,264,879
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>3,650</u>
<b>Changes in Net Position of Governmental Activities</b>	<b><u><u>15,803,375</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, 2024**

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**See Following Page**

VILLAGE OF HANOVER PARK, ILLINOIS

Statement of Net Position - Proprietary Funds  
December 31, 2024

	Business-Type Activities		Totals	Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot		Activities
				Internal Service
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 10,368,860	497,949	10,866,809	11,547,724
Receivables - Net of Allowances				
Accounts	1,296,855	—	1,296,855	41,027
Accrued Interest	694,472	32,322	726,794	192,741
Due from Other Governments	1,847,546	26,185	1,873,731	—
Prepays	14,373	—	14,373	—
Total Current Assets	14,222,106	556,456	14,778,562	11,781,492
Noncurrent Assets				
Capital Assets				
Nondepreciable	6,427,501	1,317,517	7,745,018	—
Depreciable	50,814,870	2,543,137	53,358,007	14,459,015
Accumulated Depreciation	(26,506,061)	(1,595,954)	(28,102,015)	(9,242,760)
Total Noncurrent Assets	30,736,310	2,264,700	33,001,010	5,216,255
Total Assets	44,958,416	2,821,156	47,779,572	16,997,747
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	1,426,266	72,217	1,498,483	—
Deferred Items - RBP	354,351	26,121	380,472	—
Deferred Items - ARO	306,474	—	306,474	—
Total Deferred Outflow of Resources	2,087,091	98,338	2,185,429	—
Total Assets and Deferred Outflow of Resources	47,045,507	2,919,494	49,965,001	16,997,747

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	\$ 1,996,939	3,710	2,000,649	295,402
Accrued Payroll	148,508	8,389	156,897	—
Other Payables	17,900	550	18,450	—
Advances from Other Funds	—	1,300,000	1,300,000	—
Compensated Absences Payable	250,596	4,251	254,847	70,056
Total Current Liabilities	2,413,943	1,316,900	3,730,843	365,458
Noncurrent Liabilities				
Compensated Absences Payable	663,875	—	663,875	—
Net Pension Liability - IMRF	1,466,231	74,134	1,540,365	—
Total OPEB Liability - RBP	1,022,622	75,366	1,097,988	—
Subscriptions Payable	—	—	—	418,176
IEPA Loan Payable	3,616,787	—	3,616,787	—
Asset Retirement Obligation	350,000	—	350,000	—
Total Noncurrent Liabilities	7,119,515	149,500	7,269,015	418,176
Total Liabilities	9,533,458	1,466,400	10,999,858	783,634
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	15,637	750	16,387	—
Deferred Items - RBP	730,675	53,861	784,536	—
Total Deferred Inflows of Resources	746,312	54,611	800,923	—
Total Liabilities and Deferred Inflows of Resources	10,279,770	1,521,011	11,800,781	783,634
<b>NET POSITION</b>				
Net Investment in Capital Assets	26,961,324	2,264,700	29,226,024	4,728,023
Unrestricted (Deficit)	9,804,413	(866,217)	8,938,196	11,486,090
Total Net Position	36,765,737	1,398,483	38,164,220	16,214,113

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, 2024

	Business-Type Activities			Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot	Totals	Internal Service
Operating Revenues				
Charges for Services	\$ 10,970,560	133,566	11,104,126	—
Interfund Services	—	—	—	2,967,627
Total Operating Revenues	10,970,560	133,566	11,104,126	2,967,627
Operating Expenses				
Administrative	2,160,396	—	2,160,396	—
Operations	9,413,753	308,203	9,721,956	182,295
Depreciation and Amortization	1,083,651	80,178	1,163,829	1,189,491
Total Operating Expenses	12,657,800	388,381	13,046,181	1,371,786
Operating Income (Loss)	(1,687,240)	(254,815)	(1,942,055)	1,595,841
Nonoperating Revenues (Expenses)				
Infrastructure Charge	2,929,362	—	2,929,362	—
State Grants	412,942	132,374	545,316	—
Investment Income	342,589	4,070	346,659	370,136
Interest Expense	—	—	—	(14,275)
Miscellaneous	—	22	22	—
	3,684,893	136,466	3,821,359	355,861
Change in Net Position	1,997,653	(118,349)	1,879,304	1,951,702
Net Position - Beginning	34,768,084	1,516,832	36,284,916	14,262,411
Net Position - Ending	36,765,737	1,398,483	38,164,220	16,214,113

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, 2024**

	Business-Type Activities - Enterprise			Governmental
	Waterworks and Sewerage	Municipal Commuter Parking Lot	Totals	Activities Internal Service
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers and Users	\$ 13,299,996	241,479	13,541,475	—
Interfund Services Provided	—	—	—	2,836,572
Payments to Suppliers	(7,741,491)	(402,040)	(8,143,531)	(3,963)
Payments to Employees	(2,552,366)	(139,182)	(2,691,548)	—
	<u>3,006,139</u>	<u>(299,743)</u>	<u>2,706,396</u>	<u>2,832,609</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of Capital Assets	(6,079,855)	(63,660)	(6,143,515)	(1,031,478)
Disposal of Capital Assets	1,938	—	1,938	4,836
Issuance of Debt	3,774,986	—	3,774,986	—
Principal Paid on Debt	—	—	—	(68,304)
Principal Retirement	—	—	—	(14,275)
	<u>(2,302,931)</u>	<u>(63,660)</u>	<u>(2,366,591)</u>	<u>(1,109,221)</u>
<b>Cash Flows from Investing Activities</b>				
Investment Income	342,589	4,070	346,659	370,136
Net Change in Cash and Cash Equivalents	1,045,797	(359,333)	686,464	2,093,524
Cash and Cash Equivalents - Beginning	9,323,063	857,282	10,180,345	9,454,200
Cash and Cash Equivalents - Ending	<u>10,368,860</u>	<u>497,949</u>	<u>10,866,809</u>	<u>11,547,724</u>
<b>Reconciliation of Operating Income to Net Cash</b>				
Provided (Used) by Operating Activities				
Operating Income (Loss)	(1,687,240)	(254,815)	(1,942,055)	1,595,841
Adjustments to Reconcile Operating Income to Net				
Cash Provided by (Used in) Operating Activities:				
Depreciation and Amortization	1,083,651	80,178	1,163,829	1,189,491
Other Income	3,054,134	113,733	3,167,867	—
(Increase) Decrease in Current Assets	(724,698)	(5,820)	(730,518)	(131,055)
Increase (Decrease) in Current Liabilities	1,280,292	(233,019)	1,047,273	178,332
Net Cash Provided by Operating Activities	<u>3,006,139</u>	<u>(299,743)</u>	<u>2,706,396</u>	<u>2,832,609</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, 2024**

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	<u>Pension Trust</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 2,860,707
Investments	
Illinois Police Officers' Pension Investment Fund	51,390,423
Illinois Firefighters' Pension Investment Fund	30,541,325
Prepays	<u>5,270</u>
Total Assets	<u>84,797,725</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>3,465</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u><u>84,794,260</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, 2024

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	Pension Trust
Additions	
Contributions - Employer	\$ 6,336,273
Contributions - Plan Members	999,772
Other	4,320
Total Contributions	<u>7,340,365</u>
Investment Earnings	
Interest Earned	1,081,866
Net Change in Fair Value	6,413,251
	<u>7,495,117</u>
Less Investment Expenses	(62,893)
Net Investment Income	<u>7,432,224</u>
Total Additions	<u>14,772,589</u>
Deductions	
Administration	6,040,152
Benefits and Refunds	105,979
Total Deductions	<u>6,146,131</u>
Change in Fiduciary Net Position	8,626,458
Net Position Restricted for Pensions	
Beginning	<u>76,167,802</u>
Ending	<u><u>84,794,260</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, 2024

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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, 2024

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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, 2024. 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, 2024. 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.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2024

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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, 2024

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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 thirteen 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 eleven 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, 2024

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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 two major enterprise funds. 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, 2024

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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, 2024

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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 FUND BALANCE/ NET POSITION

##### 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, 2024**

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

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/  
NET POSITION - 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, 2024

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

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION - 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's policy allows 40-hour employees and 37.5-hour employees to earn varying amounts of vacation and sick pay for each year employed.

Employees accrue vacation between two to four weeks. Employees are eligible to accrue vacation based on their length of service with the Village. Employees may not accrue more than 45 days. Employees shall accrue sick leave on a bi-weekly basis at a rate equivalent to one working day for each full month of service. Those employees working a 24-hour shift schedule will accrue sick leave 12 hours of sick leave per month in a manner consistent with current department procedures and practices.

Upon termination of employment, employees will be paid for unused vacation time that has been earned through the last day of work at your current rate of pay. Upon termination employees forfeit all sick leave accrued.

##### 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.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2024

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

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND FUND BALANCE/ NET POSITION - Continued

##### Net Position - Continued

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

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

##### 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 seven budgetary amendments for the year ended December 31, 2024.

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, 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, 2024

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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 \$78,382,611 the bank balances totaled \$82,935,992. In addition, the Village has \$6,809,534 invested in Illinois Funds, \$140,866 invested in IMET, and \$7,332,994 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, 2024

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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 IFPIF 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 \$1,564,889 and the bank balances totaled \$1,564,889.

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2024

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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 \$51,390,423 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, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.07%. 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 \$1,295,818 and the bank balances totaled \$1,295,818.

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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 \$30,541,325 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, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.41%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

INTERFUND ADVANCES

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

Receivable Fund	Payable Fund	Amount
General	Municipal Commuter Parking Lot	<u>\$ 1,300,000</u>

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, 2024**

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

**INTERFUND TRANSFERS**

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Tax Increment Financing #3	\$ 2,032,639 (1)
Capital Projects	General	818,012 (2)
Nonmajor Governmental	General	<u>4,771,856 (2)</u>
		<u><u>7,622,507</u></u>

Transfers are used (1) as a one-time transfer from the fund due to the dissolution of Hanover Square LLC and the Village’s receipt of the assignment of assets from the LLC. The Village shall allocate the proceeds of the sale of the shopping center 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 2023 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by 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
UV Replacement Construction	\$ 670,345	516,182	154,163
Hanover Highlands Water Main	6,055,000	5,814,142	240,858
	<u>6,725,345</u>	<u>6,330,324</u>	<u>395,021</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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

**LEASES RECEIVABLE**

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

Lease	Start Date	End Date	Payments	Interest Rate
Verizon - Hartman Tower	April 1, 2023	April 1, 2030	\$44,056 - 54,183 annually	3.50%
T-Mobile - Morton Tower	May 1, 2023	May 1, 2030	\$53,059 - \$57,506 annually	3.50%
Verizon - Mallard	February 1, 2023	January 1, 2032	\$3,697 - \$4,683 monthly	3.50%

Under these lease agreements, the Village recognized \$145,878 of lease revenue. There were no variable or other payments not previously included in the measurement of the lease receivable recognized in the current year.

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

Fiscal Year	Governmental Activities	
	Principal	Interest
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	168,937	7,179
2031	54,852	1,211
2032	4,670	14
	<u>918,199</u>	<u>120,874</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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	\$ 4,770,078	68,531	401,066	4,437,543
Permanent Easements	33,873	—	—	33,873
Right of Way	25,058,691	—	—	25,058,691
Construction in Progress	10,141,514	74,880	10,141,514	74,880
	<u>40,004,156</u>	<u>143,411</u>	<u>10,542,580</u>	<u>29,604,987</u>
<b>Depreciable Capital Assets</b>				
Buildings	32,631,004	9,257,728	73,474	41,815,258
Machinery, Equipment, and Vehicles	19,905,655	1,158,952	200,230	20,864,377
Improvements Other Than Buildings	9,645,433	2,316,347	—	11,961,780
Infrastructure	38,814,146	7,388,996	—	46,203,142
Subscription Assets - Software	828,447	—	—	828,447
	<u>101,824,685</u>	<u>20,122,023</u>	<u>273,704</u>	<u>121,673,004</u>
<b>Less Accumulated Depreciation</b>				
Buildings	12,432,556	720,856	71,638	13,081,774
Machinery, Equipment, and Vehicles	11,919,352	1,492,819	184,678	13,227,493
Improvements Other Than Buildings	2,665,535	467,571	—	3,133,106
Infrastructure	29,164,243	587,620	—	29,751,863
Subscription Assets - Software	184,099	92,050	—	276,149
	<u>56,365,785</u>	<u>3,360,916</u>	<u>256,316</u>	<u>59,470,385</u>
Total Net Depreciable Capital Assets	<u>45,458,900</u>	<u>16,761,107</u>	<u>17,388</u>	<u>62,202,619</u>
Total Net Capital Assets	<u>85,463,056</u>	<u>16,904,518</u>	<u>10,559,968</u>	<u>91,807,606</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 1,583,805
Public Works	587,620
Internal Service	<u>1,189,491</u>
	<u>3,360,916</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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	136,741	5,353,643	—	5,490,384
	<u>2,391,375</u>	<u>5,353,643</u>	<u>—</u>	<u>7,745,018</u>
<b>Depreciable Capital Assets</b>				
Buildings and Structures	12,662,864	20,870	—	12,683,734
Machinery, Equipment, and Vehicles	3,724,415	225,941	146,815	3,803,541
Improvements Other Than Buildings	11,226,355	217,243	—	11,443,598
Underground Systems	25,101,316	325,818	—	25,427,134
	<u>52,714,950</u>	<u>789,872</u>	<u>146,815</u>	<u>53,358,007</u>
<b>Less Accumulated Depreciation</b>				
Buildings and Structures	7,777,177	224,842	—	8,002,019
Machinery, Equipment, and Vehicles	2,940,397	90,910	144,877	2,886,430
Improvements Other Than Buildings	7,302,877	361,839	—	7,664,716
Underground Systems	9,069,866	478,984	—	9,548,850
	<u>27,090,317</u>	<u>1,156,575</u>	<u>144,877</u>	<u>28,102,015</u>
<b>Total Net Depreciable Capital Assets</b>	<u>25,624,633</u>	<u>(366,703)</u>	<u>1,938</u>	<u>25,255,992</u>
<b>Total Net Capital Assets</b>	<u>28,016,008</u>	<u>4,986,940</u>	<u>1,938</u>	<u>33,001,010</u>

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

Waterworks and Sewerage	\$ 1,076,397
Municipal Railroad Parking Lot	<u>80,178</u>
	<u>1,156,575</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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	\$ 8,640,000	—	1,095,000	7,545,000

**Subscriptions Payable**

The Village has the following subscription payable at year end:

Subscriptions	Start Date	End Date	Payments	Interest Rate
Axon	March 1, 2023	September 1, 2030	\$82,579	2.57%

During the fiscal year, the Village has recognized \$82,579 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
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
	488,232	45,921

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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

**LONG-TERM DEBT - Continued**

**IEPA Loan Payable**

The Village has entered into a loan agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. Final repayment schedule for the IEPA Loan Payable of 2024 is not available at the time of the issuance of this report. IEPA loan currently outstanding is as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA (L17-6353) Loan Payable of 2024 - Due in semi-annual installments of \$112,907 including interest at 1.81% through December 12, 2044.	Waterworks & Sewerage	\$ —	3,774,986	—	3,774,986

**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	\$ 1,125,478	3,291,474	—	4,416,952	220,847
Net Pension Liability - IMRF	5,209,254	—	1,717,595	3,491,659	—
Net Pension Liability - Police	31,010,438	—	1,952,144	29,058,294	—
Net Pension Liability - Fire	14,484,279	—	456,489	14,027,790	—
Total OPEB Liability - RBP	6,263,023	—	435,305	5,827,718	311,144
General Obligation Bonds	8,640,000	—	1,095,000	7,545,000	1,135,000
Plus: Unamortized Premium	1,189,158	—	169,879	1,019,279	—
Subscriptions Payable	556,536	—	68,304	488,232	70,056
	<u>68,478,166</u>	<u>3,291,474</u>	<u>5,894,716</u>	<u>65,874,924</u>	<u>1,737,047</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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

**LONG-TERM DEBT - Continued**

**Long-Term Liabilities Activity - Continued**

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 210,031	488,785	—	698,816	34,941
Net Pension Liability - IMRF	2,407,433	—	867,068	1,540,365	—
Total OPEB Liability - RBP	1,339,206	—	179,511	1,159,695	61,707
IEPA Loan Payable	—	3,774,986	—	3,774,986	158,199
Asset Retirement Obligation	350,000	—	—	350,000	—
	<u>4,306,670</u>	<u>4,263,771</u>	<u>1,046,579</u>	<u>7,523,862</u>	<u>254,847</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities, 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, the total OPEB liability, the IEPA loan payable, 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.

**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 35 to 52 years.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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

**LONG-TERM DEBT - Continued**

**Legal Debt Margin**

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

**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
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>7,545,000</u>	<u>1,091,000</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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	\$ 38,218	—	—	—	—	38,218
Inventories	23,669	—	—	—	—	23,669
	<u>61,887</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>61,887</u>
<b>Restricted</b>						
Public Safety	—	—	—	—	586,464	586,464
Highways and Streets	—	1,371,624	—	—	6,957,693	8,329,317
Community Development	6,134,979	—	17,436,910	—	3,234,825	26,806,714
Debt Service	—	—	—	—	648,434	648,434
Special Service Areas	—	—	—	—	514,332	514,332
	<u>6,134,979</u>	<u>1,371,624</u>	<u>17,436,910</u>	<u>—</u>	<u>11,941,748</u>	<u>36,885,261</u>
<b>Assigned</b>						
Capital Improvements	—	—	—	2,069,977	—	2,069,977
<b>Unassigned</b>						
	<u>36,655,196</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>36,655,196</u>
<b>Total Fund Balances</b>	<u>42,852,062</u>	<u>1,371,624</u>	<u>17,436,910</u>	<u>2,069,977</u>	<u>11,941,748</u>	<u>75,672,321</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, 2024

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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, 2024:

Governmental Activities		
Capital Assets - Net of Accumulated Depreciation	\$	91,807,606
Plus: Unamortized Loss on Refunding		127,934
Less Capital Related Debt:		
General Obligation Bonds		(7,545,000)
Subscriptions Payable		(488,232)
Unamortized Premium		<u>(1,019,279)</u>
Net Investment in Capital Assets		<u><u>82,883,029</u></u>
Business-Type Activities		
Capital Assets - Net of Accumulated Depreciation		33,001,010
Less Capital Related Debt:		
IEPA Loan Payable		<u>(3,774,986)</u>
Net Investment in Capital Assets		<u><u>29,226,024</u></u>

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2024

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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, 2024

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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, 2024.

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, 2024.

#### 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, 2024

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### NOTE 4 - OTHER INFORMATION - Continued

#### TAX ABATEMENTS - Continued

Total rebates incurred for this agreement during the year ended December 31, 2024 was \$3,561,928. A liability of \$1,944,405 has been reported as of December 31, 2024 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, 2024 is \$43,524,161.

#### 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 as of December 31, 2024 are as follows:

Village of Elk Grove  
Village of Hanover Park  
Village of Hoffman  
Village of Mount Prospect  
City of Rolling Meadows  
Village of Schaumburg  
Village of Streamwood

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, 2024

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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 \$5,139,757 to JAWA for the year ended December 31, 2024. All payments were paid from the Waterworks and Sewerage Fund.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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 Liability/ (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources
IMRF				
Regular	\$ (101,956)	5,032,024	4,904,391	50,900
SLEP	(58,357)	(356,839)	57,415	—
Police Pension	3,917,789	29,058,294	3,905,207	478,913
Firefighters' Pension	2,098,033	14,027,790	2,157,879	1,211,386
	<u>5,855,509</u>	<u>47,761,269</u>	<u>11,024,892</u>	<u>1,741,199</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, 2024

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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, 2023, the measurement date, the following employees were covered by the benefit terms:

	<u>Regular</u>	<u>SLEP</u>
Inactive Plan Members Currently Receiving Benefits	157	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	97	—
Active Plan Members	<u>105</u>	<u>—</u>
Total	<u><u>359</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, 2024, the Village’s contribution was 8.90% 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, 2024**

**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, 2023. 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, 2023, 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 non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

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

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The 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/(Asset) \$	11,450,308	5,032,024	(197,154)

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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)	\$ (306,466)	(356,839)	(400,957)

Changes in the Net Pension Liability - Regular Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 60,628,327	53,011,640	7,616,687
Changes for the Year:			
Service Cost	711,012	—	711,012
Interest on the Total Pension Liability	4,278,686	—	4,278,686
Difference between Expected and Actual Experience of the total Pension Liability	885,992	—	885,992
Changes in Assumptions	(76,915)	—	(76,915)
Contributions - Employer	—	694,996	(694,996)
Contributions - Employees	—	370,116	(370,116)
Net Investment Income	—	5,944,599	(5,944,599)
Benefit Payments, Including Refunds of Employee Contributions	(3,934,935)	(3,934,935)	—
Other (Net Transfer)	—	1,373,727	(1,373,727)
Net Changes	1,863,840	4,448,503	(2,584,663)
Balances at December 31, 2023	62,492,167	57,460,143	5,032,024

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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, 2022	\$ 618,852	892,945	(274,093)
Changes for the Year:			
Service Cost	—	—	—
Interest on the Total Pension Liability	42,864	—	42,864
Difference between Expected and Actual Experience of the total Pension Liability	8,268	—	8,268
Changes in Assumptions	(1,160)	—	(1,160)
Contributions - Employer	—	—	—
Contributions - Employees	—	—	—
Net Investment Income	—	106,589	(106,589)
Benefit Payments, Including Refunds of Employee Contributions	(55,250)	(55,250)	—
Other (Net Transfer)	—	26,129	(26,129)
Net Changes	(5,278)	77,468	(82,746)
Balances at December 31, 2023	613,574	970,413	(356,839)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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, 2024, the Village recognized pension revenue of \$101,956 for the Regular Plan and a pension revenue of \$58,357 for the SLEP Plan. At December 31, 2024, 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	\$ 999,508	—	—	—	999,508
Change in Assumptions	—	(50,900)	—	—	(50,900)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,121,272	—	57,415	—	3,178,687
Total Pension Expense to be Recognized in Future Periods	4,120,780	(50,900)	57,415	—	4,127,295
Pension Contributions Made Subsequent to the Measurement Date	783,611	—	—	—	783,611
<b>Total Deferred Amounts Related to IMRF &amp; SLEP</b>	<b>4,904,391</b>	<b>(50,900)</b>	<b>57,415</b>	<b>—</b>	<b>4,910,906</b>

\$783,611 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, 2025. 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
2025	\$ 984,063	3,930	987,993
2026	1,343,688	19,461	1,363,149
2027	2,173,226	42,606	2,215,832
2028	(431,097)	(8,582)	(439,679)
2029	—	—	—
Thereafter	—	—	—
<b>Totals</b>	<b>4,069,880</b>	<b>57,415</b>	<b>4,127,295</b>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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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, 2024, 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  $\frac{1}{2}$  of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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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 ½ 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., ½ 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 ½ 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, 2024, the Village's contribution was 59.94% 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, 2024**

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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, 2024, 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	2.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010(A) study, improved generationally using MP-2021 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	\$ 41,126,002	29,058,294	19,266,456

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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, 2023	\$ 78,876,921	47,866,483	31,010,438
Changes for the Year:			
Service Cost	1,352,031	—	1,352,031
Interest on the Total Pension Liability	5,393,288	—	5,393,288
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	250,627	—	250,627
Changes of Assumptions	204,952	—	204,952
Contributions - Employer	—	4,061,646	(4,061,646)
Contributions - Employees	—	649,368	(649,368)
Contributions - Other	—	—	—
Net Investment Income	—	4,487,905	(4,487,905)
Benefit Payments, Including Refunds of Employee Contributions	(4,060,880)	(4,060,880)	—
Other (Net Transfer)	—	(45,877)	45,877
Net Changes	3,140,018	5,092,162	(1,952,144)
Balances at December 31, 2024	82,016,939	52,958,645	29,058,294

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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, 2024, the Village recognized pension expense of \$3,917,789. At December 31, 2024, 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	\$ 2,997,409	(350,535)	2,646,874
Change in Assumptions	743,800	(128,378)	615,422
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	163,998	—	163,998
<b>Total Deferred Amounts Related to Police Pension</b>	<b>3,905,207</b>	<b>(478,913)</b>	<b>3,426,294</b>

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
2025	\$ 1,085,978
2026	1,578,719
2027	(22,038)
2028	312,941
2029	359,057
Thereafter	111,637
<b>Total</b>	<b>3,426,294</b>

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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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, 2024, 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, 2024

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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 ½ 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., ½ 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 ½ of the change in the Consumer Price Index for the preceding 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, 2024, the Village's contribution was 60.83% 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, 2024**

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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, 2024, 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	2.50%
Inflation	2.50%

Mortality rates were based on the PubS-2010(A) study, improved generationally using MP-2021 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	\$ 20,741,927	14,027,790	8,540,520

VILLAGE OF HANOVER PARK, ILLINOIS

Notes to the Financial Statements

December 31, 2024

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, 2023	\$ 42,785,598	28,301,319	14,484,279
Changes for the Year:			
Service Cost	904,806	—	904,806
Interest on the Total Pension Liability	2,926,223	—	2,926,223
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	2,311	—	2,311
Changes of Assumptions	1,223,739	—	1,223,739
Contributions - Employer	—	2,274,627	(2,274,627)
Contributions - Employees	—	350,404	(350,404)
Contributions - Other	—	4,320	(4,320)
Net Investment Income	—	2,944,319	(2,944,319)
Benefit Payments, Including Refunds of Employee Contributions	(1,979,272)	(1,979,272)	—
Other (Net Transfer)	—	(60,102)	60,102
Net Changes	3,077,807	3,534,296	(456,489)
Balances at December 31, 2024	45,863,405	31,835,615	14,027,790

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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, 2024, the Village recognized pension expense of \$2,098,033. At December 31, 2024, 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	\$ 646,173	(1,142,951)	(496,778)
Change in Assumptions	1,350,135	(68,435)	1,281,700
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	161,571	—	161,571
 Total Deferred Amounts Related to Firefighters' Pension	 <u>2,157,879</u>	 <u>(1,211,386)</u>	 <u>946,493</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
2025	\$ 566,780
2026	880,570
2027	(541,172)
2028	(79,185)
2029	119,500
Thereafter	<u>—</u>
Total	<u>946,493</u>

# VILLAGE OF HANOVER PARK, ILLINOIS

## Notes to the Financial Statements

December 31, 2024

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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, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	40
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>196</u>
Total	<u><u>236</u></u>

##### Total OPEB Liability

The Village's total OPEB liability was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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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, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	3.00%
Discount Rate	4.08%
Healthcare Cost Trend Rates	7.80% in 2024, 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-2021 Improvement Rates, weighted per IMRF Experience Study dated January 4, 2024.

Active Police Mortality follows the Sex Distinct Raw Rates as Developed in the PubS-2010(A) Study. These Rates are Improved Generationally using MP-2021 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-2021 Improvement Rates.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**Change in the Total OPEB Liability**

	Total OPEB Liability
Balances at December 31, 2023	\$ 7,602,229
Changes for the Year:	
Service Cost	378,593
Interest on the Total OPEB Liability	241,755
Changes of Benefit Terms	410,680
Difference Between Expected and Actual Experience	(1,664,204)
Changes of Assumptions or Other Inputs	391,211
Benefit Payments	(372,851)
Net Changes	(614,816)
Balances at December 31, 2024	6,987,413

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

The discount rate used to measure the total pension liability was 4.08%, while the prior valuation used 3.26%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB Liability	\$ 7,868,910	6,987,413	6,253,864

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

**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	\$ 6,078,329	6,987,413	8,120,244

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

For the year ended December 31, 2024, the Village recognized OPEB expense of \$887,168. At December 31, 2024, 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	\$ 68,329	(2,624,576)	(2,556,247)
Change in Assumptions	2,224,094	(2,102,424)	121,670
Net Difference Between Projected and Actual	—	—	—
Total Deferred Amounts Related to OPEB	2,292,423	(4,727,000)	(2,434,577)

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2024**

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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 (Inflows) of Resources
2025	\$ (143,860)
2026	(143,860)
2027	(143,860)
2028	(98,796)
2029	(267,515)
Thereafter	<u>(1,636,686)</u>
Total	<u><u>(2,434,577)</u></u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule Employer Contributions - Last Ten Fiscal Years
  - Illinois Municipal Retirement Fund - Regular Plan
  - Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Plan (SLEP)
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset) - Last Ten Fiscal/Measurement Years
  - Illinois Municipal Retirement Fund - Regular Plan
  - Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Plan (SLEP)
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Investment Returns - Last Ten Fiscal Years
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
  - Retiree Benefit Plan
- Budgetary Comparison Schedules
  - General Fund
  - Motor Fuel Tax - Special Revenue Fund
  - Tax Increment Financing #3 - Special Revenue Fund

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 - Last Ten Fiscal Years  
December 31, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
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	775,040	775,040	—	7,598,438	10.20%
2020	893,629	893,629	—	7,297,551	12.25%
2021	958,920	958,920	—	7,078,914	13.55%
2022	838,711	838,711	—	7,873,728	10.65%
2023	694,996	694,996	—	8,287,194	8.39%
2024	783,611	783,611	—	8,805,451	8.90%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**VILLAGE OF HANOVER PARK, ILLINOIS**

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

**Schedule of Employer Contributions - Last Ten Fiscal Years**

**December 31, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
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
2024	—	—	—	—	N/A

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund**

**Schedule of Employer Contributions - Last Ten Fiscal Years**

**December 31, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
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%
2024	4,090,236	4,061,646	(28,590)	6,776,744	59.94%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded over 10.57 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 - Last Ten Fiscal Years  
December 31, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
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%
2024	2,276,342	2,260,401	(15,941)	3,715,718	60.83%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded over 10.56 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 Firefighters 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) - Last Ten Measurement Years**

**December 31, 2024**

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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) - Last Ten Measurement Years**

**December 31, 2024**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ 719,917	650,191	707,092
Interest	3,079,014	3,333,582	3,533,657
Differences Between Expected and Actual Experience	76,300	856,622	(1,609,789)
Change of Assumptions	1,548,180	111,824	(220,887)
Benefit Payments, Including Refunds of Member Contributions	(1,722,335)	(2,138,221)	(2,220,212)
Net Change in Total Pension Liability	3,701,076	2,813,998	189,861
Total Pension Liability - Beginning	41,609,538	45,310,614	48,124,612
Total Pension Liability - Ending	45,310,614	48,124,612	48,314,473
Plan Fiduciary Net Position			
Contributions - Employer	\$ 889,907	888,579	950,875
Contributions - Members	283,210	316,164	305,421
Net Investment Income	2,352,058	201,816	2,772,593
Benefit Payments, Including Refunds of Member Contributions	(1,722,335)	(2,138,221)	(2,220,212)
Other (Net Transfer)	194,216	331,390	(1,139,027)
Net Change in Plan Fiduciary Net Position	1,997,056	(400,272)	669,650
Plan Net Position - Beginning	38,832,938	40,829,994	40,429,722
Plan Net Position - Ending	40,829,994	40,429,722	41,099,372
Employer's Net Pension Liability/(Asset)	\$ 4,480,620	7,694,890	7,215,101
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.11%	84.01%	85.07%
Covered Payroll	\$ 5,998,378	6,543,294	6,787,117
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	74.70%	117.60%	106.31%

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

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
726,316	695,329	729,567	764,839	669,361	703,210	711,012
3,562,670	3,553,263	3,646,223	3,851,402	3,921,847	4,129,135	4,278,686
(547,766)	(111,902)	1,290,861	(222,297)	1,703,369	984,724	885,992
(1,441,816)	1,335,586	—	(198,217)	—	—	(76,915)
(2,350,721)	(2,467,948)	(2,679,082)	(3,029,386)	(3,323,261)	(3,581,452)	(3,934,935)
(51,317)	3,004,328	2,987,569	1,166,341	2,971,316	2,235,617	1,863,840
48,314,473	48,263,156	51,267,484	54,255,053	55,421,394	58,392,710	60,628,327
48,263,156	51,267,484	54,255,053	55,421,394	58,392,710	60,628,327	62,492,167
977,967	936,901	775,040	893,629	958,620	838,711	694,996
324,714	324,812	341,930	361,530	354,735	361,203	370,116
7,317,983	(2,568,462)	8,107,687	7,259,720	9,547,565	(8,495,083)	5,944,599
(2,350,721)	(2,467,948)	(2,679,082)	(3,029,386)	(3,323,261)	(3,581,452)	(3,934,935)
(989,389)	636,938	510,225	(91,027)	132,949	525,220	1,373,727
5,280,554	(3,137,759)	7,055,800	5,394,466	7,670,608	(10,351,401)	4,448,503
41,099,372	46,379,926	43,242,167	50,297,967	55,692,433	63,363,041	53,011,640
46,379,926	43,242,167	50,297,967	55,692,433	63,363,041	53,011,640	57,460,143
1,883,230	8,025,317	3,957,086	(271,039)	(4,970,331)	7,616,687	5,032,024
96.10%	84.35%	92.71%	100.49%	108.51%	87.44%	91.95%
7,129,096	7,218,031	7,598,438	7,283,037	7,632,327	7,837,393	8,224,801
26.42%	111.18%	52.08%	(3.72%)	(65.12%)	97.18%	61.18%

**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) - Last Ten Measurement Years**

**December 31, 2024**

	12/31/2014	12/31/2015	12/31/2016
Total Pension Liability			
Service Cost	\$ —	—	—
Interest	43,096	44,500	44,719
Differences Between Expected and Actual Experience	2,204	4,854	5,169
Change of Assumptions	18,072	—	—
Benefit Payments, Including Refunds of Member Contributions	(43,449)	(45,853)	(47,017)
Net Change in Total Pension Liability	19,923	3,501	2,871
Total Pension Liability - Beginning	596,342	616,265	619,766
Total Pension Liability - Ending	616,265	619,766	622,637
Plan Fiduciary Net Position			
Contributions - Employer	\$ —	—	—
Contributions - Members	—	—	—
Net Investment Income	41,034	3,360	52,097
Benefit Payments, Including Refunds of Member Contributions	(43,449)	(45,853)	(47,017)
Other (Net Transfer)	2,936	20,078	95,708
Net Change in Plan Fiduciary Net Position	521	(22,415)	100,788
Plan Net Position - Beginning	694,409	694,930	672,515
Plan Net Position - Ending	694,930	672,515	773,303
Employer's Net Pension (Asset)	\$ (78,665)	(52,749)	(150,666)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	112.76%	108.51%	124.20%
Covered Payroll	\$ —	—	—
Employer's Net Pension (Asset) as a Percentage of Covered Payroll	—%	—%	—%

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

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023
—	—	—	—	—	—	—
44,892	43,788	43,316	43,244	43,351	43,141	42,864
5,481	6,131	6,779	7,326	7,179	7,665	8,268
(16,371)	13,607	—	3,163	—	—	(1,160)
(48,143)	(49,313)	(50,498)	(51,675)	(52,839)	(54,009)	(55,250)
(14,141)	14,213	(403)	2,058	(2,309)	(3,203)	(5,278)
622,637	608,496	622,709	622,306	624,364	622,055	618,852
608,496	622,709	622,306	624,364	622,055	618,852	613,574
—	—	—	—	—	—	—
—	—	—	—	—	—	—
155,674	(69,668)	166,163	140,478	185,371	(176,574)	106,589
(48,143)	(49,313)	(50,498)	(51,675)	(52,839)	(54,009)	(55,250)
(14,355)	20,080	3,410	11,192	686	3,662	26,129
93,176	(98,901)	119,075	99,995	133,218	(226,921)	77,468
773,303	866,479	767,578	886,653	986,648	1,119,866	892,945
866,479	767,578	886,653	986,648	1,119,866	892,945	970,413
(257,983)	(144,869)	(264,347)	(362,284)	(497,811)	(274,093)	(356,839)
142.40%	123.26%	142.48%	158.02%	180.03%	144.29%	158.16%
—	—	—	—	—	—	—
—%	—%	—%	—%	—%	—%	—%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund**

**Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years**

**December 31, 2024**

	12/31/2015	12/31/2016	12/31/2017
Total Pension Liability			
Service Cost	\$ 933,500	957,853	963,023
Interest	3,388,095	3,535,205	3,765,976
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(1,191,861)	493,707	836,552
Change of Assumptions	1,065,729	697,595	—
Benefit Payments, Including Refunds of Member Contributions	(1,952,464)	(2,235,335)	(2,539,916)
Administrative Expense	—	—	—
Net Change in Total Pension Liability	2,242,999	3,449,025	3,025,635
Total Pension Liability - Beginning	49,377,590	51,620,589	55,069,614
Total Pension Liability - Ending	51,620,589	55,069,614	58,095,249
Plan Fiduciary Net Position			
Contributions - Employer	\$ 2,078,956	2,153,658	2,300,432
Contributions - Members	510,565	508,475	509,894
Contributions - Other	—	11,811	7,378
Net Investment Income	(492,361)	2,266,438	3,350,793
Benefit Payments, Including Refunds of Member Contributions	(1,952,464)	(2,235,335)	(2,539,916)
Administrative Expenses	(29,889)	(40,102)	(50,125)
Net Change in Plan Fiduciary Net Position	114,807	2,664,945	3,578,456
Plan Net Position - Beginning	27,021,198	27,136,005	29,800,950
Plan Net Position - Ending	27,136,005	29,800,950	33,379,406
Employer's Net Pension Liability	\$ 24,484,584	25,268,664	24,715,843
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.57%	54.12%	57.46%
Covered Payroll	\$ 5,020,825	5,140,730	5,341,112
Employer's Net Pension Liability as a Percentage of Covered Payroll	487.66%	491.54%	462.75%

*Changes of Assumptions.* Changes in assumptions related to the assumed rate were made in 2014, 2015, 2016, 2021 and 2024. Changes in assumptions related to certain demographics were made in 2014, 2015 and 2024. In addition, mortality assumptions were updated in 2016, 2019 2021 and 2024.

12/31/2018	12/31/2019	12/30/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
1,030,435	1,057,469	1,134,336	1,318,728	1,184,197	1,328,067	1,352,031
3,976,549	4,127,425	4,542,986	4,736,247	4,764,422	5,114,849	5,393,288
—	497,177	—	—	(54,506)	—	—
(116,138)	1,465,219	1,078,943	(781,965)	1,445,290	1,208,364	250,627
—	1,357,340	—	(304,786)	204,999	—	204,952
(2,574,815)	(2,896,129)	(3,160,583)	(3,674,708)	(3,477,789)	(3,686,404)	(4,060,880)
—	—	—	(63,547)	—	—	—
2,316,031	5,608,501	3,595,682	1,229,969	4,066,613	3,964,876	3,140,018
58,095,249	60,411,280	66,019,781	69,615,463	70,845,432	74,912,045	78,876,921
60,411,280	66,019,781	69,615,463	70,845,432	74,912,045	78,876,921	82,016,939
2,477,582	2,658,387	2,897,330	3,481,268	3,797,383	3,677,967	4,061,646
547,137	625,248	555,842	529,397	632,651	695,698	649,368
—	—	568	53,061	110,225	8,314	—
(2,484,821)	4,754,224	2,838,277	5,652,178	(4,735,429)	5,521,042	4,487,905
(2,574,815)	(2,896,129)	(3,160,583)	(3,674,708)	(3,477,789)	(3,686,404)	(4,060,880)
(47,871)	(50,722)	(61,964)	(63,547)	(67,390)	(44,530)	(45,877)
(2,082,788)	5,091,008	3,069,470	5,977,649	(3,740,349)	6,172,087	5,092,162
33,379,406	31,296,618	36,387,626	39,457,096	45,434,745	41,694,396	47,866,483
31,296,618	36,387,626	39,457,096	45,434,745	41,694,396	47,866,483	52,958,645
29,114,662	29,632,155	30,158,367	25,410,687	33,217,649	31,010,438	29,058,294
51.81%	55.12%	56.68%	64.13%	55.66%	60.69%	64.57%
5,242,425	5,243,756	5,733,666	5,376,171	6,320,639	6,547,579	6,776,744
555.37%	565.09%	525.99%	472.65%	525.54%	473.62%	428.79%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Firefighters' Pension Fund**

**Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years**

**December 31, 2024**

	12/31/2015	12/31/2016	12/31/2016
Total Pension Liability			
Service Cost	\$ 697,712	789,376	802,166
Interest	1,787,834	1,917,310	2,052,799
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(121,544)	558,032	106,820
Change of Assumptions	517,009	(160,539)	—
Benefit Payments, Including Refunds of Member Contributions	(975,580)	(1,087,111)	(1,250,155)
Administrative Expenses	—	—	—
Net Change in Total Pension Liability	1,905,431	2,017,068	1,711,630
Total Pension Liability - Beginning	26,028,272	27,933,703	29,950,771
Total Pension Liability - Ending	27,933,703	29,950,771	31,662,401
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,164,625	1,220,758	1,380,568
Contributions - Members	293,937	293,235	297,440
Contributions - Other	—	109	—
Net Investment Income	(295,023)	1,308,890	1,970,968
Benefit Payments, Including Refunds of Member Contributions	(975,580)	(1,087,111)	(1,250,155)
Administrative Expenses	(25,611)	(25,152)	(38,591)
Net Change in Plan Fiduciary Net Position	162,348	1,710,729	2,360,230
Plan Net Position - Beginning	15,325,007	15,487,355	17,198,084
Plan Net Position - Ending	15,487,355	17,198,084	19,558,314
Employer's Net Pension Liability	\$ 12,446,348	12,752,687	12,104,087
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	55.44%	57.42%	61.77%
Covered Payroll	\$ 2,965,597	3,115,991	3,183,775
Employer's Net Pension Liability as a Percentage of Covered Payroll	419.69%	409.27%	380.18%

*Changes of Assumptions.* Changes in assumptions related to the assumed rate were made in 2014, 2015, 2016, 2021 and 2024. Changes in assumptions related to certain demographics were made in 2014, 2015 and 2024. In addition, mortality assumptions were updated in 2016, 2019, 2021 and 2024.

12/31/2018	12/31/2019	12/30/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
858,318	825,155	883,281	996,009	891,127	918,644	904,806
2,167,052	2,314,830	2,476,269	2,630,397	2,727,263	2,819,112	2,926,223
—	285,475	—	—	(97,683)	—	—
544,169	120,121	62,411	1,134,455	(1,832,967)	(281,797)	2,311
—	884,261	—	(160,093)	161,841	—	1,223,739
(1,409,038)	(1,507,812)	(1,638,486)	(1,776,440)	(1,917,775)	(1,880,993)	(1,979,272)
—	—	—	(73,909)	—	—	—
2,160,501	2,922,030	1,783,475	2,750,419	(68,194)	1,574,966	3,077,807
31,662,401	33,822,902	36,744,932	38,528,407	41,278,826	41,210,632	42,785,598
33,822,902	36,744,932	38,528,407	41,278,826	41,210,632	42,785,598	45,863,405
1,527,385	1,615,441	1,740,298	2,045,357	2,113,604	2,120,267	2,274,627
313,564	325,933	321,125	347,350	323,701	341,093	350,404
—	—	3,873	41,076	—	6,129	4,320
(1,484,133)	2,805,517	1,646,028	3,442,662	(3,979,080)	3,556,447	2,944,319
(1,409,038)	(1,507,812)	(1,638,486)	(1,776,440)	(1,917,775)	(1,880,993)	(1,979,272)
(45,159)	(44,266)	(48,596)	(73,909)	(45,610)	(42,548)	(60,102)
(1,097,381)	3,194,813	2,024,242	4,026,096	(3,505,160)	4,100,395	3,534,296
19,558,314	18,460,933	21,655,746	23,679,988	27,706,084	24,200,924	28,301,319
18,460,933	21,655,746	23,679,988	27,706,084	24,200,924	28,301,319	31,835,615
15,361,969	15,089,186	14,848,419	13,572,742	17,009,708	14,484,279	14,027,790
54.58%	58.94%	61.46%	67.12%	58.72%	66.15%	69.41%
3,241,631	3,346,426	3,506,100	3,485,097	3,616,290	3,604,051	3,715,718
473.90%	450.90%	423.50%	389.45%	470.36%	401.89%	377.53%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Police Pension Fund**

**Schedule of Investment Returns - Last Ten Fiscal Years**

**December 31, 2024**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
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%
2024	12.07%

VILLAGE OF HANOVER PARK, ILLINOIS

**Firefighters' Pension Fund**  
**Schedule of Investment Returns - Last Ten Fiscal Years**  
**December 31, 2024**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
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%
2024	16.41%

VILLAGE OF HANOVER PARK, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2024

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	<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 GASB Statement 75.

*Changes of Assumptions.* Changes of assumptions related to the discount rate were made in 2018 through 2024.

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
195,099	255,215	584,904	582,589	331,737	378,593
247,704	234,820	206,809	203,248	251,873	241,755
—	111,039	—	—	—	410,680
—	—	—	(1,450,009)	—	(1,664,204)
2,377,075	856,682	(422,722)	(2,123,644)	425,882	391,211
(291,069)	(289,674)	(255,800)	(259,555)	(356,088)	(372,851)
2,528,809	1,168,082	113,191	(3,047,371)	653,404	(614,816)
6,186,114	8,714,923	9,883,005	9,996,196	6,948,825	7,602,229
8,714,923	9,883,005	9,996,196	6,948,825	7,602,229	6,987,413
16,681,390	15,802,144	16,276,208	16,831,342	18,606,108	19,057,252
52.24%	62.54%	61.42%	41.29%	40.86%	36.67%

**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, 2024**

	Original Budget	Final Budget	Actual
<b>Revenues</b>			
Taxes	\$ 25,454,096	25,454,096	23,994,885
Intergovernmental	18,433,680	18,433,680	21,384,316
Licenses and Permits	1,444,325	1,444,325	1,321,607
Charges for Services	2,491,655	2,491,655	2,383,255
Fines and Forfeitures	726,200	726,200	1,002,852
Investment Income	500,000	500,000	2,162,672
Miscellaneous	138,501	1,079,200	1,420,057
Total Revenues	<u>49,188,457</u>	<u>50,129,156</u>	<u>53,669,644</u>
<b>Expenditures</b>			
General Government	5,824,220	6,903,863	5,300,672
Public Works	5,476,882	5,476,882	5,186,235
Public Safety	28,381,887	28,381,887	27,869,087
Community Development	3,985,658	4,322,585	4,149,533
Total Expenditures	<u>43,668,647</u>	<u>45,085,217</u>	<u>42,505,527</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,519,810</u>	<u>5,043,939</u>	<u>11,164,117</u>
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	—	—	190,500
Transfers In	—	2,023,639	2,032,639
Transfers Out	(5,518,012)	(5,589,869)	(5,589,868)
	<u>(5,518,012)</u>	<u>(3,566,230)</u>	<u>(3,366,729)</u>
Net Change in Fund Balance	<u>1,798</u>	<u>1,477,709</u>	7,797,388
Fund Balance - Beginning			<u>35,054,674</u>
Fund Balance - Ending			<u>42,852,062</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, 2024

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	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 1,500,000	1,500,000	1,665,547
Investment Income	50,000	50,000	91,607
Total Revenues	<u>1,550,000</u>	<u>1,550,000</u>	<u>1,757,154</u>
Expenditures			
Capital Outlay	<u>1,763,985</u>	<u>1,988,985</u>	<u>1,763,961</u>
Net Change in Fund Balance	<u>(213,985)</u>	<u>(438,985)</u>	(6,807)
Fund Balance - Beginning			<u>1,378,431</u>
Fund Balance - Ending			<u><u>1,371,624</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, 2024**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 1,770,000	1,770,000	1,926,483
Investment Income	75,000	75,000	656,190
Miscellaneous	200	200	15,361
Total Revenues	<u>1,845,200</u>	<u>1,845,200</u>	<u>2,598,034</u>
Expenditures			
Community Development			
Commodities	8,000	8,000	7,844
Contractual Services	495,100	495,100	34,781
Capital Outlay	497,000	497,000	22,940
Total Expenditures	<u>1,000,100</u>	<u>1,000,100</u>	<u>65,565</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	845,100	845,100	2,532,469
Other Financing (Uses)			
Transfers Out	—	(2,023,639)	(2,032,639)
Net Change in Fund Balance	<u>845,100</u>	<u>(1,178,539)</u>	499,830
Fund Balance - Beginning			<u>16,937,080</u>
Fund Balance - Ending			<u><u>17,436,910</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 Fund 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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### **SPECIAL REVENUE FUNDS - Continued**

#### **National Opioid Settlement**

The National Opioid Settlement Fund is used to account for the education, wellness, and support services for first responders with opioid related emergency events and dealing with fentanyl or other drugs. The Illinois Attorney General, along with other states and local governments, pursued legal action against opioid manufacturers, distributors, and dispensers for deceptive practices. These efforts led to national settlements, from which Illinois expects to receive over \$1.3 billion by 2038 to help combat the opioid crisis statewide.

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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.

## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **ENTERPRISE FUNDS - Continued**

#### **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.

#### **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.

## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **PENSION TRUST FUNDS - Continued**

#### **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, 2024**

	Original Budget	Final Budget	Actual
<b>Taxes</b>			
Property Taxes	\$ 11,943,096	11,943,096	11,857,106
Home Rule Sales Taxes	9,875,000	9,875,000	8,157,212
Utility - Simplified Telephone	250,000	250,000	270,760
Utility - Electric	920,000	920,000	901,749
Utility - Natural Gas	416,000	416,000	367,566
Real Estate Transfer Taxes	500,000	500,000	561,550
Hotel and Motel Taxes	50,000	50,000	59,399
Prepared Food Taxes	1,500,000	1,500,000	1,819,465
Push Taxes	—	—	78
<b>Total Taxes</b>	<b>25,454,096</b>	<b>25,454,096</b>	<b>23,994,885</b>
<b>Intergovernmental</b>			
Sales Taxes	9,875,000	9,875,000	8,889,360
Use Taxes	1,500,000	1,500,000	1,328,147
State Income Taxes	6,350,000	6,350,000	6,363,170
Replacement Taxes	290,000	290,000	159,173
Cannabis Taxes	60,000	60,000	60,062
Video Gaming Taxes	231,000	231,000	251,301
Auto Rental Taxes	15,500	15,500	19,597
State Grants	50,000	50,000	4,104,506
Other Grants	1,700	1,700	1,362
Opioid Settlement	—	—	71,856
Reimbursement - DuPage County	20,030	20,030	20,030
Reimbursement - ILEAS	450	450	—
Reimbursement - Police	25,000	25,000	93,729
Reimbursement - Fire	15,000	15,000	22,023
<b>Total Intergovernmental</b>	<b>18,433,680</b>	<b>18,433,680</b>	<b>21,384,316</b>
<b>Licenses and Permits</b>			
<b>Licenses</b>			
Business	63,000	63,000	69,328
Liquor	73,000	73,000	82,044
Contractor	48,000	48,000	46,930
Vendor/Solicitor	300	300	675
Penalties on Licenses	39,400	39,400	25,050
Multi Family	98,100	98,100	117,125
Single Family	76,400	76,400	72,100
Land Use Development	7,000	7,000	9,855

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual
Licenses and Permits - Continued			
Licenses - Continued			
Cable Franchise Fee	\$ 312,000	312,000	237,069
Solid Waste Franchise Fee	125,000	125,000	140,670
Tobacco	21,125	21,125	22,500
Permits			
Building	482,000	482,000	386,711
Sign	1,500	1,500	1,050
Video Game	97,500	97,500	110,500
Total Licenses and Permits	<u>1,444,325</u>	<u>1,444,325</u>	<u>1,321,607</u>
Charges for Services			
Printed Materials	6,000	6,000	4,489
Ambulance Fees	1,000,000	1,000,000	933,321
Ground Emergency Medical Transport	500,000	500,000	488,526
Plan Review - Engineer Fees	5,000	5,000	—
Plan Review - Inspection Service Fees	80,000	80,000	70,817
Building Reinspection Fees	300	300	1,075
Immobilization Fees	2,400	2,400	4,800
CPR Fees	4,500	4,500	3,390
Vehicle Impound Fees	450,000	450,000	440,565
ADT Administrative Fees	7,900	7,900	8,736
Child Safety Seat Install Fees	—	—	35
Highlighter Advertising Fee	—	—	1,000
Rental Income	361,555	361,555	367,120
Overweight Vehicle Fee	24,000	24,000	18,381
Foreclosure Registration Fee	50,000	50,000	36,000
Renewable Green Energy	—	—	5,000
Total Charges for Services	<u>2,491,655</u>	<u>2,491,655</u>	<u>2,383,255</u>
Fines and Forfeitures			
Traffic Fines - Cook	10,000	10,000	7,532
Traffic Fines - DuPage	210,000	210,000	304,564
Ordinance Violations	501,200	501,200	677,773
Police False Alarm Fines	1,000	1,000	525
Fire False Alarm Fines	3,000	3,000	8,925
Red Light Camera	—	—	2,493
Kennel Fees	1,000	1,000	1,040
Total Fines and Forfeitures	<u>726,200</u>	<u>726,200</u>	<u>1,002,852</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended December 31, 2024**

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	Original Budget	Final Budget	Actual
Investment Income	\$ 500,000	500,000	2,162,672
Miscellaneous			
Reimbursements	72,513	1,013,212	1,269,286
Corporate Partnership Program	9,600	9,600	16,150
Central Equipment Funding - Water and Sewer	10,388	10,388	10,388
Other	46,000	46,000	124,233
Total Miscellaneous	138,501	1,079,200	1,420,057
Total Revenues	49,188,457	50,129,156	53,669,644

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**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual
<b>General Government</b>			
<b>President and Board of Trustees</b>			
Personal Services	\$ 78,984	78,984	78,981
Commodities	55,741	55,741	52,121
Contractual Services	27,900	27,900	26,318
	<u>162,625</u>	<u>162,625</u>	<u>157,420</u>
<b>Village Clerk</b>			
Personal Services	104,661	104,661	104,743
Commodities	2,895	2,895	2,051
Contractual Services	34,010	34,010	25,615
	<u>141,566</u>	<u>141,566</u>	<u>132,409</u>
<b>Environmental Committee</b>			
Commodities	100	100	—
Contractual Services	200	200	172
	<u>300</u>	<u>300</u>	<u>172</u>
<b>Special Events Committee</b>			
Contractual Services	42,100	42,100	44,562
<b>Historical Commission</b>			
Commodities	2,450	2,450	2,322
Contractual Services	650	650	—
	<u>3,100</u>	<u>3,100</u>	<u>2,322</u>
<b>Cultural Inclusion and Diversity Committee</b>			
Commodities	200	200	160
Contractual Services	4,150	4,150	2,438
	<u>4,350</u>	<u>4,350</u>	<u>2,598</u>
<b>Sister Cities Committee</b>			
Commodities	770	770	673
Contractual Services	7,851	7,851	7,281
	<u>8,621</u>	<u>8,621</u>	<u>7,954</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual
<b>General Government - Continued</b>			
Veterans Committee			
Commodities	\$ 890	890	497
Contractual Services	2,000	2,000	250
	<u>2,890</u>	<u>2,890</u>	<u>747</u>
Development Commission			
Commodities	200	200	—
Contractual Services	700	700	100
	<u>900</u>	<u>900</u>	<u>100</u>
Economic Development Committee			
Commodities	1,100	1,100	1,080
Contractual Services	4,700	4,700	3,422
	<u>5,800</u>	<u>5,800</u>	<u>4,502</u>
Finance Department Administration			
Personal Services	207,888	207,888	212,257
Commodities	2,580	2,580	2,082
Contractual Services	9,315	9,315	4,028
	<u>219,783</u>	<u>219,783</u>	<u>218,367</u>
Collections			
Personal Services	189,625	189,625	181,951
Commodities	9,450	9,450	9,493
Contractual Services	1,091	1,091	148
	<u>200,166</u>	<u>200,166</u>	<u>191,592</u>
General Accounting			
Personal Services	171,835	171,835	169,816
Commodities	4,060	4,060	3,808
Contractual Services	56,790	56,790	55,830
	<u>232,685</u>	<u>232,685</u>	<u>229,454</u>
General Administrative Services			
Personal Services	124,038	124,038	110,186
Contractual Services	1,508,312	2,587,955	1,227,615
	<u>1,632,350</u>	<u>2,711,993</u>	<u>1,337,801</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2024

	Original Budget	Final Budget	Actual
General Government - Continued			
Village Manager			
Personal Services	\$ 635,120	635,120	596,431
Commodities	38,003	38,003	37,403
Contractual Services	67,125	67,125	57,246
	<u>740,248</u>	<u>740,248</u>	<u>691,080</u>
Human Resources			
Personal Services	412,305	412,305	418,629
Commodities	31,539	31,539	20,929
Contractual Services	175,078	175,078	122,583
	<u>618,922</u>	<u>618,922</u>	<u>562,141</u>
Information Technology			
Personal Services	319,427	319,427	311,365
Commodities	59,580	59,580	53,105
Contractual Services	1,428,807	1,428,807	1,352,981
	<u>1,807,814</u>	<u>1,807,814</u>	<u>1,717,451</u>
	<u>5,824,220</u>	<u>6,903,863</u>	<u>5,300,672</u>
Public Works			
Administration			
Personal Services	172,367	172,367	174,291
Commodities	770	770	1,296
Contractual Services	15,728	15,728	13,177
	<u>188,865</u>	<u>188,865</u>	<u>188,764</u>
Streets			
Personal Services	1,195,829	1,195,829	1,127,035
Commodities	179,490	179,490	146,228
Contractual Services	556,080	556,080	488,391
	<u>1,931,399</u>	<u>1,931,399</u>	<u>1,761,654</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2024

	Original Budget	Final Budget	Actual
Public Works - Continued			
Forestry			
Personal Services	\$ 305,895	305,895	359,262
Commodities	18,950	18,950	17,635
Contractual Services	452,412	452,412	333,302
	<u>777,257</u>	<u>777,257</u>	<u>710,199</u>
Public Buildings			
Personal Services	395,341	395,341	359,933
Commodities	117,175	117,175	117,374
Contractual Services	288,652	288,652	309,448
	<u>801,168</u>	<u>801,168</u>	<u>786,755</u>
Fleet Services			
Personal Services	460,587	422,587	412,040
Commodities	481,525	519,525	465,971
Contractual Services	115,483	115,483	153,610
	<u>1,057,595</u>	<u>1,057,595</u>	<u>1,031,621</u>
Engineering			
Personal Services	471,317	471,317	448,531
Commodities	4,743	4,743	4,647
Contractual Services	244,538	244,538	254,064
	<u>720,598</u>	<u>720,598</u>	<u>707,242</u>
Total Public Works	<u>5,476,882</u>	<u>5,476,882</u>	<u>5,186,235</u>
Public Safety			
Fire Department			
Administration			
Personal Services	652,686	652,686	657,010
Commodities	12,518	12,518	15,472
Contractual Services	31,745	31,745	26,134
	<u>696,949</u>	<u>696,949</u>	<u>698,616</u>
Fire Suppression			
Personal Services	7,494,921	7,494,921	7,454,261
Commodities	90,447	90,447	71,136
Contractual Services	1,313,640	1,313,640	1,275,635
	<u>8,899,008</u>	<u>8,899,008</u>	<u>8,801,032</u>

VILLAGE OF HANOVER PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended December 31, 2024

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Fire Department - Continued			
Inspectional Services			
Personal Services	\$ 739,727	739,727	647,862
Commodities	6,764	6,764	5,590
Contractual Services	73,135	73,135	63,088
	<u>819,626</u>	<u>819,626</u>	<u>716,540</u>
Non-Emergency 911			
Personal Services	127,871	127,871	101,990
Commodities	4,135	4,135	2,770
Contractual Services	14,465	14,465	13,298
	<u>146,471</u>	<u>146,471</u>	<u>118,058</u>
Total Fire Department	<u>10,562,054</u>	<u>10,562,054</u>	<u>10,334,246</u>
Police Department			
Administration			
Personal Services	1,116,008	1,116,008	1,138,575
Commodities	11,210	11,710	11,053
Contractual Services	29,318	29,318	28,110
	<u>1,156,536</u>	<u>1,157,036</u>	<u>1,177,738</u>
Patrol			
Personal Services	10,085,146	10,073,146	9,905,693
Commodities	90,396	95,396	89,237
Contractual Services	371,140	374,640	378,221
	<u>10,546,682</u>	<u>10,543,182</u>	<u>10,373,151</u>
Investigations			
Personal Services	2,586,935	2,586,935	2,563,151
Commodities	54,176	55,176	54,879
Contractual Services	50,064	50,564	50,843
	<u>2,691,175</u>	<u>2,692,675</u>	<u>2,668,873</u>
Community Services			
Personal Services	114,532	114,532	115,259
Commodities	136	136	75
Contractual Services	14,564	14,564	11,856
	<u>129,232</u>	<u>129,232</u>	<u>127,190</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police Department - Continued			
Staff Services			
Personal Services	\$ 1,503,013	1,503,013	1,443,121
Commodities	32,984	38,619	31,091
Contractual Services	1,082,841	1,076,583	1,054,830
	<u>2,618,838</u>	<u>2,618,215</u>	<u>2,529,042</u>
Code Enforcement			
Personal Services	657,258	657,258	640,165
Commodities	4,776	6,859	6,062
Contractual Services	15,336	15,376	12,620
	<u>677,370</u>	<u>679,493</u>	<u>658,847</u>
Total Police Department	<u>17,819,833</u>	<u>17,819,833</u>	<u>17,534,841</u>
Total Public Safety	<u>28,381,887</u>	<u>28,381,887</u>	<u>27,869,087</u>
Community Development			
Economic Development			
Personal Services	604,190	604,190	558,459
Commodities	14,215	14,215	8,961
Contractual Services	3,367,253	3,704,180	3,582,113
	<u>3,985,658</u>	<u>4,322,585</u>	<u>4,149,533</u>
Total Community Development	<u>3,985,658</u>	<u>4,322,585</u>	<u>4,149,533</u>
Total Expenditures	<u>43,668,647</u>	<u>45,085,217</u>	<u>42,505,527</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, 2024

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
State Grants	\$ 2,300,000	2,300,000	2,065,452
Investment Income	5,000	5,000	129,165
Miscellaneous	2,768,548	2,768,548	2,382,886
Total Revenues	<u>5,073,548</u>	<u>5,073,548</u>	<u>4,577,503</u>
Expenditures			
General Government	70,000	70,000	59,759
Contractual Services			
Capital Outlay	8,279,741	10,660,794	7,733,705
Total Expenditures	<u>8,349,741</u>	<u>10,730,794</u>	<u>7,793,464</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,276,193)	(5,657,246)	(3,215,961)
Other Financing Sources			
Transfers In	<u>818,012</u>	<u>818,012</u>	<u>818,012</u>
Net Change in Fund Balance	<u>(2,458,181)</u>	<u>(4,839,234)</u>	(2,397,949)
Fund Balance - Beginning			<u>4,467,926</u>
Fund Balance - Ending			<u><u>2,069,977</u></u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2024**

	Special Revenue	Debt Service General Obligation Bond Series of 2020	Capital Projects Special Service Area #6	Total
<b>ASSETS</b>				
Cash and Investments	\$ 11,820,122	634,015	93,062	12,547,199
Receivables - Net of Allowances				
Taxes	472,542	1,436,800	—	1,909,342
Accounts	110,272	—	—	110,272
Accrued Interest	3,128	14,419	136	17,683
Total Assets	12,406,064	2,085,234	93,198	14,584,496
<b>LIABILITIES</b>				
Accounts Payable	566,304	—	3,320	569,624
Other Payable	163,786	—	—	163,786
Total Liabilities	730,090	—	3,320	733,410
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	472,538	1,436,800	—	1,909,338
Total Liabilities and Deferred Inflows of Resources	1,202,628	1,436,800	3,320	2,642,748
<b>FUND BALANCES</b>				
Restricted	11,203,436	648,434	89,878	11,941,748
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	12,406,064	2,085,234	93,198	14,584,496

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, 2024

	Special Revenue	Debt Service General Obligation Bond Series of 2020	Capital Projects Special Service Area #6	Total
<b>Revenues</b>				
Taxes	\$ 1,601,850	1,442,447	—	3,044,297
Intergovernmental	203,191	—	—	203,191
Charges for Services	2,100	—	—	2,100
Fines and Forfeitures	20,288	—	—	20,288
Investment Income	179,950	30,410	756	211,116
Miscellaneous	50,100	—	—	50,100
Total Revenues	2,057,479	1,472,857	756	3,531,092
<b>Expenditures</b>				
General Government	—	750	—	750
Public Safety	74,936	—	—	74,936
Community Development	202,773	—	3,320	206,093
Highways and Streets	1,380,380	—	—	1,380,380
Capital Outlay	2,484,246	—	—	2,484,246
Debt Service				
Principal Retirement	—	1,095,000	—	1,095,000
Interest and Fiscal Charges	—	345,600	—	345,600
Total Expenditures	4,142,335	1,441,350	3,320	5,587,005
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,084,856)	31,507	(2,564)	(2,055,913)
<b>Other Financing Sources</b>				
Transfers In	4,771,856	—	—	4,771,856
Net Change in Fund Balances	2,687,000	31,507	(2,564)	2,715,943
Fund Balances - Beginning	8,516,436	616,927	92,442	9,225,805
Fund Balances - Ending	11,203,436	648,434	89,878	11,941,748

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**December 31, 2024**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**December 31, 2024**

	Road and Bridge	MWRD Fields	State Restricted	Federal Restricted	Foreign Fire Insurance Tax
<b>ASSETS</b>					
Cash and Investments	\$ 7,026,452	345,876	317,075	3,920	271,549
Receivables - Net of Allowances					
Taxes	4	—	—	—	—
Accounts	20,262	—	2,502	—	—
Accrued Interest	2,937	—	—	—	—
Total Assets	<u>7,049,655</u>	<u>345,876</u>	<u>319,577</u>	<u>3,920</u>	<u>271,549</u>
<b>LIABILITIES</b>					
Accounts Payable	436,844	994	11,324	—	—
Other Payable	—	—	69,114	—	—
Total Liabilities	<u>436,844</u>	<u>994</u>	<u>80,438</u>	<u>—</u>	<u>—</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes	—	—	—	—	—
Total Liabilities and Deferred Inflows of Resources	<u>436,844</u>	<u>994</u>	<u>80,438</u>	<u>—</u>	<u>—</u>
<b>FUND BALANCES</b>					
Restricted	<u>6,612,811</u>	<u>344,882</u>	<u>239,139</u>	<u>3,920</u>	<u>271,549</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>7,049,655</u>	<u>345,876</u>	<u>319,577</u>	<u>3,920</u>	<u>271,549</u>

Tax Increment Financing #4	Tax Increment Financing #5	Special Service Area #3	Special Service Area #4	Special Service Area #5	National Opioid Settlement	Totals
2,378,365	861,524	33,727	34,132	475,646	71,856	11,820,122
—	—	21,922	37,634	412,982	—	472,542
87,508	—	—	—	—	—	110,272
—	—	191	—	—	—	3,128
2,465,873	861,524	55,840	71,766	888,628	71,856	12,406,064
—	—	1,330	1,550	114,262	—	566,304
52,572	40,000	2,100	—	—	—	163,786
52,572	40,000	3,430	1,550	114,262	—	730,090
—	—	21,922	37,634	412,982	—	472,538
52,572	40,000	25,352	39,184	527,244	—	1,202,628
2,413,301	821,524	30,488	32,582	361,384	71,856	11,203,436
2,465,873	861,524	55,840	71,766	888,628	71,856	12,406,064

**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, 2024**

	Road and Bridge	MWRD Fields	State Restricted	Federal Restricted	Foreign Fire Insurance Tax
<b>Revenues</b>					
Taxes	\$ 302,777	—	—	—	49,890
Intergovernmental	203,191	—	—	—	—
Charges for Services	—	—	—	—	—
Fines and Forfeitures	—	—	20,288	—	—
Investment Income	89,571	2,342	2,114	26	1,713
Miscellaneous	—	—	—	—	—
<b>Total Revenues</b>	<b>595,539</b>	<b>2,342</b>	<b>22,402</b>	<b>26</b>	<b>51,603</b>
<b>Expenditures</b>					
Public Safety	—	—	39,948	—	34,988
Community Development	—	—	—	—	—
Highways and Streets	1,355,975	24,405	—	—	—
Capital Outlay	2,201,165	44,312	—	—	—
<b>Total Expenditures</b>	<b>3,557,140</b>	<b>68,717</b>	<b>39,948</b>	<b>—</b>	<b>34,988</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
	(2,961,601)	(66,375)	(17,546)	26	16,615
<b>Other Financing Sources</b>					
Transfers In	4,500,000	200,000	—	—	—
<b>Net Change in Fund Balances</b>	<b>1,538,399</b>	<b>133,625</b>	<b>(17,546)</b>	<b>26</b>	<b>16,615</b>
<b>Fund Balances - Beginning</b>	<b>5,074,412</b>	<b>211,257</b>	<b>256,685</b>	<b>3,894</b>	<b>254,934</b>
<b>Fund Balances - Ending</b>	<b>6,612,811</b>	<b>344,882</b>	<b>239,139</b>	<b>3,920</b>	<b>271,549</b>

Tax Increment Financing #4	Tax Increment Financing #5	Service Area #3	Special Service Area #4	Special Service Area #5	National Opioid Settlement	Totals
582,976	210,782	22,569	36,927	395,929	—	1,601,850
—	—	—	—	—	—	203,191
—	—	2,100	—	—	—	2,100
—	—	—	—	—	—	20,288
63,742	16,939	432	164	2,907	—	179,950
50,100	—	—	—	—	—	50,100
696,818	227,721	25,101	37,091	398,836	—	2,057,479
—	—	—	—	—	—	74,936
6,455	1,403	18,814	28,584	147,517	—	202,773
—	—	—	—	—	—	1,380,380
121,255	—	—	—	117,514	—	2,484,246
127,710	1,403	18,814	28,584	265,031	—	4,142,335
569,108	226,318	6,287	8,507	133,805	—	(2,084,856)
—	—	—	—	—	71,856	4,771,856
569,108	226,318	6,287	8,507	133,805	71,856	2,687,000
1,844,193	595,206	24,201	24,075	227,579	—	8,516,436
2,413,301	821,524	30,488	32,582	361,384	71,856	11,203,436

**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, 2024**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 95,000	95,000	100,301
Gasoline Taxes	135,000	135,000	202,476
Intergovernmental			
Replacement Taxes	3,500	3,500	3,191
State Grants	310,000	1,010,000	200,000
Investment Income	1,000	1,000	89,571
Total Revenues	<u>544,500</u>	<u>1,244,500</u>	<u>595,539</u>
Expenditures			
Highways and Streets			
Commodities	165,000	165,000	123,110
Contractual Services	2,080,500	2,388,500	1,232,865
Capital Outlay	3,228,000	4,078,000	2,201,165
Total Expenditures	<u>5,473,500</u>	<u>6,631,500</u>	<u>3,557,140</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,929,000)	(5,387,000)	(2,961,601)
Other Financing Sources			
Transfers In	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
Net Change in Fund Balance	<u>(429,000)</u>	<u>(887,000)</u>	1,538,399
Fund Balance - Beginning			<u>5,074,412</u>
Fund Balance - Ending			<u><u>6,612,811</u></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, 2024**

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ 1,000	1,000	2,342
Expenditures			
Highways and Streets			
Contractual Services	48,150	48,150	24,405
Capital Outlay	75,000	117,750	44,312
Total Expenditures	123,150	165,900	68,717
Excess (Deficiency) of Revenues Over (Under) Expenditures	(122,150)	(164,900)	(66,375)
Other Financing Sources			
Transfers In	200,000	200,000	200,000
Net Change in Fund Balance	77,850	35,100	133,625
Fund Balance - Beginning			211,257
Fund Balance - Ending			344,882

**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, 2024**

	Original Budget	Final Budget	Actual
Revenues			
Fines and Forfeitures			
DUI Fines	\$ 15,000	15,000	14,083
Traffic Court Supervision	—	—	68
Sex Offender Fees	1,050	1,050	3,796
Drug Forfeiture	20,000	20,000	1,841
Article 36 Seizures	—	—	500
Investment Income	2,500	2,500	2,114
Total Revenues	<u>38,550</u>	<u>38,550</u>	<u>22,402</u>
Expenditures			
Public Safety			
Contractual Services	46,707	46,707	39,948
Net Change in Fund Balance	<u>(8,157)</u>	<u>(8,157)</u>	(17,546)
Fund Balance - Beginning			<u>256,685</u>
Fund Balance - Ending			<u><u>239,139</u></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, 2024

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	Original Budget	Final Budget	Actual
Revenues			
Fines and Forfeitures			
Drug Forfeitures	\$ 1,000	1,000	—
Investment Income	100	100	26
Total Revenues	<u>1,100</u>	<u>1,100</u>	<u>26</u>
Expenditures			
Public Safety			
Contractual Services	<u>500</u>	<u>500</u>	<u>—</u>
Net Change in Fund Balance	<u>600</u>	<u>600</u>	26
Fund Balance - Beginning			<u>3,894</u>
Fund Balance - Ending			<u>3,920</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, 2024

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	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Foreign Fire Taxes	\$ 40,000	40,000	49,890
Investment Income	2,500	2,500	1,713
Total Revenues	<u>42,500</u>	<u>42,500</u>	<u>51,603</u>
Expenditures			
Public Safety			
Commodities	<u>40,000</u>	<u>40,000</u>	<u>34,988</u>
Net Change in Fund Balance	<u>2,500</u>	<u>2,500</u>	16,615
Fund Balance - Beginning			<u>254,934</u>
Fund Balance - Ending			<u>271,549</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, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 400,000	400,000	582,976
Investment Income	9,000	9,000	63,742
Miscellaneous	100	100	50,100
Total Revenues	<u>409,100</u>	<u>409,100</u>	<u>696,818</u>
Expenditures			
Community Development			
Contractual Services	31,000	31,000	6,455
Capital Outlay	100,000	188,531	121,255
Total Expenditures	<u>131,000</u>	<u>219,531</u>	<u>127,710</u>
Net Change in Fund Balance	<u>278,100</u>	<u>189,569</u>	569,108
Fund Balance - Beginning			<u>1,844,193</u>
Fund Balance - Ending			<u>2,413,301</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, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 115,000	115,000	210,782
Investment Income	7,000	7,000	16,939
Miscellaneous	100	100	—
Total Revenues	<u>122,100</u>	<u>122,100</u>	<u>227,721</u>
Expenditures			
Community Development			
Contractual Services	20,000	20,000	1,403
Capital Outlay	150,000	150,000	—
Total Expenditures	<u>170,000</u>	<u>170,000</u>	<u>1,403</u>
Net Change in Fund Balance	<u>(47,900)</u>	<u>(47,900)</u>	226,318
Fund Balance - Beginning			<u>595,206</u>
Fund Balance - Ending			<u>821,524</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, 2024**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 20,878	20,878	22,569
Charges for Services			
Fee Parking Lot Permit Fee	2,100	2,100	2,100
Investment Income	150	150	432
Total Revenues	<u>23,128</u>	<u>23,128</u>	<u>25,101</u>
Expenditures			
Community Development			
Contractual Services	<u>23,192</u>	<u>23,192</u>	18,814
Net Change in Fund Balance	<u><u>(64)</u></u>	<u><u>(64)</u></u>	6,287
Fund Balance - Beginning			<u>24,201</u>
Fund Balance - Ending			<u><u>30,488</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, 2024

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	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 35,842	35,842	36,927
Investment Income	200	200	164
Total Revenues	<u>36,042</u>	<u>36,042</u>	<u>37,091</u>
Expenditures			
Community Development			
Contractual Services	<u>35,842</u>	<u>35,842</u>	<u>28,584</u>
Net Change in Fund Balance	<u>200</u>	<u>200</u>	8,507
Fund Balance - Beginning			<u>24,075</u>
Fund Balance - Ending			<u><u>32,582</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, 2024

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 393,316	393,316	395,929
Investment Income	1,000	1,000	2,907
Total Revenues	<u>394,316</u>	<u>394,316</u>	<u>398,836</u>
Expenditures			
Community Development			
Contractual Services	143,316	143,316	147,517
Capital Outlay	250,000	250,000	117,514
Total Expenditures	<u>393,316</u>	<u>393,316</u>	<u>265,031</u>
Net Change in Fund Balance	<u>1,000</u>	<u>1,000</u>	133,805
Fund Balance - Beginning			<u>227,579</u>
Fund Balance - Ending			<u>361,384</u>

VILLAGE OF HANOVER PARK, ILLINOIS

National Opioid Settlement - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2024

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ —	—	—
Expenditures			
Public Safety			
Contractual Services	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	—	—	—
Other Financing Sources			
Transfers In	—	71,857	71,856
Net Change in Fund Balance	—	<u>71,857</u>	71,856
Fund Balance - Beginning			<u>—</u>
Fund Balance - Ending			<u>71,856</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, 2024**

	Original Budget	Final Budget	Actual
Revenues			
Taxes			
Property Taxes	\$ 1,440,600	1,440,600	1,442,447
Investment Income	5,000	5,000	30,410
Total Revenues	<u>1,445,600</u>	<u>1,445,600</u>	<u>1,472,857</u>
Expenditures			
General Government			
Contractual Services	1,000	1,000	750
Debt Service			
Principal Retirement	1,095,000	1,095,000	1,095,000
Interest and Fiscal Charges	345,600	345,600	345,600
Total Expenditures	<u>1,441,600</u>	<u>1,441,600</u>	<u>1,441,350</u>
Net Change in Fund Balance	<u>4,000</u>	<u>4,000</u>	31,507
Fund Balance - Beginning			<u>616,927</u>
Fund Balance - Ending			<u><u>648,434</u></u>

VILLAGE OF HANOVER PARK, ILLINOIS

Special Service Area #6 - Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2024

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	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ —	—	756
Expenditures			
Community Development			
Contractual Services	—	8,000	3,320
Net Change in Fund Balance	<u>—</u>	<u>(8,000)</u>	(2,564)
Fund Balance - Beginning			<u>92,442</u>
Fund Balance - Ending			<u>89,878</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, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Water Sales	\$ 7,355,800	7,355,800	7,407,518
Sewer Service	2,885,600	2,885,600	2,897,285
Leachate Treatment	183,932	183,932	188,458
Penalties	312,000	312,000	412,871
Tap-On-Fees	43,226	43,226	13,209
Meter Sales	6,626	6,626	8,291
Miscellaneous	38,000	38,000	42,928
Total Operating Revenues	<u>10,825,184</u>	<u>10,825,184</u>	<u>10,970,560</u>
Operating Expenses			
Administration	2,576,139	2,576,139	2,160,396
Operations			
Water Treatment	6,711,275	6,869,858	5,118,240
Water Maintenance	6,054,063	6,160,376	993,800
Water Meter Operations	197,435	221,935	123,465
Sewage Treatment	2,778,572	2,778,572	1,859,525
Sewer Maintenance	1,136,364	1,486,364	1,318,723
Depreciation and Amortization	—	—	1,083,651
Total Operating Expenses	<u>19,453,848</u>	<u>20,093,244</u>	<u>12,657,800</u>
Operating (Loss)	<u>(8,628,664)</u>	<u>(9,268,060)</u>	<u>(1,687,240)</u>
Nonoperating Revenues			
Infrastructure Charge	2,904,000	2,904,000	2,929,362
State Grants	600,000	600,000	412,942
Debt Issuance	5,000,000	5,000,000	—
Investment Income	125,000	125,000	342,589
	<u>8,629,000</u>	<u>8,629,000</u>	<u>3,684,893</u>
Change in Net Position	<u>336</u>	<u>(639,060)</u>	1,997,653
Net Position - Beginning			<u>34,768,084</u>
Net Position - Ending			<u>36,765,737</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, 2024**

	Original Budget	Final Budget	Actual
<b>Administration</b>			
Personal Services	\$ 1,608,452	1,608,452	1,629,157
Commodities	5,225	5,225	5,133
Contractual Services	962,462	962,462	526,106
<b>Total Administration</b>	<b>2,576,139</b>	<b>2,576,139</b>	<b>2,160,396</b>
<b>Operations</b>			
<b>Water Treatment</b>			
Personal Services	414,786	414,786	452,416
Commodities	15,102	15,102	16,373
Contractual Services	5,826,387	5,826,387	4,639,003
Contractual Services	455,000	613,583	10,448
	<b>6,711,275</b>	<b>6,869,858</b>	<b>5,118,240</b>
<b>Water Maintenance</b>			
Personal Services	382,894	382,894	300,972
Commodities	131,210	131,210	95,856
Contractual Services	908,119	908,119	478,316
Capital Outlay	4,631,840	4,738,153	118,656
	<b>6,054,063</b>	<b>6,160,376</b>	<b>993,800</b>
<b>Water Meter Operations</b>			
Personal Services	122,538	122,538	62,172
Commodities	23,463	23,463	10,348
Contractual Services	51,434	51,434	50,945
Capital Outlay	—	24,500	—
	<b>197,435</b>	<b>221,935</b>	<b>123,465</b>
<b>Sewage Treatment</b>			
Personal Services	778,889	778,889	925,765
Commodities	87,692	87,692	82,264
Contractual Services	724,971	724,971	637,865
Capital Outlay	1,187,020	1,187,020	213,631
	<b>2,778,572</b>	<b>2,778,572</b>	<b>1,859,525</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, 2024

	Original Budget	Final Budget	Actual
Operations - Continued			
Sewer Maintenance			
Personal Services	\$ 382,894	382,894	292,215
Commodities	30,100	30,100	25,068
Contractual Services	173,370	173,370	876,286
Capital Outlay	550,000	900,000	125,154
	<u>1,136,364</u>	<u>1,486,364</u>	<u>1,318,723</u>
Total Operations	<u>16,877,709</u>	<u>17,517,105</u>	<u>9,413,753</u>
Depreciation and Amortization	<u>—</u>	<u>—</u>	<u>1,083,651</u>
Total Expenditures	<u>19,453,848</u>	<u>20,093,244</u>	<u>12,657,800</u>

VILLAGE OF HANOVER PARK, ILLINOIS

Municipal Railroad Parking Lot - Enterprise Fund

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

For the Fiscal Year Ended December 31, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Parking Fees	\$ 131,425	131,425	133,566
Operating Expenses			
Operations			
Personal Services	214,903	214,903	178,838
Commodities	5,794	5,794	3,514
Contractual Services	94,985	94,985	52,589
Capital Outlay	145,000	145,000	73,262
Depreciation	—	—	80,178
Total Operating Expenses	460,682	460,682	388,381
Operating (Loss)	(329,257)	(329,257)	(254,815)
Nonoperating Revenues			
State Grants	—	—	132,374
Investment Income	5,000	5,000	4,070
Miscellaneous	—	—	22
	5,000	5,000	136,466
Change in Net Position	(324,257)	(324,257)	(118,349)
Net Position - Beginning			1,516,832
Net Position - Ending			1,398,483

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Internal Service Funds  
Combining Statement of Net Position  
December 31, 2024**

	Central Equipment	IT Equipment Replacement	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 10,066,670	1,481,054	11,547,724
Receivables - Net of Allowances			
Accounts	41,027	—	41,027
Accrued Interest	164,116	28,625	192,741
Total Current Assets	<u>10,271,813</u>	<u>1,509,679</u>	<u>11,781,492</u>
Noncurrent Assets			
Capital Assets			
Depreciable	13,353,025	1,105,990	14,459,015
Accumulated Depreciation	(8,891,490)	(351,270)	(9,242,760)
Total Capital Assets	<u>4,461,535</u>	<u>754,720</u>	<u>5,216,255</u>
Total Assets	<u>14,733,348</u>	<u>2,264,399</u>	<u>16,997,747</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	281,918	13,484	295,402
Current Portion of Long-Term Debt	—	70,056	70,056
Total Current Liabilities	<u>281,918</u>	<u>83,540</u>	<u>365,458</u>
Noncurrent Liabilities			
Subscriptions Payable	—	418,176	418,176
Total Liabilities	<u>281,918</u>	<u>501,716</u>	<u>783,634</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	4,461,535	266,488	4,728,023
Unrestricted	<u>9,989,895</u>	<u>1,496,195</u>	<u>11,486,090</u>
Total Net Position	<u>14,451,430</u>	<u>1,762,683</u>	<u>16,214,113</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, 2024**

	Central Equipment	IT Equipment Replacement	Totals
Operating Revenues			
Interfund Services	\$ 2,280,205	687,422	2,967,627
Operating Expenses			
Operations	6,511	175,784	182,295
Depreciation	1,085,135	104,356	1,189,491
Total Operating Expenses	1,091,646	280,140	1,371,786
Operating Income	1,188,559	407,282	1,595,841
Nonoperating Revenues (Expenses)			
Investment Income	308,303	61,833	370,136
Interest Expense	—	(14,275)	(14,275)
	308,303	47,558	355,861
Change in Net Position	1,496,862	454,840	1,951,702
Net Position - Beginning	12,954,568	1,307,843	14,262,411
Net Position - Ending	14,451,430	1,762,683	16,214,113

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Internal Service Funds**

**Combining Statement of Cash Flows**

**For the Fiscal Year Ended December 31, 2024**

	Central Equipment	IT Equipment Replacement	Totals
<b>Cash Flows from Operating Activities</b>			
Interfund Services Provided	\$ 2,165,971	670,601	2,836,572
Payments to Suppliers	275,407	(279,370)	(3,963)
	<u>2,441,378</u>	<u>391,231</u>	<u>2,832,609</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchase of Capital Assets	(925,249)	(106,229)	(1,031,478)
Disposal of Capital Assets	4,836	—	4,836
Principal Paid on Debt	—	(68,304)	(68,304)
Interest Expense	—	(14,275)	(14,275)
	<u>(920,413)</u>	<u>(188,808)</u>	<u>(1,109,221)</u>
<b>Cash Flows from Investing Activities</b>			
Investment Income	308,303	61,833	370,136
Net Change in Cash and Cash Equivalents	1,829,268	264,256	2,093,524
Cash and Cash Equivalents - Beginning	8,237,402	1,216,798	9,454,200
Cash and Cash Equivalents - Ending	<u>10,066,670</u>	<u>1,481,054</u>	<u>11,547,724</u>
<b>Reconciliation of Operating Income to Net Cash</b>			
Provided (Used) by Operating Activities			
Operating Income	1,188,559	407,282	1,595,841
Adjustments to Reconcile Operating Income to Net			
Cash Provided by (Used in) Operating Activities:			
Depreciation	1,085,135	104,356	1,189,491
(Increase) Decrease in Current Assets	(114,234)	(16,821)	(131,055)
Increase (Decrease) in Current Liabilities	281,918	(103,586)	178,332
Net Cash Provided by Operating Activities	<u>2,441,378</u>	<u>391,231</u>	<u>2,832,609</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Central Equipment - Internal Service Fund**

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

**For the Fiscal Year Ended December 31, 2024**

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 2,280,205	2,280,205	2,280,205
Operating Expenses			
Operations			
Capital Outlay	2,533,000	2,928,985	6,511
Depreciation	1,220,000	1,220,000	1,085,135
Total Operating Expenses	<u>3,753,000</u>	<u>4,148,985</u>	<u>1,091,646</u>
Operating Income (Loss)	(1,472,795)	(1,868,780)	1,188,559
Nonoperating Revenues			
Investment Income	100,000	100,000	308,303
Change in Net Position	<u>(1,372,795)</u>	<u>(1,768,780)</u>	1,496,862
Net Position - Beginning			<u>12,954,568</u>
Net Position - Ending			<u>14,451,430</u>

VILLAGE OF HANOVER PARK, ILLINOIS

IT Equipment Replacement - Internal Service Fund

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

For the Fiscal Year Ended December 31, 2024

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 687,422	687,422	687,422
Operating Expenses			
Operations			
Capital Outlay	475,261	501,861	175,784
Depreciation	—	—	104,356
Total Operating Expenses	475,261	501,861	280,140
Operating Income	212,161	185,561	407,282
Nonoperating Revenues (Expenses)			
Investment Income	13,000	13,000	61,833
Interest Expense	—	—	(14,275)
	13,000	13,000	47,558
Change in Net Position	225,161	198,561	454,840
Net Position - Beginning			1,307,843
Net Position - Ending			1,762,683

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Fiduciary Net Position**

**December 31, 2024**

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	Police Pension	Firefighters' Pension	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,564,889	1,295,818	2,860,707
Investments			
Illinois Police Officers' Pension Investment Fund	51,390,423	—	51,390,423
Illinois Firefighters' Pension Investment Fund	—	30,541,325	30,541,325
Prepays	4,648	622	5,270
Total Assets	<u>52,959,960</u>	<u>31,837,765</u>	<u>84,797,725</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>1,315</u>	<u>2,150</u>	<u>3,465</u>
<b>NET POSITION</b>			
Net Position Restricted for Pensions	<u>52,958,645</u>	<u>31,835,615</u>	<u>84,794,260</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Pension Trust Funds**

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

**For the Fiscal Year Ended December 31, 2024**

	Police Pension	Firefighters' Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 4,061,646	2,274,627	6,336,273
Contributions - Plan Members	649,368	350,404	999,772
Other	—	4,320	4,320
Total Contributions	<u>4,711,014</u>	<u>2,629,351</u>	<u>7,340,365</u>
<b>Investment Income</b>			
Interest Earned	401,252	680,614	1,081,866
Net Change in Fair Value	4,114,144	2,299,107	6,413,251
	<u>4,515,396</u>	<u>2,979,721</u>	<u>7,495,117</u>
Less Investment Expenses	(27,491)	(35,402)	(62,893)
Net Investment Income	<u>4,487,905</u>	<u>2,944,319</u>	<u>7,432,224</u>
Total Additions	<u>9,198,919</u>	<u>5,573,670</u>	<u>14,772,589</u>
<b>Deductions</b>			
Benefits and Refunds	4,060,880	1,979,272	6,040,152
Administration	45,877	60,102	105,979
Total Deductions	<u>4,106,757</u>	<u>2,039,374</u>	<u>6,146,131</u>
Change in Fiduciary Net Position	5,092,162	3,534,296	8,626,458
<b>Net Position Restricted for Pensions</b>			
Beginning	<u>47,866,483</u>	<u>28,301,319</u>	<u>76,167,802</u>
Ending	<u>52,958,645</u>	<u>31,835,615</u>	<u>84,794,260</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, 2024**

	Original Budget	Final Budget	Actual
<b>Additions</b>			
Contributions - Employer	\$ 4,090,238	4,090,238	4,061,646
Contributions - Plan Members	685,140	685,140	649,368
Total Contributions	<u>4,775,378</u>	<u>4,775,378</u>	<u>4,711,014</u>
<b>Investment Income</b>			
Interest Earned	100,000	100,000	401,252
Net Change in Fair Value	1,000,000	1,000,000	4,114,144
	<u>1,100,000</u>	<u>1,100,000</u>	<u>4,515,396</u>
Less Investment Expenses	(68,000)	(68,000)	(27,491)
Net Investment Income	<u>1,032,000</u>	<u>1,032,000</u>	<u>4,487,905</u>
Total Additions	<u>5,807,378</u>	<u>5,807,378</u>	<u>9,198,919</u>
<b>Deductions</b>			
Benefits and Refunds	3,758,725	4,122,925	4,060,880
Administration	71,075	71,075	45,877
Total Deductions	<u>3,829,800</u>	<u>4,194,000</u>	<u>4,106,757</u>
Change in Fiduciary Net Position	<u>1,977,578</u>	<u>1,613,378</u>	5,092,162
<b>Net Position Restricted for Pensions</b>			
Beginning			<u>47,866,483</u>
Ending			<u>52,958,645</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, 2024

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 2,276,342	2,276,342	2,274,627
Contributions - Plan Members	355,520	355,520	350,404
Other	—	—	4,320
Total Contributions	<u>2,631,862</u>	<u>2,631,862</u>	<u>2,629,351</u>
Investment Income			
Interest Earned	80,000	80,000	680,614
Net Change in Fair Value	800,000	800,000	2,299,107
	<u>880,000</u>	<u>880,000</u>	<u>2,979,721</u>
Less Investment Expenses	(45,000)	(45,000)	(35,402)
Net Investment Income	<u>835,000</u>	<u>835,000</u>	<u>2,944,319</u>
Total Additions	<u>3,466,862</u>	<u>3,466,862</u>	<u>5,573,670</u>
Deductions			
Benefits and Refunds	2,219,684	2,219,684	1,979,272
Administration	71,015	71,015	60,102
Total Deductions	<u>2,290,699</u>	<u>2,290,699</u>	<u>2,039,374</u>
Change in Fiduciary Net Position	<u>1,176,163</u>	<u>1,176,163</u>	3,534,296
Net Position Restricted for Pensions			
Beginning			<u>28,301,319</u>
Ending			<u>31,835,615</u>

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Consolidated Year-End Financial Report  
December 31, 2024**

CSFA #	Program Name	State	Federal	Other	Totals
420-00-1758	Site Improvements	\$ 92,102	—	—	92,102
444-26-1565	Tabacco Enforcement Program Grants Program	3,352	—	—	3,352
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	59,685	—	—	59,685
532-60-2388	Green Infrastructure Grant Opportunities	1,662,640	—	—	1,662,640
	Other Federal Programs	—	516,181	—	516,181
	Totals	1,817,779	516,181	—	2,333,960

## **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, 2024 (Unaudited)**

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**See Following Page**

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**December 31, 2024 (Unaudited)**

	12/31/2015	12/31/2016	12/31/2017	12/31/2018 (1)
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 50,362,373	52,470,477	53,331,685	56,319,828
Restricted	6,932,172	7,366,374	8,097,770	9,354,849
Unrestricted (Deficit)	(14,151,561)	(14,420,304)	(14,243,345)	(17,856,992)
<b>Total Governmental   Activities Net Position</b>	<b>43,142,984</b>	<b>45,416,547</b>	<b>47,186,110</b>	<b>47,817,685</b>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	23,651,515	23,578,647	23,575,332	23,868,701
Restricted	—	—	—	—
Unrestricted	8,534,548	8,846,752	8,984,517	8,967,072
<b>Total Business-Type   Activities Net Position</b>	<b>32,186,063</b>	<b>32,425,399</b>	<b>32,559,849</b>	<b>32,835,773</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	74,013,888	76,049,124	76,907,017	80,188,529
Restricted	6,932,172	7,366,374	8,097,770	9,354,849
Unrestricted (Deficit)	(5,617,013)	(5,573,552)	(5,258,828)	(8,889,920)
<b>Total Primary Government   Net Position</b>	<b>75,329,047</b>	<b>77,841,946</b>	<b>79,745,959</b>	<b>80,653,458</b>

Data Source: Audited Financial Statements

\*Accrual Basis of Accounting

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

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
59,646,563	64,256,664	65,186,567	67,145,083	75,226,618	82,883,029
11,225,970	11,030,353	14,358,584	20,638,166	27,786,609	37,216,950
(13,530,269)	(7,402,325)	3,864,932	8,281,788	2,373,620	1,090,243
57,342,264	67,884,692	83,410,083	96,065,037	105,386,847	121,190,222
23,624,289	24,261,288	23,512,012	26,695,260	28,016,008	29,226,024
—	—	—	1,592,902	—	—
9,797,313	9,860,670	10,374,873	7,391,305	8,268,908	8,938,196
33,421,602	34,121,958	33,886,885	34,086,565	36,284,916	38,164,220
83,270,852	88,517,952	88,698,579	93,840,343	103,242,626	112,109,053
11,225,970	11,030,353	14,358,584	22,231,068	27,786,609	37,216,950
(3,732,956)	2,458,345	14,239,805	15,673,093	10,642,528	10,028,439
90,763,866	102,006,650	117,296,968	131,744,504	141,671,763	159,354,442

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Changes in Net Position - Last Ten Fiscal Years\*  
December 31, 2024 (Unaudited)**

	12/31/2015	12/31/2016	12/31/2017	12/31/2018 (1)	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
<b>Primary Governmental Expenses</b>										
<b>Governmental Activities</b>										
General Government	\$ 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	11,069,502
Public Works	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	5,186,235
Public Safety	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	28,211,192
Community Development	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	4,398,251
Highway and Streets	1,917,673	703,424	866,856	591,102	700,207	881,961	3,845,558	4,884,665	2,128,771	1,626,381
Interest	646,489	925,399	894,677	858,826	819,786	323,799	314,373	276,076	235,543	193,393
Total Governmental Activities Expenses	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	50,684,954
<b>Business-Type Activities</b>										
Water and Sewer	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	12,657,800
Parking	373,475	380,323	341,781	336,950	390,377	340,495	339,367	1,164,758	649,304	388,381
Hanover Square	593,909	—	—	—	—	—	—	—	—	—
Total Business-Type Activities Expenses	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	13,046,181
Total Primary Government Expenses	46,160,508	48,857,197	51,378,768	50,858,406	51,469,635	50,319,427	55,547,939	62,767,350	61,731,964	63,731,135
<b>Primary Government Program Revenues</b>										
<b>Governmental Activities</b>										
<b>Charges for Services</b>										
General Government	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	1,364,717
Public Safety	1,894,715	2,043,407	2,113,433	2,540,205	2,561,575	2,362,402	2,602,346	2,845,559	2,668,730	397,616
Community Development	18,758	11,794	16,181	68,644	3,849,912	173,563	153,353	109,324	86,657	2,888,977
Public Works	337,246	283,057	327,493	330,295	335,096	246,916	548,628	555,946	463,431	78,792
Operating Grants and Contributions	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	6,179,053
Total Governmental Activities Program Revenues	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	10,909,155
<b>Business-Type Activities</b>										
<b>Charges for Services</b>										
Water and Sewer	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	10,970,560
Parking	389,405	443,695	393,290	432,160	400,871	183,141	56,474	102,844	129,719	133,566
Hanover Square	643,541	—	—	—	—	—	—	—	—	—
Grants and Contributions	—	—	—	—	—	—	2,546,552	3,260,726	132,448	545,316
Total Business-Type Activities Program Revenues	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	11,649,442
Total Primary Government Program Revenues	17,018,702	16,235,442	16,520,295	17,030,992	20,630,099	18,317,601	20,303,538	21,706,241	17,145,569	22,558,597

	12/31/2015	12/31/2016	12/31/2017	12/31/2018 (1)	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
Net (Expenses) Revenues										
Governmental Activities	\$ (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)	(39,775,799)
Business-Type Activities	(523,080)	(990,341)	(1,674,285)	(1,057,105)	(1,079,056)	(930,927)	(1,816,721)	(757,256)	(2,473,984)	(1,396,739)
	<u>(29,141,806)</u>	<u>(32,621,755)</u>	<u>(34,858,473)</u>	<u>(33,827,414)</u>	<u>(30,839,536)</u>	<u>(32,001,826)</u>	<u>(35,244,401)</u>	<u>(41,061,109)</u>	<u>(44,586,395)</u>	<u>(41,172,538)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	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	16,575,520
Home Rule Sales Tax	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	8,157,212
Utility	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	1,540,075
Other Taxes	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	2,692,858
Intergovernmental										
Sales Tax	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	8,889,360
Use Tax	844,592	922,304	982,230	1,115,475	1,281,271	1,695,618	1,448,845	1,518,590	1,458,521	1,328,147
State Income Tax	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	6,363,170
Other Intergovernmental	93,510	87,160	101,644	84,998	101,684	93,807	235,858	638,610	1,392,057	2,558,776
Investment Income	61,070	89,607	198,840	575,434	763,849	232,320	79,484	503,363	3,262,031	3,620,886
Miscellaneous	(1,571,337)	282,508	412,898	301,930	257,683	278,795	340,534	348,441	356,254	3,853,170
Special Item - Gain on Sale of Equity Interest	—	—	—	—	—	—	—	—	936,620	—
Transfers	4,404,281	76,000	(141,849)	—	—	23,400	—	—	30,000	—
Total Governmental Activities	<u>36,330,041</u>	<u>34,760,885</u>	<u>34,953,751</u>	<u>36,724,777</u>	<u>39,233,834</u>	<u>41,613,327</u>	<u>48,953,071</u>	<u>52,958,807</u>	<u>51,434,221</u>	<u>55,579,174</u>
Business-Type Activities										
Investment Income	(202)	12,081	73,199	180,893	257,078	80,269	7,387	123,679	502,851	346,659
Miscellaneous	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	2,929,384
Transfers	(4,404,281)	(76,000)	141,849	—	—	(23,400)	—	—	(30,000)	—
Total Business-Type Activities	<u>(2,857,661)</u>	<u>1,286,594</u>	<u>1,808,735</u>	<u>1,753,352</u>	<u>1,831,767</u>	<u>1,631,283</u>	<u>1,581,648</u>	<u>2,549,838</u>	<u>3,079,433</u>	<u>3,276,043</u>
Total Primary Government	<u>33,472,380</u>	<u>36,047,479</u>	<u>36,762,486</u>	<u>38,478,129</u>	<u>41,065,601</u>	<u>43,244,610</u>	<u>50,534,719</u>	<u>55,508,645</u>	<u>54,513,654</u>	<u>58,855,217</u>
Changes in Net Position										
Governmental Activities	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	15,803,375
Business-Type Activities	(3,380,741)	296,253	134,450	696,247	752,711	700,356	(235,073)	1,792,582	605,449	1,879,304
Total Primary Government Changes in Net Position	<u>4,330,574</u>	<u>3,425,724</u>	<u>1,904,013</u>	<u>4,650,715</u>	<u>10,226,065</u>	<u>11,242,784</u>	<u>15,290,318</u>	<u>14,447,536</u>	<u>9,927,259</u>	<u>17,682,679</u>

Data Source: Audited Financial Statements

\*Accrual Basis of Accounting

(1) 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, 2024 (Unaudited)**

	12/31/2015	12/31/2016	12/31/2017	12/31/2018
General Fund				
Nonspendable	\$ 294,419	381,659	324,481	293,222
Restricted	—	—	—	—
Unassigned	16,326,081	19,432,402	21,124,648	22,115,466
Total General Fund	16,620,500	19,814,061	21,449,129	22,408,688
All Other Governmental Funds				
Nonspendable	—	—	8,099	—
Restricted	6,932,172	7,366,374	8,097,770	9,354,849
Assigned	845,601	925,390	1,465,047	793,723
Unassigned	(461,479)	(363,202)	(234,789)	(156,190)
Total All Other Governmental Funds	7,316,294	7,928,562	9,336,127	9,992,382
Total Governmental Funds	23,936,794	27,742,623	30,785,256	32,401,070

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
192,354	29,449	33,231	55,174	37,833	61,887
—	—	—	—	—	6,134,979
23,391,983	28,830,428	37,759,623	37,812,992	35,016,841	36,655,196
23,584,337	28,859,877	37,792,854	37,868,166	35,054,674	42,852,062
—	—	—	—	—	—
11,225,970	11,030,353	14,394,251	16,795,226	27,541,316	30,750,282
1,039,084	1,255,720	1,212,347	7,367,406	4,467,926	2,069,977
(88,402)	—	—	—	—	—
12,176,652	12,286,073	15,606,598	24,162,632	32,009,242	32,820,259
35,760,989	41,145,950	53,399,452	62,030,798	67,063,916	75,672,321

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2024 (Unaudited)**

	12/31/2015	12/31/2016	12/31/2017
<b>Revenues</b>			
Taxes	\$ 22,816,370	23,695,474	23,517,011
Intergovernmental	12,436,273	11,898,609	12,420,236
Licenses and Permits	1,224,977	1,168,407	1,267,962
Charges for Services and Fees	1,451,562	1,719,499	1,603,708
Fines and Forfeitures	700,467	766,115	907,692
Investment Income	61,070	89,607	198,840
Miscellaneous	441,974	523,483	730,098
<b>Total Revenues</b>	<b>39,132,693</b>	<b>39,861,194</b>	<b>40,645,547</b>
<b>Expenditures</b>			
General Government	3,344,230	3,671,745	3,946,578
Public Works	3,962,391	3,874,431	3,981,239
Public Safety	19,322,453	19,551,407	20,500,538
Community Development	4,003,728	3,574,079	3,536,293
Highways and Streets	628,804	728,074	885,352
Capital Outlay	1,318,476	2,817,230	2,923,902
Debt Service			
Principal	945,000	985,000	1,030,000
Interest and Fiscal Charges	957,562	929,399	899,012
<b>Total Expenditures</b>	<b>34,482,644</b>	<b>36,131,365</b>	<b>37,702,914</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>4,650,049</b>	<b>3,729,829</b>	<b>2,942,633</b>
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	—	—	—
Disposal of Capital Assets	—	—	—
Premiums on Bond Issuance	—	—	—
Payment to Escrow Agent	—	—	—
Transfers In	1,430,802	1,273,396	2,178,155
Transfers Out	(1,605,802)	(1,197,396)	(2,078,155)
Sale of Property	—	—	—
	<b>(175,000)</b>	<b>76,000</b>	<b>100,000</b>
<b>Change in Fund Balances Before Special Items</b>	<b>4,475,049</b>	<b>3,805,829</b>	<b>3,042,633</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>4,475,049</b>	<b>3,805,829</b>	<b>3,042,633</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>5.82%</b>	<b>5.99%</b>	<b>5.99%</b>

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	12/31/2024
24,253,008	25,598,513	26,186,026	30,440,547	31,928,330	28,949,477	28,965,665
13,248,330	14,235,104	18,539,007	20,916,827	23,421,092	19,662,719	25,318,506
1,279,465	1,294,601	1,143,061	1,470,518	1,478,284	1,358,951	1,321,607
1,880,744	1,986,105	1,698,259	2,218,944	2,497,968	2,332,090	2,385,355
1,109,612	1,160,816	1,061,886	999,635	946,059	858,788	1,023,140
575,434	763,849	232,320	21,304	387,484	2,963,152	3,250,750
594,105	467,427	389,613	340,534	348,441	356,254	3,868,404
42,940,698	45,506,415	49,250,172	56,408,309	61,007,658	56,481,431	66,133,427
4,287,169	4,468,215	5,214,787	4,604,107	4,920,718	5,170,312	5,361,181
4,237,892	4,296,111	4,018,408	4,299,445	4,615,317	4,780,144	5,186,235
21,372,010	21,740,295	21,719,698	22,715,333	25,252,746	25,821,866	27,944,023
4,232,128	3,762,696	5,042,370	6,489,435	6,769,510	4,748,211	4,398,251
619,997	739,471	910,523	753,511	877,200	948,249	1,380,380
4,812,292	5,024,317	5,197,456	3,816,176	8,502,821	13,527,271	12,004,852
1,050,000	1,070,000	1,310,000	970,000	1,010,000	1,050,000	1,095,000
863,396	824,691	498,842	466,800	428,000	387,600	345,600
41,474,884	41,925,796	43,912,084	44,114,807	52,376,312	56,433,653	57,715,522
1,465,814	3,580,619	5,338,088	12,293,502	8,631,346	47,778	8,417,905
—	—	12,980,000	—	—	—	—
—	—	—	—	—	—	190,500
—	—	1,868,674	—	—	—	—
—	—	(14,747,201)	—	—	—	—
2,190,805	2,948,642	1,673,775	2,138,382	11,704,532	11,248,012	7,622,507
(2,190,805)	(3,169,342)	(1,728,375)	(2,178,382)	(11,704,532)	(11,248,012)	(7,622,507)
150,000	—	—	—	—	—	—
150,000	(220,700)	46,873	(40,000)	—	—	190,500
1,615,814	3,359,919	5,384,961	12,253,502	8,631,346	47,778	8,608,405
—	—	—	—	—	4,985,340	—
1,615,814	3,359,919	5,384,961	12,253,502	8,631,346	5,033,118	8,608,405
5.04%	4.97%	4.40%	3.46%	2.96%	3.16%	3.03%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Cook County - Last Ten Tax Levy Years  
December 31, 2024 (Unaudited)**

Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
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
2023	307,442,214	2,948	56,403,985	459,865

Data Source: Office of the County Clerk and Treasurer

Total	Railroad	Total Taxable Assessed Value	Estimated Actual Taxable Value	Tax Rate
\$ 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	1,061,816,223	1.7676
364,309,012	—	364,309,012	1,092,927,036	1.7485

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - DuPage County - Last Ten Tax Levy Years  
December 31, 2024 (Unaudited)**

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Tax Levy Year	Residential Property	Farm	Commercial Property	Industrial Property
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
2023	382,583,408	66,400	27,339,534	100,630,520

Data Source: Office of the County Clerk and Treasurer

Total	Railroad	Total Taxable Assessed Value	Estimated Actual Taxable Value	Tax Rate
\$ 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
510,619,862	50,945	510,670,807	1,532,012,421	1.6160

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Cook County - Last Ten Tax Levy Years  
December 31, 2024 (Unaudited)**

	2014	2015	2016
<b>Village Direct Rates</b>			
General Corporate Rate	2.3570	2.4750	1.5041
Police Pension	—	—	0.4212
Fire Pension	—	—	0.2531
Debt Service Rate	0.3300	0.3880	0.3345
Total Direct	<u>2.6870</u>	<u>2.8630</u>	<u>2.5129</u>
<b>Overlapping Rates</b>			
School District #46	7.6680	7.9470	6.8370
School District #509	0.6380	0.6540	0.5700
Hanover Park District	0.6240	0.6650	0.5970
County Including Forest Preserve District and TB Sanitarium	0.6370	0.6210	0.5960
Hanover Township	0.2980	0.3180	0.2750
Metropolitan Water Reclamation District	0.4300	0.4260	0.4060
Northwest Mosquito Abatement District	0.0130	0.0110	0.0100
Poplar Creek Library	0.6320	0.6630	0.5800
Community Mental Health	0.0610	0.0580	0.0570
Consolidated Elections	—	0.0340	—
Total Overlapping Rates	<u>11.0010</u>	<u>11.3970</u>	<u>9.9280</u>
 Total Tax Rates	 <u>13.6880</u>	 <u>14.2600</u>	 <u>12.4409</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.

2017	2018	2019	2020	2021	2022	2023
1.4128	1.4115	1.1272	1.0306	1.0359	0.8148	0.7270
0.4525	0.4973	0.4624	0.5531	0.6432	0.4818	0.5332
0.2794	0.3023	0.2776	0.3248	0.3580	0.2778	0.2968
0.3268	0.3334	0.2787	0.2340	0.2500	0.1932	0.1915
2.4715	2.5445	2.1459	2.1425	2.2871	1.7676	1.7485
6.9320	7.1200	6.4390	6.5750	7.1970	6.0220	6.0380
0.5620	0.6120	0.5440	0.5270	0.5520	0.4660	0.4510
0.5970	0.6280	0.5420	0.5600	0.6040	0.5010	0.5170
0.5580	0.5490	0.5130	0.5110	0.5040	0.5120	0.4610
0.2810	0.3840	0.3410	0.3520	0.3920	0.3320	0.5980
0.4020	0.3960	0.3890	0.3780	0.3820	0.3740	0.3450
0.0100	0.0110	0.0100	0.0100	0.0110	0.0090	0.0100
0.5900	0.6210	0.5460	0.5640	0.6230	0.5240	0.5260
0.0590	0.0630	0.0570	0.0590	0.0670	0.0570	0.0570
0.0310	—	0.0300	—	0.0190	—	0.0320
10.0220	10.3840	9.4110	9.5360	10.3510	8.7970	9.0350
12.4935	12.9285	11.5569	11.6785	12.6381	10.5646	10.7835

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates - DuPage County - Last Ten Tax Levy Years  
December 31, 2024 (Unaudited)**

	2014	2015	2016
<b>Village Direct Rates</b>			
General Corporate Rate	0.9836	0.9664	0.5699
Fire Protection	1.3204	1.4449	0.9382
Police Protection	—	—	0.3676
Fire Pension	—	—	0.2791
Debt Service Rate	0.2816	0.3233	0.2863
Total Direct	2.5856	2.7346	2.4411
<b>Overlapping Rates</b>			
School District #93	5.1272	5.0951	4.8165
School District #87	2.5824	2.5173	2.4030
Community College #502	0.2975	0.2786	0.2625
Hanover Park District	0.5834	0.6099	0.5606
County Including Forest Preserve District and Airport	0.3944	0.3781	0.3538
Wayne Township	0.1880	0.1847	0.1759
Poplar Creek Library	0.6272	0.6601	0.5906
Total Overlapping Rates	9.8001	9.7238	9.1629
<b>Total Tax Rates</b>	<b>12.3857</b>	<b>12.4584</b>	<b>11.6040</b>

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.

2017	2018	2019	2020	2021	2022	2023
0.4692	0.3819	0.2735	0.1689	0.1127	0.1119	0.0311
0.8951	0.8694	0.7910	0.7948	0.7884	0.7590	0.7006
0.3790	0.3802	0.3771	0.4383	0.4675	0.4310	0.4317
0.2933	0.2882	0.2774	0.3159	0.3189	0.3049	0.2991
0.2685	0.2505	0.2229	0.1820	0.1800	0.1713	0.1535
2.3051	2.1702	1.9419	1.8999	1.8675	1.7781	1.6160
4.6931	4.5643	4.5364	4.5597	4.4370	4.4300	4.2512
2.3402	2.2834	2.2296	2.2255	2.2284	2.2216	2.1976
0.2431	0.2317	0.2112	0.2114	0.2037	0.1946	0.1907
0.5415	0.5194	0.4796	0.4801	0.4859	0.4787	0.4484
0.3221	0.3097	0.3038	0.2962	0.2908	0.2697	0.2681
0.1724	0.1704	0.0911	0.0904	0.0899	0.0891	0.0884
0.5725	0.5552	0.5023	0.5173	0.5373	0.5163	0.4890
8.8849	8.6341	8.3540	8.3806	8.2730	8.2000	7.9334
11.1900	10.8043	10.2959	10.2805	10.1405	9.9781	9.5494

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago  
December 31, 2024 (Unaudited)**

Taxpayer	2024			2015		
	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.	\$ 18,263,050	1	2.09%	12,259,340	1	2.26%
Menards	11,205,264	2	1.28%	6,517,034	5	1.20%
MS Claremont LP - Symphony	7,415,571	3	0.85%			
Fisher Scientific Company	6,915,720	4	0.79%	3,470,440	7	0.64%
Cenral Avenue LLC	5,833,320	5	0.67%			
Integrity Real Property LLC	4,534,750	6	0.52%	2,685,930	10	0.50%
Pebblewood 23 LLC	4,471,902	7	0.51%			
FRG X IL 1 LP	3,517,430	8	0.40%			
Iron Mountain Info Mgmt	3,127,440	9	0.36%			
WestView LLC (IG Capital LLC)	2,115,428	10	0.24%	2,718,222	9	0.50%
New Wxcel Realty				11,093,894	2	2.05%
Hanover Park Village				7,975,263	3	1.47%
Realty 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>67,399,875</b>		<b>7.71%</b>	<b>63,333,413</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, 2024 (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
12/31/15	2014	\$ 13,249,064	\$ 13,110,424	98.95%	\$ 78,873	\$ 13,189,297	99.55%
12/31/16	2015	13,386,715	13,370,538	99.88%	16,177	13,386,715	100.00%
12/31/17	2016	13,386,715	13,295,995	99.32%	90,720	13,386,715	100.00%
12/31/18	2017	13,386,715	13,231,740	98.84%	102,246	13,333,986	99.61%
12/31/19	2018	13,386,715	13,287,963	99.26%	98,752	13,386,715	100.00%
12/31/20	2019	13,383,696	13,266,643	99.13%	58,272	13,324,915	99.56%
12/31/21	2020	13,383,696	13,266,038	99.12%	72,941	13,338,979	99.67%
12/31/22	2021	13,383,696	13,300,274	99.38%	41,800	13,342,074	99.69%
12/31/23	2022	13,383,696	13,303,546	99.40%	19,017	13,322,563	99.54%
12/31/24	2023	13,383,696	13,266,740	99.13%	—	13,266,740	99.13%

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, 2024 (Unaudited)**

	2015	2016	2017	2018
General Merchandise	\$ —	—	14,364	(18,810)
Food	574,319	576,736	583,480	582,809
Drinking and Eating Places	303,626	305,715	277,375	308,618
Apparel	—	—	4,142	9,826
Furniture, HH and Radio	28,226	20,856	16,786	18,161
Lumber, Building, and Hardware	604,029	615,656	628,656	642,765
Automobile and Filling Stations	282,731	292,880	288,816	177,235
Drugs and Miscellaneous Retail	512,741	519,202	524,001	618,984
Agriculture and All Others	3,171,299	3,486,299	3,956,078	4,341,891
Manufacturers	138,599	72,118	71,165	75,243
Totals	5,615,570	5,889,462	6,364,863	6,756,722
Village Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%

Data Source: Illinois Department of Revenues

2019	2020	2021	2022	2023	2024
9,760	—	945	966	2,311	19,563
606,709	690,629	646,492	695,037	659,405	589,295
326,183	290,686	334,955	355,801	379,200	388,099
227	—	26,822	34,934	43,074	54,206
20,353	20,699	64,987	57,799	29,627	77,686
638,648	713,681	730,233	727,014	719,258	682,162
229,666	239,934	321,590	325,647	312,885	453,199
584,634	559,661	894,277	966,080	922,000	1,706,578
4,725,843	6,436,460	8,322,766	8,702,129	5,965,306	5,579,915
46,459	24,229	52,715	50,428	31,510	19,106
7,188,482	8,975,979	11,395,782	11,915,835	9,064,576	9,569,809
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, 2024 (Unaudited)**

	2015	2016	2017	2018
General Merchandise	\$ —	—	9,282	(12,331)
Food	107,834	116,472	123,923	127,167
Drinking and Eating Places	215,732	217,608	198,415	222,819
Apparel	—	—	3,093	7,367
Furniture, HH and Radio	21,163	15,643	12,583	13,615
Lumber, Building, and Hardware	444,486	453,347	463,134	473,570
Automobile and Filling Stations	195,829	198,978	197,843	117,780
Drugs and Miscellaneous Retail	190,616	186,821	178,906	253,395
Agriculture and All Others	2,378,404	2,592,831	2,958,260	3,251,305
Manufacturers	91,765	53,339	52,671	55,703
Totals	3,645,829	3,835,039	4,198,110	4,510,390
Village Home Rule Sales Tax Rate	0.75%	0.75%	0.75%	0.75%

Data Source: Illinois Department of Revenues

2019	2020	2021	2022	2023	2024
6,080	—	825	949	2,168	16,950
125,720	130,777	181,301	201,552	209,364	192,854
237,864	217,062	295,095	354,234	374,808	384,951
170	—	25,290	34,697	42,702	53,797
15,265	15,516	60,505	57,610	29,593	77,655
469,685	524,697	627,400	711,619	704,555	667,772
152,325	155,483	247,906	270,399	266,700	400,633
228,438	206,367	535,419	668,527	594,257	1,185,107
3,535,375	4,822,572	7,490,612	8,699,775	5,960,795	5,679,932
33,968	892,623	44,444	49,444	37,385	18,483
4,804,890	6,965,097	9,508,797	11,048,806	8,222,327	8,678,134
0.75%	0.75%	0.75%	1.00%	1.00%	1.00%

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Direct and Overlapping Sales Tax Rates Cook County - Last Ten Calendar Years  
December 31, 2024 (Unaudited)**

Calendar Year	Village Direct Rate	Village Home Rule Rate	Regional Transportation Authority	County Direct Rate	County Home Rule Rate	State Rate	Total
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%
2024	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, 2024 (Unaudited)**

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Calendar Year	Village Direct Rate	Village Home Rule Rate	Regional Transportation Authority	County Direct Rate	State Rate	Total
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%
1905	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%
2024	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, 2024 (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)			
2015	\$ 18,654,164	\$ —	\$ 730,463	\$ 19,384,627	\$ 533,303,999	3.63%	2.25%	\$ 510.48
2016	17,667,537	—	383,924	18,051,461	525,854,318	3.43%	2.10%	475.38
2017	16,635,910	—	151,013	16,786,923	585,885,950	2.87%	1.95%	442.08
2018	15,584,283	—	36,694	15,620,977	610,236,664	2.56%	1.82%	411.37
2019	14,512,658	—	—	14,512,658	624,489,299	2.32%	1.69%	382.18
2020	13,368,795	—	—	13,368,795	712,977,924	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
2024	8,564,279	488,232	3,774,986	12,827,497	874,979,819	1.47%	1.28%	342.34

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, 2024 (Unaudited)**

Fiscal Year	General Obligation Bonds	Less Amounts Available for Debt Service Fund	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
12/31/2015	\$ 18,654,164	\$ 172,733	\$ 18,481,431	3.47%	\$ 486.70
12/31/2016	17,667,537	192,710	17,474,827	3.32%	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	2.49%	400.40
12/31/2019	14,512,658	477,033	14,035,625	2.25%	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
12/31/2024	8,564,279	623,284	7,940,995	0.91%	211.93

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, 2024 (Unaudited)**

Governmental Unit	Debt Outstanding		Percentage to Debt Applicable to Village	Village's Share of Debt
Village of Hanover Park	\$ 9,052,511		100.00%	\$ 9,052,511
School District #20	12,700,000		18.23%	2,315,210
School District #93	3,595,000	(4)	17.25%	620,138
High School District #211	—	(3)(4)	14.34%	—
High School District #108	7,640,000	(3)	10.73%	819,772
High School District #54	—		19.26%	—
Community School District #46	218,095,622	(2)	31.47%	68,634,692
Community College District #502	64,455,000	(3)	0.99%	638,105
Community College District #509	127,385,000	(2)	2.08%	2,649,608
Community College District #512	227,125,000		2.15%	4,883,188
Total School Districts	<u>660,995,622</u>			<u>80,560,713</u>
Cook County	2,093,131,750		2.01%	42,071,948
DuPage County	17,275,000	(3)(4)	0.77%	133,018
Cook County Forest Preserve District	87,340,000	(3)	0.39%	340,626
DuPage County Forest Preserve District	47,795,000	(2)(3)	0.56%	267,652
Metropolitan Water Reclamation District	2,548,156,218	(1)	1.80%	45,866,812
Bartlett Park District	14,760,000	(3)	2.85%	420,660
Hanover Park Park District	8,802,650	(3)	2.69%	236,791
Schaumburg Park District	12,123,875	(3)	3.24%	392,814
Bloomington Fire Protection District	1,995,244		3.53%	70,432
Total Other	<u>4,831,379,737</u>			<u>89,800,753</u>
Total Overlapping Debt	<u>5,492,375,359</u>			<u>170,361,466</u>
Total Direct and Overlapping Debt	<u><u>5,501,427,870</u></u>			<u><u>179,413,977</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, 2024 (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, 2024 (Unaudited)**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate (1)
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%
12/31/2024	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, 2024 (Unaudited)**

Employer	2024			2015		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Insight Enterprises, Inc.	460	1	7.3%	250	3	5.0%
Tri-Dem Filter	300	2	4.8%			
Camcraft, Inc.	282	3	4.5%	245	4	4.9%
Hanover Park Park Districk	279	4	4.4%			
Thermo Fischer Scientific	275	5	4.4%	300	2	6.0%
Village of Hanover Park	225	6	3.6%	193	9	3.9%
Fuji Film	190	7	3.0%	200	6	4.0%
Jabil Packaging Solutions	160	8	2.6%			
Menards	158	9	2.5%	200	7	4.0%
Pentair	156	10	2.5%	190	10	3.8%
Lineage Food Service Solution (aka. Maines Paper & Food Service)				400	1	8.0%
Pentair/Everpure, LLC				200	5	4.0%
General Binding Corp				200	8	4.0%
<b>Total</b>	<b>2,485</b>		<b>39.6%</b>	<b>2,378</b>		<b>47.6%</b>

Data Source: Business License Renewal Form

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years  
December 31, 2024 (Unaudited)**

Function/Program	12/31/2015	12/31/2016	12/31/2017	12/31/2018
General Government				
Village Clerk	2	2	2	2
Administration	2	3	3	3
Human Resources	3	3	3	3
Information Technology	3	3	3	3
Finance	11	11	11	11
Public Works	36	38	34	34
Police	85	85	84	81
Fire	41	41	41	41
Community Development	3	3	3	3
Water and Sewer	10	9	12	15
Totals	196	198	196	196

Data Source: Village Records

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12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
2	2	1	1	1	1
3	3	3	3	3	3
3	3	3	3	4	4
3	3	3	3	3	3
11	11	11	11	11	11
32	33	33	34	32	32
85	85	85	85	86	86
41	41	40	41	44	44
3	4	4	4	5	5
15	15	15	15	17	17
198	200	198	200	206	206

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**VILLAGE OF HANOVER PARK, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
December 31, 2024 (Unaudited)**

Function/Program	12/31/2015	12/31/2016	12/31/2017	12/31/2018
<b>Public Works</b>				
<b>Forestry</b>				
Number of Parkway Trees Planted	159	630	521	548
Number of Parkway Trees Trimmed	1,467	1,570	959	1,435
Brush Pickup Program (Cubic Yards Collected)	1,090	1,095	905	705
<b>Fleet Services</b>				
Number of Vehicles Maintained	156	156	161	160
Preventative Maintenance Services	435	408	477	442
<b>Public Safety</b>				
<b>Fire</b>				
Number of Fire Calls	1,089	1,101	1,265	1,360
Number of EMS Calls	2,434	2,455	2,293	2,197
Number of Training Hours	15,954	14,120	13,595	14,389
ISO Rating	2	2	2	2
<b>Police</b>				
Part I Crime	305	295	279	250
Part II Crime	3,583	3,998	3,637	3,797
Calls for Service	43,255	49,150	48,763	4,765
State Tickets Issued	6,807	7,116	7,319	6,577
Compliance Tickets Issued	—	1,463	—	1,497
Parking Tickets Issued	9,270	10,223	9,058	9,481
<b>Community Development</b>				
Number of Building Permits Issued	1,654	1,896	1,971	2,020
Number of Building Inspections	5,896	6,076	5,773	6,033
Number of Food Service Inspections	422	401	386	313
<b>Highways and Streets</b>				
Sidewalk Replaced (Square Feet)	28,159	20,661	25,260	27,929
Annual Resurfacing Program (\$)	—	1,082,954	842,910	908,441
Crack Sealing (Pounds Installed)	16,080	16,666	18,000	19,050
<b>Water and Sewer</b>				
Water Main Breaks	41	55	63	81
Hydrants Flushed	1,475	1,482	1,546	1,488
Water Meters Read	41,239	107,171	118,874	157,217
Water Meter Service Requests	4,477	3,393	3,097	5,053
Water Meters Replaced	102	100	136	247
Total Distribution Pumpage (1,000 Gallons)	886,487	806,682	815,048	870,411
Average Daily Pumpage (1,000 Gallons)	2,429	2,204	2,233	2,385
Sanitary Sewer Televising (Feet)	20,831	54,051	27,692	21,579
Sanitary Sewer Repairs	2	5	2	8

Data Source: Village Records

Note: Indicators are not for the general government functions.

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
587	—	—	75	78	186
1,516	—	1,550	1,200	1,588	1,379
835	685	965	560	750	740
160	155	156	151	154	157
456	471	475	428	395	488
1,011	981	991	1,222	1,313	1,301
2,478	2,412	2,699	2,853	2,784	2,743
13,435	8,508	7,549	7,225	8,186	7,253
2	2	2	2	2	2
288	297	234	234	246	193
3,089	2,111	2,164	2,296	2,328	2,565
43,406	39,056	40,992	40,644	43,152	44,411
6,929	5,111	5,136	5,448	6,766	7,143
2,662	793	902	521	713	703
9,206	4,423	6,936	9,044	9,117	10,294
1,952	1,499	1,727	1,901	1,789	1,816
3,460	3,638	3,644	3,805	3,909	3,420
396	430	155	161	163	159
32,360	33,542	49,907	79,135	44,963	55,484
2,554,715	1,428,568	2,246,570	4,556,301	3,066,113	3,821,283
15,900	—	17,000	—	27,013	18,000
56	53	63	72	79	61
1,428	1,484	1,461	1,633	1,539	1,463
143,121	161,561	161,561	19,855	3,521	574
318	3,843	1,900	849	723	789
149	61	11	32	28	12
849,511	854,638	893,382	935,535	889,585	885,361
2,327	2,335	2,448	2,555	2,437	2,419
2,585	14,631	43,768	94,334	52,060	13,666
1	2	5	3	3	1

**VILLAGE OF HANOVER PARK, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
December 31, 2024 (Unaudited)**

Function/Program	12/31/2015	12/31/2016	12/31/2017	12/31/2018
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	85.22
Sidewalks (Miles)	155.25	155.30	155.37	155.37
Streetlights	1,088	1,088	1,121	1,154
Water and Sewer				
Water Mains (Miles)	112.35	112.35	112.35	125.58
Fire Hydrants	1,482	1,483	1,482	1,485
Sanitary Sewers (Miles)	94.03	94.03	94.03	93.10
Manholes	2,353	2,353	2,353	2,383

Data Source: Village Records

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
1	1	1	1	1	1
20	20	20	20	20	20
2	2	2	2	2	3
85.22	85.22	85.41	85.41	85.53	85.53
155.38	155.38	155.57	155.57	155.57	155.57
1,160	1,185	1,185	1,306	1,352	1,336
125.58	125.58	126.39	122.16	122.55	123.90
1,482	1,482	1,495	1,503	1,511	1,521
93.10	93.10	93.10	93.10	90.49	95.80
2,353	2,353	2,394	2,394	2,353	2,354

**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***



**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**

June 20, 2025

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, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated June 20, 2025. 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. Accordingly, 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  
June 20, 2025

### **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