

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
APRIL 30, 2023

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## **FINANCIAL SECTION**

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

## **INDEPENDENT AUDITOR'S REPORT**

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



## INDEPENDENT AUDITOR'S REPORT

July 9, 2024

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

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Midlothian, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, based our audit and the report of the other auditors, 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 Midlothian, Illinois, as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Midlothian Police Pension as of April 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof 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 Midlothian Police Pension, 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. 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, 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 Midlothian, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP

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

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Management's Discussion and Analysis**

**April 30, 2023**

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Our discussion and analysis of the Village of Midlothian, Illinois', (the Village) financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2023. Please read it in conjunction with the Village's financial statements, in the basic financial statement section of this report.

### **FINANCIAL HIGHLIGHTS**

- The Village's net position increased as a result of this year's operations. Net position of business-type activities increased by \$397,370, or 5.2 percent and net position of the governmental activities increased by \$2,300,450, or 7.5 percent.
- During the year, government-wide revenues totaled \$24,665,872, while expenses totaled \$21,968,052, resulting in an increase to net position of \$2,697,820.
- The Village's net position totaled a deficit of \$20,157,494 on April 30, 2023, which includes \$7,271,251 net investment in capital assets, \$9,466,734 subject to external restrictions, and a deficit of \$36,895,479 unrestricted net position.
- The General Fund reported a decrease this year of \$5,056,861, resulting in an ending fund balance of \$15,515,628.

### **USING THIS ANNUAL REPORT**

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

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

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

### **Government-Wide Financial Statements**

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

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Management's Discussion and Analysis**

**April 30, 2023**

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### **USING THIS ANNUAL REPORT - Continued**

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

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

#### **Fund Financial Statements**

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

##### **Governmental Funds**

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

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

The Village maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other four 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 appropriated budget for all governmental funds, except the Foreign Fire Insurance Fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

##### **Proprietary Funds**

The Village maintains one proprietary fund type: enterprise. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water, sewer, west commuter parking lot and commuter parking lot operations.

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Management's Discussion and Analysis**

**April 30, 2023**

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### **USING THIS ANNUAL REPORT - Continued**

#### **Fund Financial Statements - Continued**

##### **Proprietary Funds - Continued**

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund, which is considered to be a major fund of the Village. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

##### **Fiduciary Funds**

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

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

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

##### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. and police and firefighters' employee pension obligations, retiree benefits plan and budgetary comparison schedule for the General Fund.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Management's Discussion and Analysis

April 30, 2023

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, liabilities/deferred inflows exceeded assets/deferred outflows by \$20,157,494.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 27,914,240	31,685,127	5,645,668	5,331,816	33,559,908	37,016,943
Capital Assets	12,062,847	4,191,941	9,630,213	9,371,175	21,693,060	13,563,116
Total Assets	39,977,087	35,877,068	15,275,881	14,702,991	55,252,968	50,580,059
Deferred Outflows of Resources	20,323,525	19,261,470	368,232	352,207	20,691,757	19,613,677
Total Assets and Deferred Outflows	60,300,612	55,138,538	15,644,113	15,055,198	75,944,725	70,193,736
Long-Term Debt	52,348,095	47,164,970	6,025,309	6,183,208	58,373,404	53,348,178
Other Liabilities	5,726,846	3,079,141	1,001,044	756,852	6,727,890	3,835,993
Total Liabilities	58,074,941	50,244,111	7,026,353	6,940,060	65,101,294	57,184,171
Deferred Inflows of Resources	30,425,846	35,395,052	575,079	469,827	31,000,925	35,864,879
Total Liabilities and Deferred Inflows	88,500,787	85,639,163	7,601,432	7,409,887	96,102,219	93,049,050
Net Position						
Net Investment in Capital Assets	2,386,426	(452,933)	4,884,825	4,308,092	7,271,251	3,855,159
Restricted	8,740,697	7,655,582	726,037	586,564	9,466,734	8,242,146
Unrestricted (Deficit)	(39,327,298)	(37,703,274)	2,431,819	2,750,655	(36,895,479)	(34,952,619)
Total Net Position	(28,200,175)	(30,500,625)	8,042,681	7,645,311	(20,157,494)	(22,855,314)

A portion of the Village's net position, \$7,271,251, reflects its investment in capital assets (for example, land, construction in progress, land improvements/development, buildings, water infrastructure, sewer system, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$9,466,734, of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit \$36,895,479, represents unrestricted net position.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Management's Discussion and Analysis

April 30, 2023

### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 3,404,950	3,863,393	4,454,576	4,262,934	7,859,526	8,126,327
Operating Grants/Contributions	1,591,016	1,252,059	—	—	1,591,016	1,252,059
General Revenues						
Property Taxes	7,146,118	6,193,658	—	—	7,146,118	6,193,658
Sales Taxes	3,420,670	3,302,127	—	—	3,420,670	3,302,127
State Income Taxes	2,314,610	2,102,800	—	—	2,314,610	2,102,800
Other Taxes	1,607,782	2,176,097	—	—	1,607,782	2,176,097
Investment Income	481,160	49,127	40,673	10,685	521,833	59,812
Miscellaneous	204,317	272,882	—	18,561	204,317	291,443
Total Revenues	20,170,623	19,212,143	4,495,249	4,292,180	24,665,872	23,504,323
<b>Expenses</b>						
General Government	2,250,748	2,204,250	—	—	2,250,748	2,204,250
Public Works	5,875,429	3,754,848	—	—	5,875,429	3,754,848
Public Safety	8,596,533	9,032,152	—	—	8,596,533	9,032,152
Interest on Long-Term Debt	431,308	475,127	—	—	431,308	475,127
Water	—	—	3,978,422	3,093,513	3,978,422	3,093,513
Sewer	—	—	652,023	464,967	652,023	464,967
West Commuter Parking Lot	—	—	90,518	43,614	90,518	43,614
Commuter Parking Lot	—	—	93,071	92,077	93,071	92,077
Total Expenses	17,154,018	15,466,377	4,814,034	3,694,171	21,968,052	19,160,548
<b>Change in Net Position</b>						
Before Transfers	3,016,605	3,745,766	(318,785)	598,009	2,697,820	4,343,775
Transfers	(716,155)	—	716,155	—	—	—
Change in Net Position	2,300,450	3,745,766	397,370	598,009	2,697,820	4,343,775
Net Position - Beginning	(30,500,625)	(34,246,391)	7,645,311	7,047,302	(22,855,314)	(27,199,089)
Net Position - Ending	(28,200,175)	(30,500,625)	8,042,681	7,645,311	(20,157,494)	(22,855,314)

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Management's Discussion and Analysis

April 30, 2023

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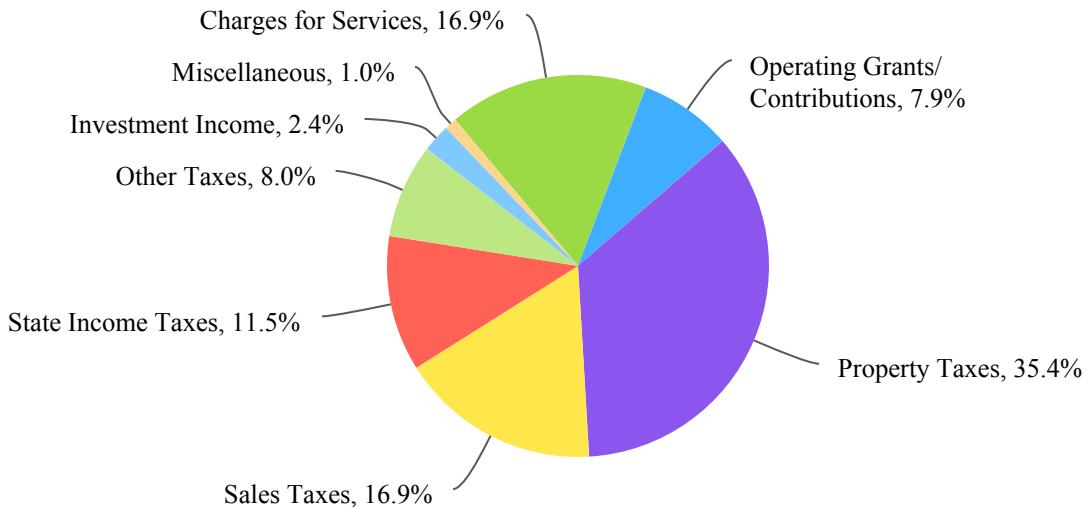
## GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

### Governmental Activities

Revenues for governmental activities totaled \$20,170,623 while the cost of all governmental functions totaled \$17,154,018. This resulted in an increase of \$3,016,605 prior to transfers out of \$716,155.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of property taxes, charges for services, and sales taxes to fund governmental activities. It also clearly identifies the less significant percentage the Village receives from income and other taxes.

**Revenues by Source - Governmental Activities**



# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Management's Discussion and Analysis

April 30, 2023

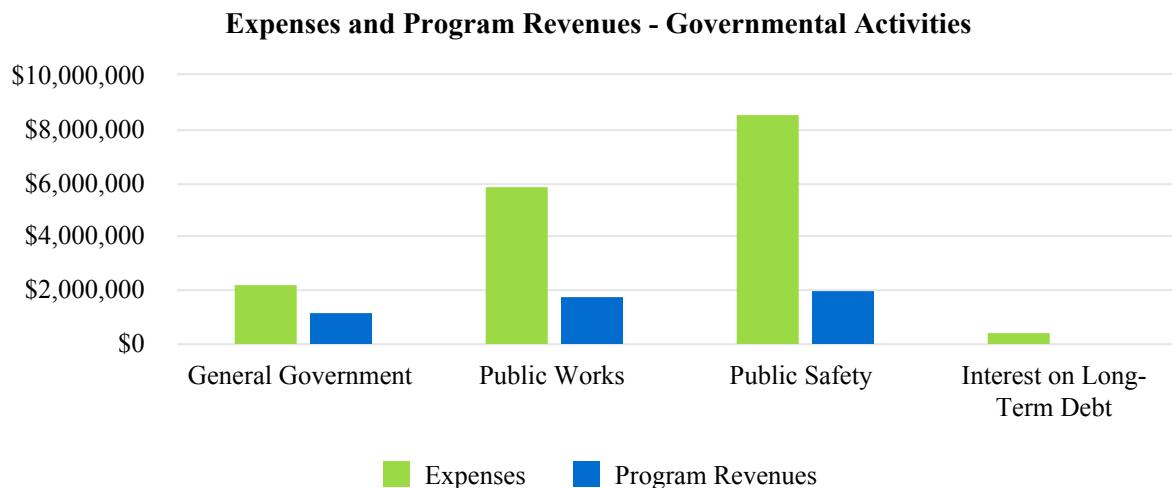
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## GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

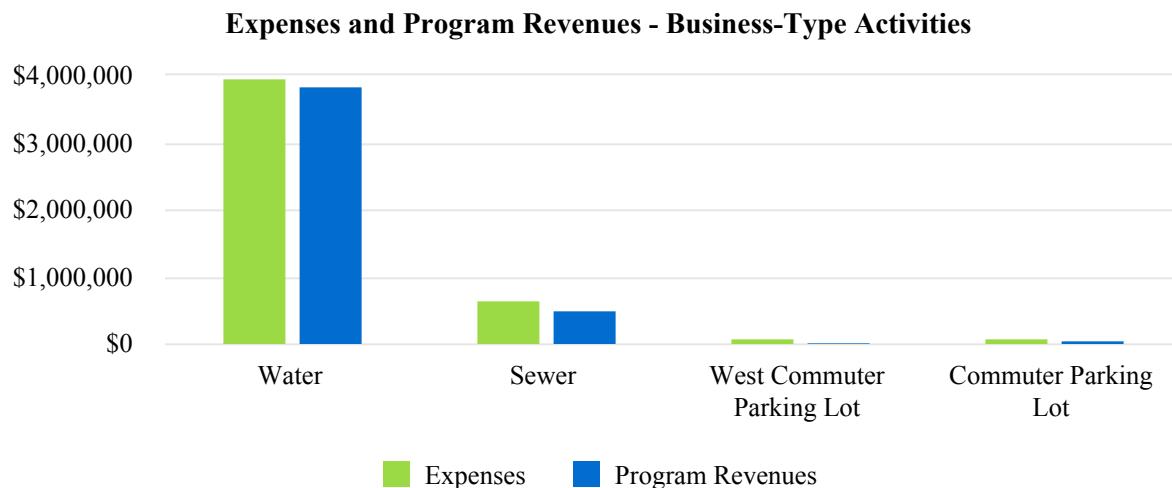
### Governmental Activities - Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.



### Business-Type Activities

Business-Type activities reported total operating revenues of \$4,495,249 and \$716,155 of transfers in from the General Fund while the cost of all business-type activities totaled \$4,814,034. This resulted in an increase of \$397,370. In 2022, revenues of \$4,292,180 exceeded expenses of \$3,694,171 resulting in an increase of \$598,009. The increase in the current year is due to primarily to the transfer in from the General Fund in the current year.



The above graph compares program revenues to expenses for utility operations.

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Management's Discussion and Analysis**

**April 30, 2023**

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

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

#### **Governmental Funds**

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

The Village's governmental funds reported combining ending fund balances of \$17,414,952 for the current year. The prior year reported fund balance of \$22,842,465. This year's activity resulted in a decrease of \$5,427,513, or 23.8 percent.

The General Fund reported a decrease in fund balance for the year of \$5,056,861. This decrease in the current year is due to a large increase in capital outlay in the current year related to the construction of a new police facility.

The General Fund is the chief operating fund of the Village. At April 30, 2023, unassigned fund balance in the General Fund was \$8,501,829. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents 36.7 percent of the total General Fund expenditures.

#### **Proprietary Funds**

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

The Village reports the Water Fund as a major proprietary fund. Water is purchased from MidMark at rate of \$5.00 per thousand gallons. Sewage is treated by the Metropolitan Water Reclamation District. Water is sold to all municipal customers at a rate of \$10.00 per thousand gallons for water and a rate of \$1.75 per thousand gallons for sewer, in addition to a monthly charge of \$5.00. The spread between purchase and sale rates is intended to finance the operations of the utility system, including labor costs, supplies, and infrastructure maintenance.

The Village intends to run the funds at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. At year-end, the Water Fund reported net position of \$6,082,136, while the previous fiscal year reported a net position of \$5,448,708. Unrestricted net position for the Water Fund totaled \$1,942,507 at April 30, 2023.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The Village made no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$18,806,486, compared to budgeted revenues of \$17,501,370. The revenues for taxes, licenses, permits, and fees, and investment income (loss) were \$2,405,097, \$112,387, and \$437,057 over budget, respectively.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Management's Discussion and Analysis

April 30, 2023

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### GENERAL FUND BUDGETARY HIGHLIGHTS - Continued

The General Fund actual expenditures for the year were \$3,426,869 over budget (\$23,147,192 actual compared to \$19,720,323 budgeted). The public safety function's actual expenditures were over budgeted expenditures by \$547,936, as well as capital outlay which was over budget by \$3,937,367, while all other functions came in under budget. General government, public works, and debt service, principal retirement and interest and fiscal charges, functions expenditures for the year were under budget by \$26,365, \$742,282, \$156,177, and \$133,610, respectively.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2023 was \$21,693,060, (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, equipment, and vehicles.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,051,139	1,051,139	88,900	88,900	1,140,039	1,140,039
Construction in Progress	8,443,276	692,600	—	—	8,443,276	692,600
Land Improvements/ Development	97,605	103,907	1,170	1,560	98,775	105,467
Buildings	449,985	466,933	—	—	449,985	466,933
Water Infrastructure	—	—	7,876,672	7,440,141	7,876,672	7,440,141
Sewer System	—	—	1,301,644	1,369,425	1,301,644	1,369,425
Machinery and Equipment	1,423,940	1,255,060	361,827	471,149	1,785,767	1,726,209
Infrastructure	596,902	622,302	—	—	596,902	622,302
Total	12,062,847	4,191,941	9,630,213	9,371,175	21,693,060	13,563,116

This year's major additions included:

Construction in Progress	\$ 7,750,676
Water Infrastructure	631,819
Machinery and Equipment	610,750
<hr/> <u>8,993,245</u>	

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Management's Discussion and Analysis

April 30, 2023

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### CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

#### Debt Administration

At year-end, the Village had total outstanding debt of \$17,816,006 as compared to \$18,976,438 the previous year, a decrease of 6.1 percent.

The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 12,746,554	13,449,945	4,458,446	4,750,055	17,205,000	18,200,000
Tax Increment Financing	264,913	264,913	—	—	264,913	264,913
Installment Contracts	346,093	511,525	—	—	346,093	511,525
<b>Total</b>	<b>13,357,560</b>	<b>14,226,383</b>	<b>4,458,446</b>	<b>4,750,055</b>	<b>17,816,006</b>	<b>18,976,438</b>

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

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Midlothian during 2023 and is expected to continue into future years. Grant assistance is extremely competitive. The Village will need to look internally and consider developing additional revenue sources to replace declining revenues and/or reduce expenditures to ensure that the Village is able to fund increasing costs.

The Village passed a referendum in April 2009, which enabled the Village to increase the property tax levy starting with the 2010 levy. This home rule referendum enabled the Village to increase property tax revenue and decrease deficit spending in future years. Property tax revenue from the increased levy began funding deficit operations in fiscal year 2011.

#### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Finance Director, Village of Midlothian, 14801 Pulaski Road, Midlothian, Illinois 60445.

## **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 MIDLOTHIAN, ILLINOIS**

**Statement of Net Position**

**April 30, 2023**

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**See Following Page**

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Statement of Net Position**

**April 30, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 23,320,618	4,779,914	28,100,532
Receivables - Net	4,336,477	865,754	5,202,231
Due from Other Governments	257,145	—	257,145
Total Current Assets	<u>27,914,240</u>	<u>5,645,668</u>	<u>33,559,908</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	9,494,415	88,900	9,583,315
Depreciable	45,903,981	17,629,625	63,533,606
Accumulated Depreciation	(43,335,549)	(8,088,312)	(51,423,861)
Total Noncurrent Assets	<u>12,062,847</u>	<u>9,630,213</u>	<u>21,693,060</u>
Total Assets	<u>39,977,087</u>	<u>15,275,881</u>	<u>55,252,968</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	1,244,573	—	1,244,573
Deferred Items - RBP	1,949,751	291,610	2,241,361
Deferred Items - ARO	—	76,622	76,622
Deferred Items - Police Pension	12,575,191	—	12,575,191
Deferred Items - Firefighters' Pension	4,554,010	—	4,554,010
Total Deferred Outflows of Resources	<u>20,323,525</u>	<u>368,232</u>	<u>20,691,757</u>
Total Assets and Deferred Outflows of Resources	<u>60,300,612</u>	<u>15,644,113</u>	<u>75,944,725</u>

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

	Governmental Activities	Business-Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 2,060,983	147,587	2,208,570
Accrued Payroll	75,989	24,237	100,226
Accrued Interest Payable	172,426	52,524	224,950
Deposits Payable	288,550	386,039	674,589
Other Payables	1,956,382	—	1,956,382
Current Portion of Long-Term Debt	1,172,516	390,657	1,563,173
Total Current Liabilities	<u>5,726,846</u>	<u>1,001,044</u>	<u>6,727,890</u>
Noncurrent Liabilities			
Compensated Absences Payable	318,594	52,641	371,235
Net Pension Liability - IMRF	1,487,061	—	1,487,061
Net Pension Liability - Police Pension	13,398,822	—	13,398,822
Net Pension Liability - Firefighters' Pension	13,775,665	—	13,775,665
Total OPEB Liability - RBP	9,994,299	1,494,777	11,489,076
General Obligation Bonds Payable - Net	13,198,013	4,367,891	17,565,904
Installment Contracts	175,641	—	175,641
Asset Retirement Obligations	—	110,000	110,000
Total Noncurrent Liabilities	<u>52,348,095</u>	<u>6,025,309</u>	<u>58,373,404</u>
Total Liabilities	<u>58,074,941</u>	<u>7,026,353</u>	<u>65,101,294</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	6,117,384	—	6,117,384
Deferred Items - IMRF	56,375	—	56,375
Deferred Items - Police Pension	13,314,368	—	13,314,368
Deferred Items - Firefighters' Pension	7,092,654	—	7,092,654
Deferred Items - RBP	3,845,065	575,079	4,420,144
Total Deferred Inflows of Resources	<u>30,425,846</u>	<u>575,079</u>	<u>31,000,925</u>
Total Liabilities and Deferred Inflows of Resources	<u>88,500,787</u>	<u>7,601,432</u>	<u>96,102,219</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,386,426	4,884,825	7,271,251
Restricted			
Debt Service	1,217,792	726,037	1,943,829
Police	1,529,431	—	1,529,431
Fire	212,749	—	212,749
Cicero Avenue TIF	3,176,103	—	3,176,103
Downtown TIF	705,298	—	705,298
Illinois Municipal Retirement	687,065	—	687,065
Social Security	17,285	—	17,285
Motor Fuel Tax	1,179,612	—	1,179,612
Foreign Fire Insurance	15,362	—	15,362
Unrestricted (Deficit)	<u>(39,327,298)</u>	<u>2,431,819</u>	<u>(36,895,479)</u>
Total Net Position	<u>(28,200,175)</u>	<u>8,042,681</u>	<u>(20,157,494)</u>

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended April 30, 2023**

		Program Revenues		
		Charges for Services Expenses	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 2,250,748	1,136,772	80,328	—
Public Works	5,875,429	1,013,101	756,499	—
Public Safety	8,596,533	1,255,077	754,189	—
Interest on Long-Term Debt	431,308	—	—	—
<b>Total Governmental Activities</b>	<b>17,154,018</b>	<b>3,404,950</b>	<b>1,591,016</b>	<b>—</b>
<b>Business-Type Activities</b>				
Water	3,978,422	3,856,327	—	—
Sewer	652,023	517,865	—	—
West Commuter Parking Lot	90,518	21,433	—	—
Commuter Parking Lot	93,071	58,951	—	—
<b>Total Business-Type Activities</b>	<b>4,814,034</b>	<b>4,454,576</b>	<b>—</b>	<b>—</b>
<b>Total Primary Government</b>	<b>21,968,052</b>	<b>7,859,526</b>	<b>1,591,016</b>	<b>—</b>
<b>General Revenues</b>				
Taxes				
Property Taxes				
Other Taxes				
Intergovernmental - Unrestricted				
Sales Taxes				
State Income Taxes				
Replacement Taxes				
Investment Income				
Miscellaneous				
Transfers - Internal Balances				
<b>Change in Net Position</b>				
Net Position - Beginning				
Net Position - Ending				

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

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Net (Expenses)/Revenues		
Primary Government		
Governmental Activities	Business-Type Activities	Totals
(1,033,648)	—	(1,033,648)
(4,105,829)	—	(4,105,829)
(6,587,267)	—	(6,587,267)
(431,308)	—	(431,308)
<u>(12,158,052)</u>	<u>—</u>	<u>(12,158,052)</u>
—	(122,095)	(122,095)
—	(134,158)	(134,158)
—	(69,085)	(69,085)
—	(34,120)	(34,120)
<u>—</u>	<u>(359,458)</u>	<u>(359,458)</u>
<u>(12,158,052)</u>	<u>(359,458)</u>	<u>(12,517,510)</u>
7,146,118	—	7,146,118
1,553,861	—	1,553,861
3,420,670	—	3,420,670
2,314,610	—	2,314,610
53,921	—	53,921
481,160	40,673	521,833
204,317	—	204,317
<u>(716,155)</u>	<u>716,155</u>	<u>—</u>
<u>14,458,502</u>	<u>756,828</u>	<u>15,215,330</u>
2,300,450	397,370	2,697,820
<u>(30,500,625)</u>	<u>7,645,311</u>	<u>(22,855,314)</u>
<u>(28,200,175)</u>	<u>8,042,681</u>	<u>(20,157,494)</u>

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Balance Sheet - Governmental Funds**

**April 30, 2023**

	General	Nonmajor	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 21,177,350	2,143,268	23,320,618
Receivables - Net of Allowances			
Property Taxes	3,009,676	324,192	3,333,868
Other Taxes	276,321	—	276,321
Accounts	726,288	—	726,288
Due from Other Governments	206,251	50,894	257,145
 Total Assets	 <u>25,395,886</u>	 <u>2,518,354</u>	 <u>27,914,240</u>
<b>LIABILITIES</b>			
Accounts Payable	2,060,983	—	2,060,983
Accrued Payroll	75,989	—	75,989
Deposits Payable	288,550	—	288,550
Other Payables	1,956,382	—	1,956,382
 Total Liabilities	 <u>4,381,904</u>	 <u>—</u>	 <u>4,381,904</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	5,498,354	619,030	6,117,384
 Total Liabilities and Deferred Inflows of Resources	 <u>9,880,258</u>	 <u>619,030</u>	 <u>10,499,288</u>
<b>FUND BALANCES</b>			
Restricted	7,013,799	1,899,324	8,913,123
Unassigned	8,501,829	—	8,501,829
 Total Fund Balances	 <u>15,515,628</u>	 <u>1,899,324</u>	 <u>17,414,952</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>25,395,886</u>	 <u>2,518,354</u>	 <u>27,914,240</u>

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

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

April 30, 2023

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<b>Total Governmental Fund Balances</b>	\$ 17,414,952
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	12,062,847
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Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
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Deferred Items - IMRF	1,188,198
Deferred Items - Police Pension	(739,177)
Deferred Items - Firefighters' Pension	(2,538,644)
Deferred Items - RBP	(1,895,314)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
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Compensated Absences Payable	(398,242)
Net Pension Liability - IMRF	(1,487,061)
Net Pension Liability - Police Pension	(13,398,822)
Net Pension Liability - Firefighters' Pension	(13,775,665)
Total OPEB Liability - RBP	(9,994,299)
General Obligation Bonds Payable	(12,746,554)
Unamortized Bond Premium	(1,108,962)
Tax Increment Financing Notes	(264,913)
Installment Contracts	(346,093)
Accrued Interest Payable	<u>(172,426)</u>

<b>Net Position of Governmental Activities</b>	<u>(28,200,175)</u>
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**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

	General	Nonmajor	Totals
<b>Revenues</b>			
Taxes	\$ 8,089,234	610,745	8,699,979
Licenses, Permits and Fees	926,787	—	926,787
Intergovernmental	6,626,028	754,189	7,380,217
Charges for Services	1,893,685	—	1,893,685
Fines and Forfeitures	584,478	—	584,478
Investment Income (Loss)	481,957	(797)	481,160
Miscellaneous	204,317	—	204,317
<b>Total Revenues</b>	<b>18,806,486</b>	<b>1,364,137</b>	<b>20,170,623</b>
<b>Expenditures</b>			
General Government	2,128,192	456,416	2,584,608
Public Works	2,608,338	1,262,852	3,871,190
Public Safety	8,260,054	15,521	8,275,575
Capital Outlay	8,777,783	—	8,777,783
Debt Service			
Principal Retirement	868,823	—	868,823
Interest and Fiscal Charges	504,002	—	504,002
<b>Total Expenditures</b>	<b>23,147,192</b>	<b>1,734,789</b>	<b>24,881,981</b>
<b>Excess (Deficiency) of Revenues</b>			
Over (Under) Expenditures	(4,340,706)	(370,652)	(4,711,358)
<b>Other Financing (Uses)</b>			
Transfers Out	(716,155)	—	(716,155)
<b>Net Change in Fund Balances</b>	<b>(5,056,861)</b>	<b>(370,652)</b>	<b>(5,427,513)</b>
<b>Fund Balances - Beginning</b>	<b>20,572,489</b>	<b>2,269,976</b>	<b>22,842,465</b>
<b>Fund Balances - Ending</b>	<b>15,515,628</b>	<b>1,899,324</b>	<b>17,414,952</b>

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

## VILLAGE OF MIDLOTHIAN, ILLINOIS

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

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**Net Change in Fund Balances - Total Governmental Funds** \$ (5,427,513)

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	8,361,426
Depreciation Expense	(490,520)
Disposals - Cost	(24,295)
Disposals - Accumulated Depreciation	24,295

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

Change in Deferred Items - IMRF	2,809,820
Change in Deferred Items - Police Pension	2,682,039
Change in Deferred Items - Firefighters' Pension	1,182,343
Change in Deferred Items - RBP	(270,854)

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	62,824
Change in Net Pension Liability - IMRF	(2,633,306)
Change in Net Pension Liability - Police Pension	(3,630,192)
Change in Net Pension Liability - Firefighters' Pension	(1,670,132)
Change in Total OPEB Liability - RBP	382,998
Retirement of Debt	868,823
Change in Unamortized Bond Premium	78,136

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.

(5,442)

**Changes in Net Position of Governmental Activities**

2,300,450

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Statement of Net Position - Proprietary Funds**  
**April 30, 2023**

	Business-Type Activities - Enterprise Funds		
	Water	Nonmajor	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 3,925,619	854,295	4,779,914
Receivables - Net of Allowances			
Accounts	751,966	113,788	865,754
Due from Other Funds	—	43,701	43,701
Total Current Assets	<u>4,677,585</u>	<u>1,011,784</u>	<u>5,689,369</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	18,466	70,434	88,900
Depreciable	13,516,675	4,112,950	17,629,625
Accumulated Depreciation	<u>(5,376,161)</u>	<u>(2,712,151)</u>	<u>(8,088,312)</u>
Total Noncurrent Assets	<u>8,158,980</u>	<u>1,471,233</u>	<u>9,630,213</u>
Total Assets	<u>12,836,565</u>	<u>2,483,017</u>	<u>15,319,582</u>

**DEFERRED OUTFLOWS  
OF RESOURCES**

Deferred Items - RBP	224,992	66,618	291,610
Deferred Items - ARO	76,622	—	76,622
Total Deferred Outflows of Resources	<u>301,614</u>	<u>66,618</u>	<u>368,232</u>
Total Assets and Deferred Outflows of Resources	<u>13,138,179</u>	<u>2,549,635</u>	<u>15,687,814</u>

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

Business-Type Activities - Enterprise Funds		
Water	Nonmajor	Totals

## LIABILITIES

### Current Liabilities

Accounts Payable	\$ 124,893	22,694	147,587
Accrued Payroll	13,551	10,686	24,237
Due to Other Funds	—	43,701	43,701
Accrued Interest Payable	52,524	—	52,524
Deposits Payable	386,039	—	386,039
Current Portion of Long Term Debt	382,827	7,830	390,657
<b>Total Current Liabilities</b>	<b>959,834</b>	<b>84,911</b>	<b>1,044,745</b>

### Noncurrent Liabilities

Compensated Absences Payable	21,319	31,322	52,641
Net OPEB Liability - RBP	1,153,296	341,481	1,494,777
General Obligation Bonds Payable - Net	4,367,891	—	4,367,891
Asset Retirement Obligation	110,000	—	110,000
<b>Total Noncurrent Liabilities</b>	<b>5,652,506</b>	<b>372,803</b>	<b>6,025,309</b>
<b>Total Liabilities</b>	<b>6,612,340</b>	<b>457,714</b>	<b>7,070,054</b>

## DEFERRED INFLOWS OF RESOURCES

Deferred Items - RBP	443,703	131,376	575,079
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>7,056,043</b>	<b>589,090</b>	<b>7,645,133</b>

## NET POSITION

Net Investment in Capital Assets	3,413,592	1,471,233	4,884,825
Restricted - Debt Service	726,037	—	726,037
Unrestricted	1,942,507	489,312	2,431,819
<b>Total Net Position</b>	<b>6,082,136</b>	<b>1,960,545</b>	<b>8,042,681</b>

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

	Business-Type Activities - Enterprise Funds		
	Water	Nonmajor	Totals
Operating Revenues			
Charges for Services	\$ 3,093,779	598,249	3,692,028
Administrative Fees	163,650	—	163,650
Debt Surcharge	583,304	—	583,304
Miscellaneous	15,594	—	15,594
Total Operating Revenues	<u>3,856,327</u>	<u>598,249</u>	<u>4,454,576</u>
Operating Expenses			
Operations	3,498,102	720,611	4,218,713
Capital Outlay	67,320	14,448	81,768
Depreciation and Amortization	247,651	100,553	348,204
Total Operating Expenses	<u>3,813,073</u>	<u>835,612</u>	<u>4,648,685</u>
Operating Income (Loss)	43,254	(237,363)	(194,109)
Nonoperating Revenues (Expenses)			
Investment Income	39,368	1,305	40,673
Interest Expense	(165,349)	—	(165,349)
	<u>(125,981)</u>	<u>1,305</u>	<u>(124,676)</u>
(Loss) Before Transfers	(82,727)	(236,058)	(318,785)
Transfers In	716,155	—	716,155
Change in Net Position	633,428	(236,058)	397,370
Net Position - Beginning	<u>5,448,708</u>	<u>2,196,603</u>	<u>7,645,311</u>
Net Position - Ending	<u>6,082,136</u>	<u>1,960,545</u>	<u>8,042,681</u>

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

	Business-Type Activities - Enterprise Funds		
	Water	Nonmajor	Totals
<b>Cash Flows from Operating Activities</b>			
Receipts from Customers and Users	\$ 3,819,502	542,356	4,361,858
Payments to Employees	(497,114)	(295,368)	(792,482)
Payments to Suppliers	(2,669,351)	(303,242)	(2,972,593)
	<u>653,037</u>	<u>(56,254)</u>	<u>596,783</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers In	<u>716,155</u>	—	<u>716,155</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchase of Capital Assets	(631,819)	—	(631,819)
Interest Expense	(165,349)	—	(165,349)
Payment of Principal	(291,609)	—	(291,609)
	<u>(1,088,777)</u>	—	<u>(1,088,777)</u>
<b>Cash Flows from Investing Activities</b>			
Interest Received	<u>39,368</u>	<u>1,305</u>	<u>40,673</u>
Net Change in Cash and Cash Equivalents	<u>319,783</u>	<u>(54,949)</u>	<u>264,834</u>
<b>Cash and Cash Equivalents</b>			
Beginning	<u>3,605,836</u>	<u>909,244</u>	<u>4,515,080</u>
Ending	<u>3,925,619</u>	<u>854,295</u>	<u>4,779,914</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>			
Operating Income (Loss)	<u>43,254</u>	<u>(237,363)</u>	<u>(194,109)</u>
<b>Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:</b>			
Depreciation and Amortization Expense	<u>247,651</u>	<u>100,553</u>	<u>348,204</u>
(Increase) Decrease in Current Assets	<u>(36,825)</u>	<u>(55,893)</u>	<u>(92,718)</u>
Increase (Decrease) in Current Liabilities	<u>398,957</u>	<u>136,449</u>	<u>535,406</u>
Net Cash Provided by Operating Activities	<u>653,037</u>	<u>(56,254)</u>	<u>596,783</u>

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Statement of Fiduciary Net Position**

**April 30, 2023**

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	Pension Trust
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,040,102
Investments	
Illinois Police Officer's Pension Investment Fund	12,759,715
Illinois Firefighters' Pension Investment Fund	7,285,611
Insurance Contracts	6,480,432
Prepays	3,155
Total Assets	<u>27,569,015</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>3,620</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u><u>27,565,395</u></u>

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

	Pension Trust
Additions	
Contributions - Employer	\$ 1,176,948
Contributions - Plan Members	473,463
Contributions - Other	5,273
Total Contributions	<u>1,655,684</u>
Investment Income	
Interest Earned	443,535
Net Change in Fair Value	<u>125,486</u>
	569,021
Less Investment Expenses	<u>(62,585)</u>
Net Investment Income	506,436
Total Additions	<u>2,162,120</u>
Deductions	
Administration	60,798
Benefits and Refunds	<u>2,501,565</u>
Total Deductions	<u>2,562,363</u>
Change in Fiduciary Net Position	(400,243)
Net Position Restricted for Pensions	
Beginning	<u>27,965,638</u>
Ending	<u>27,565,395</u>

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

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Notes to the Financial Statements**

**April 30, 2023**

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

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

#### **REPORTING ENTITY**

The Village operates under a board administrator form of government. The Village board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. 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 are no discretely component units 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 President, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's public safety, public works, and general administrative services are classified as governmental activities. The Village's water, sewer, west commuter parking lot and commuter parking lot activities 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 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 (administration and finance, public safety, public works, economic development services, etc.). The functions are supported by administration and finance revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) 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 taxes, intergovernmental revenues, fines, permits and charges, 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.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

### BASIS OF PRESENTATION - Continued

#### 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 comprise 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.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a 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 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 accounts for all revenues and expenditures of the Village which are not accounted for in other funds. 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 four nonmajor special revenue funds.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

### BASIS OF PRESENTATION - Continued

#### Proprietary Funds

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

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

#### Fiduciary Funds

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

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

The Village's fiduciary funds are presented in the fiduciary fund financial statements. 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.

### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

#### Measurement Focus

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

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

##### Measurement Focus - Continued

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

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, 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, governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

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

All proprietary funds 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 are charges to customers for sales and services. The Village also recognizes as operating revenue the sale of meters needed by customers for service and the charge for connecting to the Village’s system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, non-capitalized capital expenditures, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Notes to the Financial Statements**

**April 30, 2023**

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

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

##### **Cash and Investments**

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, 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.

##### **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, franchise taxes, and grants. Business-type activities report utility and customer charges as their major receivables.

##### **Prepays**

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

##### **Capital Assets**

Capital assets purchased or acquired with an original cost of \$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, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

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

##### Capital Assets - Continued

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:

Land Improvements/Development	20 Years
Buildings	45 - 50 Years
Water Infrastructure	5 - 50 Years
Sewer System	5 - 50 Years
Machinery and Equipment	5 - 50 Years
Infrastructure	15 - 40 Years

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

##### Deferred Outflows/Inflows of Resources

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

##### Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Notes to the Financial Statements**

**April 30, 2023**

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

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

##### **Long-Term Obligations**

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

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

##### **Net Position**

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

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

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

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.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that depreciation and amortization are not budgeted to proprietary funds.

The Village Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Village Finance Chairman submits to the Village Board a proposed operating budget for the fiscal year. With the help of the budget the Village prepares an Appropriation Ordinance.
2. A public hearing is conducted to obtain taxpayer comments on the appropriation ordinance. Within the first quarter of the fiscal year the Appropriation Ordinance is legally enacted by board action.
3. Appropriation Ordinances for the General Fund, certain Special Revenue Funds, and all Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles.
4. Budgets/Appropriation authority lapses at year-end.
5. State law requires that expenditures may not exceed appropriations. Transfers may be made between line items, departments and funds. The level of legal control is at the fund level.
6. Budgeted amounts are originally adopted, or as amended. During fiscal year 2023, no supplemental budgetary appropriations were made.

The Village did not budget for the Foreign Fire Insurance Fund, the Police Pension Fund, or the Firefighters' Pension Fund for the year ended April 30, 2023.

#### EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

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

Fund	Excess
General	\$ 3,426,869
West Commuter Parking Lot	47,118

#### DEFICIT NET POSITION

The following funds had deficit net position as of the date of this report:

Fund	Deficit
West Commuter Parking Lot	\$ 54,983

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS

#### DEPOSITS AND INVESTMENTS

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

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

**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. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

#### **Village**

***Deposits.*** At year-end, the carrying amount of the Village's deposits for governmental and business-type totaled \$16,923,966 and the bank balances totaled \$17,281,946. Additionally, the Village has \$11,176,566 invested in the Illinois Funds, which is 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 policy states that the objective is to obtain a rate of return throughout the budgetary and economic cycle commensurate with the investment risk constraints and the cash flow needs. The investment in the Illinois Funds has an average maturity of less than one year.

***Credit Risk.*** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by limiting investments of public funds to U.S. Treasury Bonds, Notes and Bills, other securities that are guaranteed by the full faith and credit of the United States of America, U.S. Government Securities, including U.S. Agencies and Instrumentalities, that are rated "AA" or higher, interest-bearing savings and money market accounts, and certificate of deposit and time deposits. At year-end, the Village's investments in the Illinois Funds is rated AAA 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 policy requires that funds on deposit in excess of FDIC limits be insured by some form of collateral or separate insurance, witnessed by a written agreement and held by an independent third-party institution in the name of the Village. Furthermore, the amount of collateral provided shall not be less than 110 percent of the bank balance of deposits. At year-end \$1,065,144 of the bank balance of the deposits was not covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village has no specific investment policy on custodial credit risk for investments. At year-end, the Village's investment in Illinois Funds is not subject to custodial credit risk.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### DEPOSITS AND INVESTMENTS - Continued

##### Village - Continued

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village mitigates its exposure to concentration risk by diversifying its portfolio and imposing the following limits: (1) with the exception of U.S. Treasury securities, no more than 50% of the Village's total investment portfolio shall be invested in a single security type or with a single financial institution, and (2) monies deposited at a financial institution shall not exceed 25% of the capital stock and surplus of that institution. 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 \$883,756 and the bank balances totaled \$882,717.

*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 policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance. The Fund's investment policy requires that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default. 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 \$12,759,715 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. In addition, the Fund has \$4,438,448 invested in insurance contracts.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### DEPOSITS AND INVESTMENTS - Continued

##### Police Pension Fund - Continued

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

##### Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.85%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### Firefighters' Pension Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at [www.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 \$156,346 and the bank balances totaled \$156,346.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Pension Fund's deposits may not be returned to it. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Pension Fund's deposits with financial institutions.

*Investments.* At year-end the Fund has \$7,285,611 invested in IFPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://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. In addition, the Fund has \$2,041,984 invested in insurance contracts.

*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.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### DEPOSITS AND INVESTMENTS - Continued

##### Rate of Return

At year-end, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

#### CAPITAL ASSETS

##### Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances			Ending Balances
		Increases	Decreases	
Nondepreciable Capital Assets				
Land	\$ 1,051,139	—	—	1,051,139
Construction in Progress	692,600	7,750,676	—	8,443,276
	<u>1,743,739</u>	<u>7,750,676</u>	<u>—</u>	<u>9,494,415</u>
Depreciable Capital Assets				
Land Improvements	189,944	—	—	189,944
Buildings	1,273,079	—	—	1,273,079
Machinery and Equipment	5,464,373	610,750	24,295	6,050,828
Infrastructure	38,390,130	—	—	38,390,130
	<u>45,317,526</u>	<u>610,750</u>	<u>24,295</u>	<u>45,903,981</u>
Less Accumulated Depreciation				
Land Improvements	86,037	6,302	—	92,339
Buildings	806,146	16,948	—	823,094
Machinery and Equipment	4,209,313	441,870	24,295	4,626,888
Infrastructure	37,767,828	25,400	—	37,793,228
	<u>42,869,324</u>	<u>490,520</u>	<u>24,295</u>	<u>43,335,549</u>
Total Net Depreciable Capital Assets	<u>2,448,202</u>	<u>120,230</u>	<u>—</u>	<u>2,568,432</u>
Total Net Capital Assets	<u>4,191,941</u>	<u>7,870,906</u>	<u>—</u>	<u>12,062,847</u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### CAPITAL ASSETS - Continued

##### Governmental Activities - Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 17,622
Public Works	151,940
Public Safety	<u>320,958</u>
	<u><u>490,520</u></u>

##### Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 88,900	—	—	88,900
Depreciable Capital Assets				
Land Development	357,058	—	—	357,058
Buildings	35,000	—	—	35,000
Water Infrastructure	11,588,586	631,819	—	12,220,405
Sewer System	2,992,225	—	—	2,992,225
Machinery and Equipment	2,024,937	—	—	2,024,937
	<u>16,997,806</u>	<u>631,819</u>	<u>—</u>	<u>17,629,625</u>
Less Accumulated Depreciation				
Land Development	355,498	390	—	355,888
Buildings	35,000	—	—	35,000
Water Infrastructure	4,148,445	195,288	—	4,343,733
Sewer System	1,622,800	67,781	—	1,690,581
Machinery and Equipment	1,553,788	109,322	—	1,663,110
	<u>7,715,531</u>	<u>372,781</u>	<u>—</u>	<u>8,088,312</u>
Total Net Depreciable Capital Assets	<u>9,282,275</u>	<u>259,038</u>	<u>—</u>	<u>9,541,313</u>
Total Net Capital Assets	<u>9,371,175</u>	<u>259,038</u>	<u>—</u>	<u>9,630,213</u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### CAPITAL ASSETS - Continued

##### Business-Type Activities - Continued

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

Water	\$ 272,228
Sewer	95,963
Commuter Parking Lot	<u>4,590</u>
<u>372,781</u>	

#### PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and August 1 during the following year. The County collects such taxes and remits them periodically.

#### INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
Nonmajor Business-Type	Nonmajor Business-Type	\$ 43,701

#### INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Water	General	\$ 716,155

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### LONG-TERM DEBT - Continued

##### General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and for operations. 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:

Issuance		Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2013, due in annual installments of \$210,000 to \$325,000 plus interest at 2.00% to 3.75% through February 1, 2023.	General	\$ 325,000	—	325,000	—
General Obligation Bonds of 2019, due in annual installments of \$160,000 to \$265,000 plus interest at 4.00% through January 1, 2038.	General	2,910,000	—	—	2,910,000
General Obligation Refunding Bonds of 2019A, due in annual installments of \$240,000 to \$825,000 plus interest at 4.00% through January 1, 2034.	General	2,900,845	—	273,391	2,627,454
	Water	3,094,155	—	291,609	2,802,546
Taxable General Obligation Refunding Bonds of 2019B, due in annual installments of \$235,000 to \$310,000 plus interest at 2.43% to 3.03% through January 1, 2030.	General	374,100	—	—	374,100
	Water	1,655,900	—	—	1,655,900
General Obligation Bonds of 2020, due in annual installments of \$105,000 to \$700,000 plus interest at 3.00% to 4.00% through January 1, 2039.	General	6,940,000	—	105,000	6,835,000
		18,200,000	—	995,000	17,205,000

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### LONG-TERM DEBT - Continued

##### Tax Increment Financing Notes Payable

On September 11, 2013, the Village signed a note for 23 years with 147<sup>th</sup> & Cierco, LLC in the amount of \$500,000 at an interest rate of 4.00% per annum. These notes will only be paid if there are incremental real estate taxes (paid from the General Fund) from which to pay it. Tax increment financing notes currently outstanding are as follows:

Issuance	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Financing Note Payable of 2013, due from incremental real estate taxes, when available, with an interest rate of 3.945%.	General    \$ 264,913	—	—	264,913

##### Installment Contracts

The Village also issues installment contracts payable to provide funds for the purchase of capital assets. Installment contracts currently outstanding are as follows:

Issuance	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Contract (Fire Engine) of 2016, due in annual installments of \$45,028 to \$59,946 plus interest at 3.64% through August 25, 2024.	General    \$ 173,593	—	55,807	117,786
Installment Contract (Motorola Radios) of 2019, due in annual installments of \$33,405 to \$38,709 plus interest at 3.69% through October 15, 2024.	General    \$ 111,976	—	35,959	76,017
Installment Contract (Streetsweeper) of 2020, due in annual installments of \$52,363 to \$58,820 plus interest at 2.95% through March 1, 2025.	General    \$ 171,453	—	55,498	115,955

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### LONG-TERM DEBT - Continued

##### Installment Contracts - Continued

Issuance	Beginning Balances	Issuances	Retirements	Ending Balances
Installment Contract (Cardiac Monitors) of 2021, due in annual installments of \$18,168 non-interest bearing through December 12, 2024.	General	54,503	—	18,168 36,335
		511,525	—	165,432 346,093

##### 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 reservoirs and demolition of the Village's water tower and standpipe 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 two water reservoirs are 1 year and 47 years. The estimated remaining useful life of the water tower is 45 years.

##### 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
Governmental Activities					
Compensated Absences	\$ 461,066	62,824	125,648	398,242	79,648
Net Pension Liabilities/(Asset)					
IMRF	(1,146,245)	2,633,306	—	1,487,061	—
Police Pension	9,768,630	3,630,192	—	13,398,822	—
Firefighters' Pension	12,105,533	1,670,132	—	13,775,665	—
Total OPEB Liability - RBP	10,377,297	—	382,998	9,994,299	—
General Obligation Bonds Payable	13,449,945	—	703,391	12,746,554	657,503
Unamortized Bond Premium	1,187,098	—	78,136	1,108,962	—
Tax Increment Financing Notes	264,913	—	—	264,913	264,913
Installment Contracts	511,525	—	165,432	346,093	170,452
	46,979,762	7,996,454	1,455,605	53,520,611	1,172,516

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### 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	\$ 64,061	3,480	1,740	65,801	13,160
Total OPEB Liability - RBP	1,250,485	244,292	—	1,494,777	—
General Obligation Bonds Payable	4,750,055	—	291,609	4,458,446	377,497
Unamortized Bond Premium	313,028	—	26,086	286,942	—
Asset Retirement Obligation	110,000	—	—	110,000	—
	<hr/> <u>6,487,629</u>	<hr/> <u>247,772</u>	<hr/> <u>319,435</u>	<hr/> <u>6,415,966</u>	<hr/> <u>390,657</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities/(asset), the total OPEB liability, the general obligation bonds payable, and the installment contracts are made by the General Fund.

Additionally, for business-type activities, the compensated absences, the total OPEB liability, the general obligation bonds payable, and the asset retirement obligation are being liquidated by the Water Fund.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### LONG-TERM DEBT - Continued

##### Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities				Business-Type Activities	
	General Obligation Bonds		Installment Contracts		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 657,503	454,671	170,452	10,564	377,497	157,573
2025	650,889	429,050	175,641	5,372	424,111	145,483
2026	671,072	403,747	—	—	438,928	131,756
2027	686,601	377,623	—	—	463,399	117,384
2028	721,694	350,896	—	—	473,306	102,111
2029	754,874	322,686	—	—	485,126	86,090
2030	779,229	293,103	—	—	505,771	69,390
2031	904,199	265,388	—	—	425,801	51,612
2032	1,008,391	232,270	—	—	371,609	34,580
2033	1,107,907	196,434	—	—	307,093	19,716
2034	1,019,195	158,118	—	—	185,805	7,432
2035	875,000	123,550	—	—	—	—
2036	905,000	94,950	—	—	—	—
2037	930,000	65,350	—	—	—	—
2038	965,000	34,900	—	—	—	—
2039	110,000	3,300	—	—	—	—
<b>Totals</b>	<b>12,746,554</b>	<b>3,806,036</b>	<b>346,093</b>	<b>15,936</b>	<b>4,458,446</b>	<b>923,127</b>

##### Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin. "The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts."

To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### NET POSITION CLASSIFICATIONS

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 12,062,847
Plus: Unspent Bond Proceeds	4,525,188
Less Capital Related Debt:	
General Obligation Bonds of 2019	(2,910,000)
General Obligation Refunding Bonds of 2019A	(2,627,454)
Taxable General Obligation Refunding Bonds of 2019B	(374,100)
General Obligation Bonds of 2020	(6,835,000)
Unamortized Premium	(1,108,962)
Installment Contract of 2016	(117,786)
Installment Contract of 2019	(76,017)
Installment Contract of 2020	(115,955)
Installment Contract of 2021	<u>(36,335)</u>
Net Investment in Capital Assets	<u>2,386,426</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	9,630,213
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2019A	(2,802,546)
Taxable General Obligation Refunding Bonds of 2019B	(1,655,900)
Unamortized Premium	<u>(286,942)</u>
Net Investment in Capital Assets	<u>4,884,825</u>

#### FUND BALANCE CLASSIFICATIONS

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

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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

#### FUND BALANCE CLASSIFICATIONS - Continued

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

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

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

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

*Minimum Fund Balance Policy.* The Village's policy fund balance policy states that the General Fund should maintain a minimum unassigned fund balance equal to 8.5% of actual operating expenditures, less capital outlay expenditures.

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

	General	Nonmajor	Totals
Fund Balances			
Restricted			
Debt Service	\$ 1,390,218	—	1,390,218
Police	1,529,431	—	1,529,431
Fire	212,749	—	212,749
Cicero Avenue TIF	3,176,103	—	3,176,103
Downtown TIF	705,298	—	705,298
Illinois Municipal Retirement	—	687,065	687,065
Social Security	—	17,285	17,285
Motor Fuel Tax	—	1,179,612	1,179,612
Foreign Fire Insurance	—	15,362	15,362
	<u>7,013,799</u>	<u>1,899,324</u>	<u>8,913,123</u>
Unassigned	<u>8,501,829</u>	<u>—</u>	<u>8,501,829</u>
Total Fund Balances	<u>15,515,628</u>	<u>1,899,324</u>	<u>17,414,952</u>

# **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## **Notes to the Financial Statements**

**April 30, 2023**

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### **NOTE 4 - OTHER INFORMATION**

#### **COMMITMENTS**

##### **Economic Incentive Agreement**

In July of 2014, the Village entered into an agreement with a local grocer to make three annual contributions equal to 75 percent of the sum of sales tax and home rule sales tax generated by the grocer's sales at the property. The agreement shall end fifteen years following the commencement date. Through April 30, 2023, the Village has reimbursed \$972,474, including \$140,338 in the current year. All payments have been recorded as an expenditure of the General Fund.

In June of 2015, the Village entered into an agreement with a Developer to reimburse eligible redevelopment project costs in the form of a Tax Increment Revenue Note. In addition, the Village will rebate one-half or one percent, whichever is lower, of any home rule retailers' occupation tax service or home rule service occupation tax which is collected on the retail sale of motor fuel on the property. As of April 30, 2023, \$407,945 of gas tax has been rebated to the Developer, of which \$165,934 was paid in the current year. All payments have been recorded as an expenditure of the General Fund. Refer to Note 3 - Long Term Debt for additional details on the Tax Increment Revenue Note.

#### **RISK MANAGEMENT - ILLINOIS COUNTIES RISK MANAGEMENT TRUST**

The Village is exposed to various risks of loss related to torts, theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The Village participates in the Illinois Counties Risk Management Trust (ICRMT), which is an organization of municipalities and special Villages throughout the state of Illinois, which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The Village pays annual premiums to ICRMT for its workers' compensation, general liability, property coverage and other coverage deemed necessary by the Village.

The Village assumes the first \$2,500 for the general liability and \$5,000 for every occurrence, and ICRMT has a mix of self-insurance and commercial insurance at various amounts above that level.

The Village contracts with a commercial insurance company for its health insurance, life insurance and dental coverage. To date, health insurance claims have not exceeded coverage.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

#### **CONTINGENT LIABILITIES**

##### **Litigation**

The Village is a defendant in a claim relating to matters arising in the ordinary course of business. Part of the claim may be insured but subject to varying deductibles and some of the claim may be uninsured. The amount of liability, if any, from the claim cannot be determined with certainty; however, management is of the opinion that the outcome of the claim will not have a material adverse impact on the financial position. Due to uncertainties in the settlement process, it is at least reasonably possible that management's estimate of the outcome will change within the next year.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### CONTINGENT LIABILITIES - Continued

##### 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.

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

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is also a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the Village at 14801 Pulaski Road, Midlothian, Illinois 60445. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained 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 amount recognized for the pension plans is:

	Pension Expense	Net Pension Liability	Deferred Outflows	Deferred Inflows
IMRF	\$ 36,517	1,487,061	1,244,573	56,375
Police Pension	1,224,430	13,398,822	12,575,191	13,314,368
Firefighters' Pension	1,388,460	13,775,665	4,554,010	7,092,654
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	2,649,407	28,661,548	18,373,774	20,463,397

#### 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.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

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

###### Plan Descriptions - Continued

*Benefits Provided.* 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).

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

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

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

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

Inactive Plan Members Currently Receiving Benefits	40
Inactive Plan Members Entitled to but not yet Receiving Benefits	40
Active Plan Members	40
Total	120
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# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

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

###### Plan Descriptions - Continued

*Contributions.* As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2023, the Village's contribution was 9.66% of covered payroll.

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

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

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

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

###### Plan Descriptions - Continued

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

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

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

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

###### Discount Rate

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

###### Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 3,727,145	1,487,061	268,600

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

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

###### Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 13,006,542	14,152,787	(1,146,245)
Changes for the Year:			
Service Cost	201,896	—	201,896
Interest on the Total Pension Liability	948,147	—	948,147
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	304,310	—	304,310
Changes of Assumptions	—	—	—
Contributions - Employer	—	227,477	(227,477)
Contributions - Employees	—	96,208	(96,208)
Net Investment Income	—	(1,760,256)	1,760,256
Benefit Payments, Including Refunds of Employee Contributions	(646,894)	(646,894)	—
Other (Net Transfer)	—	257,618	(257,618)
Net Changes	807,459	(1,825,847)	2,633,306
Balances at December 31, 2022	13,814,001	12,326,940	1,487,061

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

For the year ended April 30, 2023, the Village recognized pension expense of \$36,517. At April 30, 2023, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 223,934	(29,954)	193,980
Change in Assumptions	—	(26,421)	(26,421)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	<u>955,469</u>	—	<u>955,469</u>
Total Pension Expense to be			
Recognized in Future Periods	1,179,403	(56,375)	1,123,028
Pension Contributions Made Subsequent			
to the Measurement Date	<u>65,170</u>	—	<u>65,170</u>
Total Deferred Amounts Related to IMRF	<u>1,244,573</u>	(56,375)	<u>1,188,198</u>

\$65,170 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (27,542)
2025	230,732
2026	359,419
2027	560,419
2028	—
Thereafter	—
Total	<u>1,123,028</u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan

###### Plan Descriptions

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

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

Inactive Plan Members Currently Receiving Benefits	20
Inactive Plan Members Entitled to but not yet Receiving Benefits	7
Active Plan Members	<u>27</u>
Total	<u><u>54</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 MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

###### Plan Descriptions - Continued

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

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2023, the Village's contribution was 10.74% 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 MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

###### Actuarial Assumptions

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

Actuarial Cost Method	Entry-Age Normal
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Asset Valuation Method	Fair Value
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###### Actuarial Assumptions

Interest Rate	7.00%
Salary Increases	3.50% to 43.69%
Cost of Living Adjustments	3.25%
Inflation	2.25%

Mortality rates are based on PubS-2010(A) study improved fully generationally using MP-2019 improvement rates.

###### Discount Rate

A Single Discount Rate of 5.68% was used to measure the total pension liability and 6.30% was used in the prior valuation. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.00%, the municipal bond rate is 3.53%, and the resulting single discount rate is 5.68%.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

###### Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the 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 (4.68%)	Current Discount Rate (5.68%)	1% Increase (6.68%)
Net Pension Liability	\$ 18,551,350	13,398,822	9,275,318

###### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 28,263,389	18,494,759	9,768,630
<b>Changes for the Year:</b>			
Service Cost	608,014	—	608,014
Interest on the Total Pension Liability	1,715,102	—	1,715,102
Changes of Benefit Terms	(17,125)	—	(17,125)
Difference Between Expected and Actual Experience of the Total Pension Liability	(374,436)	—	(374,436)
Changes of Assumptions	2,660,903	—	2,660,903
Contributions - Employer	—	276,277	(276,277)
Contributions - Employees	—	323,443	(323,443)
Net Investment Income	—	384,769	(384,769)
Benefit Payments, Including Refunds			
of Employee Contributions	(1,377,541)	(1,377,541)	—
Other (Net Transfer)	—	(22,223)	22,223
Net Changes	3,214,917	(415,275)	3,630,192
Balances at April 30, 2023	31,478,306	18,079,484	13,398,822

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Police Pension Plan - Continued

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

For the year ended April 30, 2023, the Village recognized pension expense of \$1,224,430. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 259,082	(3,315,637)	(3,056,555)
Change in Assumptions	11,722,018	(9,998,731)	1,723,287
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	594,091	—	594,091
 Total Deferred Amounts Related to Police Pension	 12,575,191	 (13,314,368)	 (739,177)

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ 430,265
2025	(335,739)
2026	464,258
2027	112,842
2028	(439,294)
Thereafter	<u>(971,509)</u>
 Total	 <u><u>(739,177)</u></u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Firefighters' Pension Plan

###### Plan Descriptions

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

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

Inactive Plan Members Currently Receiving Benefits	16
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>19</u>
Total	<u><u>38</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 MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Firefighters' Pension Plan - Continued

###### Plan Descriptions - Continued

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

*Contributions.* Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2023, the Village's contribution was 54.64% of covered payroll.

*Concentrations.* At year-end, the Fund has no 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 MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Firefighters' Pension Plan - Continued

###### Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.50% - 24.39%
Cost of Living Adjustments	2.25%
Inflation	2.25%

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

###### Discount Rate

A Single Discount Rate of 5.72% was used to measure the total pension liability and 5.89% was used in the prior valuation. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 6.75%, the municipal bond rate is 3.53%, and the resulting single discount rate is 5.72%.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Firefighters' Pension Plan - Continued

###### Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the 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 (4.72%)	Current Discount Rate (5.72%)	1% Increase (6.72%)
Net Pension Liability	\$ 17,177,458	13,775,665	11,015,799

##### Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2022	\$ 21,576,412	9,470,879	12,105,533
Changes for the Year:			
Service Cost	510,566	—	510,566
Interest on the Total Pension Liability	1,270,670	—	1,270,670
Changes of Benefit Terms	(54,508)	—	(54,508)
Difference Between Expected and Actual			
Experience of the Total Pension Liability	572,561	—	572,561
Changes of Assumptions	509,898	—	509,898
Contributions - Employer	—	900,671	(900,671)
Contributions - Employees	—	150,020	(150,020)
Contributions - Other	—	5,272	(5,272)
Net Investment Income	—	121,667	(121,667)
Benefit Payments, Including Refunds			
of Employee Contributions	(1,124,024)	(1,124,024)	—
Other (Net Transfer)	—	(38,575)	38,575
Net Changes	1,685,163	15,031	1,670,132
Balances at April 30, 2023	<u>23,261,575</u>	<u>9,485,910</u>	<u>13,775,665</u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

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

##### Firefighters' Pension Plan - Continued

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

For the year ended April 30, 2023, the Village recognized pension expense of \$1,388,460. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 815,339	(1,948,641)	(1,133,302)
Change in Assumptions	3,115,525	(5,144,013)	(2,028,488)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	623,146	—	623,146
 Total Deferred Amounts Related to Firefighters' Pension	 4,554,010	 (7,092,654)	 (2,538,644)

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ 29,982
2025	(452,601)
2026	(218,088)
2027	(529,001)
2028	(990,142)
Thereafter	<u>(378,794)</u>
 Total	 <u>(2,538,644)</u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### General Information about the OPEB Plan

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

*Benefits Provided.* RBP provides dental, vision and life insurance coverage to eligible retirees. Retiree-paid premiums for these insurances are assumed to cover the entire cost of the respective benefits. Retiree dental, vision and life coverages are not taken into consideration in this valuation of benefits.

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

Inactive Plan Members Currently Receiving Benefits	47
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>74</u>
Total	<u><u>121</u></u>

#### Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2023, and was determined by an actuarial valuation as of April 30, 2022.

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the April 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	3.00%
Discount Rate	3.53%
Healthcare Cost Trend Rates	Medical: 11.00% for 2023, decreasing to an ultimate rate of 5.00% for 2026 and later years. Dental: 3.50% for 2023 and later years.
Retirees' Share of Benefit-Related Costs	20% of projected health insurance premiums for retirees.

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Total OPEB Liability - Continued

*Actuarial Assumptions and Other Inputs - Continued.* The discount rate was based upon the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices.

For IMRF members, mortality follows PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2020 was used. For Police and Fire members, active mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

##### Change in the Total OPEB Liability

	Total OPEB Liability
Balances at April 30, 2022	<u>\$ 11,627,782</u>
 Changes for the Year:	
Service Cost	418,118
Interest on the Total OPEB Liability	367,575
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	—
Changes of Assumptions or Other Inputs	(570,712)
Benefit Payments	(353,687)
Net Changes	<u>(138,706)</u>
Balances at April 30, 2023	<u>11,489,076</u>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

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

The discount rate used to measure the total pension liability was 3.53%, while the prior valuation used 3.21%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

		Current		
	1% Decrease	Discount Rate	1% Increase	
	(2.53%)	(3.53%)	(4.53%)	
Total OPEB Liability	\$ 13,437,943	11,489,076	9,963,570	

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

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

		Healthcare Cost Trend		
	1% Decrease	Rates	1% Increase	
	(Varies)	(Varies)	(Varies)	
Total OPEB Liability	\$ 9,638,145	11,489,076	13,921,369	

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Notes to the Financial Statements

April 30, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

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

For the year ended April 30, 2023, the Village recognized OPEB expense of \$573,553. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 961,306	(2,271,373)	(1,310,067)
Change in Assumptions	1,280,055	(2,148,771)	(868,716)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	<u>2,241,361</u>	<u>(4,420,144)</u>	<u>(2,178,783)</u>

There are no employer contributions made subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2024	\$ (212,140)
2025	(212,140)
2026	(212,140)
2027	(198,293)
2028	(202,197)
Thereafter	<u>(1,141,873)</u>
Total	<u>(2,178,783)</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

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

Notes to the Required Supplementary Information

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

Fiscal Year	Contributions in Relation to the Actuarially Determined Contribution		Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Determined Contribution			
2015	\$ 142,634	\$ 159,179	\$ 16,545	\$ 1,264,488	12.59%
2016	166,528	176,273	9,745	1,769,265	9.96%
2017	192,867	192,867	—	1,341,239	14.38%
2018	190,555	190,555	—	1,412,034	13.50%
2019	222,267	225,471	3,204	1,722,418	13.09%
2020	223,039	225,266	2,227	1,991,426	11.31%
2021	273,406	273,406	—	2,126,033	12.86%
2022	245,901	245,901	—	2,004,414	12.27%
2023	213,031	213,031	—	2,205,750	9.66%

Notes to the Required Supplementary Information:

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

Note:

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Police Pension Fund**

**Schedule of Employer Contributions**

**April 30, 2023**

Fiscal Year	Contributions in Relation to the Actuarially Determined Contribution		Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Actuarially Determined Contribution			
2015	\$ 456,738	\$ 282,275	\$ (174,463)	\$ 1,906,842	14.80%
2016	443,988	249,587	(194,401)	2,069,805	12.06%
2017	444,232	391,087	(53,145)	2,055,763	19.02%
2018	544,259	380,510	(163,749)	2,127,715	17.88%
2019	582,485	463,127	(119,358)	2,063,780	22.44%
2020	671,655	544,608	(127,047)	2,248,025	24.23%
2021	675,687	893,552	217,865	2,477,379	36.07%
2022	846,854	551,479	(295,375)	2,582,100	21.36%
2023	555,265	276,277	(278,988)	2,573,255	10.74%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded Over 19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.50% - 43.69%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data as Described

Note:

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Firefighters' Pension Fund**

**Schedule of Employer Contributions**

**April 30, 2023**

Fiscal Year	Contributions in Relation to the Actuarially Determined Contribution		Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Determined Contribution			
2015	\$ 481,927	\$ 263,263	\$ (218,664)	\$ 1,004,569	26.21%
2016	521,814	357,591	(164,223)	1,127,685	31.71%
2017	546,538	144,854	(401,684)	1,173,216	12.35%
2018	658,267	653,927	(4,340)	1,214,279	53.85%
2019	795,166	737,213	(57,953)	1,308,175	56.35%
2020	855,888	735,087	(120,801)	1,340,416	54.84%
2021	914,408	1,021,793	107,385	1,549,241	65.95%
2022	1,112,271	947,742	(164,529)	1,596,529	59.36%
2023	1,059,786	900,671	(159,115)	1,648,416	54.64%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded Over 19 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.00% - 24.39%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

Note:

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

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Illinois Municipal Retirement Fund**

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

**April 30, 2023**

	12/31/2014	12/31/2015
<b>Total Pension Liability</b>		
Service Cost	\$ 180,105	139,089
Interest	635,891	723,324
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	524,693	158,030
Change of Assumptions	335,837	12,493
Benefit Payments, Including Refunds of Member Contributions	<u>(428,169)</u>	<u>(500,769)</u>
Net Change in Total Pension Liability	<u>1,248,357</u>	<u>532,167</u>
Total Pension Liability - Beginning	<u>8,602,603</u>	<u>9,850,960</u>
 Total Pension Liability - Ending	 <u>9,850,960</u>	<u>10,383,127</u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 159,179	176,273
Contributions - Members	65,209	65,976
Net Investment Income	499,465	42,740
Benefit Payments, Including Refunds of Member Contributions	<u>(428,169)</u>	<u>(500,769)</u>
Other (Net Transfer)	<u>91,750</u>	<u>214,071</u>
Net Change in Plan Fiduciary Net Position	<u>387,434</u>	<u>(1,709)</u>
Plan Net Position - Beginning	<u>8,289,852</u>	<u>8,677,286</u>
 Plan Net Position - Ending	 <u>8,677,286</u>	<u>8,675,577</u>
 Employer's Net Pension Liability/(Asset)	 <u>\$ 1,173,674</u>	<u>1,707,550</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 88.09%	 83.55%
 Covered Payroll	 \$ 1,264,488	 1,426,480
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	 92.82%	 119.70%

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

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
171,126	158,480	157,701	178,162	203,435	188,904	201,896
773,428	775,792	809,155	864,769	915,125	916,931	948,147
—	—	—	—	—	—	—
132,103	(190,690)	30,898	187,883	30,375	(65,858)	304,310
(38,390)	(341,631)	316,583	—	(122,160)	—	—
(555,174)	(550,284)	(555,558)	(612,681)	(609,879)	(545,130)	(646,894)
483,093	(148,333)	758,779	618,133	416,896	494,847	807,459
10,383,127	10,866,220	10,717,887	11,476,666	12,094,799	12,511,695	13,006,542
<u>10,866,220</u>	<u>10,717,887</u>	<u>11,476,666</u>	<u>12,094,799</u>	<u>12,511,695</u>	<u>13,006,542</u>	<u>13,814,001</u>
225,837	195,360	244,576	223,040	261,466	269,369	227,477
67,751	67,625	73,843	115,307	91,492	92,143	96,208
595,895	1,631,499	(576,246)	1,843,975	1,616,628	2,129,778	(1,760,256)
(555,174)	(550,284)	(555,558)	(612,681)	(609,879)	(545,130)	(646,894)
68,220	(251,440)	165,255	(257,396)	63,709	(51,770)	257,618
402,529	1,092,760	(648,130)	1,312,245	1,423,416	1,894,390	(1,825,847)
8,675,577	9,078,106	10,170,866	9,522,736	10,834,981	12,258,397	14,152,787
<u>9,078,106</u>	<u>10,170,866</u>	<u>9,522,736</u>	<u>10,834,981</u>	<u>12,258,397</u>	<u>14,152,787</u>	<u>12,326,940</u>
<u>1,788,114</u>	<u>547,021</u>	<u>1,953,930</u>	<u>1,259,818</u>	<u>253,298</u>	<u>(1,146,245)</u>	<u>1,487,061</u>
83.54%	94.90%	82.97%	89.58%	97.98%	108.81%	89.24%
1,505,591	1,502,783	1,640,957	1,991,426	2,033,163	2,047,613	2,137,946
118.76%	36.40%	119.07%	63.26%	12.46%	(55.98%)	69.56%

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Police Pension Fund**

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

**April 30, 2023**

	4/30/2015	4/30/2016
Total Pension Liability		
Service Cost	\$ 554,533	500,924
Interest	1,190,417	1,301,076
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	—	379,775
Change of Assumptions	—	416,923
Benefit Payments, Including Refunds		
of Member Contributions	(1,156,971)	(861,674)
Net Change in Total Pension Liability	587,979	1,737,024
Total Pension Liability - Beginning	<u>21,067,588</u>	<u>21,655,567</u>
 Total Pension Liability - Ending	 <u>21,655,567</u>	 <u>23,392,591</u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 282,275	249,587
Contributions - Members	409,920	201,370
Net Investment Income	978,576	211,026
Benefit Payments, Including Refunds		
of Member Contributions	(1,156,971)	(861,674)
Administrative Expenses	(33,375)	(39,167)
Net Change in Plan Fiduciary Net Position	480,425	(238,858)
Plan Net Position - Beginning	<u>13,581,190</u>	<u>14,061,615</u>
 Plan Net Position - Ending	 <u>14,061,615</u>	 <u>13,822,757</u>
 Employer's Net Pension Liability	 <u>\$ 7,593,952</u>	 <u>9,569,834</u>
 Plan Fiduciary Net Position as a Percentage		
of the Total Pension Liability	64.93%	59.09%
 Covered Payroll	 \$ 1,906,842	 2,069,805
 Employer's Net Pension Liability as a Percentage of		
Covered Payroll	398.25%	462.35%

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

*Change of Assumptions.* Changes of Assumptions related to the discount rate were made in 2021 and 2022 and to the retirement rates in 2022.

4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023
814,983	853,369	695,399	755,725	937,545	406,365	608,014
1,078,810	1,389,321	1,485,213	1,551,432	1,431,702	1,537,766	1,715,102
—	—	—	226,164	—	—	(17,125)
498,417	64,930	495,549	(613,190)	(3,222,482)	(555,945)	(374,436)
5,239,681	(3,616,826)	936,000	7,122,410	(13,086,332)	5,737,322	2,660,903
(975,833)	(1,102,792)	(1,265,522)	(1,311,319)	(1,214,224)	(1,422,840)	(1,377,541)
6,656,058	(2,411,998)	2,346,639	7,731,222	(15,153,791)	5,702,668	3,214,917
23,392,591	30,048,649	27,636,651	29,983,290	37,714,512	22,560,721	28,263,389
<u>30,048,649</u>	<u>27,636,651</u>	<u>29,983,290</u>	<u>37,714,512</u>	<u>22,560,721</u>	<u>28,263,389</u>	<u>31,478,306</u>
391,087	380,510	463,127	544,608	893,552	551,479	276,277
204,860	207,445	210,132	282,165	259,761	251,222	323,443
1,228,524	978,420	999,427	199,306	4,429,821	(293,910)	384,769
(975,833)	(1,102,792)	(1,265,522)	(1,311,319)	(1,214,224)	(1,422,840)	(1,377,541)
(38,681)	(42,428)	(38,741)	(37,099)	(30,319)	(29,736)	(22,223)
809,957	421,155	368,423	(322,339)	4,338,591	(943,785)	(415,275)
13,822,757	14,632,714	15,053,869	15,422,292	15,099,953	19,438,544	18,494,759
<u>14,632,714</u>	<u>15,053,869</u>	<u>15,422,292</u>	<u>15,099,953</u>	<u>19,438,544</u>	<u>18,494,759</u>	<u>18,079,484</u>
<u>15,415,935</u>	<u>12,582,782</u>	<u>14,560,998</u>	<u>22,614,559</u>	<u>3,122,177</u>	<u>9,768,630</u>	<u>13,398,822</u>
48.70%	54.47%	51.44%	40.04%	86.16%	65.44%	57.43%
2,055,763	2,127,715	2,063,780	2,248,025	2,477,379	2,582,100	2,573,255
749.89%	591.38%	705.55%	1005.97%	126.03%	378.32%	520.70%

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Firefighter's Pension Fund**

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

**April 30, 2023**

	4/30/2015	4/30/2016
<b>Total Pension Liability</b>		
Service Cost	\$ 257,166	413,438
Interest	997,257	746,271
Changes in Benefit Terms	—	—
Differences Between Expected and Actual Experience	—	173,342
Change of Assumptions	—	5,427,717
Benefit Payments, Including Refunds		
of Member Contributions	(777,214)	(920,701)
Net Change in Total Pension Liability	477,209	5,840,067
Total Pension Liability - Beginning	<u>14,143,878</u>	<u>14,621,087</u>
 Total Pension Liability - Ending	 <u>14,621,087</u>	 <u>20,461,154</u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 263,263	357,591
Contributions - Members	104,906	107,917
Net Investment Income	577,612	(26,259)
Benefit Payments, Including Refunds		
of Member Contributions	(777,214)	(920,701)
Administrative Expenses	(51,748)	(46,285)
Net Change in Plan Fiduciary Net Position	116,819	(527,737)
Plan Net Position - Beginning	<u>7,808,083</u>	<u>7,924,902</u>
 Plan Net Position - Ending	 <u>7,924,902</u>	 <u>7,397,165</u>
 Employer's Net Pension Liability	 <u>\$ 6,696,185</u>	 <u>13,063,989</u>
 Plan Fiduciary Net Position as a Percentage		
of the Total Pension Liability	54.20%	36.15%
 Covered Payroll	 \$ 1,004,569	 1,127,685
 Employer's Net Pension Liability as a Percentage of		
Covered Payroll	666.57%	1158.48%

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

*Change of Assumptions.* Changes of Assumptions related to the discount rate were made in 2021 and 2022.

4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023
488,171	511,457	512,304	550,345	834,812	764,740	510,566
953,930	1,060,044	1,099,912	1,138,049	1,144,929	1,099,282	1,270,670
—	—	—	333,680	—	—	(54,508)
95,481	9,192	303,362	(4,786)	293,498	(2,645,125)	572,561
1,607,366	(573,817)	416,755	4,055,824	(1,841,940)	(5,291,307)	509,898
(925,222)	(915,450)	(1,013,751)	(959,818)	(982,838)	(1,003,821)	(1,124,024)
2,219,726	91,426	1,318,582	5,113,294	(551,539)	(7,076,231)	1,685,163
20,461,154	22,680,880	22,772,306	24,090,888	29,204,182	28,652,643	21,576,412
<u>22,680,880</u>	<u>22,772,306</u>	<u>24,090,888</u>	<u>29,204,182</u>	<u>28,652,643</u>	<u>21,576,412</u>	<u>23,261,575</u>
144,854	653,927	737,213	735,087	1,021,793	947,742	900,671
110,936	146,117	124,940	130,786	151,475	150,078	155,292
470,622	484,156	506,866	324,887	1,662,795	(370,522)	121,667
(925,222)	(915,450)	(1,013,751)	(959,818)	(982,838)	(1,003,821)	(1,124,024)
(43,819)	(41,360)	(41,633)	(42,899)	(36,001)	(53,426)	(38,575)
(242,629)	327,390	313,635	188,043	1,817,224	(329,949)	15,031
7,397,165	7,154,536	7,481,926	7,795,561	7,983,604	9,800,828	9,470,879
<u>7,154,536</u>	<u>7,481,926</u>	<u>7,795,561</u>	<u>7,983,604</u>	<u>9,800,828</u>	<u>9,470,879</u>	<u>9,485,910</u>
<u>15,526,344</u>	<u>15,290,380</u>	<u>16,295,327</u>	<u>21,220,578</u>	<u>18,851,815</u>	<u>12,105,533</u>	<u>13,775,665</u>
31.54%	32.86%	32.36%	27.34%	34.21%	43.89%	40.78%
1,173,216	1,214,279	1,308,175	1,340,416	1,549,241	1,596,529	1,648,416
1323.40%	1259.21%	1245.65%	1583.13%	1216.84%	758.24%	835.69%

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Police Pension Fund**

**Schedule of Investment Returns**

**April 30, 2023**

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<b>Fiscal Year</b>	<b>Annual Money- Weighted Rate of Return, Net of Investment Expense</b>
2015	6.75%
2016	1.44%
2017	10.03%
2018	7.27%
2019	5.00%
2020	(0.43%)
2021	30.90%
2022	(0.87%)
2023	2.85%

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

\* Restated Rate

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

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<b>Fiscal Year</b>	<b>Annual Money- Weighted Rate of Return, Net of Investment Expense</b>
2015	7.79%
2016	(0.23%)
2017	6.85%
2018	7.03%
2019	6.91%
2020	4.21%
2021	25.48%
2022	(2.75%)
2023	1.71%

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

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Retiree Benefit Plan

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

April 30, 2023

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4/30/2018

Total OPEB Liability	
Service Cost	\$ 346,856
Interest	415,982
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	(257,643)
Benefit Payments	<u>(433,763)</u>
Net Change in Total OPEB Liability	71,432
Total OPEB Liability - Beginning	<u>11,106,466</u>
 Total OPEB Liability - Ending	<u>11,177,898</u>
 Covered-Employee Payroll	\$ 4,305,613
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	259.61%

#### Notes:

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

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

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

4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023
345,394	339,561	541,450	615,237	418,118
434,909	439,963	365,930	353,140	367,575
—	—	—	—	—
—	1,481,286	—	(2,794,731)	—
320,044	857,775	776,491	(1,890,838)	(570,712)
(446,013)	(447,406)	(418,594)	(423,714)	(353,687)
654,334	2,671,179	1,265,277	(4,140,906)	(138,706)
11,177,898	11,832,232	14,503,411	15,768,688	11,627,782
<u>11,832,232</u>	<u>14,503,411</u>	<u>15,768,688</u>	<u>11,627,782</u>	<u>11,489,076</u>
4,434,782	5,902,448	6,079,521	6,079,521	7,093,182
266.81%	245.72%	259.37%	191.26%	161.97%

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
<b>Revenues</b>			
Taxes	\$ 5,684,137	5,684,137	8,089,234
Licenses, Permits and Fees	814,400	814,400	926,787
Intergovernmental	8,034,223	8,034,223	6,626,028
Charges for Services	2,080,550	2,080,550	1,893,685
Fines and Forfeitures	593,700	593,700	584,478
Investment Income	44,900	44,900	481,957
Miscellaneous	249,460	249,460	204,317
<b>Total Revenues</b>	<b>17,501,370</b>	<b>17,501,370</b>	<b>18,806,486</b>
<b>Expenditures</b>			
General Government	2,154,557	2,154,557	2,128,192
Public Works	3,350,620	3,350,620	2,608,338
Public Safety	7,712,118	7,712,118	8,260,054
Capital Outlay	4,840,416	4,840,416	8,777,783
Debt Service			
Principal Retirement	1,025,000	1,025,000	868,823
Interest and Fiscal Charges	637,612	637,612	504,002
<b>Total Expenditures</b>	<b>19,720,323</b>	<b>19,720,323</b>	<b>23,147,192</b>
<b>Excess (Deficiency) of Revenues</b>			
Over (Under) Expenditures	<b>(2,218,953)</b>	<b>(2,218,953)</b>	<b>(4,340,706)</b>
<b>Other Financing Sources (Uses)</b>			
Disposal of Capital Assets	3,000	3,000	—
Transfers In	1,000	1,000	—
Transfers Out	—	—	(716,155)
	<b>4,000</b>	<b>4,000</b>	<b>(716,155)</b>
<b>Net Change in Fund Balance</b>	<b>(2,214,953)</b>	<b>(2,214,953)</b>	<b>(5,056,861)</b>
<b>Fund Balance - Beginning</b>			<b>20,572,489</b>
<b>Fund Balance - Ending</b>			<b>15,515,628</b>

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Funds
- Combining Statements - Nonmajor Enterprise Funds
- Budgetary Comparison Schedules - Nonmajor Enterprise Funds
- Combining Statements - Pension Trust Funds
- Budgetary Comparison Schedules - Pension Trust Funds

## **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**

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

#### **Illinois Municipal Retirement Fund**

The Illinois Municipal Retirement Fund (IMRF) is used to account for the Village's participation in the Illinois Municipal Retirement Fund. This fund includes property taxes levied for the Village's contributions to the fund on behalf of its employees.

#### **Social Security Fund**

The Social Security Fund is used to account for property taxes levied for the payment of the Village's portion of Federal Social Security and Medicare taxes.

#### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for allotments of motor fuel taxes from the State of Illinois made on a per capita basis. The Village uses these funds to maintain and construct transportation-related community needs, such as streets, bridges, and traffic signals.

#### **Foreign Fire Insurance Fund**

The Foreign Fire Insurance Fund is used to account for the revenues derived from the Foreign Fire Insurance Tax and disbursement of these funds for the benefit, use and maintenance related to the Fire Department.

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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.

#### **Water Fund**

The Water Fund is used to account for the costs related to the operation of the Village's water system. Funding is provided by user fees.

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **ENTERPRISE FUNDS - Continued**

#### **Sewer Fund**

The Sewer Fund is used to account for the costs related to the operation of the Village's sewer system. Funding is provided by user fees.

#### **West Commuter Parking Lot Fund**

The West Commuter Parking Lot Fund is used to account for revenues received from the public for use of public parking and expenses used to maintain and operate the parking system.

#### **Commuter Parking Lot Fund**

The Commuter Parking Lot Fund is used to account for revenues received from the public for use of public parking and expenses used to maintain and operate the parking system.

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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 Village's sworn police personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the Village through an annual property tax levy.

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

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the Village's sworn firefighter/paramedic personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn firefighter/paramedic personnel at rates fixed by state statutes and by the Village through an annual property tax levy.

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**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Fund**

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

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
<b>Taxes</b>			
Property Taxes	\$ 4,313,137	4,313,137	6,554,589
Video Gaming Taxes	585,000	585,000	665,914
Cannabis Taxes	26,000	26,000	24,546
Utility Taxes	760,000	760,000	844,136
Other Taxes	—	—	49
	<b>5,684,137</b>	<b>5,684,137</b>	<b>8,089,234</b>
<b>Licenses, Permits and Fees</b>			
Vehicle Licenses	218,000	218,000	181,156
Liquor Licenses	40,000	40,000	95,600
Business Licenses	295,000	295,000	309,021
Other Licenses	2,800	2,800	2,429
Permits and Inspections	258,600	258,600	338,581
	<b>814,400</b>	<b>814,400</b>	<b>926,787</b>
<b>Intergovernmental</b>			
Sales Taxes	3,100,000	3,100,000	3,420,670
State Income Taxes	2,034,000	2,034,000	2,314,610
Replacement Taxes	28,000	28,000	53,921
Local Use Taxes	540,000	540,000	587,406
Municipal Gas Taxes	204,500	204,500	169,093
Grants	2,127,723	2,127,723	80,328
	<b>8,034,223</b>	<b>8,034,223</b>	<b>6,626,028</b>
<b>Charges for Services</b>			
Garbage Collection	1,155,000	1,155,000	1,228,858
Cable Franchise Fees	210,000	210,000	174,590
Rental Income	31,000	31,000	35,395
Gun Range Rental	1,000	1,000	—
PEG Fees	9,000	9,000	2,051
Ambulance Services	660,550	660,550	426,572
Penalties	14,000	14,000	26,219
	<b>2,080,550</b>	<b>2,080,550</b>	<b>1,893,685</b>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>
	<u>Original</u>	<u>Final</u>	
Fines and Forfeitures			
Traffic and Circuit Court Fines	\$ 408,000	408,000	313,903
Police Department Fines	172,600	172,600	248,950
Fire Department Fines	13,100	13,100	21,625
	<u>593,700</u>	<u>593,700</u>	<u>584,478</u>
Investment Income	44,900	44,900	481,957
Miscellaneous			
Insurance Reimbursements	189,000	189,000	100,428
DOJ Overtime Reimbursements	30,000	30,000	12,502
Other	30,460	30,460	91,387
	<u>249,460</u>	<u>249,460</u>	<u>204,317</u>
Total Revenues	<u>17,501,370</u>	<u>17,501,370</u>	<u>18,806,486</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Fund**

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

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
General Government			
Administration			
Personnel	\$ 648,898	648,898	581,281
Contractual Services	527,350	527,350	648,237
Commodities	73,744	73,744	45,015
Miscellaneous	169,000	169,000	391,235
	<b>1,418,992</b>	<b>1,418,992</b>	<b>1,665,768</b>
Commissions			
Commodities	63,555	63,555	12,551
Miscellaneous	1,000	1,000	180
	<b>64,555</b>	<b>64,555</b>	<b>12,731</b>
Health and Welfare			
Personnel	22,660	22,660	1,700
Commodities	430	430	—
Miscellaneous	100,000	100,000	—
	<b>123,090</b>	<b>123,090</b>	<b>1,700</b>
Building and Zoning			
Personnel	409,770	409,770	342,458
Contractual Services	31,000	31,000	33,179
Commodities	24,850	24,850	16,726
Miscellaneous	25,300	25,300	17,390
	<b>490,920</b>	<b>490,920</b>	<b>409,753</b>
Historical Society			
Contractual Services	18,000	18,000	3,920
Commodities	15,000	15,000	20,033
	<b>33,000</b>	<b>33,000</b>	<b>23,953</b>
Raday Lodge			
Contractual Services	15,000	15,000	13,557
Commodities	9,000	9,000	730
	<b>24,000</b>	<b>24,000</b>	<b>14,287</b>
Total General Government	<b>2,154,557</b>	<b>2,154,557</b>	<b>2,128,192</b>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
Public Works			
Streets			
Personnel	\$ 725,020	725,020	678,097
Contractual Services	168,500	168,500	133,567
Commodities	653,500	653,500	311,755
Miscellaneous	390,100	390,100	154,029
	1,937,120	1,937,120	1,277,448
Municipal Building			
Contractual Services	35,500	35,500	26,158
Commodities	55,500	55,500	38,091
Miscellaneous	1,500	1,500	32,625
	92,500	92,500	96,874
Garbage			
Contractual Services	1,320,000	1,320,000	1,234,016
Miscellaneous	1,000	1,000	—
	1,321,000	1,321,000	1,234,016
Total Public Works	3,350,620	3,350,620	2,608,338
Public Safety			
Gun Range			
Commodities	4,500	4,500	1,273
Police			
Personnel	3,996,229	3,996,229	3,778,498
Contractual Services	386,500	386,500	286,070
Commodities	141,000	141,000	171,958
Miscellaneous	62,500	62,500	64,611
Employer Pension Contribution	—	—	276,277
	4,586,229	4,586,229	4,577,414

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
Public Safety - Continued			
Fire			
Personnel	\$ 2,468,889	2,468,889	2,240,592
Contractual Services	218,000	218,000	218,808
Commodities	129,500	129,500	98,765
Miscellaneous	208,500	208,500	206,995
Employer Pension Contribution	—	—	900,671
	<u>3,024,889</u>	<u>3,024,889</u>	<u>3,665,831</u>
Dispatch			
Contractual Services	50,000	50,000	—
Parking Ticket Adjudication			
Personnel	7,000	7,000	—
Contractual Services	35,000	35,000	13,458
Commodities	4,500	4,500	2,078
	<u>46,500</u>	<u>46,500</u>	<u>15,536</u>
Total Public Safety	<u>7,712,118</u>	<u>7,712,118</u>	<u>8,260,054</u>
Capital Outlay			
General Government	75,116	75,116	54,969
Public Works	1,108,500	1,108,500	361,972
Public Safety	3,656,800	3,656,800	8,360,842
	<u>4,840,416</u>	<u>4,840,416</u>	<u>8,777,783</u>
Debt Service			
Principal Retirement	1,025,000	1,025,000	868,823
Interest and Fiscal Charges	637,612	637,612	504,002
	<u>1,662,612</u>	<u>1,662,612</u>	<u>1,372,825</u>
Total Expenditures	<u>19,720,323</u>	<u>19,720,323</u>	<u>23,147,192</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**  
**Combining Balance Sheet**  
**April 30, 2023**

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Illinois  
Municipal  
Retirement

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**ASSETS**

Cash and Investments	\$ 858,768
Receivables - Net of Allowances	
Property Taxes	188,797
Due from Other Governments	<hr/>
Total Assets	<hr/> <u>1,047,565</u>

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	360,500
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**FUND BALANCES**

Restricted	<hr/> <u>687,065</u>
Total Deferred Inflows and Resources and Fund Balances	<hr/> <u>1,047,565</u>

Social Security	Motor Fuel Tax	Foreign Fire Insurance	Totals
140,420	1,128,718	15,362	2,143,268
135,395	—	—	324,192
—	50,894	—	50,894
<b>275,815</b>	<b>1,179,612</b>	<b>15,362</b>	<b>2,518,354</b>
258,530	—	—	619,030
17,285	1,179,612	15,362	1,899,324
<b>275,815</b>	<b>1,179,612</b>	<b>15,362</b>	<b>2,518,354</b>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

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

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	Illinois Municipal Retirement
Revenues	
Taxes	\$ 327,137
Intergovernmental	—
Investment Income (Loss)	—
Total Revenues	<u>327,137</u>
Expenditures	
General Government	212,530
Public Works	—
Public Safety	—
Total Expenditures	<u>212,530</u>
Net Change in Fund Balance	114,607
Fund Balance - Beginning	<u>572,458</u>
Fund Balance - Ending	<u>687,065</u>

Social Security	Motor Fuel Tax	Foreign Fire Insurance	Totals
264,392	—	19,216	610,745
—	754,189	—	754,189
—	905	(1,702)	(797)
<u>264,392</u>	<u>755,094</u>	<u>17,514</u>	<u>1,364,137</u>
243,886	—	—	456,416
—	1,262,852	—	1,262,852
—	—	15,521	15,521
<u>243,886</u>	<u>1,262,852</u>	<u>15,521</u>	<u>1,734,789</u>
20,506	(507,758)	1,993	(370,652)
(3,221)	1,687,370	13,369	2,269,976
<u>17,285</u>	<u>1,179,612</u>	<u>15,362</u>	<u>1,899,324</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Illinois Municipal Retirement - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>
Revenues			
Taxes			
Property Taxes	\$ 320,000	320,000	327,137
Expenditures			
General Government			
Personnel	438,000	438,000	212,530
Net Change in Fund Balance	<u>(118,000)</u>	<u>(118,000)</u>	114,607
Fund Balance - Beginning			<u>572,458</u>
Fund Balance - Ending			<u>687,065</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Social Security - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>
	<b>Original</b>	<b>Final</b>	
Revenues			
Taxes			
Property Taxes	\$ 263,624	263,624	264,392
Expenditures			
General Government			
Personnel	251,000	251,000	243,886
Net Change in Fund Balance	12,624	12,624	20,506
Fund Balance - Beginning			(3,221)
Fund Balance - Ending			17,285

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Motor Fuel Tax - Special Revenue Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
<b>Revenues</b>			
Intergovernmental			
State Allotments	\$ 575,000	575,000	754,189
Grants	30	30	—
Investment Income	—	—	905
Total Revenues	<b>575,030</b>	<b>575,030</b>	<b>755,094</b>
<b>Expenditures</b>			
Public Works			
Contractual Services	10,000	10,000	—
Commodities	1,400,000	1,400,000	1,262,852
Total Expenditures	<b>1,410,000</b>	<b>1,410,000</b>	<b>1,262,852</b>
Net Change in Fund Balance	<b>(834,970)</b>	<b>(834,970)</b>	<b>(507,758)</b>
Fund Balance - Beginning			<b>1,687,370</b>
Fund Balance - Ending			<b>1,179,612</b>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Water - Enterprise Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
<b>Operating Revenues</b>			
Charges for Services			
Water Billings	\$ 3,005,000	3,005,000	3,017,743
Penalties	34,000	34,000	76,036
Administrative Fees	155,000	155,000	163,650
Debt Surcharge	580,000	580,000	583,304
Miscellaneous	10,050	10,050	15,594
Total Operating Revenues	3,784,050	3,784,050	3,856,327
<b>Operating Expenses</b>			
Operations			
Personnel	630,519	630,519	888,887
Contractual Services	4,530,100	4,530,100	2,455,999
Commodities	153,800	153,800	153,216
Capital Outlay	179,000	179,000	67,320
Depreciation and Amortization	—	—	247,651
Total Operating Expenses	5,493,419	5,493,419	3,813,073
<b>Operating Income (Loss)</b>	<b>(1,709,369)</b>	<b>(1,709,369)</b>	<b>43,254</b>
<b>Nonoperating Revenues (Expenses)</b>			
Investment Income	9,200	9,200	39,368
Interest Expense	(310,467)	(310,467)	(165,349)
	(301,267)	(301,267)	(125,981)
<b>(Loss) before Transfers</b>	<b>(2,010,636)</b>	<b>(2,010,636)</b>	<b>(82,727)</b>
<b>Transfers In</b>	<b>—</b>	<b>—</b>	<b>716,155</b>
<b>Change in Net Position</b>	<b>(2,010,636)</b>	<b>(2,010,636)</b>	<b>633,428</b>
<b>Net Position - Beginning</b>			<b>5,448,708</b>
<b>Net Position - Ending</b>			<b>6,082,136</b>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Nonmajor Enterprise Funds**  
**Combining Statement of Net Position**  
**April 30, 2023**

		West	Commuter	Commuter	
		Sewer	Parking Lot	Parking Lot	Totals
<b>ASSETS</b>					
Current Assets					
Cash and Investments	\$ 349,008	—	505,287	854,295	
Receivables - Net of Allowances					
Accounts	113,788	—	—	113,788	
Due to Other Funds	—	—	43,701	43,701	
Total Current Assets	462,796	—	548,988	1,011,784	
Noncurrent Assets					
Capital Assets					
Nondepreciable	—	—	70,434	70,434	
Depreciable	3,500,478	116,839	495,633	4,112,950	
Accumulated Depreciation	(2,119,748)	(116,839)	(475,564)	(2,712,151)	
Total Noncurrent Assets	1,380,730	—	90,503	1,471,233	
Total Assets	1,843,526	—	639,491	2,483,017	
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Items - RBP	66,618	—	—	66,618	
Total Assets and Deferred Outflows of Resources	1,910,144	—	639,491	2,549,635	

	Sewer	Commuter Parking Lot	Commuter Parking Lot	West Totals
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 7,403	11,282	4,009	22,694
Accrued Payroll	10,686	—	—	10,686
Due to Other Funds	—	43,701	—	43,701
Current Portion of Long Term Debt	7,830	—	—	7,830
Total Current Liabilities	<u>25,919</u>	<u>54,983</u>	<u>4,009</u>	<u>84,911</u>
Noncurrent Liabilities				
Compensated Absences Payable	31,322	—	—	31,322
Net OPEB Liability - RBP	341,481	—	—	341,481
Total Noncurrent Liabilities	<u>372,803</u>	<u>—</u>	<u>—</u>	<u>372,803</u>
Total Liabilities	<u>398,722</u>	<u>54,983</u>	<u>4,009</u>	<u>457,714</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Items - RBP	131,376	—	—	131,376
Total Liabilities and Deferred Inflows of Resources	<u>530,098</u>	<u>54,983</u>	<u>4,009</u>	<u>589,090</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,380,730	—	90,503	1,471,233
Unrestricted (Deficit)	(684)	(54,983)	544,979	489,312
Total Net Position	<u>1,380,046</u>	<u>(54,983)</u>	<u>635,482</u>	<u>1,960,545</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Nonmajor Enterprise Funds**

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

**For the Fiscal Year Ended April 30, 2023**

	West	Commuter	Commuter	
	Sewer	Parking Lot	Parking Lot	Totals
Operating Revenues				
Charges for Services	\$ 517,865	21,433	58,951	598,249
Operating Expenses				
Operations	542,261	90,518	87,832	720,611
Capital Outlay	13,799	—	649	14,448
Depreciation and Amortization	95,963	—	4,590	100,553
Total Operating Expenses	652,023	90,518	93,071	835,612
Operating (Loss)	(134,158)	(69,085)	(34,120)	(237,363)
Nonoperating Revenues				
Investment Income	—	—	1,305	1,305
Change in Net Position	(134,158)	(69,085)	(32,815)	(236,058)
Net Position - Beginning	1,514,204	14,102	668,297	2,196,603
Net Position - Ending	<u>1,380,046</u>	<u>(54,983)</u>	<u>635,482</u>	<u>1,960,545</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Nonmajor Enterprise Funds**  
**Combining Statement of Cash Flows**  
**For the Fiscal Year Ended April 30, 2023**

	West	Commuter	Commuter	
	Sewer	Parking Lot	Parking Lot	Totals
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers and Users	\$ 505,673	21,433	15,250	542,356
Payments to Employees	(295,368)	—	—	(295,368)
Payments to Suppliers	(182,257)	(35,535)	(85,450)	(303,242)
	<u>28,048</u>	<u>(14,102)</u>	<u>(70,200)</u>	<u>(56,254)</u>
<b>Cash Flows from Investing Activities</b>				
Interest Received	—	—	1,305	1,305
Net Change in Cash and Cash Equivalents	28,048	(14,102)	(68,895)	(54,949)
<b>Cash and Cash Equivalents</b>				
Beginning	320,960	14,102	574,182	909,244
Ending	<u>349,008</u>	<u>—</u>	<u>505,287</u>	<u>854,295</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>				
Operating (Loss)	(134,158)	(69,085)	(34,120)	(237,363)
Adjustments to Reconcile Operating Income to Net Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation and Amortization Expense	95,963	—	4,590	100,553
(Increase) Decrease in Current Assets	(12,192)	—	(43,701)	(55,893)
Increase (Decrease) in Current Liabilities	78,435	54,983	3,031	136,449
Net Cash Provided by Operating Activities	<u>28,048</u>	<u>(14,102)</u>	<u>(70,200)</u>	<u>(56,254)</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Sewer - Enterprise Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
Operating Revenues			
Charges for Services			
Sewer Billings	\$ 497,500	497,500	507,032
Penalties	5,000	5,000	10,833
Total Operating Revenues	502,500	502,500	517,865
Operating Expenses			
Operations			
Personnel	328,019	328,019	406,480
Contractual Services	442,000	442,000	127,994
Commodities	16,350	16,350	7,373
Miscellaneous	—	—	414
Capital Outlay	323,000	323,000	13,799
Depreciation and Amortization	—	—	95,963
Total Operating Expenses	1,109,369	1,109,369	652,023
Change in Net Position	(606,869)	(606,869)	(134,158)
Net Position - Beginning			1,514,204
Net Position - Ending			1,380,046

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**West Commuter Parking Lot - Enterprise Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
Operating Revenues			
Charges for Services			
Parking Lot Fees	\$ 20,000	20,000	21,433
Operating Expenses			
Operations			
Contractual Services	42,000	42,000	89,665
Commodities	1,400	1,400	853
Total Operating Expenses	43,400	43,400	90,518
Change in Net Position	(23,400)	(23,400)	(69,085)
Net Position - Beginning			14,102
Net Position - Ending			(54,983)

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Commuter Parking Lot - Enterprise Fund**

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

**For the Fiscal Year Ended April 30, 2023**

	<b>Budgeted Amounts</b>		<b>Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>
Operating Revenues			
Charges for Services			
Parking Lot Fees	\$ 38,000	38,000	58,951
Operating Expenses			
Operations			
Contractual Services	128,500	128,500	67,416
Commodities	22,000	22,000	19,950
Miscellaneous	1,000	1,000	466
Capital Outlay	5,000	5,000	649
Depreciation and Amortization	—	—	4,590
Total Operating Expenses	156,500	156,500	93,071
Operating (Loss)	(118,500)	(118,500)	(34,120)
Nonoperating Revenues			
Investment Income	600	600	1,305
Change in Net Position	(117,900)	(117,900)	(32,815)
Net Position - Beginning			668,297
Net Position - Ending			635,482

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Fiduciary Net Position**

**April 30, 2023**

	Police Pension	Firefighters' Pension	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 883,756	156,346	1,040,102
Investments			
Illinois Police Officer's Pension Investment Fund	12,759,715	—	12,759,715
Illinois Firefighters' Pension Investment Fund	—	7,285,611	7,285,611
Insurance Contracts	4,438,448	2,041,984	6,480,432
Prepaids	—	3,155	3,155
Total Assets	18,081,919	9,487,096	27,569,015
<b>LIABILITIES</b>			
Accounts Payable	2,435	1,185	3,620
<b>NET POSITION</b>			
Net Position Restricted for Pensions	18,079,484	9,485,911	27,565,395

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Pension Trust Funds**

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

**For the Fiscal Year Ended April 30, 2023**

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 276,277	900,671	1,176,948
Contributions - Plan Members	323,443	150,020	473,463
Contributions - Other	—	5,273	5,273
Total Contributions	599,720	1,055,964	1,655,684
Investment Income			
Interest Earned	369,546	73,989	443,535
Net Change in Fair Value	66,020	59,466	125,486
	435,566	133,455	569,021
Less Investment Expenses	(50,797)	(11,788)	(62,585)
Net Investment Income	384,769	121,667	506,436
Total Additions	984,489	1,177,631	2,162,120
Deductions			
Administration	22,223	38,575	60,798
Benefits and Refunds	1,377,541	1,124,024	2,501,565
Total Deductions	1,399,764	1,162,599	2,562,363
Change in Fiduciary Net Position	(415,275)	15,032	(400,243)
Net Position Restricted for Pensions			
Beginning	18,494,759	9,470,879	27,965,638
Ending	18,079,484	9,485,911	27,565,395

## **SUPPLEMENTAL SCHEDULES**

## **VILLAGE OF MIDLOTHIAN, ILLINOIS**

## Long-Term Debt Requirements

## **General Obligation Bonds of 2019**

April 30, 2023

Date of Issue	December 30, 2019
Date of Maturity	January 1, 2038
Authorized Issue	\$2,910,000
Denomination of Bonds	\$5,000
Interest Rate	4.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

## **CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ —	116,400	116,400
2025	160,000	116,400	276,400
2026	165,000	110,000	275,000
2027	170,000	103,400	273,400
2028	180,000	96,600	276,600
2029	185,000	89,400	274,400
2030	195,000	82,000	277,000
2031	200,000	74,200	274,200
2032	210,000	66,200	276,200
2033	220,000	57,800	277,800
2034	225,000	49,000	274,000
2035	235,000	40,000	275,000
2036	245,000	30,600	275,600
2037	255,000	20,800	275,800
2038	265,000	10,600	275,600
	2,910,000	1,063,400	3,973,400

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Long-Term Debt Requirements

### General Obligation Refunding Bonds of 2019A

April 30, 2023

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Date of Issue	December 30, 2019
Date of Maturity	January 1, 2034
Authorized Issue	\$6,035,000
Denomination of Bonds	\$5,000
Interest Rate	4.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

## CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 360,000	217,200	577,200
2025	395,000	202,800	597,800
2026	400,000	187,000	587,000
2027	400,000	171,000	571,000
2028	435,000	155,000	590,000
2029	450,000	137,600	587,600
2030	490,000	119,600	609,600
2031	825,000	100,000	925,000
2032	720,000	67,000	787,000
2033	595,000	38,200	633,200
2034	360,000	14,400	374,400
	<hr/> <u>5,430,000</u>	<hr/> <u>1,409,800</u>	<hr/> <u>6,839,800</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Long-Term Debt Requirements**

**Taxable General Obligation Refunding Bonds of 2019B**

**April 30, 2023**

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Date of Issue	December 30, 2019
Date of Maturity	January 1, 2030
Authorized Issue	\$2,030,000
Denomination of Bonds	\$5,000
Interest Rates	2.43% to 3.03%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2024	\$ 235,000	55,744	290,744
2025	270,000	50,033	320,033
2026	285,000	43,203	328,203
2027	315,000	35,707	350,707
2028	305,000	27,107	332,107
2029	310,000	18,476	328,476
2030	310,000	9,393	319,393
	<b>2,030,000</b>	<b>239,663</b>	<b>2,269,663</b>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Long-Term Debt Requirements General Obligation Bonds of 2020 April 30, 2023

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Date of Issue	March 19, 2020
Date of Maturity	January 1, 2039
Authorized Issue	\$7,090,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

## CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 440,000	222,900	662,900
2025	250,000	205,300	455,300
2026	260,000	195,300	455,300
2027	265,000	184,900	449,900
2028	275,000	174,300	449,300
2029	295,000	163,300	458,300
2030	290,000	151,500	441,500
2031	305,000	142,800	447,800
2032	450,000	133,650	583,650
2033	600,000	120,150	720,150
2034	620,000	102,150	722,150
2035	640,000	83,550	723,550
2036	660,000	64,350	724,350
2037	675,000	44,550	719,550
2038	700,000	24,300	724,300
2039	110,000	3,300	113,300
	6,835,000	2,016,300	8,851,300

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Long-Term Debt Requirements

### Installment Contract (Fire Engine) of 2016

April 30, 2023

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Date of Issue	August 25, 2015
Date of Maturity	August 25, 2024
Authorized Issue	\$469,589
Interest Rate	3.64%
Interest Date	August 25
Principal Maturity Date	August 25
Payable at	Republic First National Corporation

## CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 57,840	4,290	62,130
2025	59,946	2,184	62,130
	<u>117,786</u>	<u>6,474</u>	<u>124,260</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Long-Term Debt Requirements**

**Installment Contract (Motorola Radios) of 2019**

**April 30, 2023**

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Date of Issue	October 15, 2019
Date of Maturity	October 15, 2024
Authorized Issue	\$180,039
Interest Rate	3.69%
Interest Date	October 15
Principal Maturity Date	October 15
Payable at	Motorola Solutions Credit Company LLC

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 37,309	2,853	40,162
2025	38,708	1,452	40,160
	<b>76,017</b>	<b>4,305</b>	<b>80,322</b>

# VILLAGE OF MIDLOTHIAN, ILLINOIS

## Long-Term Debt Requirements

### Installment Contract (Streetsweeper) of 2020

April 30, 2023

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Date of Issue	March 1, 2020
Date of Maturity	March 1, 2025
Authorized Issue	\$277,724
Interest Rate	2.95%
Interest Date	March 1
Principal Maturity Date	March 1
Payable at	City National Bank of Florida

## CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 57,135	3,421	60,556
2025	58,820	1,736	60,556
	<u>115,955</u>	<u>5,157</u>	<u>121,112</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Long-Term Debt Requirements**

**Installment Contract (Cardiac Monitors) of 2021**

**April 30, 2023**

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Date of Issue	January 15, 2020
Date of Maturity	December 12, 2024
Authorized Issue	\$90,839
Interest Rate	Non-Interest Bearing
Interest Date	Non-Interest Bearing
Principal Maturity Date	December 12
Payable at	US Bank Equipment Finance

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2024	\$ 18,168	—	18,168
2025	18,167	—	18,167
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	36,335	—	36,335
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**General Governmental Revenues by Source - Last Ten Fiscal Years**  
**April 30, 2023 (Unaudited)**

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**See Following Page**

**VILLAGE OF MIDLOTHIAN, ILLINOIS****General Governmental Revenues by Source - Last Ten Fiscal Years**  
**April 30, 2023 (Unaudited)**

Source	2014	2015	2016	2017
Taxes	\$ 7,021,650	5,155,351	4,501,939	5,411,137
Licenses, Permits and Fees	601,892	791,450	837,962	901,853
Intergovernmental	549,011	4,769,355	4,728,099	4,511,715
Charges for Services	1,369,998	1,637,171	1,703,686	1,850,040
Fines and Forfeitures	915,318	883,602	1,121,553	966,616
Investment Income	257	357	4,967	20,207
Miscellaneous	284,863	256,893	71,080	46,823
<b>Totals</b>	<b>10,742,989</b>	<b>13,494,179</b>	<b>12,969,286</b>	<b>13,708,391</b>

Data Source: Village Records

2018	2019	2020	2021	2022	2023
5,617,521	5,992,882	6,798,623	6,655,009	7,564,953	8,699,979
783,111	839,823	766,092	809,845	932,736	926,787
5,160,285	5,082,324	5,798,273	6,540,970	7,461,788	7,380,217
1,722,012	1,740,745	1,819,065	1,948,217	2,202,863	1,893,685
812,965	717,808	831,882	762,887	727,794	584,478
43,169	97,834	133,275	76,913	49,127	481,160
105,784	239,804	205,097	730,723	272,882	204,317
<u>14,244,847</u>	<u>14,711,220</u>	<u>16,352,307</u>	<u>17,524,564</u>	<u>19,212,143</u>	<u>20,170,623</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS****General Governmental Expenditures by Function - Last Ten Fiscal Years**  
**April 30, 2023 (Unaudited)**

Source	2014	2015	2016	2017
General Government	\$ 1,478,739	1,389,371	1,543,059	1,731,933
Public Safety	5,956,433	5,993,221	6,210,484	6,303,679
Public Works	2,463,746	2,308,402	2,461,517	2,234,573
Capital Outlay	74,652	168,128	886,274	425,967
Debt Service				
Principal Retirement	506,712	622,930	662,234	817,363
Interest and Fiscal Charges	465,157	403,555	394,111	381,713
<b>Totals</b>	<b>10,945,439</b>	<b>10,885,607</b>	<b>12,157,679</b>	<b>11,895,228</b>

Data Source: Village Records

2018	2019	2020	2021	2022	2023
1,668,414	1,743,339	2,063,094	2,154,474	2,293,408	2,584,608
6,698,100	7,218,184	7,746,054	8,549,984	8,238,976	3,871,190
3,089,661	2,683,621	3,759,411	3,180,211	3,603,276	8,275,575
706,991	365,546	210,143	851,097	636,006	8,777,783
839,923	837,053	829,242	967,768	971,589	868,823
351,033	317,835	726,397	524,121	583,594	504,002
<u>13,354,122</u>	<u>13,165,578</u>	<u>15,334,341</u>	<u>16,227,655</u>	<u>16,326,849</u>	<u>24,881,981</u>

**VILLAGE OF MIDLOTHIAN, ILLINOIS**

**Assessed Valuations, Tax Rates, Tax Extensions and Collections - Last Ten Tax Levy Years**  
**April 30, 2023 (Unaudited)**

	2013	2014	2015	2016
Assessed Valuations	<u>\$ 191,699,375</u>	180,333,200	172,028,914	179,392,639
Tax Rates				
Corporate	0.19530	0.18010	0.39000	0.22940
Bond & Interest	0.03340	0.41800	0.46240	0.44550
Street and Bridge	0.21170	0.07940	0.08570	0.08470
Fire Protection	0.34980	0.39810	0.42980	0.42460
Fire Pension	0.16610	0.19710	0.12370	0.28640
Police Protection	0.51470	0.58600	0.63270	0.62500
Police Pension	0.16570	0.15410	0.20630	0.21010
IMRF	0.19340	0.20560	0.16170	0.15970
Social Security	0.14510	0.15420	0.11970	0.11830
Total Tax Rates	<u>1.97520</u>	<u>2.37260</u>	<u>2.61200</u>	<u>2.58370</u>
Tax Extensions				
Corporate	374,389	324,780	670,913	411,527
Bond & Interest	64,028	753,793	795,462	799,194
Street and Bridge	405,828	143,185	147,429	151,946
Fire Protection	670,564	717,906	739,380	761,701
Fire Pension	318,413	355,437	212,800	513,781
Police Protection	986,677	1,056,753	1,088,427	1,121,204
Police Pension	317,646	277,893	354,896	376,904
IMRF	370,747	370,765	278,171	286,490
Social Security	278,156	278,074	205,919	212,221
Total Tax Extensions	<u>3,786,448</u>	<u>4,278,586</u>	<u>4,493,397</u>	<u>4,634,968</u>
Total Collected	<u>3,535,531</u>	<u>3,530,152</u>	<u>4,374,870</u>	<u>4,569,889</u>
Percent Collected	<u>93.37%</u>	<u>82.51%</u>	<u>97.36%</u>	<u>98.60%</u>

2017	2018	2019	2020	2021	2022
204,138,203	197,865,319	196,157,893	226,327,039	205,411,274	202,087,929
0.18120	0.19240	—	0.15380	0.30230	0.30520
0.35940	0.37190	0.39130	0.35920	0.41140	0.40490
0.07660	0.07910	0.07980	0.07050	0.08070	0.08410
0.38430	0.40840	0.41300	0.36410	0.42120	0.44850
0.32960	0.36940	0.49030	0.42360	0.46710	0.49950
0.56570	0.60110	0.61310	0.54250	0.62180	0.65240
0.21480	0.25510	0.41230	0.28200	0.20230	0.32620
0.11360	0.12390	0.13550	0.12520	0.16050	0.17840
0.11010	0.11450	0.12600	0.11150	0.12970	0.12790
2.33530	2.51580	2.66130	2.43240	2.79700	3.02710
369,898	380,693	—	348,005	620,889	616,739
733,673	735,861	767,604	813,055	845,040	818,265
156,370	156,511	156,446	159,650	165,830	169,950
784,503	808,082	810,108	824,000	865,200	906,400
672,840	730,914	961,829	958,649	959,504	1,009,400
1,154,810	1,189,368	1,202,644	1,227,760	1,277,200	1,318,400
438,489	504,754	808,805	638,178	415,647	659,200
231,901	245,155	265,740	283,250	329,600	360,500
224,756	226,556	247,200	252,350	266,383	258,530
4,767,240	4,977,894	5,220,376	5,504,897	5,745,293	6,117,384
4,445,924	4,631,714	4,996,251	5,426,117	5,654,737	2,783,516
93.26%	93.05%	95.71%	98.57%	98.42%	45.50%