

MONTGOMERY, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FY
2023

MAY 1, 2022
THROUGH
APRIL 30, 2023

Information from this document can be found online at
montgomeryil.org

VILLAGE OF MONTGOMERY, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2023

**Prepared by:
Jennifer Milewski, Director of Finance**

VILLAGE OF MONTGOMERY, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>INTRODUCTORY SECTION</u>	
Principal Officials	<u>1</u>
Organizational Chart	<u>2</u>
Letter of Transmittal	<u>3</u>
Certificate of Achievement for Excellence in Financial Reporting	<u>13</u>
<u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITORS' REPORT	<u>16</u>
MANAGEMENT'S DISCUSSION AND ANALYSIS	<u>20</u>
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	<u>37</u>
Statement of Activities	<u>39</u>
Fund Financial Statements	
Balance Sheet - Governmental Funds	<u>41</u>
Reconciliation of Total Governmental Fund Balance to the	
Statement of Net Position - Governmental Activities	<u>43</u>
Statement of Revenues, Expenditures and Changes in	
Fund Balances - Governmental Funds	<u>45</u>
Reconciliation of the Statement of Revenues, Expenditures and Changes in	
Fund Balances to the Statement of Activities - Governmental Activities	<u>47</u>
Statement of Net Position - Proprietary Funds	<u>49</u>
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	<u>51</u>
Statement of Cash Flows - Proprietary	<u>52</u>
Statement of Fiduciary Net Position	<u>53</u>
Statement of Changes in Fiduciary Net Position	<u>54</u>
Notes to Financial Statements	<u>55</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	<u>95</u>
Police Pension Fund	<u>96</u>
Schedule of Changes in the Employer's Net Pension Liability/(Asset)	
Illinois Municipal Retirement Fund	<u>98</u>
Police Pension Fund	<u>100</u>
Schedule of Investment Returns	
Police Pension Fund	<u>102</u>

VILLAGE OF MONTGOMERY, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>FINANCIAL SECTION - Continued</u>	
REQUIRED SUPPLEMENTARY INFORMATION - Continued	
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefits Plan	104
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	106
Tax Increment Financing District #2 - Special Revenue Fund	107
American Rescue Plan - Special Revenue Fund	108
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Revenues - Budget and Actual - General Fund	115
Schedule of Expenditures - Budget and Actual - General Fund	118
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Debt Service Fund	122
Capital Improvement - Capital Projects Fund	123
Infrastructure Improvement - Capital Projects Fund	124
Combining Balance Sheet - Nonmajor Governmental Funds	125
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental Funds	126
Combining Balance Sheet - Nonmajor Governmental - Special Revenue Funds	128
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental - Special Revenue Funds	132
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Montgomery Development - Special Revenue Fund	136
Motor Fuel Tax - Special Revenue Fund	137
Police Gift - Special Revenue Fund	138
Montgomery Crossing Special Service Area - Special Revenue Fund	139
Blackberry Crossing Special Service Area - Special Revenue Fund	140
Ogden Hill Special Service Area - Special Revenue Fund	141
Marquis Pointe Special Service Area - Special Revenue Fund	142
Balmorea Special Service Area - Special Revenue Fund	143
Arbor Ridge Special Service Area - Special Revenue Fund	144
Fairfield Way Special Service Area - Special Revenue Fund	145
Foxmoor Special Service Area - Special Revenue Fund	146
Tax Increment Financing District #1 - Special Revenue Fund	147
Tax Increment Financing District #3 - Special Revenue Fund	148
Tax Increment Financing District #4 - Special Revenue Fund	149
Saratoga Springs Special Service Area - Special Revenue Fund	150
Orchard Prairie North Special Service Area - Special Revenue Fund	151
Blackberry Crossing West Special Service Area - Special Revenue Fund	152

VILLAGE OF MONTGOMERY, ILLINOIS

TABLE OF CONTENTS

	PAGE
<u>FINANCIAL SECTION - Continued</u>	
OTHER SUPPLEMENTARY INFORMATION - Continued	
Fieldstone Special Service Area - Special Revenue Fund	153
Combining Balance Sheet - Nonmajor Governmental - Capital Projects Funds	154
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Nonmajor Governmental - Capital Projects Funds	155
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Vehicle Reserve - Capital Projects Fund	156
Lakewood Special Assessments - Capital Projects Fund	157
Combining Statement of Net Position - Water - Enterprise Fund - by Account	158
Combining Schedule of Revenues, Expenses and Changes in Net Position	
Water - Enterprise Fund - by Account	160
Combining Statement of Cash Flows - Water - Enterprise Fund - by Account	161
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual	
Water Account - Water - Enterprise Fund	162
Schedule of Operating Expenses - Budget and Actual - Water Account - Water - Enterprise Fund	163
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual	
Water Improvement Account - Water - Enterprise Fund	164
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual	
Refuse - Enterprise Fund	165
Employee Insurance Fund - Internal Service Fund	166
Schedule of Changes in Fiduciary Net Position - Budget and Actual	
Police Pension - Pension Trust Fund	167
Combining Statement of Fiduciary Net Position - Custodial Funds	168
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	169
Consolidated Year-End Financial Report	170
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters	
Based on an Audit of Financial Statements Performed in Accordance with Governmental	
Auditing Standards	171

VILLAGE OF MONTGOMERY, ILLINOIS

TABLE OF CONTENTS

	PAGE
SUPPLEMENTAL SCHEDULES	
Long-Term Debt Requirements	
General Obligation Alternate Revenue Source Bonds of 2013	174
Taxable General Obligation Alternate Revenue Source Refunding Bonds of 2014	175
General Obligation Alternate Revenue Source Bonds of 2017	176
General Obligation Alternate Revenue Source Refunding Bonds of 2021	177
IEPA Loan Payable of 2011	178
IEPA Loan Payable of 2014	179

STATISTICAL SECTION (Unaudited)

Net Position by Component - Last Ten Fiscal Years	182
Changes in Net Position - Last Ten Fiscal Years	184
Fund Balances of Governmental Funds - Last Ten Fiscal Years	186
Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years	188
Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years	190
Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years	192
Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago	194
Property Tax Levies and Collections - Last Ten Fiscal Years	195
Sales Tax Base - Taxable Sales by Category - Last Ten Calendar Years	196
Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years	198
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	199
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	200
Schedule of Direct and Overlapping Bonded Debt	201
Schedule of Legal Debt Margin - Last Ten Fiscal Years	202
Pledged Revenue Coverage - Last Ten Fiscal Years	204
Demographic and Economic Statistics - Last Ten Fiscal Years	205
Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago	206
Full-Time and Part-Time Equivalent Government Employees by Function/Program - Last Ten Fiscal Years	208
Operating Indicators by Function/Program - Last Ten Fiscal Years	210
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	212

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Montgomery, Illinois including:

List of Principal Officials

Organizational Chart

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting



VIILLAGE OF MONTGOMERY, ILLINOIS

OFFICERS AND OFFICALS

APRIL 30, 2023

LEGISLATIVE

Village Board

Matt Brolley, Village President

Debbie Buchanan, Village Clerk

Matt Bauman, Trustee

Steve Jungermann, Trustee

Tom Betsinger, Trustee

Doug Marecek, Trustee

Dan Gier, Trustee

Theresa Sperling, Trustee

EXECUTIVE

Jeff Zoephel, Village Administrator

FINANCE DEPARTMENT STAFF

Jennifer Milewski, Director of Finance

Lexi Hansen, CPA, Accounting Manager

Deborah Nervis, Fiscal Assistant-Accounts Payable/Payroll

Oscar Vega, Fiscal Assistant-Utility Billing

Clara Martinez, Customer Service Specialist

VILLAGE Organizational Chart



Village of Montgomery Residents

The Village Board consists of the Village President and six Village Trustees. The President is elected to a four-year term, and the Trustees are elected at large to staggered four-year terms. The Village Clerk is also elected to a four-year term. The Village Board is responsible for enacting legislation, establishing policies, adopting the budget, and providing guidance and direction for actions that impact the quality of life within the Village.

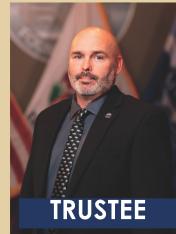
Village President & Trustees



PRESIDENT
Matt Brolley
2021-2025



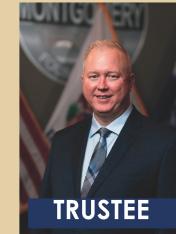
TRUSTEE
Matt Bauman
2023-2027



TRUSTEE
Tom Betsinger
2021-2025



TRUSTEE
Dan Gier
2023-2027



TRUSTEE
Steve Jungermann
2021-2025



TRUSTEE
Doug Marecek
2023-2027



TRUSTEE
Theresa Sperling
2021-2025

VILLAGE CLERK
Debbie Buchanan
2023-2025

Village Attorney

Village Administrator

Human Resources

Communications &
Public Information

Executive Assistant

BOARDS, COMMISSIONS, & COMMITTEES

- Beautification Committee
- Historic Preservation Commission
- Intergovernmental Committee
- Montgomery Development Fund Committee
- Planning & Zoning Commission
- Police Commission
- Police Pension Board

POLICE
Chief of Police
Phillip Smith

**COMMUNITY
DEVELOPMENT**
Director
Sonya Abt

FINANCE
Director
Jennifer Milewski

PUBLIC WORKS
Director
Mark Wolf

ADMINISTRATION

INVESTIGATIONS

PATROL

RECORDS

**BUILDING &
PERMITTING**

**PLANNING &
ZONING**

ACCOUNTING

UTILITY BILLING

ADMINISTRATION

FACILITIES

FLEET

FORESTRY

STREETS

WATER



September 28, 2023

The Honorable Village President
Members of the Board of Trustees
Village Administrator
Citizens of the Village of Montgomery

Village President
MATT BROLLEY

Village Clerk
DEBBIE BUCHANAN

Trustees
MATT BAUMAN
THOMAS K. BETSINGER
DAN GIER
STEVE JUNGERMANN
DOUG MARECEK
THERESA SPERLING

Village Administrator
JEFF ZOEPHEL

Chief of Police
PHIL SMITH

Director of Public Works
MARK WOLF

Director of Finance
JENNIFER MILEWSKI

**Director of Community
Development**
SONYA ABT

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by an independent firm of certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report (ACFR) of the Village of Montgomery, Illinois (Village) for the fiscal year ended April 30, 2023, is hereby submitted.

This report consists of management's representations concerning the finances of the Village. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the Village's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of the internal controls should not exceed anticipated benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of any material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village for the year ended April 30, 2023, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the Village's financial statements for the fiscal year ended April 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Profile of the Village of Montgomery

The Village of Montgomery is a growing community, covering a ten square mile area, nestled along the banks of the Fox River in northern Illinois, located in both southern Kane and northern Kendall counties. Situated approximately forty miles southwest of Chicago, the Village is bordered by Aurora to the north and east, Oswego and Boulder Hill to the south, Sugar Grove to the northwest, and Yorkville to the southwest.

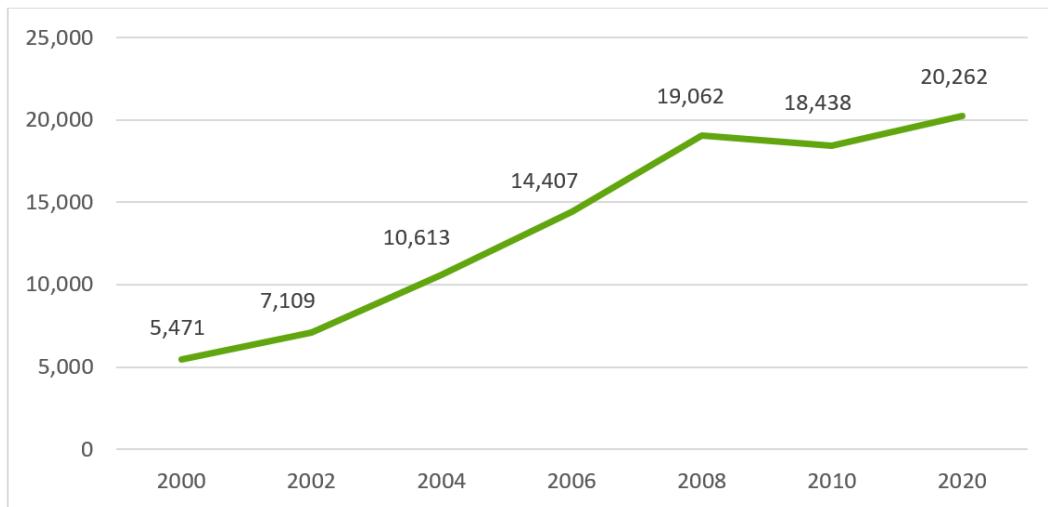
The Village sits at a strategic nexus of multiple regional transportation routes. One of its primary assets is its access to major transportation corridors, including U.S. Routes 30 and 34 (east-west roads) and Illinois Routes 25, 31, 47, and Orchard Road (north-south roads). The north-south corridors give access to Interstate 88, which runs east-west approximately five miles north of the Village. Interstate 88 provides connections to the Chicago Loop, O'Hare Airport and Midway Airport which are 55, 50 and 60 minutes away, respectively. Other public/private airports nearby include Aurora Municipal Airport in Sugar Grove and DuPage Airport in St. Charles. The Village is also served by the Burlington Northern/Santa Fe Railroads with commuter rail access being a short drive away in downtown Aurora. The Regional Transportation Authority is currently conducting a study to extend commuter rail access to the Village and communities to the west of the Village.

Montgomery was founded in 1835 by entrepreneur Daniel Gray, who purchased several land grants from the Federal government and pursued industrial development along the Fox River. The settlement was called "Graystown" for several years, but eventually he persuaded the other settlers to call the little village "Montgomery" after the county in New York that he and several other settlers had come from. Daniel Gray was a man of energy and enterprise. No sooner had he settled in the place than he commenced improvements on a grand scale. A store, foundry, reaper and header manufacturing shop over 100 feet in length, a second foundry built of stone, and one of the best stone grist-mills in the country, appeared in rapid succession. The stone grist mill, built by Gray in 1853, has been beautifully restored and is listed on the National Register of Historic Places. The Village of Montgomery was incorporated in 1858.

Montgomery's early growth continued to align with its industrial roots. After a brief setback in growth, due to the arrival of the McCormick Works at Chicago that out competed Montgomery's reaper plant, the construction of the Chicago, Burlington & Quincy (CB&Q) Railroad reinvigorated local industrial activity. The rail line shipped Montgomery's produce, spring water, and livestock to Chicago markets. In 1899, Riverview Park (later Fox River Park) opened as an amusement park, which drew crowds from as far as Morris and Chicago on express interurbans. The park was replaced in 1943 by United Wallpaper Company and then by AT&T. Lyon Metallic, Montgomery's first modern factory, moved to Montgomery from Chicago in 1906, drawing a reverse commute from Aurora and further stabilizing the economy. The opening of Caterpillar, the world's leading manufacturer of construction and mining equipment, manufacturing facility in 1959 cemented the Village's strong industrial core.

Montgomery maintained a stable population of around 5,000 residents, with 5,471 residents at the 2000 decennial census. However, a sharp increase in residential development after 2000 altered the industrial character and transformed Montgomery into a more suburban community of 18,438 residents by the 2010 decennial census. Despite an astounding population increase of 237% in just ten years, Montgomery has been successful in maintaining its warm, small-town atmosphere. The Village has continued to grow, albeit at a slower pace, to 20,262 residents by the 2020 decennial census. The graph below shows Montgomery's population growth throughout the years.

Montgomery's Population Growth



GOVERNANCE

Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to staggered four-year terms. The Village Clerk is also elected to a four-year term. The Village Board is responsible for enacting legislation, establishing policies, adopting the budget, and providing guidance and direction for actions that impact the quality of life in the Village.

The Village of Montgomery is committed to providing their citizens with a full range of services including police protection; the construction and maintenance of highways, streets, and infrastructure; water treatment and distribution; planning and zoning; and general administrative services. These services are provided by 71 full-time employees and 33 part-time employees (including Board and Commission members) out of three separate buildings. Village services are divided among five departments and within each department are specialized divisions, with further delineating responsibility centers.



The Village Hall houses the Administration, Community Development, and Finance Departments, as well as meeting rooms for the Village Board and community. The Village Administrator, appointed by the Village Board, oversees, coordinates, and provides leadership for the professional day-to-day administration of all Village departments. The Administration Department is charged with providing support to various boards, commissions, committees, and other departments; coordinating all general communication with Village residents; and responding to requests for information from the public. The Community Development Department aids with building, permitting, zoning, and code enforcement throughout the Village. The Finance Department oversees the daily finances, along with collecting water bills, accounts receivable, accounts payable, and information technology functions.



The Montgomery Police Station houses the Administration, Records, Patrol, and Investigations divisions; as well as a state-of-the-art indoor shooting range (used for training purposes); physical fitness center; evidence storage; housing for prisoners, and a community room available for use by staff and the community. The Police Department strives hard each day to provide exceptional public service, demonstrate community pride, and maintain public safety throughout our community by preventing crime and enforcing laws against those who fail to follow them.



The Village has included the construction of a new Public Works Center (pictured above) in the fiscal year 2022 budget, providing needed space for staff and the ability to store vehicles and equipment indoors. The Public Works Department is responsible for maintaining all infrastructure improvements within the Village, including streets, sidewalks, water distribution pipes, storm, and sanitary sewer lines, drinking water wells and pumping equipment, Village-owned property and buildings, right-of-way, street lighting, traffic signals and signs, and water treatment facilities.

BUDGET PROCESS

The overall goal of the budget process is to present the Village Board with a budget that best addresses the needs and desires of the Village of Montgomery in the most efficient and effective manner possible. The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and makes decisions regarding their continued use. The process, if conducted effectively, will result in a clear plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed.

The budget serves as a policy document, financial plan, operations guide, and communications device. As a policy document, it contains a statement of entity-wide financial policies and non-financial goals and objectives of the Village. As a financial plan, it serves as the Village's primary instrument for promoting solvency, efficiency, and collective choices regarding the distribution and allocation of available resources. As an operations guide, it articulates the departmental action plans and how each of these plans will be accomplished. As a communications device, it contains information pertaining to key issues facing the Village, priorities for the coming year, accomplishments of prior years, and more.

The budget process for the Village of Montgomery involves the citizens, the Village President and Village Board, Village Administrator, Department Heads, supervisors, and others throughout the organization. Each person plays a critical role in the development of the budget for the upcoming year. Department Heads are responsible for evaluating the needs of their departments and divisions, soliciting input from supervisors and staff, and compiling those needs and priorities into a cohesive and straightforward budget request. The Village Board is critical in evaluating the budget, asking questions, and eventually approving the budget. Residents and their needs are, of course, the driving force behind the budget process. In addition, residents have opportunities to view the budget proposal and attend the Board meetings and public hearing when the budget is addressed.

The Village has adopted sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) providing for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The budget process in the Village of Montgomery extends over seven months and culminates in April with the Village Board's adoption of the Village budget in advance of the beginning of the new fiscal year on May 1. The approved budget provides the authority to expend funds in the new fiscal year. Most of the time and effort in preparing the budget takes place during the months of October through March, however the development, implementation, monitoring and review of the Village's budget is part of a comprehensive process that occurs throughout the entire year.

Staff begins preparing the next year's budget nine (9) months prior to adoption of the budget. In August, the Finance Department begins the process of moving the prior year budget numbers to the correct column (in Excel) so Departments can update, as necessary. A budget form for each line item is required and additional details should be added to the budget forms where possible. This process ends with the budget/CIP kickoff meeting in early October.

All Departments to attend the kickoff meeting and receive a Department Budget Preparation Manual (Manual). The Manual includes the purpose and legal basis for the budget, as well as the budget calendar and instructions to complete the budget form noted above. In addition, separate forms are provided for new personnel (PRF), program (BRF), and capital (CRF) requests. Each operating department is responsible for submitting its own budget requests following the detailed instructions in the Manual. The budget forms, vehicle requests, personnel requests, program requests, and capital requests are submitted to the Finance Department in mid-December.

The Director of Finance prepares revenue estimates in December based upon historical trends, economic forecasts of authoritative sources, and anticipated activities and events in the community which are expected to have a local economic impact. The Director of Finance consolidates all the information gathered from departments to analyze all budget requests in total. Additional information is collected, and any minor adjustments are made by the Director of Finance. The product is the budget as requested by all departments to the Village Administrator.

The Village Administrator and Director of Finance review each department's requests and make any necessary recommendations to achieve a balanced budget. The Village Administrator and Director of Finance then meet with the director of each department individually in late January or early February to discuss each respective budget request and any recommendations. The Village Administrator reviews the entire budget, ensures it is consistent with the priorities and guidance of the Village Board, and fashions a feasible fiscal plan. The overall goal of the process is to have the Village Administrator recommend a balanced budget to the Village Board for review starting in February. A balanced budget is a budget in which revenues meet or exceed expenditures, and cash reserves or fund balance is not considered a revenue source. The Village may drawdown cash reserves or fund balance with a plan to return the reserves to a desired level.

The Village Board and staff conduct a series of meetings beginning in February and ending in March. The first meeting is held to review the General Fund budget as proposed, along with any new personnel or programs. The second meeting is held to review any governmental capital requests, while a third meeting is held to discuss the Water Fund, proprietary capital requests, and any other items not previously covered. A public hearing is held in March to allow for input on the process by residents of the community and to meet the Village's statutory obligations. Notices to participate in public meetings are provided in the local newspaper and on the Village's website. The Village Administrator, Director of Finance, and Department Heads are present at the hearings to address the issues and concerns of the Village President, Trustees, and public.

Based upon staff recommendations and its own findings, the Village Board may direct additions, deletions, or revisions to the proposed budget. The Director of Finance revises the proposed budget as directed by the Village Board and the Director of Finance submits it to the Village Board for formal approval in late March. The final budget is adopted by ordinance. As noted previously, the budget ordinance must be adopted prior to the start of the fiscal year and filed with the county clerk within 30 days of adoption.

The Village's current budgetary control is at the department level and a budget is adopted for every fund. Total expenditures may not exceed the total amount approved for each fund unless a budget amendment is approved by the Village Board. If necessary, the annual budget may be amended by the Village Board during the year, increasing or decreasing total revenues or expenditures for an individual fund. These budget amendments are usually necessary if anticipated expenditures are expected to exceed the total amount budgeted at the fund level due to changing priorities or unexpected occurrences.

Local Economy

Municipal revenue streams traditionally have been reasonably constant and predictable. However, there are many factors that may affect the local economy including rates of employment, inflation, and health of local businesses, as well as residential, commercial, and industrial development. In addition, the local economy and the Village's financial position may be affected by state, national, and international decisions, and events.

The International Monetary Fund (IMF) chief economist, Pierre-Olivier Gourinchas states, "Global economic activity has proven resilient in the first quarter of this year, leading to a modest upward revision for global growth in 2023. But global growth remains weak by historical standards." Additionally Russian invasion of Ukraine continues into its second year and restricted supply of Russian natural gas has created an energy crisis in Europe. March of 2023 brought turbulence in the banking sector with the collapse of US banks Silicon Valley, First Republic, and Signature Bank. That same month, Switzerland's Credit Suisse required a government-backed take over by its rival UBS. As a result of these events, the IMF downgraded its economic growth forecast to 2.8%.

Nationally, the economy remains resilient despite eight separate interest rate hikes by the Federal Reserve during fiscal year 2023 to tame inflation. Inflation rates, the prices consumers pay for a broad range of goods and services, remain moderate due to a strong labor force and rising wages. While supply and demand imbalances have subsided from the Covid-19 pandemic, the shift in wage and price setting behavior will likely remain persistent. Most companies have been able to pass along higher input costs to consumers without a significant decline in demand. The consumer price index, a key inflation barometer, has fallen to 4.9% from 8.2% last year. The Village will re-examine several budgeting methods including the useful life and maintenance schedules of the Village assets and recommend modifications to ensure current rates adequately cover operating and capital costs.

On April 30, 2023, the Village's unemployment rates dropped to 4.7% and 2.9% for Kane and Kendall Counties, respectively. The State of Illinois unemployment rate is 3.7%, well below the 6.0% long term average rate of unemployment.

The housing market within the Village of Montgomery remained stable throughout the pandemic era. The Village recognized an 8.3% increase in residential equalized assessed value for levy year 2022 while seeing a decrease in the direct tax rate to .4190 per \$100 of equalized assessed valuation.

With the completion of two subdivisions in fiscal year 2023, the Village will have a decline in single family homes permits for the coming fiscal year. One home builder remains active in the Village however their building schedule is idle. The Village foresees a decline in the residential housing development trend as new developments are commercial or industrial based.

Commercial and industrial development has been steady for the last decade. The Village has seen several new businesses built from the ground up over the last year including Freddy's Steak burger, Wing Stop, Tropical Smoothie, Belle Tire, Strickland Brothers 10 Minute Oil Change. A multi-tenant building next to Chiquita Marketplace completed construction in 2021 and now includes Cricket mobile and SuishiZu Restaurant. The Village also welcomed the first cannabis dispensary, Ivy Hall, in late April. Lastly, several businesses are expected to start construction in 2023 including Cooper's Hawk, and industrial development Karis Center for Commerce which would include the Ravago industrial site. Ravago is the largest global distributor of plastic resin and chemicals. Calypso Clean Energy Manufacturing also seeks to occupy existing industrial space within the Village for the manufacturing, storage and distribution of photovoltaic solar modules and solar cells.

Commercial development has helped the Village's sales tax, which is its single largest revenue source. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. The Village began collecting a one percent non-home rule sales tax on July 1, 2015, on items other than groceries, prescription drugs, over-the-counter medicine, and professional services. The Village will also begin collecting a 3% sales tax imposed on cannabis sales within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs. Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed consistent even through the Great Recession with the enacting the "Leveling the Playing Field" legislation requiring remote retailers to collect and remit the state and local retailer's occupation tax. The Village portion of state sales tax has grown from \$2.7 million to \$5.9 million in the last 11 years, while non-home rules sales have grown from \$2.7 million to \$4.0 million in just the last 7 years.

There were three new industrial buildings completed in 2017 including the United Sugars Corporation \$21 million bulk sugar storage and transfer facility; the Nexo Solutions \$12 million warehouse and distribution facility; and the Old Dominion Freight Line \$13 million freight depot. United Sugars and Nexo are both located within the Aucutt Road TIF District (TIF #2) while Old Dominion is located outside TIF #2. The United Sugars and Nexo buildings alone contributed nearly \$840,000 of tax increment in fiscal year 2022. The increment noted above will be used to make needed improvements in the area. The Village Engineer has worked on a storm sewer overflow study and road improvement study over the last 3 years. The studies will determine what regional improvements can be made to recapture buildable land within TIF #2 and the order in which improvements should take place. United Sugars Corporation began construction in early 2021 on a second bulk storage dome (valued at \$20 million) and the Village is currently in discussion with another existing business about expansion of their facilities. Lastly, the Village completed an annexation of Blackberry Creek TIF District (TIF #4) in fiscal year 2024.

Finances of the State of Illinois

The State of Illinois (the "State") has experienced adverse fiscal conditions resulting in significant shortfalls between the State's general fund revenues and spending demands. Despite the State's increase in credit rating to a BBB+ from Standard & Poor's Global Rating, the State remains amongst the lowest credit rated in the country. Additionally, the State continues to struggle with raising debt and pension obligations after receiving more than \$8 billion in budgetary relief from the federal government in addition to federal funding passed along to states for the pandemic-related expenses.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the Village. The last five State fiscal year budgets have included a service fee for collection and processing of locally imposed sales taxes. The fee was reduced to 1.5% of locally imposed sales taxes for State Fiscal Years 2019- 2023. The Fiscal Year 2021 Budget was predicated on, among other things, on Illinois voters approving a referendum to change the State income tax from a flat to a progressive income tax. The referendum was not approved by Illinois voters in the November 3, 2020, election. The Village cannot determine at this time the fiscal impact of these provisions on its overall financial condition, but such provisions may result in lower income tax revenues and sales tax revenues distributed to the Village.

The Village can give no assurance additional changes in applicable law modifying the way local revenue sharing is allocated by the State, nor can the Village predict the effect the State's financial problems, including the various governmental or private actions in reaction thereto, may have on the Village's future finances.

Long-Term Financial Planning

Alan Lakein is a well-known author on personal time management who stated, "Planning is bringing the future into the present so that you can do something about it now." Proper plans, formulated ahead of time, help leaders and organizations to execute projects, reach their goals, and fulfill their vision. In planning ahead, the Village has been able to assess risks, transform risks to opportunities, become proactive in our response, and improve performance. The sections below illustrate long-term planning efforts and the impact each has on the budget.

The Operating Budget Forecast includes 5 years to facilitate long-term financial planning. Finance staff works together with each Department during all three stages of the budget process to determine key forecast assumptions to project major revenue sources and expenditures. This forecast impacts the budget by providing for stability, planning, and direction for future resource allocation and decision making. The long-term outlook allows the Village to see the impact of staffing on future budgets, need to examine fee structures on a regular basis, and adjust the number of capital projects based on available funding sources. This has been very insightful and extremely helpful in maintaining long-term sustainability.

The Village is required to maintain a 5-year Community Investment Plan (CIP) in accordance with its fiscal policies. The CIP may include land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure including, but not limited to roads, sanitary sewer system, waterworks system, and stormwater system. This program is used to identify and prioritize future capital needs and possible funding sources, impacting the budget by including all five years in the Operating Budget Forecast noted above.

The purpose of the Pavement Management Report is to create a tool to aid the Village in developing a 5-year plan to maintain or improve roadways in the community. An annual update is provided to the Village Board for approval. The report results in a systematic approach to roadway maintenance that will impact the budget by identifying the annual costs that should be expended to meet the desired goal. This report provides for infrastructure needs that integrate with the Community Investment Program noted above.

The Finance Department worked with our IT consultant to establish a Computer Equipment Replacement schedule. Computer equipment is often below the capitalization threshold, but usually includes information sensitive in nature. This 5-year plan established base level to be budgeted for annual replacement. Replacement decisions are determined based on software technology, economic issues, maintenance costs, and potential downtime.

Per Village policy, each department shall contribute for Vehicle and Equipment Replacement on an annual basis to maintain a "pay-as-you-go" basis. This 15-year plan impacts the budget by allowing for funding of replacements annually at an established base level. The Public Works Department works together with other departments to determine the useful life and condition of certain vehicles and equipment. This ensures the condition of the fleet is at an optimum level, reducing fleet maintenance and service costs.

The Go Montgomery 2035 Comprehensive Plan is a 20-year plan meant to inform and share decisions about land use and development, transportation and mobility, parks and open space, community facilities and infrastructure, and hazard mitigation and sustainability. The plan recognizes changes in economic climate, represents the

Village's vision for the future, and serves as the official policy and guide for improvement and development throughout the community. The Community Development Department follows the goals and vision set forth to review development proposals to ensure they meet the guidelines set forth in the plan. It is used to identify development that works for specific areas through appropriate design, functionality, and uses, as well as to guide policy that leads to economic development opportunities.

The Comprehensive Plan identified a lack of community identity. Some think the Village's ambiguous identity is linked to the Village's multiple taxing districts, particularly its five school districts. Although invisible, these district boundaries inadvertently create separate communities. Others find the identity of Montgomery can be explained through the Village's market makeup. Montgomery used to be acclaimed as "The Village of Industry," but loss of industry along with residential and commercial development no longer make this an accurate definition of the Village. Residents noted that creating a stronger core and central gathering place could be the answer to strengthening the Village's identity.

The Waterworks System Master Plan was undertaken by the Village of Montgomery to help identify a long-term sustainable water source for the community and was completed in fiscal year 2017. The Village Engineer worked with the Village and two other local communities (Oswego and Yorkville) to determine the best solution for future water needs of each community, as well as a sub-regional solution for all three together. The plan allows for each community to budget for current costs, starting in fiscal year 2018, needed to assess each source of water. This 30-year plan will factor into the budget discussion each year including, but not limited to, the governance of a sub-regional solution (if applicable), land purchase, and the design and construction of a new or expanded Waterworks System plant.

The Village recognizes the importance of developing and managing programs, services, and their related resources as efficiently and effectively as possible. Senior Management collaborated with a consultant during fiscal year 2019 to update its mission and vision statements. Senior Management and both our legal and engineering consultants went on a retreat to help create a new 5-year strategic plan that includes specific steps to achieve its strategic priorities. The mission statement, vision statements, values, and strategic plan were approved by the Village Board in fiscal year 2020.

Our Strategic Plan has four primary themes that reflect our Mission Statement, Vision Statement, and Values: Quality of Life, Civic Engagement, Economic Development, and Professional Governance. Each theme is followed by a listing of goals and objectives. Understanding how goals and objectives are defined within the context of this plan is important. Goals are big steps towards accomplishing our mission. They are not easily reached, and they are aligned with our values. Goals are broad, value-based statements expressing our preferences for the term of this plan. They specifically address key issues, opportunities, and desires that affect the community. Objectives are smaller steps that are needed to meet these goals. They should be specific, measurable, attainable, timely, and related to the goal. For each strategic area, actions are also provided. These actions are specific steps refined by Village staff and elected officials for achieving objectives.

Periodic review and adjustment will be necessary over the planning period. We will track our progress through regular reporting on our objectives and actions and they will be incorporated over time into our other planning tools including the annual budget and community investment plan.

Cash Management Policies and Practices

The cash management system is designed to accurately monitor and forecast revenues and expenditures, thus enabling the Village to maximize investments. The essential purpose of Village investments is to maximize interest income while preserving principal and maintaining sufficient liquidity to meet expenditure obligations. The Village invests cash temporarily idle during the year in demand deposits, certificates of deposit, investment pools, and other investments allowed by state statute. The Village maintains a 5-year laddered portfolio to capture additional yield from longer maturities.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Montgomery for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2022. This was the nineteenth consecutive year the Village has received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for a twentieth certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my sincere appreciation to Lexi Hansen, Deborah Nervis, Oscar Vega, Clara Martinez, and all employees of the Village who assisted and contributed to the preparation of this report. In addition, I would like to thank the Village President, Board of Trustees and Village Administrator for their unfailing support for maintaining the highest standards of professionalism in the management of the Village's finances.

Respectfully submitted,



Jennifer Milewski
Director of Finance



Government Finance Officers Association

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

Presented to

**Village of Montgomery
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2022

Christopher P. Monell

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

September 28, 2023

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

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Village of Montgomery, Illinois
September 28, 2023

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2023, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

As management of the Village of Montgomery, Illinois (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2023. Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with our Letter of Transmittal, which can be found in the introductory section of this report, and the Village's basic financial statements, which can be found in the financial section of this report. All amounts in the MD&A, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and the deferred outflow of resources of the Village exceeded its liability and deferred inflows of resources at the close of the most recent fiscal year by \$71,872. Of this amount, \$10,308 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$5,852 and reflects approximately \$6,212 increase and \$360 decrease attributable to the governmental and business-type operations of the Village, respectively. The increase in governmental operations can be attributed to investment income (increase of \$1,042), American Rescue Plan grants (\$991), municipal utility tax settlements (\$599) and the continued strengthening of regular sales taxes (increase of \$307), non-home rule sales taxes (increase of \$126), and use taxes (increase of \$91). These are offset by depreciation and liabilities for pensions and other post-employment benefits. The decrease in business-type operations is mainly due to operation costs, depreciation, liabilities for pensions and other postemployment benefits.
- As of April 30, 2023, the Village's governmental funds reported combined ending fund balances of \$26,240, a decrease of \$6,271 from the prior year. Approximately 18.6% of this total amount, \$4,890, is available for spending at the Village's discretion (unassigned fund balance).
- In addition, the Village's proprietary funds reported combined ending net position of \$18,912, a decrease of \$360 from the prior year. Approximately 26.1% of this total amount, \$4,934, is available for spending at the Village's discretion (unrestricted net position) for proprietary purposes.

Overview of the Financial Statements

The focus of the financial statements is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden the basis for comparison (year to year or government to government) and enhance the Village's accountability.

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

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

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

The Statement of Net Position presents information on all the Village's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, 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.

The Statement of Activities presents information showing how the Village'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.

Both government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-Type Activities). The Governmental Activities reflect the Village's basic services, including general government, public safety, and highways and streets. The Business-Type Activities include the waterworks and sewerage operations and sanitation.

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

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

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

The Village maintains twenty-six 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, Tax Increment Financing District #2 Fund, American Rescue Plan Fund, Debt Service Fund, Capital Improvement Fund, and Infrastructure Improvement Fund, all of which are major funds. Data from the remaining twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for each of its governmental funds. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with these budgets.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Proprietary Funds. The Village maintains two different types of proprietary funds. Enterprise funds are used to report the same functions as presented in the business-type activities in the government-wide financial statements. The Village uses two enterprise funds, one to account for the operation of the Village owned water utility and one to account for the Village's waste removal program. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for providing insurance to Village employees. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements

Proprietary funds 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 utility and refuse program, which are major funds of the Village, as well as the employee insurance fund.

The Village adopts an annual budget for each of its proprietary funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with these budgets.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's own programs. The accounting used 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 budget to actual comparisons for the Village's progress in funding its obligation to provide pension and other postemployment benefits to its employees and the General Fund and major special revenue funds.

Individual fund statements and schedules are presented immediately following the required supplementary information discussed above.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Financial Analysis of the Village as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$71,872 as of April 30, 2023.

Table 1

Condensed Statement of Net Position (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	\$ 38,910	43,148	8,802	7,072	47,712	50,220
Capital Assets	56,641	46,587	24,100	24,835	80,741	71,422
Total Assets	95,552	89,735	32,902	31,907	128,453	121,642
Deferred Outflows						
Unamortized Loss	12	30	—	—	12	30
Deferred Items	4,799	3,224	854	621	5,653	3,845
Total Deferred Items	4,812	3,254	854	621	5,665	3,875
Total Assets/Deferred Items	100,363	92,988	33,756	32,528	134,119	125,516
Liabilities						
Long-Term Liabilities	32,264	30,437	10,885	11,007	43,150	41,444
Other Liabilities	6,234	4,152	1,954	1,479	8,188	5,630
Total Liabilities	38,499	34,588	12,839	12,486	51,338	47,074
Deferred Inflows						
Deferred Taxes	4,564	3,983	—	—	4,564	3,983
Deferred Items	4,340	7,669	2,004	770	6,345	8,440
Total Deferred Inflows	8,905	11,653	2,004	770	10,909	12,423
Total Liabilities/Deferred Inflows	47,403	46,241	14,844	13,256	62,247	59,497
Net Position						
Net Investment in Capital Assets	40,804	40,033	13,978	13,984	54,782	54,018
Restricted	6,781	5,282	—	—	6,781	5,282
Unrestricted	5,375	1,432	4,934	5,288	10,308	6,720
Total Net Position	52,960	46,747	18,912	19,272	71,872	66,020

*Variation in values may occur due to rounding

The largest portion of the Village's net position (76.3%) reflects its net investment in capital assets (e.g. land, infrastructure, buildings, improvements, vehicles, and equipment) 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 spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

An additional portion of the Village's net position (9.4%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (14.3%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of April 30, 2023, the Village was able to report positive balances in all three categories of net position, for the government as a whole. Governmental activities and business-type activities report positive balance in all three categories. As of April 30, 2022, the Village was able to report positive balances in all three categories of net position, for the government as a whole. Governmental activities and business-type activities report positive balance in all three categories.

The Village's total net position increased by \$5,852 from the prior year. The increase of \$5,852 reflects approximately \$6,212 increase and \$360 decrease attributable to the governmental and business-type operations of the Village, respectively. The increase in governmental operations can be attributed to investment income (increase of \$1,042), American Rescue Plan (\$991), municipal utility tax settlements (\$599) and the continued strengthening of regular sales taxes (increase of \$307), non-home rule sales taxes (increase of \$126), and use taxes (increase of \$91). These are offset by debt issuance, depreciation and liabilities for pensions and other post-employment benefits. The decrease in business-type operations is mainly due to operation costs, depreciation, liabilities for pensions and other postemployment benefits.

The Village's unrestricted net position increased by \$3,588 during the current fiscal year. Most of the restricted net position is legally restricted to certain capital projects. The Village's net investment in capital assets increased by \$764 during the current fiscal year. The Village added \$14,234 of new capital assets, had depreciation of \$4,915 during the year, and reduced long-term debt related to capital assets by \$1,542.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Table 2

Condensed Statement of Activities (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 3,577	2,488	7,712	7,196	11,289	9,684
Operating Grants/Contributions	497	1,396	—	—	497	1,396
Capital Grants/Contributions	559	—	—	—	559	—
General Revenues						
Property Taxes	4,075	3,911	—	—	4,075	3,911
Other Taxes	2,228	1,597	—	—	2,228	1,597
Intergovernmental	15,091	13,531	—	—	15,091	13,531
Other	1,049	163	236	540	1,285	703
Total Revenues	27,077	23,086	7,947	7,736	35,024	30,822
Expenses						
General Government	6,386	4,490	—	—	6,386	4,490
Public Safety	7,705	6,967	—	—	7,705	6,967
Highways and Streets	5,422	8,240	—	—	5,422	8,240
Interest on Long-Term Debt	410	809	—	—	410	809
Water	—	—	7,838	7,305	7,838	7,305
Refuse	—	—	1,412	1,356	1,412	1,356
Total Expenses	19,922	20,507	9,250	8,661	29,172	29,167
Change in Net Position						
Before Transfers	7,155	2,580	(1,303)	(925)	5,852	1,655
Transfers	(942)	—	942	—	—	—
Change in Net Position	6,212	2,580	(360)	(925)	5,852	1,655
Net Position - Beginning	46,747	44,168	19,272	20,197	66,020	64,364
Net Position - Ending	52,960	46,747	18,912	19,272	71,872	66,020

*Variation in values may occur due to rounding

Governmental Activities. Governmental activities increased the Village's net position by \$6,212. Key elements of this increase are as follows:

Governmental revenues increased by \$3,990 (17.3%). Components of this increase are as follows:

- Charges for services increased by \$1,089 (43.8%) due to an increase in funding of capital equipment.
- Other taxes increased by \$631 (39.5%) related mainly to a utility tax settlement.
- Intergovernmental revenue increased by \$1,560 (11.5%) due to an increase of \$307 in regular sales taxes, \$126 in non-home rule sales taxes, and \$91 in local use taxes.
- Other revenue increased by \$886 (543.5%) due to interest income and America Rescue Plans related project reimbursements.

VILLAGE OF MONTGOMERY, ILLINOIS

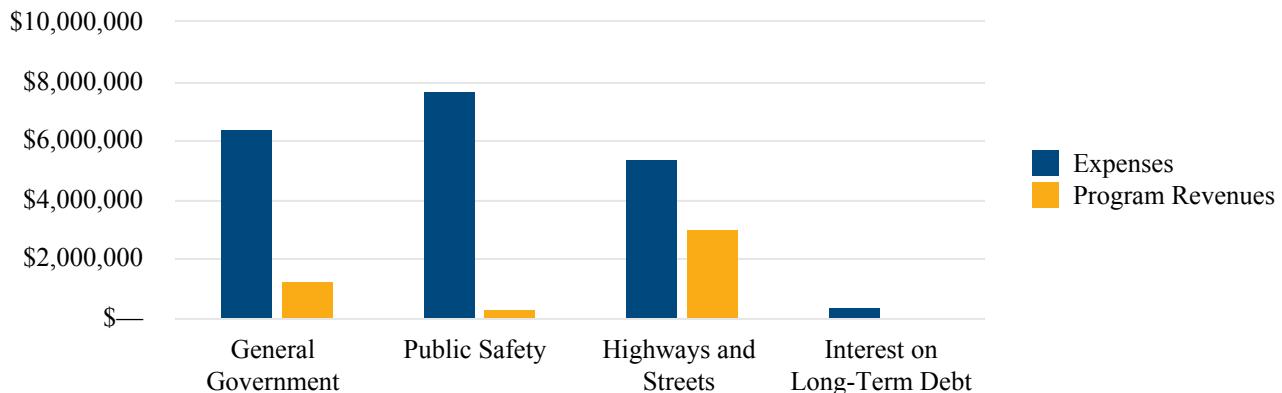
Management's Discussion and Analysis

April 30, 2023 (Unaudited)

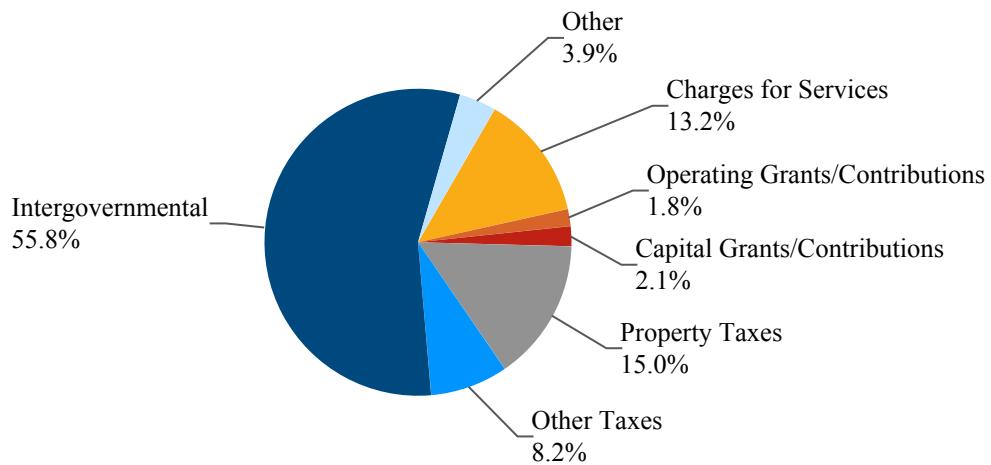
Governmental expenses decreased by \$585 (2.9%). Components of this decrease are as follows:

- General government expense increased by \$1,895 (42.2%) due to increases in IMRF Net Pension and OPEB liabilities.
- Public safety expenses increased by \$738 (10.6%) due to an increase in wages, Police Net Pension and OPEB liabilities.
- Highways and streets expenses decreased by \$2,818 (34.2%) mainly due to the biennial road program project schedule. Reserves are built up in odd fiscal years to fund road projects on even fiscal years.

Expenses and Program Revenues - Governmental Activities



Revenue by Source - Governmental Activities



VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Business-Type Activities. Business-type activities decreased the Village's net position by \$360. Key elements of this decrease are as follows:

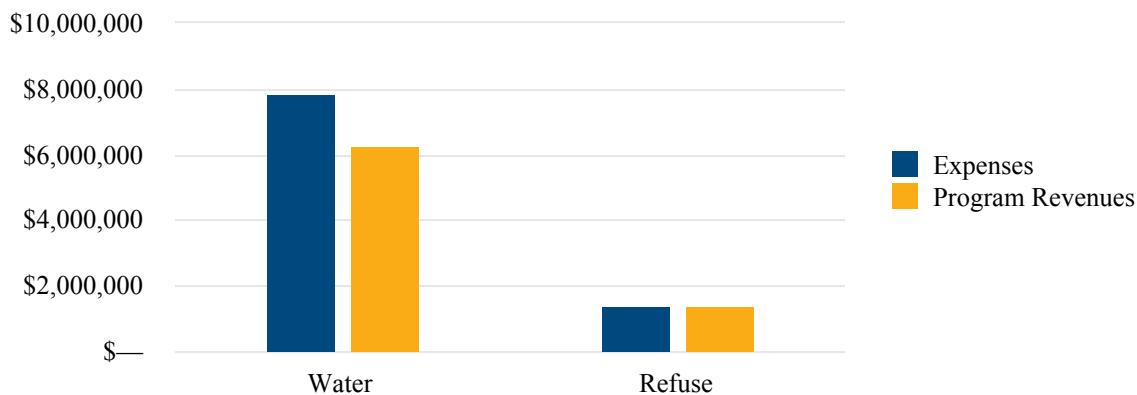
Business-type revenues increased by \$211 (2.7%). Components of this increase are as follows:

- Charges for services increased by \$515 (7.2%) due to an increase of 5.5% and 3.0% in the water and refuse rates, respectively.
- Other revenue decrease by \$304 (56.3%) due to a decrease in water connection fees.

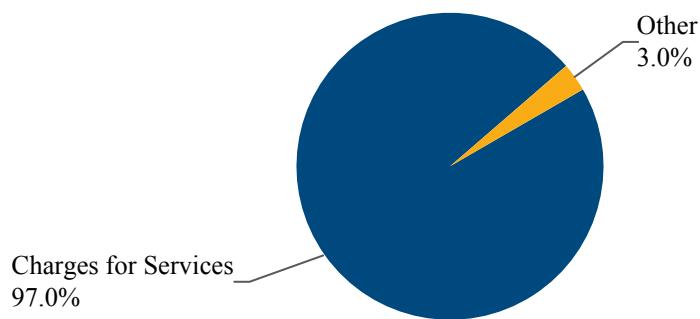
Business-type expenses increased by \$589 (6.8%). Components of this increase are as follows:

- Refuse increased by \$56 (4.1%) due to a combination of an increase in the number of households served and a 3.0% increase in the refuse rate by the Village's third-party waste hauler.
- Water increased by \$533 (7.3%) due to completion of the water meter replacement program beginning in fiscal year 22.

Expenses and Program Revenues - Business-Type Activities



Revenue by Source - Business-Type Activities



VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Financial Analysis of the Village'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. Such information is useful in assessing the Village's financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of April 30, 2023, the Village's governmental funds reported combined ending fund balances of \$26,240, a decrease of \$6,271 from the prior year. Approximately 18.6% of this total amount, \$4,890, is available for spending at the Village's discretion (unassigned fund balance). The remainder of fund balance is either nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form (\$550), 2) restricted for particular purposes (\$9,971), or 3) assigned for particular purposes (\$10,828).

The General Fund is the chief operating fund of the Village. As of April 30, 2023, unassigned fund balance of the General Fund was \$4,906. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 36.0% (4.3 months) of the total General Fund expenditures, while total fund balance represents 40.0% (4.8 months) of total General Fund expenditures.

The fund balance of the General Fund increased by \$116 to a total of \$5,457 of fund balance at the end of the current fiscal year. The key factors are an increase in regular sales, local use, and video gaming taxes from the economic recovery.

The fund balance of the Tax Increment Financing District #2 increased by \$402 to a total of \$3,229 of balance at the end of the current fiscal year. The key factors are an increase in the property tax increment combined with construction timeline of existing projects within project area.

The fund balance of the American Rescue Plan Fund was \$70 at the end of the current fiscal year. The increase is related to interest income.

The fund balance of the Debt Service Fund remained stable at \$37 of fund balance at the end of the current fiscal year. The receipt of transfers from the Capital Improvement Fund was slightly less than the payment of debt principal and interest.

The fund balance of the Capital Improvement Fund decreased by \$10,914 to a total of \$4,636 of fund balance at the end of the current fiscal year. The decrease in fund balance is due to a transfer of \$1,213 to the Debt Service Fund and an increase in capital outlay expenditures compared to the prior fiscal year. The Public Works Facility anticipated completion is fiscal year 2024.

The fund balance of the Infrastructure Improvement Fund increased by \$1,176 to a total of \$3,907 of fund balance at the end of the current fiscal year. The increase in fund balance is due to an increase in non-home rule sales taxes from the economic recovery, offset by an increase in the number and value of road projects during the year.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

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 Water Fund had a decrease in net position of \$365 to a total of \$18,894 of net position at the end of the current fiscal year. Approximately 27.4% of that total is unrestricted net position. Other factors concerning the finances of the Water Fund have already been addressed in the discussion of the Village's business-type activities.

The Refuse Fund had an increase in net position of \$4 to a total of \$18 of net position at the end of the current fiscal year.

The Employee Insurance Fund had an increase in net position of \$174 to a total of \$801 of net position at the end of the current fiscal year. The Village keeps a balance in this fund to offset any unexpected increases in health, dental, and life insurance for employees.

General Fund Budgetary Highlights

It has been a policy of the Village to not adopt budget amendments during or after the fiscal year. This year was no exception and no General Fund budget amendments occurred during the current fiscal year.

The General Fund revenues were more than the budget by \$1,049 or 7.8%. The most significant differences between budgeted and actual revenues included: 1) regular sales taxes were \$62 higher than budget; 2) corporate replacement tax increased \$80 higher than budget; and 3) an increase of local use taxes of \$78. All these increases can be attributed to the economic recovery of the Covid-19 pandemic.

The General Fund expenditures were more than the budget by \$499 or 3.8%. The most significant difference between budgeted and actual expenditures can be found in the capital contributions.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Capital Assets. The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2023, amounts to \$80,741 (net of accumulated depreciation). This investment in capital assets includes land (including rights-of-way), buildings, improvements other than buildings, vehicles and equipment, and infrastructure (including streets, storm sewers, water mains, water pumping and storage facilities, and sanitary sewers).

Major capital asset events during the current fiscal year included the following:

- The Village continued construction of its new Public Works Facility during fiscal year 2023 bringing the total to \$15,607 currently reported in construction in progress.
- A total of 3 Police squad vehicles were replaced during the year totaling \$179.
- Depreciation of governmental and business-type activities capital assets totaling \$2,924 and \$1,992, respectively, was taken during the year.

The following schedule summarizes the Village's capital assets.

Table 3
Capital Assets (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 18,346	18,346	17	17	18,362	18,362
Construction in Progress	15,987	3,188	1,208	231	17,195	3,419
Land Improvements	—	138	—	—	—	138
Buildings	22,311	22,311	—	—	22,311	22,311
Equipment	877	877	84	84	961	961
Vehicles	4,619	4,440	—	—	4,619	4,440
Infrastructure	33,856	33,856	53,298	53,020	87,155	86,876
Less: Accumulated Depreciation	(39,354)	(36,569)	(30,508)	(28,516)	(69,862)	(65,085)
 Totals	 56,641	 46,587	 24,100	 24,835	 80,741	 71,422

*Variation in values may occur due to rounding

Additional information regarding the capital assets can be found in Note 3 of this report.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Long-Term Debt. At the end of the current fiscal year, the Village had total debt outstanding of \$29,124 (excluding compensated absences, net pension liabilities, other postemployment benefit liability, and asset retirement obligations). This amount is partially comprised of four general obligation alternate revenue bonds which pledge sales, use, and telecommunications taxes, as well as net revenues of the water system. The new 2021 general obligation alternative revenue source pledges water tower rental revenues for the re-payment of the debt. All bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2013, Series 2014, Series 2017 and Series 2021 bonds. The remaining amount of debt outstanding is comprised of three Illinois Environmental Protection Agency (IEPA) loans backed by the net revenues of the water system. The Village's debt decreased by \$1,542 (5%) during fiscal year 2023.

There have been no major long-term debt events during the current fiscal year, however as future plans for a change in water source from deep wells to Lake Michigan, additional debt will be issued in the form of General Obligations, IEPA loans, in coordination with Water Infrastructure Finance and Innovation Act program loans.

The following schedule summarizes the Village's indebtedness.

Table 4

Long-Term Debt (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 19,002	19,815	6,351	6,665	25,353	26,480
IEPA Loans Payable	—	—	3,770	4,186	3,770	4,186
Total	19,002	19,815	10,122	10,851	29,124	30,666

*Variation in values may occur due to rounding

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

Economic Factors and Next Year's Budgets and Rates

Municipal revenue streams traditionally have been reasonably constant and predictable. However, there are many factors that may affect the local economy including rates of employment, inflation, and health of local businesses, as well as residential, commercial, and industrial development. In addition, the local economy and the Village's financial position may be affected by state, national, and international decisions, and events.

The International Monetary Fund (IMF) chief economist, Pierre-Olivier Gourinchas states, "Global economic activity has proven resilient in the first quarter of this year, leading to a modest upward revision for global growth in 2023. But global growth remains weak by historical standards." Additionally Russian invasion of Ukraine continues into its second year and restricted supply of Russian natural gas has created an energy crisis in Europe. March of 2023 brought turbulence in the banking sector with the collapse of US banks Silicon Valley, First Republic, and Signature Bank. That same month, Switzerland's Credit Suisse required a government-backed take over by its rival UBS. As a result of these events, the IMF downgraded its economic growth forecast to 2.8%.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

Nationally, the economy remains resilient despite 8 separate interest rate hikes by the Federal Reserve during fiscal year 2023 to tame inflation. Inflation rates, the prices consumers pay for a broad range of goods and services, remain moderate due to a strong labor force and rising wages. While supply and demand imbalances have subsided from the Covid-19 pandemic, the shift in wage and price setting behavior will likely remain persistent. Most companies have been able to pass along higher input costs to consumers without a significant decline in demand. The consumer price index, a key inflation barometer, has fallen to 4.9% from 8.2% last year. The Village will re-examine several budgeting methods including the useful life and maintenance schedules of the Village assets and recommend modifications to ensure current rates adequately cover operating and capital costs.

On April 30, 2023, the Village's unemployment rates dropped to 4.7% and 2.9% for Kane and Kendall Counties, respectively. The State of Illinois unemployment rate is 3.7%, well below the 6.0% long term average rate of unemployment.

The housing market within the Village of Montgomery remained stable throughout the pandemic era. The Village recognized an 8.3% increase in residential equalized assessed value for levy year 2022 while seeing a decrease in the direct tax rate to .4190 per \$100 of equalized assessed valuation.

With the completion of 2 subdivisions in fiscal year 2023, the Village will have a decline in single family homes permits for the coming fiscal year. One home builder remains active in the Village however their building schedule is idle. The Village foresees a decline in the residential housing development trend as new developments are commercial or industrial based.

Commercial and industrial development has been steady for the last decade. The Village has seen several new businesses built from the ground up over the last year including Freddy's Steak burger, Wing Stop, Tropical Smoothie, Belle Tire, Strickland Brothers 10 Minute Oil Change. A multi-tenant building next to Chiquita Marketplace completed construction in 2021 and now includes Cricket mobile and SuishiZu Restaurant. The Village also welcomed the first cannabis dispensary, Ivy Hall, in late April. Lastly, several businesses are expected to start construction in 2023 including Cooper's Hawk, and industrial development Karis Center for Commerce which would include the Ravago industrial site. Ravago is the largest global distributor of plastic resin and chemicals. Calypso Clean Energy Manufacturing also seeks to occupy existing industrial space within the Village for the manufacturing, storage and distribution of photovoltaic solar modules and solar cells.

Commercial development has helped the Village's sales tax, which is its single largest revenue source. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. The Village began collecting a one percent non-home rule sales tax on July 1, 2015, on items other than groceries, prescription drugs, over-the-counter medicine, and professional services. The Village will also begin collecting a 3% sales tax imposed on cannabis sales within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs. Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed consistent even through the Great Recession with the enacting the "Leveling the Playing Field" legislation requiring remote retailers to collect and remit the state and local retailer's occupation tax. The Village portion of state sales tax has grown from \$2.7 million to \$5.9 million in the last 11 years, while non-home rules sales have grown from \$2.7 million to \$4.0 million in just the last 7 years.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

There were 3 new industrial buildings completed in 2017 including the United Sugars Corporation \$21 million bulk sugar storage and transfer facility; the Nexeo Solutions \$12 million warehouse and distribution facility; and the Old Dominion Freight Line \$13 million freight depot. United Sugars and Nexeo are both located within the Aucutt Road TIF District (TIF #2) while Old Dominion is located outside TIF #2. The United Sugars and Nexeo buildings alone contributed nearly \$840,000 of tax increment in fiscal year 2022. The increment noted above will be used to make needed improvements in the area. The Village Engineer has worked on a storm sewer overflow study and road improvement study over the last 3 years. The studies will determine what regional improvements can be made to recapture buildable land within TIF #2 and the order in which improvements should take place. United Sugars Corporation began construction in early 2021 on a second bulk storage dome (valued at \$20 million) and the Village is currently in discussion with another existing business about expansion of their facilities. Lastly, the Village completed an annexation of Blackberry Creek TIF District (TIF #4) in fiscal year 2024.

Finances of the State of Illinois

The State of Illinois (the “State”) has experienced adverse fiscal conditions resulting in significant shortfalls between the State’s general fund revenues and spending demands. Despite the State’s increase in credit rating to a BBB+ from Standard & Poor’s Global Rating, the State remains amongst the lowest credit rated in the country. Additionally, the State continues to struggle with raising debt and pension obligations after receiving more than \$8 billion in budgetary relief from the federal government in addition to federal funding passed along to states for the pandemic-related expenses.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the Village. The last five State fiscal year budgets have included a service fee for collection and processing of locally imposed sales taxes. The fee was reduced to 1.5% of locally imposed sales taxes for State Fiscal Years 2019- 2023. The Fiscal Year 2021 Budget was predicated on, among other things, on Illinois voters approving a referendum to change the State income tax from a flat to a progressive income tax. The referendum was not approved by Illinois voters in the November 3, 2020, election. The Village cannot determine at this time the financial impact of these provisions on its overall financial condition, but such provisions may result in lower income tax revenues and sales tax revenues distributed to the Village.

The Village can give no assurance additional changes in applicable law modifying the way local revenue sharing is allocated by the State, nor can the Village predict the effect the State’s financial problems, including the various governmental or private actions in reaction thereto, may have on the Village’s future finances.

The Village owns a water utility and charges residents a fee to use that water. The Village also charges residents a fee to maintain the sanitary sewer lines that feed to the Fox Metro Water Reclamation District. The revenue budget is based upon the immediate prior year’s usage by existing residents along with the additional housing units brought online by new permits. The fiscal year 2024 budget includes an increase in the water usage rates of 5.5% as of May 1, 2023. The Village started work on a water rate study in fiscal year 2019 and completed the study in fiscal year 2020. The Village now expects annual increases of 5.5% through fiscal year 2032, then 2% each year thereafter. This revenue stream is dependent on weather conditions and will vary based on how warm it is or how much rain the Village receives.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2023 (Unaudited)

The Village, as a service driven organization, continues to expend the greatest percentage of its operating budget (second largest overall) on personal services (wages and benefits). For fiscal year 2024, personal services expenditures are expected to total \$11,189 or 18.8% of total budgeted expenditures. This is an increase of 4.0% over the fiscal year 2023 budgeted expenditures of \$10,763. The increase is attributed to a cost of living increases effective May 1, 2023. Cost of living increases range from 2.5% to 3.0% and pay for performance increases range from 3.5% to 6.0%. Non-represented employees are only given an increase in November based solely on a pay for performance plan. The Village has an approved a 5-year contract with the Metropolitan Alliance of Police Patrol union which expires April 30, 2025. The fiscal year 2024 budget includes an additional 3.0 full-time equivalent employees (FTE). FTE equal the total hours of all employees divided by 2,080 working hours in a year. The new positions include a full-time forestry maintenance worker, Events & Community Engagement Coordinator, and Social Worker.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mrs. Jennifer Milewski, Director of Finance, Village of Montgomery, 200 North River Street, Montgomery, IL 60538.

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 MONTGOMERY, ILLINOIS

Statement of Net Position

April 30, 2023

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position

April 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 30,665,477	6,557,569	37,223,046
Receivables - Net of Allowances	5,542,161	1,302,361	6,844,522
Due from Other Governments	3,126,888	—	3,126,888
Internal Balances	(942,152)	942,152	—
Prepays	481,124	—	481,124
Total Current Assets	38,873,498	8,802,082	47,675,580
Noncurrent Assets			
Capital Assets			
Nondepreciable	34,332,491	1,225,018	35,557,509
Depreciable	61,662,691	53,382,493	115,045,184
Accumulated Depreciation	(39,354,040)	(30,507,745)	(69,861,785)
Total Capital Assets	56,641,142	24,099,766	80,740,908
Other Assets			
Notes Receivable	36,906	—	36,906
Total Noncurrent Assets	56,678,048	24,099,766	80,777,814
Total Assets	95,551,546	32,901,848	128,453,394
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	1,298,604	431,339	1,729,943
Deferred Items - Police Pension	3,500,553	—	3,500,553
Deferred Items - ARO	—	422,334	422,334
Unamortized Loss on Refunding	12,489	—	12,489
Total Deferred Outflows of Resources	4,811,646	853,673	5,665,319
Total Assets and Deferred Outflows of Resources	100,363,192	33,755,521	134,118,713

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,489,304	984,436	3,473,740
Accrued Payroll	163,438	23,996	187,434
Deposits Payable	2,594,511	2,153	2,596,664
Accrued Interest Payable	219,829	109,208	329,037
Other Payables	—	152,808	152,808
Current Portion of Long-Term Liabilities	767,362	681,399	1,448,761
Total Current Liabilities	6,234,444	1,954,000	8,188,444
Noncurrent Liabilities			
Compensated Absences Payable	678,658	99,839	778,497
Net Pension Liability - IMRF	1,103,652	366,585	1,470,237
Net Pension Liability - Police Pension	8,119,711	—	8,119,711
Total OPEB Liability - RBP	4,052,315	432,609	4,484,924
General Obligation Bonds Payable - Net	18,310,142	6,028,366	24,338,508
IEPA Loans Payable	—	3,422,998	3,422,998
Asset Retirement Obligation	—	535,000	535,000
Total Noncurrent Liabilities	32,264,478	10,885,397	43,149,875
Total Liabilities	38,498,922	12,839,397	51,338,319
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	4,564,243	—	4,564,243
Grants	1,692,838	2,000,000	3,692,838
Leases	365,511	—	365,511
Deferred Items - IMRF	12,974	4,309	17,283
Deferred Items - Police Pension	2,268,986	—	2,268,986
Total Deferred Inflows of Resources	8,904,552	2,004,309	10,908,861
Total Liabilities and Deferred Inflows of Resources	47,403,474	14,843,706	62,247,180
NET POSITION			
Net Investment in Capital Assets	40,803,687	13,978,096	54,781,783
Restricted - Public Safety	9,245	—	9,245
Restricted - Highways and Streets	2,467,004	—	2,467,004
Restricted - Subdivision Maintenance	807,604	—	807,604
Restricted - Subdivision Improvements	3,427,731	—	3,427,731
Restricted - American Rescue Plan	69,866	—	69,866
Unrestricted	5,374,581	4,933,719	10,308,300
Total Net Position	52,959,718	18,911,815	71,871,533

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2023

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 6,385,513	1,243,108	34,888	—
Public Safety	7,704,522	325,058	16,105	—
Highways and Streets	5,422,126	2,008,975	445,906	558,991
Interest on Long-Term Debt	409,733	—	—	—
Total Governmental Activities	19,921,894	3,577,141	496,899	558,991
Business-Type Activities				
Water	7,838,364	6,295,555	—	—
Refuse	1,411,530	1,416,002	—	—
Total Business-Type Activities	9,249,894	7,711,557	—	—
Total Primary Government	29,171,788	11,288,698	496,899	558,991

General Revenues
 Taxes
 Property Taxes
 Utility Taxes
 Video Gaming Taxes
 Cannabis Taxes
 Intergovernmental - Unrestricted
 Sales Taxes
 Non-Home Rule Sales Taxes
 Income Taxes
 Replacement Taxes
 Local Use Taxes
 TIF Surplus
 American Rescue Plan
 Investment Income
 Miscellaneous
 Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues		
Governmental Activities	Business-Type Activities	Totals
(5,107,517)	—	(5,107,517)
(7,363,359)	—	(7,363,359)
(2,408,254)	—	(2,408,254)
(409,733)	—	(409,733)
(15,288,863)	—	(15,288,863)
—	(1,542,809)	(1,542,809)
—	4,472	4,472
—	(1,538,337)	(1,538,337)
(15,288,863)	(1,538,337)	(16,827,200)
4,074,929	—	4,074,929
1,933,189	—	1,933,189
263,440	—	263,440
31,541	—	31,541
5,928,133	—	5,928,133
3,991,507	—	3,991,507
3,118,150	—	3,118,150
212,001	—	212,001
837,428	—	837,428
13,177	—	13,177
990,812	—	990,812
800,583	81,866	882,449
248,660	153,758	402,418
(942,302)	942,302	—
21,501,248	1,177,926	22,679,174
6,212,385	(360,411)	5,851,974
46,747,333	19,272,226	66,019,559
52,959,718	18,911,815	71,871,533

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

VILLAGE OF MONTGOMERY, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2023

	General	Special Revenue Tax Increment Financing District #2	American Rescue Plan
ASSETS			
Cash and Investments	\$ 5,496,684	3,422,298	2,697,216
Receivables - Net of Allowances			
Property Taxes	2,461,760	1,700,291	—
Other Taxes	62,579	—	—
Accounts	352,094	—	—
Leases	—	—	—
Accrued Interest	23,694	—	—
Notes	—	—	—
Due from Other Governments	2,139,391	—	—
Due from Other Funds	14,828	—	—
Advances to Other Funds	69,153	—	—
Prepays	481,124	—	—
Total Assets	11,101,307	5,122,589	2,697,216
LIABILITIES			
Accounts Payable	955,626	192,933	3,430
Accrued Payroll	163,438	—	—
Deposits Payable	374,914	—	—
Due to Other Funds	1,687,749	—	942,302
Advances from Other Funds	—	—	—
Total Liabilities	3,181,727	192,933	945,732
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,461,761	1,700,291	—
Grants	1,220	—	1,681,618
Leases	—	—	—
Total Deferred Inflows of Resources	2,462,981	1,700,291	1,681,618
Total Liabilities and Deferred Inflows of Resources	5,644,708	1,893,224	2,627,350
FUND BALANCES			
Nonspendable	550,277	—	—
Restricted	—	3,229,365	69,866
Assigned	—	—	—
Unassigned	4,906,322	—	—
Total Fund Balances	5,456,599	3,229,365	69,866
Total Liabilities, Deferred Inflows of Resources and Fund Balances	11,101,307	5,122,589	2,697,216

Debt Service	Capital Projects				Totals
	Capital Improvements	Infrastructure Improvement	Nonmajor		
37,136	6,367,304	4,039,801	7,806,736		29,867,175
—	—	—	402,191		4,564,242
—	121,946	—	—		184,525
—	5,673	—	8,129		365,896
—	367,688	—	—		367,688
—	5,265	13,164	15,054		57,177
—	—	—	36,906		36,906
—	—	915,510	71,987		3,126,888
—	670,000	150	1,017,749		1,702,727
—	—	—	—		69,153
—	—	—	—		481,124
37,136	7,537,876	4,968,625	9,358,752		40,823,501
—	1,106,773	192,316	38,226		2,489,304
—	—	—	—		163,438
—	1,350,067	869,530	—		2,594,511
—	—	—	14,828		2,644,879
—	69,153	—	—		69,153
—	2,525,993	1,061,846	53,054		7,961,285
—	—	—	402,191		4,564,243
—	10,000	—	—		1,692,838
—	365,511	—	—		365,511
—	—	—	402,191	—	6,622,592
—	2,901,504	1,061,846	455,245		14,583,877
—	—	—	—		550,277
37,136	3,152,153	—	3,482,219		9,970,739
—	1,484,219	3,906,779	5,437,196		10,828,194
—	—	—	(15,908)		4,890,414
37,136	4,636,372	3,906,779	8,903,507		26,239,624
37,136	7,537,876	4,968,625	9,358,752		40,823,501

VILLAGE OF MONTGOMERY, ILLINOIS

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

April 30, 2023

Total Governmental Fund Balances	\$ 26,239,624
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.	
Deferred Items - IMRF	56,641,142
Deferred Items - Police Pension	1,285,630
Internal service funds are used by the Village to charge the costs of issuance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	1,231,567
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	800,935
Compensated Absences Payable	(754,065)
Net Pension Liability - IMRF	(1,103,652)
Net Pension Liability - Police Pension	(8,119,711)
Total OPEB Liability - RBP	(4,052,315)
General Obligation Bonds Payable	(17,635,000)
Unamortized Bond Premium	(1,367,097)
Unamortized Loss on Refunding	12,489
Accrued Interest Payable	<u>(219,829)</u>
Net Position of Governmental Activities	<u><u>52,959,718</u></u>

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

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

		General	Tax Increment Financing District #2	Special Revenue American Rescue Plan
Revenues				
Property Taxes	\$ 2,429,306		1,265,962	—
Other Taxes	326,169		—	—
Intergovernmental	10,159,882		—	990,812
Licenses, Permits and Fees	509,046		—	—
Fines and Forfeitures	189,243		—	—
Charges for Services	538,583		—	—
Investment Income	143,843		48,963	68,414
Miscellaneous	192,250		—	—
Total Revenues	14,488,322		1,314,925	1,059,226
Expenditures				
General Government	3,588,058		912,700	48,510
Public Safety	6,642,166		—	—
Public Health and Welfare	3,414,384		—	—
Capital Outlay	—		—	—
Debt Service				
Principal Retirement	—		—	—
Interest and Fiscal Charges	—		—	—
Total Expenditures	13,644,608		912,700	48,510
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	843,714		402,225	1,010,716
Other Financing Sources (Uses)				
Transfers In	—		—	—
Transfers Out	(728,000)		—	(942,302)
	(728,000)		—	(942,302)
Net Change in Fund Balances	115,714		402,225	68,414
Fund Balances - Beginning	5,340,885		2,827,140	1,452
Fund Balances - Ending	5,456,599		3,229,365	69,866

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

Debt Service	Capital Projects				Totals
	Capital Improvements	Infrastructure Improvement	Nonmajor		
—	—	—	379,661		4,074,929
—	1,902,001	—	—		2,228,170
—	—	3,991,507	1,004,897		16,147,098
—	29,785	—	—		538,831
—	—	—	36,540		225,783
—	152,028	93,629	1,891,674		2,675,914
—	288,395	45,136	168,788		763,539
—	—	—	56,410		248,660
—	2,372,209	4,130,272	3,537,970		26,902,924
—	—	122,084	73,995		4,745,347
—	—	—	—		6,642,166
—	—	—	403,210		3,817,594
—	12,800,971	2,832,317	179,831		15,813,119
665,000	—	—	—		665,000
548,415	—	—	—		548,415
1,213,415	12,800,971	2,954,401	657,036		32,231,641
(1,213,415)	(10,428,762)	1,175,871	2,880,934		(5,328,717)
1,213,165	728,000	—	—		1,941,165
—	(1,213,165)	—	—		(2,883,467)
1,213,165	(485,165)	—	—		(942,302)
(250)	(10,913,927)	1,175,871	2,880,934		(6,271,019)
37,386	15,550,299	2,730,908	6,022,573		32,510,643
37,136	4,636,372	3,906,779	8,903,507		26,239,624

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

Net Change in Fund Balances - Total Governmental Funds \$ (6,271,019)

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	12,977,980
Depreciation Expense	(2,923,737)
Disposals - Cost	(138,448)
Disposals - Accumulated Depreciation	138,448

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

Change in Deferred Items - IMRF	2,463,825
Change in Deferred Items - Police Pension	340,410
Change in Deferred Items - RBP	2,812,173

Internal service funds are used by the Village to charge the costs of issuance to
individual funds. The assets and liabilities of the internal service funds are included in
the governmental activities in the Statement of Net Position.

173,657

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	(85,602)
Change in Net Pension Liability/(Asset) - IMRF	(2,612,258)
Change in Net Pension Liability - Police Pension	(742,085)
Change in Total OPEB Liability - RBP	(724,641)
Retirement of Debt	665,000
Amortization of Bond Premium	147,635
Amortization of Loss on Refunding	(17,266)

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.

8,313

Changes in Net Position of Governmental Activities

6,212,385

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2023

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2023

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service
				Employee Insurance
ASSETS				
Current Assets				
Cash and Investments	\$ 6,557,569	—	6,557,569	798,302
Receivables - Net of Allowances				
Accounts	1,048,741	237,743	1,286,484	—
Accrued Interest	15,877	—	15,877	2,633
Due from Other Funds	1,043,080	—	1,043,080	—
Total Current Assets	8,665,267	237,743	8,903,010	800,935
Noncurrent Assets				
Capital Assets				
Nondepreciable	1,225,018	—	1,225,018	—
Depreciable	53,382,493	—	53,382,493	—
Accumulated Depreciation	(30,507,745)	—	(30,507,745)	—
Total Capital Assets	24,099,766	—	24,099,766	—
Total Assets	32,765,033	237,743	33,002,776	800,935
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	431,339	—	431,339	—
Deferred Items - ARO	422,334	—	422,334	—
Total Deferred Outflows of Resources	853,673	—	853,673	—
Total Assets and Deferred Outflows of Resources	33,618,706	237,743	33,856,449	800,935

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

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service
				Employee Insurance
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 865,570	118,866	984,436	—
Accrued Payroll	23,996	—	23,996	—
Deposits Payable	2,153	—	2,153	—
Accrued Interest Payable	109,208	—	109,208	—
Due to Other Funds	150	100,778	100,928	—
Other Payables	152,808	—	152,808	—
Current Portion of Long-Term Debt	681,399	—	681,399	—
Total Current Liabilities	1,835,284	219,644	2,054,928	—
Long-Term Liabilities				
Compensated Absences Payable	99,839	—	99,839	—
Net Pension Liability - IMRF	366,585	—	366,585	—
Total OPEB Liability - RBP	432,609	—	432,609	—
General Obligation Bonds Payable - Net	6,028,366	—	6,028,366	—
IEPA Loans Payable	3,422,998	—	3,422,998	—
Asset Retirement Obligation	535,000	—	535,000	—
Total Long-Term Liabilities	10,885,397	—	10,885,397	—
Total Liabilities	12,720,681	219,644	12,940,325	—

DEFERRED INFLOWS OF RESOURCES

Deferred Items - IMRF	4,309	—	4,309	—
Deferred Items - Grants	2,000,000	—	2,000,000	—
Total Deferred Inflows of Resources	2,004,309	—	2,004,309	—
Total Liabilities and Deferred Inflows of Resources	14,724,990	219,644	14,944,634	—

NET POSITION

Net Investment in Capital Assets	13,978,096	—	13,978,096	—
Unrestricted	4,915,620	18,099	4,933,719	800,935
Total Net Position	18,893,716	18,099	18,911,815	800,935

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service
				Employee Insurance
Operating Revenues				
Charges for Services	\$ 6,295,555	1,416,002	7,711,557	—
Interfund Services	—	—	—	1,374,085
Total Operating Revenues	6,295,555	1,416,002	7,711,557	1,374,085
Operating Expenses				
Operations	5,513,239	1,411,530	6,924,769	1,237,472
Depreciation and Amortization	2,029,091	—	2,029,091	—
Total Operating Expenses	7,542,330	1,411,530	8,953,860	1,237,472
Operating Income (Loss)	(1,246,775)	4,472	(1,242,303)	136,613
Nonoperating Revenues (Expenses)				
Investment Income	81,866	—	81,866	37,044
Refunds and Reimbursements from Others	153,758	—	153,758	—
Interest Expense	(296,034)	—	(296,034)	—
	(60,410)	—	(60,410)	37,044
Income (Loss) before				
Transfers	(1,307,185)	4,472	(1,302,713)	173,657
Transfers In	942,302	—	942,302	—
Change in Net Position	(364,883)	4,472	(360,411)	173,657
Net Position - Beginning	19,258,599	13,627	19,272,226	627,278
Net Position - Ending	18,893,716	18,099	18,911,815	800,935

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service
				Employee Insurance
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 5,554,242	1,406,569	6,960,811	—
Interfund Services	—	—	—	1,373,598
Payments to Employees	(1,008,867)	(1,411,530)	(2,420,397)	(1,237,472)
Payments to Suppliers	(2,226,303)	4,961	(2,221,342)	—
	<u>2,319,072</u>	—	<u>2,319,072</u>	<u>136,126</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	942,302	—	942,302	—
Transfers Out	—	—	—	—
	<u>942,302</u>	—	<u>942,302</u>	<u>—</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,256,294)	—	(1,256,294)	—
Principal Paid on Debt	(710,410)	—	(710,410)	—
Interest Paid on Debt	(296,034)	—	(296,034)	—
	<u>(2,262,738)</u>	—	<u>(2,262,738)</u>	<u>—</u>
Cash Flows from Investing Activities				
Investment Income	81,866	—	81,866	37,044
Net Change in Cash and Cash Equivalents	1,080,502	—	1,080,502	173,170
Cash and Cash Equivalents - Beginning	5,477,067	—	5,477,067	625,132
Cash and Cash Equivalents - Ending	<u>6,557,569</u>	—	<u>6,557,569</u>	<u>798,302</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(1,246,775)	4,472	(1,242,303)	136,613
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)				
Operating Activities				
Depreciation and Amortization	2,029,091	—	2,029,091	—
Other Income	153,758	—	153,758	—
(Increase) Decrease in Current Assets	(895,071)	(9,433)	(904,504)	(487)
Increase (Decrease) in Current Liabilities	2,278,069	4,961	2,283,030	—
Net Cash Provided by Operating Activities	<u>2,319,072</u>	—	<u>2,319,072</u>	<u>136,126</u>

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2023

	Pension	Trust	Police	Pension	Custodial
ASSETS					
Investments					
Cash and Cash Equivalents	\$ 557,531			1,155,441	
Illinois Police Pension Investment Fund		12,705,951			—
Receivables					
Property Taxes				3,934	
Total Assets	13,263,482			1,159,375	
LIABILITIES					
Accounts Payable					
NET POSITION					
Restricted for Pensions	13,263,482				—
Restricted for Individuals, Organizations, and Other Governments		—		1,159,375	
Total Net Position	13,263,482			1,159,375	

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Pension	Trust
	Police	
	Pension	Custodial
Additions		
Contributions - Employer	\$ 891,330	—
Contributions - Plan Members	306,430	—
Total Contributions	<u>1,197,760</u>	<u>—</u>
 Investment Earnings		
Interest Earned	91,795	30,250
Net Change in Fair Value	<u>20,604</u>	<u>—</u>
	112,399	30,250
Less Investment Expenses	(4,558)	—
Net Investment Income	<u>107,841</u>	<u>30,250</u>
 Property Taxes		3,934
 Charges for Services		903,647
 Total Additions	<u>1,305,601</u>	<u>937,831</u>
 Deductions		
Administration	25,843	—
Benefits and Refunds	1,407,468	—
Contractual Services	—	55,410
Principal Retirement	—	758,922
Interest and Fiscal Charges	<u>—</u>	<u>161,105</u>
 Total Deductions	<u>1,433,311</u>	<u>975,437</u>
 Change in Fiduciary Net Position	<u>(127,710)</u>	<u>(37,606)</u>
 Restricted for Individuals, Organizations, and Other Governments		
Beginning	<u>13,391,192</u>	<u>1,196,981</u>
 Ending	<u>13,263,482</u>	<u>1,159,375</u>

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Montgomery, Illinois (Village) is a municipal corporation established under Illinois Compiled Statutes (ILCS) governed by an elected President and Board of Trustees.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government: Village of Montgomery

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

Police Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's general government, public safety, and highways and streets services are classified as governmental activities. The Village's water and refuse operations 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.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, highways and streets, etc.). The functions are supported by general government revenues (property taxes, sales and use taxes, certain intergovernmental revenues, investment earnings, 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, sales and use taxes, certain intergovernmental revenues, investment earnings, etc.).

The Village allocates indirect costs to other funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations but are paid for through the General Fund.

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

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund balance/net position, 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 nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains 20 special revenue funds. The Tax Increment Financing (TIF) District #2 Fund, a major fund, is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District. The American Rescue Fund, a major fund, is used to account for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program funding to local governments to support their response to and recovery from the COVID-19 public health emergency.

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Debt Service Fund is treated as a major fund and is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2011 and Series 2014) for payment of the principal and interest on governmental debt (non-proprietary). Utility tax revenues are transferred from the Capital Improvement Fund to finance the annual payment requirements.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds). The Village maintains four capital projects funds. The Capital Improvement Fund, a major fund, is used to account for funds restricted, committed or assigned to the acquisition, construction and improvement of governmental general capital assets (not being financed by proprietary funds). Activities are financed by utility taxes, grants, rents on Village properties, and developer contributions. The Infrastructure Improvement Fund, also a major fund, is used to account for funds restricted, committed, or assigned to the acquisition, construction and improvement of governmental infrastructure capital assets (not being financed by proprietary funds) throughout the community. Activities are financed by the 1% non-home rule sales tax. The Village also maintains two nonmajor capital projects funds.

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:

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Proprietary Funds - Continued

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major proprietary funds. The Water Fund is used to account for the revenues and expenses relative to the operation of the water utility. The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their bi-monthly utility bill.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund, the Employee Insurance and is used to account for the internal contributions (employer and employee) for providing group health, dental, and life insurance to Village employees.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity by the Village 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 by the Village 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. Financing is provided by the Village contributions, employee payroll withholdings, and investment earnings.

Custodial funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains two custodial funds. The Lakewood Creek Special Assessment Fund is used to account for the contributions from property owners and payments of principal and interest on the Special Assessment Bonds. The Cornell Special Service Area Fund is used to account for the tax collections to pay principal and interest on the Special Service Area #17 Bonds.

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus

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

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

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

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

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A ninety-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, investment earnings, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary, pension trust and custodial 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.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

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.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Investments

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, income taxes, utility taxes and grants. Business-type activities report utility charges as their major receivables.

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. Long-term interfund loans, if any, are classified as advances to/from other funds. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Prepays

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. 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.

Capital Assets

Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 for vehicles, \$25,000 for land improvements and machinery and equipment, \$50,000 for buildings and building improvements, and \$250,000 for infrastructure and an estimated useful life in excess of four years. 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. Infrastructure such as streets, storm sewers and bridges are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs. Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

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

Land Improvements	15 - 20 Years
Buildings	10 - 45 Years
Equipment	4 - 30 Years
Vehicles	4 - 10 Years
Infrastructure	20 - 50 Years

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

Vested or accumulated vacation leave and sick pay related to employees that have retired or terminated at year-end but not yet paid out is reported as an expenditure and a fund liability of the governmental fund (General Fund) that will pay it. Vested and accumulated vacation leave and sick pay of the proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

All departments of the Village submit budget requests to the Director of Finance so that a budget may be prepared. The budget is prepared by fund, department and division, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year and four projected years. The Village Administrator reviews the budget and recommends a budget to the Village Board.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. The budget may be amended by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the current fiscal year, no budget amendments were adopted.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

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	\$ 498,820
Capital Improvement	306,472
Balmorea Special Service Area	680
Tax Increment Financing District #1	5,826
Tax Increment Financing District #3	740
Fieldstone Special Service Area	141
Refuse	7,459
Police Pension	659,673

DEFICIT FUND BALANCE/NET POSITION

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

Fund	Deficit
Tax Increment Financing District #3	\$ 8,902
Tax Increment Financing District #4	7,006
Water - Water Improvement Account	217,638

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

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

The Illinois Trust was established for the purpose of allowing various public agencies including, but not limited to, counties, townships, cities, towns, villages, school districts, housing authorities and public water supply districts, to jointly invest funds in accordance with the Laws of the State of Illinois. Participation in the Illinois Trust is voluntary. The Illinois Trust is not registered with the SEC as an Investment Company. Investments in the Illinois Trust are valued at the share price, the price for which the investment could be sold.

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$15,908,090 and the bank balances totaled \$17,359,639.

Investments. At year-end, the Village has the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than		6-10	More Than
		1	1-5		
U.S. Agency Securities	\$ 699,330	—	699,330	—	—
Municipal Bonds	4,289,884	1,367,161	2,922,723	—	—
Corporate Bonds	920,480	689,262	231,218	—	—
Commercial Paper	398,848	398,848	—	—	—
IMET	13,764,514	13,764,514	—	—	—
IPRIME	1,214,976	1,214,976	—	—	—
Illinois Trust	26,924	26,924	—	—	—
 Totals	 21,314,956	 17,461,685	 3,853,271	 —	 —

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Investments - Continued.

The Village has the following recurring fair value measurements as of April 30, 2023:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
Total	(Level 1)	(Level 2)	(Level 3)	
Investments by Fair Value Level				
Debt Securities				
U.S. Agency Securities	699,330	—	699,330	—
Municipal Bonds	4,289,884	—	4,289,884	—
Corporate Bonds	920,480	—	920,480	—
Commercial Paper	398,848	—	398,848	—
Total Investments Measured by Fair Value Level	6,308,542	—	6,308,542	—
 Investments Measured at the Net Asset Value (NAV)				
IMET	13,764,514			
IPRIME	1,214,976			
Illinois Trust	26,924			
Total Investments at the (NAV)	15,006,414			
 Total Investments Measured at Fair Value	 21,314,956			

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

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 limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy limits the maximum maturity length of investments to three years from the date of purchase, except if matched to anticipated cash flow requirement (e.g., bond proceeds), in which case the maximum maturity is five years.

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by diversifying its portfolio and by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The municipal bonds are rated AAA to BBB by Standard and Poor's, the corporate bonds are rated A+ to A- by Standard and Poor's, the U.S. Agency Securities, commercial paper, IMET, IPRIME and Illinois Trust are not rated.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 105% of all bank balances in excess of federal depository insurance with the collateral held by an independent third party or by the Federal Reserve and in the Village's name. At April 30, 2023, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk - Investments. 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. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agency separate from where the investment was purchased. The Village's investments in IMET, IPRIME, and Illinois Trust are not subject to custodial credit risk.

Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at www.ipopif.org. The Fund transferred all eligible assets to the Investment Fund on February 28, 2022.

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$557,531 and the bank balances totaled \$530,414.

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 all bank balances to be covered by federal depository insurance. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund - Continued

Investments. At year-end the Fund has \$12,705,951 invested in IPOPIF, which is measured at the Net Asset Value (NAV) per share as determined by the pool. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org.

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

Rate of Return

For the year ended April 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 0.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, 2020, 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 Kane and Kendall Counties and are payable in two installments, on or about June and September. Kane and Kendall Counties collect such taxes and remit them periodically.

LEASES RECEIVABLE

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

Leases	Term Length	Start Date	Payments	Interest Rate
T-Mobile Central LLC	42 Months	November 1, 2006	\$2,888 monthly	1.84%
T-Mobile Central LLC (Sprint)	34 Months	March 1, 2015	\$4,180 monthly	1.84%
Verizon	60 Months	November 1, 2018	\$3,594 monthly	1.84%

During the fiscal year, the Village has recognized \$10,662 of lease revenue.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LEASES RECEIVABLE - Continued

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

Fiscal Year	Governmental Activities	
	Principal	Interest
2024	\$ 122,199	5,745
2025	116,103	3,481
2026	58,647	1,809
2027	42,180	948
2028	28,559	196
	<hr/>	<hr/>
	367,688	12,179

INTERFUND TRANSFERS

Interfund transfers for the fiscal year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	Capital Improvement	\$ 1,213,165 (1)
Capital Improvement	General	728,000 (2)
Water	American Rescue Plan	<hr/> 942,302 (3)
<hr/> 2,883,467		

Transfers are used to (1) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations and (3) use unrestricted revenues collected in the American Rescue Plan to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND BALANCES

The purpose of the significant interfund balances are as follows:

- \$14,828 - due to the General Fund for reimbursement of deficit cash balance.
- \$670,000 - due to Capital Improvement Fund for reimbursement of shared expenditures.
- \$1,017,749 - due to Vehicle Equipment Replacement Fund for reimbursement of shared expenditures.
- \$150 - due to the Infrastructure Improvement Fund for reimbursement of expenditures.
- \$942,302 - due to the Water Fund for reimbursement of expenses.
- \$100,778 - due to the Water Fund for reimbursement of deficit cash balance.

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

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 14,828
Capital Improvement	General	670,000
Nonmajor Governmental	General	1,017,749
Infrastructure Improvement	Water	150
Water	American Rescue Plan	942,302
Water	Refuse	<u>100,778</u>
		<u>2,745,807</u>

INTERFUND ADVANCES

Interfund advances represents paying off prior year advances from the General Fund to the Capital Improvement Fund. Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Capital Improvement	\$ <u>69,153</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the fiscal year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 10,289,146	—	—	10,289,146
Land Right of Way	8,056,400	—	—	8,056,400
Construction in Progress	3,187,712	12,799,233	—	15,986,945
	<u>21,533,258</u>	<u>12,799,233</u>	—	<u>34,332,491</u>
Depreciable Capital Assets				
Land Improvements	138,448	—	138,448	—
Buildings	22,310,653	—	—	22,310,653
Equipment	877,382	—	—	877,382
Vehicles	4,439,800	178,747	—	4,618,547
Infrastructure	33,856,109	—	—	33,856,109
	<u>61,622,392</u>	<u>178,747</u>	<u>138,448</u>	<u>61,662,691</u>
Less Accumulated Depreciation				
Land Improvements	138,448	—	138,448	—
Buildings	15,972,525	1,110,144	—	17,082,669
Equipment	653,506	38,880	—	692,386
Vehicles	2,371,687	420,469	—	2,792,156
Infrastructure	17,432,585	1,354,244	—	18,786,829
	<u>36,568,751</u>	<u>2,923,737</u>	<u>138,448</u>	<u>39,354,040</u>
Total Net Depreciable Capital Assets	<u>25,053,641</u>	<u>(2,744,990)</u>	—	<u>22,308,651</u>
Total Net Capital Assets	<u>46,586,899</u>	<u>10,054,243</u>	—	<u>56,641,142</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 658,524
Public Safety	660,681
Highways and Streets	<u>1,604,532</u>
	<u>2,923,737</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 16,533	—	—	16,533
Construction in Progress	231,001	1,208,484	231,000	1,208,485
	<u>247,534</u>	<u>1,208,484</u>	<u>231,000</u>	<u>1,225,018</u>
Depreciable Capital Assets				
Equipment	84,062	—	—	84,062
Infrastructure	53,019,621	278,810	—	53,298,431
	<u>53,103,683</u>	<u>278,810</u>	<u>—</u>	<u>53,382,493</u>
Less Accumulated Depreciation				
Equipment	84,062	—	—	84,062
Infrastructure	28,432,175	1,991,508	—	30,423,683
	<u>28,516,237</u>	<u>1,991,508</u>	<u>—</u>	<u>30,507,745</u>
Total Net Depreciable Capital Assets	24,587,446	(1,712,698)	—	22,874,748
Total Net Capital Assets	24,834,980	(504,214)	231,000	24,099,766

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

Water \$ 1,991,508

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$4,590,000 General Obligation Alternate Revenue Source Bonds of 2013, due in annual installments of \$120,000 to \$280,000 plus interest at 3.00% to 4.00% through December 1, 2038.	Water	\$ 3,525,000		— 150,000	3,375,000
\$3,335,000 Taxable General Obligation Alternate Revenue Source Refunding Bonds of 2014, due in annual installments of \$630,000 to \$710,000 plus interest at 3.00% to 3.50% through December 1, 2024.	Debt Service	2,060,000		— 665,000	1,395,000
\$3,370,000 General Obligation Alternate Revenue Source Bonds of 2017, due in annual installments of \$135,000 to \$235,000 plus interest at 3.00% to 4.00% through December 1, 2037.	Water	2,955,000		— 145,000	2,810,000
\$16,240,000 General Obligation Alternate Revenue Source Bonds of 2021, due in annual installments of \$760,000 to \$1,210,000 plus interest at 2.00% to 5.00% through December 1, 2040.	Debt Service	16,240,000		—	16,240,000
		24,780,000		— 960,000	23,820,000

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

IEPA Loans Payable

The Village has entered into an agreement with the IEPA to provide low interest financing for improvements to the sewer treatment plant, water treatment plant and the distribution system. IEPA revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan Payable of 2002, due in semi-annual installments of \$37,395, including interest of 2.675% through December 1, 2022.	Water	\$ 73,316	—	73,316	—
IEPA Loan Payable of 2011, due in semi-annual installments of \$125,440, including interest of 1.25% through April 19, 2032.	Water	2,351,441	—	222,179	2,129,262
IEPA Loan Payable of 2014, due in semi-annual installments of \$77,226, including interest of 1.995% through December 1, 2034.	Water	1,760,935	—	119,915	1,641,020
		<u>4,185,692</u>	<u>—</u>	<u>415,410</u>	<u>3,770,282</u>

Special Service Area Bonds

During fiscal year ended April 30, 2006, the Village issued \$275,000 Special Service Area No. 17 Bonds. The bonds are payable solely from the special service area taxes levied upon the properties located in the special service areas and do not constitute an indebtedness of the Village. The Village is acting solely as paying agent in collecting the taxes and remitting them to the bond holders. Accordingly, these bonds are not reported as a liability in the Village's financial statements. As of April 30, 2023, \$13,909 of the Special Service Area No. 17 bonds are outstanding.

Special Assessment Bonds

During fiscal year ended April 30, 2019, the Village refunded \$9,901,000 of special assessment bonds. These bonds are not an obligation of the Village and are secured by the levy of special assessments on the real property within the special assessment area. The Village is in no way liable for repayment, but is acting solely as agent for the property owners in levying and collecting the assessments and forwarding the collections to bondholders. As of April 30, 2023, \$4,427,142 of the special assessment bonds are outstanding.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells range from 2 to 49 years.

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 668,463	85,602	—	754,065	75,407
Net Pension Liability - IMRF	(1,508,606)	2,612,258	—	1,103,652	—
Net Pension Liability - Police Pension	7,377,626	742,085	—	8,119,711	—
Total OPEB Liability - RBP	3,327,674	724,641	—	4,052,315	—
General Obligation Bonds Payable	18,300,000	—	665,000	17,635,000	685,000
Plus: Unamortized Premium	1,514,732	—	147,635	1,367,097	6,955
	29,679,889	4,164,586	812,635	33,031,840	767,362
Business-Type Activities					
Compensated Absences	81,960	28,972	—	110,932	11,093
Net Pension Liability - Police Pension	(503,535)	870,120	—	366,585	—
Total OPEB Liability - RBP	277,350	155,259	—	432,609	—
General Obligation Bonds Payable	6,480,000	—	295,000	6,185,000	305,000
Plus: Unamortized Premium	185,138	—	18,750	166,388	18,022
IEPA Loans Payable	4,185,692	—	415,410	3,770,282	347,284
Asset Retirement Obligation	535,000	—	—	535,000	—
	11,241,605	1,054,351	729,160	11,566,796	681,399

For governmental activities, the General Fund makes payments on the compensated absences, the net pension liabilities, and the total OPEB liability. The Debt Service Fund makes payments on the general obligation bonds payable.

For the business-type activities the compensated absences, the net pension liability, the total OPEB liability, the general obligation bonds payable, the IEPA loans payable, and the asset retirement obligation are being liquidated by the Water Fund.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities			Business-Type Activities			
	General Obligation Bonds Payable		Principal	General Obligation Bonds Payable		IEPA Loans Payable	
	Principal	Interest		Principal	Interest	Principal	Interest
2024	\$ 685,000	527,590	305,000	227,588	347,284	58,048	
2025	710,000	504,300	315,000	218,438	352,559	52,773	
2026	760,000	479,450	325,000	207,388	357,916	47,416	
2027	795,000	441,450	340,000	195,988	363,360	41,972	
2028	840,000	401,700	350,000	184,038	368,891	36,441	
2029	875,000	359,700	365,000	171,738	374,511	30,821	
2030	920,000	315,950	375,000	158,888	380,221	25,111	
2031	965,000	269,950	390,000	145,688	386,024	19,308	
2032	1,010,000	221,700	400,000	131,938	391,921	13,410	
2033	1,030,000	201,500	415,000	117,838	146,248	8,204	
2034	1,055,000	180,900	430,000	102,700	149,180	5,272	
2035	1,075,000	159,800	450,000	87,000	152,167	2,285	
2036	1,095,000	138,300	460,000	69,000	—	—	
2037	1,120,000	116,400	480,000	50,600	—	—	
2038	1,140,000	94,000	505,000	31,400	—	—	
2039	1,165,000	71,200	280,000	11,200	—	—	
2040	1,185,000	47,900	—	—	—	—	
2041	1,210,000	24,200	—	—	—	—	
Totals	17,635,000	4,555,990	6,185,000	2,111,430	3,770,282	341,061	

Pledged Revenues

The General Obligation Alternate Revenue Source Bonds of 2013, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue, with a remaining total pledge of \$4,634,100, with the bonds maturing December 1, 2038. During the current fiscal year, the pledge of water revenues of \$287,950 was approximately 4.61% of total water operating revenues.

The Taxable General Obligation Alternate Revenue Refunding Bonds of 2014, issued to refund a portion of the General Obligation Alternate Revenue Source Bonds of 2010, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of \$1,468,640 with the bonds maturing December 1, 2024. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of \$733,090 was approximately 10.52% of total sales, telecommunication and use tax.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Pledged Revenues - Continued

The General Obligation Alternate Revenue Source Bonds of 2017, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue, with a remaining total pledge of \$3,663,780, with the bonds maturing December 1, 2037. During the current fiscal year, the pledge of water revenues of \$243,488 was approximately 3.90% of total water operating revenues.

The General Obligation Alternate Revenue Source Refunding Bonds of 2021, issued to refund the General Obligation Alternate Revenue Source Bonds of 2011, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of \$21,000,016 with the bonds maturing December 1, 2041. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of \$479,450 was approximately 6.88% of total sales, telecommunication and use tax.

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2022	\$ 588,631,174
Legal Debt Limit - 8.625% of Assessed Value	<u>50,769,439</u>
Amount of Debt Applicable to Limit	
General Obligation ARS Bonds of 2013	3,375,000
Taxable General Obligation ARS Refunding Bonds of 2014	1,395,000
General Obligation ARS Bonds of 2017	2,810,000
Taxable General Obligation ARS Refunding Bonds of 2021	16,240,000
Less: Alternate Revenue Source Bonds	<u>(23,820,000)</u>
Total Applicable Debt	<u>—</u>
Legal Debt Margin	<u>50,769,439</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.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

	Special Revenue								Fund Balances	
	Tax		American		Capital Projects					
	Increment	Financing	Rescue	Debt	Capital	Infrastructure	Improvement	Nonmajor		
	General	District #2	Plan	Service	Improvements	Improvement	Nonmajor	Totals		
Nonspendable										
Advances from										
Other Funds	\$ 69,153	—	—	—	—	—	—	69,153		
Prepays	481,124	—	—	—	—	—	—	481,124		
	<u>550,277</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>550,277</u>		
Restricted										
Public Safety	—	—	—	—	—	—	—	9,245	9,245	
Highways										
and Streets	—	—	—	—	—	—	—	2,467,004	2,467,004	
Subdivision										
Maintenance	—	—	—	—	—	—	—	807,604	807,604	
Subdivision										
Improvements	—	3,229,365	—	—	—	—	—	198,366	3,427,731	
American										
Rescue Plan	—	—	69,866	—	—	—	—	—	69,866	
Capital Projects	—	—	—	—	3,152,153	—	—	—	3,152,153	
Debt Service	—	—	—	37,136	—	—	—	—	37,136	
	<u>—</u>	<u>3,229,365</u>	<u>69,866</u>	<u>37,136</u>	<u>3,152,153</u>	<u>—</u>	<u>—</u>	<u>3,482,219</u>	<u>9,970,739</u>	
Assigned										
Economic										
Development	—	—	—	—	—	—	—	1,886,736	1,886,736	
Capital	—	—	—	—	1,484,219	3,906,779	3,550,460	8,941,458		
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,484,219</u>	<u>3,906,779</u>	<u>5,437,196</u>	<u>10,828,194</u>		
Unassigned	4,906,322	—	—	—	—	—	—	(15,908)	4,890,414	
Total										
Fund Balances	5,456,599	3,229,365	69,866	37,136	4,636,372	3,906,779	8,903,507	26,239,624		

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

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

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Trustees's 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 will strive to maintain a minimum unrestricted fund balance in the General Fund to fund operations for a period of at least three months (Cash Flow Commitment). The Cash Flow Commitment in the General Fund is adjusted with the adoption of the annual budget and is calculated as three months (25%) of current year expenditures.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

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	\$ 56,641,142
Plus: Unamortized Loss on Refunding	12,489
Plus: Unspent Bond Proceeds	3,152,153
Less Capital Related Debt:	
General Obligation ARS Refunding Bonds of 2014	(1,395,000)
General Obligation ARS Refunding Bonds of 2021	(16,240,000)
Unamortized Premium	<u>(1,367,097)</u>
Net Investment in Capital Assets	<u>40,803,687</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	24,099,766
Less Capital Related Debt:	
General Obligation ARS Refunding Bonds of 2013	(3,375,000)
General Obligation ARS Bonds of 2017	(2,810,000)
IEPA Loan Payable of 2011	(2,129,262)
IEPA Loan Payable of 2014	(1,641,020)
Unamortized Premium	<u>(166,388)</u>
Net Investment in Capital Assets	<u>13,978,096</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NOTES RECEIVABLE

Montgomery Development

The Montgomery Development Fund (MDF) accounts for the Village's loan program established to provide financial support to new or expanding business in the Village; encourage economic development by supporting projects that create or retain jobs; encourage area financial institutions to work with the Village and to utilize MDF programs to better serve its customers; and support projects and investments that protect and expand the tax base. The MDF consists of three programs:

- The Forgivable Loan Program will be capitalized by approximately \$500,000 and is focused on retail and commercial businesses. Businesses will be required to continue operating in the Village for at least three (3) years from the date of project approval to receive forgiveness of the loan. The maximum forgivable loan is \$400,000. Activities that could be funded through this program include façade or streetscape improvements such as painting; window or door repairs or replacement; restoration of historic or architectural details; signage; and landscaping. No new forgivable loans were approved during fiscal year 2023. The outstanding balance of these loans as of April 30, 2023 was \$486,210 and the entire amount has been forgiven.
- The Low Interest Loan Program will be capitalized with approximately \$1,000,000 and can be used for retail, commercial, industrial, and manufacturing or distribution center projects. The interest rate will be fixed for the term of the loan and may vary as a function of the amount, equity, security and purpose of the loan. Activities that could be funded through this program include acquisition of land, buildings, machinery, or equipment; site preparation including clearance, demolition, removal of buildings and improvements; construction or rehabilitation of commercial or industrial buildings, as well as the necessary infrastructure improvements. The outstanding balance of this loan as of April 30, 2023 is \$36,906.

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses to employees; and natural disasters. To insure against the losses, the Village participates in the Municipal Insurance Cooperative Agency (MICA), a public entity risk pool with transfers of risk. The Village pays an annual premium to MICA for its coverage. The Village is not aware of any additional premiums owed to MICA as of April 30, 2023, for the current or prior claim years. In addition, the Village provides health insurance to its employees through a third party indemnity policy. The Village pays an annual premium to the insurance company for its coverage. Settled claims have not exceeded the coverage in the current or preceding two fiscal years.

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

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

COMMITMENTS

Economic Incentive

The Village has entered into economic development agreements with various companies in Montgomery to provide sales tax rebates. The agreements require the Village to rebate to the companies' different levels of additional sales tax generated by the facilities. The total expenditures paid during the year ended April 30, 2023 were \$1,068,155, and the total cumulative expenditures incurred to date in rebates of current development agreements was \$8,975,458.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. Separate reports are issued for the Police Pension Plans and may be obtained by writing to the Village. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows	Deferred Inflows
IMRF	\$ 407,642	1,470,237	1,729,943	17,283
Police Pension	1,293,005	8,119,711	3,500,553	2,268,986
	1,700,647	9,589,948	5,230,496	2,286,269

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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	48
Inactive Plan Members Entitled to but not yet Receiving Benefits	60
Active Plan Members	40
Total	148

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year-ended April 30, 2023, the Village's contribution was 6.83% 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 used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liabilities were 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%

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.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. 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%

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

		Current Discount Rate	
	1% Decrease (6.25%)		1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 3,428,879	1,470,237	(59,536)

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 16,206,706	18,218,847	(2,012,141)
Changes for the Year:			
Service Cost	261,407	—	261,407
Interest on the Total Pension Liability	1,155,324	—	1,155,324
Difference Between Expected and Actual Experience of the Total Pension Liability	212,963	—	212,963
Changes of Assumptions	—	—	—
Contributions - Employer	—	217,382	(217,382)
Contributions - Employees	—	134,003	(134,003)
Net Investment Income	—	(2,275,017)	2,275,017
Benefit Payments, Including Refunds of Employee Contributions	(803,848)	(803,848)	—
Other (Net Transfer)	—	70,948	(70,948)
Net Changes	825,846	(2,656,532)	3,482,378
Balances at December 31, 2022	17,032,552	15,562,315	1,470,237

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the fiscal year ended April 30, 2023, the Village recognized pension expense of \$407,642. At April 30, 2023, the Village reported deferred outflows or 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	\$ 415,405	—	415,405
Change in Assumptions	—	(17,283)	(17,283)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	1,247,471	—	1,247,471
Total Pension Expense to be Recognized in Future Periods	1,662,876	(17,283)	1,645,593
Pension Contributions Made			
Subsequent to the Measurement Date	67,067	—	67,067
Total Deferred Amounts Related to IMRF	1,729,943	(17,283)	1,712,660

\$67,067 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/(asset) in the reporting year ended April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 151,279
2025	348,030
2026	429,875
2027	716,409
2028	—
Thereafter	—
Totals	1,645,593

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

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

Inactive Plan Members Currently Receiving Benefits	10
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>31</u>
 Total	 <u>49</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.

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 was capped at \$106,800, plus the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or $\frac{1}{2}$ of the change in the Consumer Price Index for the preceding calendar year.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

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 fiscal year-ended April 30, 2023, the Village's contribution was 28.27% of covered payroll.

Concentrations. At year-end, the Pension Fund 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).

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	3.25%
Cost of Living Adjustments	2.25%
Inflation	2.25%

Mortality rates were based on PubS-2010(A) adjusted for plan status, collar, and Illinois Public Pension data, as appropriate.

Discount Rate

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 11,536,653	8,119,711	5,363,957

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	\$ 20,768,818	13,391,192	7,377,626
Changes for the Year:			
Service Cost	713,905	—	713,905
Interest on the Total Pension Liability	1,404,063	—	1,404,063
Changes of Benefit Terms	(17,654)	—	(17,654)
Difference Between Expected and Actual Experience of the Total Pension Liability	(78,471)	—	(78,471)
Changes of Assumptions	—	—	—
Contributions - Employer	—	891,330	(891,330)
Contributions - Employees	—	306,430	(306,430)
Net Investment Income	—	107,841	(107,841)
Benefit Payments, Including Refunds of Employee Contributions	(1,407,468)	(1,407,468)	—
Other (Net Transfer)	—	(25,843)	25,843
Net Changes	614,375	(127,710)	742,085
Balances at April 30, 2023	<u>21,383,193</u>	<u>13,263,482</u>	<u>8,119,711</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the fiscal year ended April 30, 2023, the Village recognized pension expense of \$1,293,005. 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	\$ 558,105	(2,187,060)	(1,628,955)
Change in Assumptions	1,783,179	(81,926)	1,701,253
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	1,159,269	—	1,159,269
 Total Deferred Amounts Related to Police Pension	 3,500,553	 (2,268,986)	 1,231,567

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	\$ 386,828
2025	265,493
2026	575,467
2027	105,012
2028	(37,764)
Thereafter	(63,469)
 Total	 1,231,567

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides healthcare, dental and vision insurance benefits for retirees and their dependents. Retirees are responsible for the full cost of coverage, except qualified PEDA or PSEBA employees, in which the Village is 100% responsible. Coverage ends once the retiree becomes eligible for Medicare for healthcare and when the retiree stops paying for dental and vision.

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

Inactive Plan Members Currently Receiving Benefits	12
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>67</u>
 Total	 <u>79</u>

Total OPEB Liability

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

Actuarial Assumptions and Other Inputs. The total OPEB liability in the that date 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	7.00% Decreasing to an Ultimate Rate of 4.00% for 2029 and Later Years
Retirees' Share of Benefit-Related Costs	100% of Projected Health Insurance Premiums for Retirees

The discount rate was based on the Bond Buyer 20-Bond GO Index.

Mortality rates were based on the RP-2014 study with blue collar adjustment. These rates are improved generationally using MP-2020 Improvement Rates.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2022	<u>\$ 3,605,024</u>
Changes for the Year:	
Service Cost	203,664
Interest on the Total OPEB Liability	121,004
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	482,062
Changes of Assumptions or Other Inputs	207,001
Benefit Payments	<u>(133,831)</u>
Net Changes	<u>879,900</u>
Balance at April 30, 2023	<u><u>4,484,924</u></u>

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

The discount rate used to measure the total pension liability was 3.53%, while the prior valuation used 3.42%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	Current	1% Decrease	1% Increase
	Discount Rate	(2.53%)	(4.53%)
Total OPEB Liability	\$ 5,159,085	4,484,924	3,941,916

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

	Healthcare Cost Trend		
	1% Decrease (Varies)	Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 3,891,928	4,484,924	5,216,924

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

Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB. For the fiscal year ended April 30, 2023, the Village recognized OPEB revenue of \$2,032,827.

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

Notes to the Required Supplementary Information

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

VILLAGE OF MONTGOMERY, 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 Employee Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Determined Contribution			
2016	\$ 298,271	\$ 298,271	\$ —	\$ 2,242,641	13.30%
2017	299,313	299,313	—	2,218,784	13.49%
2018	278,172	278,172	—	2,404,142	11.57%
2019	234,160	245,804	11,644	2,274,274	10.81%
2020	251,155	251,155	—	2,388,962	10.51%
2021	278,822	278,822	—	2,788,608	10.00%
2022	238,104	238,104	—	2,875,169	8.28%
2023	209,371	209,371	—	3,065,407	6.83%

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 MONTGOMERY, 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 Employee Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Actuarially Determined Contribution			
2015	\$ 427,528	\$ 449,027	\$ 21,499	\$ 2,010,832	22.33%
2016	436,387	452,282	15,895	1,951,463	23.18%
2017	520,987	520,987	—	2,070,191	25.17%
2018	530,247	580,602	50,355	2,226,229	26.08%
2019	594,049	557,590	(36,459)	2,376,298	23.46%
2020	661,733	636,733	(25,000)	2,680,466	23.75%
2021	850,278	850,278	—	2,889,254	29.43%
2022	856,162	856,162	—	3,046,217	28.11%
2023	891,330	891,330	—	3,152,916	28.27%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.25%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	PubS-2010(A) Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as Appropriate.

VILLAGE OF MONTGOMERY, ILLINOIS

Illinois Municipal Retirement Fund

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

April 30, 2023

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Illinois Municipal Retirement Fund

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

April 30, 2023

	12/31/2015	12/31/2016
Total Pension Liability		
Service Cost	\$ 231,852	242,720
Interest	891,008	917,636
Differences Between Expected and Actual Experience	(308,800)	(233,085)
Change of Assumptions	—	(33,076)
Benefit Payments, Including Refunds of Member Contributions	(433,918)	(493,110)
Net Change in Total Pension Liability	<u>380,142</u>	<u>401,085</u>
Total Pension Liability - Beginning	<u>12,012,911</u>	<u>12,393,053</u>
 Total Pension Liability - Ending	 <u>12,393,053</u>	<u>12,794,138</u>
 Plan Fiduciary Net Position		
Contributions - Employer	\$ 298,271	299,313
Contributions - Members	100,919	99,846
Net Investment Income	52,165	718,169
Benefit Payments, Including Refunds of Member Contributions	(433,918)	(493,110)
Other (Net Transfer)	(10,193)	104,625
Net Change in Plan Fiduciary Net Position	<u>7,244</u>	<u>728,843</u>
Plan Net Position - Beginning	<u>10,450,285</u>	<u>10,457,529</u>
 Plan Net Position - Ending	 <u>10,457,529</u>	<u>11,186,372</u>
 Employer's Net Pension Liability/(Asset)	 <u>\$ 1,935,524</u>	<u>1,607,766</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 84.38%	 87.43%
 Covered Payroll	 \$ 2,242,641	 2,218,784
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	 86.31%	 72.46%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022
232,978	229,595	216,197	242,225	253,148	261,407
949,180	960,197	997,777	1,025,787	1,079,206	1,155,324
(91,234)	132,196	(32,006)	323,985	493,103	212,963
(390,097)	387,680	—	(119,988)	—	—
(509,785)	(594,711)	(891,581)	(725,693)	(755,591)	(803,848)
191,042	1,114,957	290,387	746,316	1,069,866	825,846
12,794,138	12,985,180	14,100,137	14,390,524	15,136,840	16,206,706
<u>12,985,180</u>	<u>14,100,137</u>	<u>14,390,524</u>	<u>15,136,840</u>	<u>16,206,706</u>	<u>17,032,552</u>
271,330	260,328	235,164	277,716	253,331	217,382
103,737	104,971	106,016	113,519	127,945	134,003
1,936,009	(659,593)	2,281,458	2,010,237	2,698,334	(2,275,017)
(509,785)	(594,711)	(891,581)	(725,693)	(755,591)	(803,848)
(158,186)	226,689	156,785	143,096	20,950	70,948
1,643,105	(662,316)	1,887,842	1,818,875	2,344,969	(2,656,532)
11,186,372	12,829,477	12,167,161	14,055,003	15,873,878	18,218,847
<u>12,829,477</u>	<u>12,167,161</u>	<u>14,055,003</u>	<u>15,873,878</u>	<u>18,218,847</u>	<u>15,562,315</u>
<u>155,703</u>	<u>1,932,976</u>	<u>335,521</u>	<u>(737,038)</u>	<u>(2,012,141)</u>	<u>1,470,237</u>
98.80%	86.29%	97.67%	104.87%	112.42%	91.37%
2,305,270	2,332,691	2,355,898	2,355,898	2,843,218	2,977,828
6.75%	82.86%	14.24%	(31.28%)	(70.77%)	49.37%

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2023

	4/30/2015	4/30/2016	4/30/2017
Total Pension Liability			
Service Cost	\$ 463,455	400,101	426,069
Interest	782,101	837,341	1,000,049
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	—	(589,343)	(874,635)
Change of Assumptions	—	2,189,746	370,109
Benefit Payments, Including Refunds			
of Member Contributions	(431,684)	(481,164)	(545,717)
Administrative Expense	—	—	—
Net Change in Total Pension Liability	813,872	2,356,681	375,875
Total Pension Liability - Beginning	11,388,718	12,202,590	14,559,271
 Total Pension Liability - Ending	 12,202,590	 14,559,271	 14,935,146
 Plan Fiduciary Net Position			
Contributions - Employer	\$ 449,027	452,282	520,987
Contributions - Members	228,037	216,533	205,654
Net Investment Income	471,668	(25,628)	593,998
Benefit Payments, Including Refunds			
of Member Contributions	(431,684)	(481,164)	(545,717)
Administrative Expenses	(8,625)	(18,226)	(10,627)
Net Change in Plan Fiduciary Net Position	708,423	143,797	764,295
Plan Net Position - Beginning	7,498,173	8,206,596	8,350,393
 Plan Net Position - Ending	 8,206,596	 8,350,393	 9,114,688
 Employer's Net Pension Liability	 \$ 3,995,994	 6,208,878	 5,820,458
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 67.25%	 57.35%	 61.03%
 Covered Payroll	 \$ 2,010,832	 1,951,463	 2,070,191
 Employer's Net Pension Liability as a Percentage of Covered Payroll	 198.72%	 318.17%	 281.16%

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

4/30/2018	4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023
460,254	489,408	560,887	755,021	681,364	713,905
1,026,665	1,118,508	1,191,866	1,328,329	1,327,688	1,404,063
—	—	241,594	—	—	(17,654)
429,887	(986,862)	228,114	256,954	(1,314,368)	(78,471)
—	1,149,405	484,368	(112,691)	89,965	—
(537,009)	(672,519)	(772,450)	(719,601)	(856,203)	(1,407,468)
—	—	—	(14,902)	—	—
1,379,797	1,097,940	1,934,379	1,493,110	(71,554)	614,375
14,935,146	16,314,943	17,412,883	19,347,262	20,840,372	20,768,818
<u>16,314,943</u>	<u>17,412,883</u>	<u>19,347,262</u>	<u>20,840,372</u>	<u>20,768,818</u>	<u>21,383,193</u>
580,602	557,590	636,733	850,278	856,162	891,330
223,418	327,795	268,740	293,685	365,878	306,430
466,740	617,818	143,908	2,508,926	(805,491)	107,841
(537,009)	(672,519)	(772,450)	(719,601)	(856,203)	(1,407,468)
(11,237)	(8,143)	(6,775)	(14,902)	(17,439)	(25,843)
722,514	822,541	270,156	2,918,386	(457,093)	(127,710)
9,114,688	9,837,202	10,659,743	10,929,899	13,848,285	13,391,192
<u>9,837,202</u>	<u>10,659,743</u>	<u>10,929,899</u>	<u>13,848,285</u>	<u>13,391,192</u>	<u>13,263,482</u>
<u>6,477,741</u>	<u>6,753,140</u>	<u>8,417,363</u>	<u>6,992,087</u>	<u>7,377,626</u>	<u>8,119,711</u>
60.30%	61.22%	56.49%	66.45%	64.48%	62.03%
2,226,229	2,376,298	2,680,466	2,889,254	3,046,217	3,152,916
290.97%	284.19%	314.03%	242.00%	242.19%	257.53%

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension Fund

Schedule of Investment Returns

April 30, 2023

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	6.54%
2016	0.29%
2017	6.61%
2018	4.98%
2019	6.15%
2020	(4.30%)
2021	1.98%
2022	2.26%
2023	0.86%

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

VILLAGE OF MONTGOMERY, ILLINOIS

Retiree Benefits Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2023

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Retiree Benefits Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2023

4/30/2019

Total OPEB Liability	
Service Cost	\$ 102,680
Interest	197,188
Changes in Benefit Terms	103,474
Differences Between Expected and Actual	
Experience	—
Benefit Payments	(279,432)
Net Change in Total OPEB Liability	123,910
Total OPEB Liability - Beginning	5,106,789
	<hr/>
Total OPEB Liability - Ending	5,230,699
	<hr/>
Employee-Covered Payroll	4,556,870
Total OPEB Liability as a Percentage of Employee-Covered Payroll	114.79%

Notes:

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

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

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate from 2019 through 2023.

4/30/2020	4/30/2021	4/30/2022	4/30/2023
109,371	281,333	190,417	203,664
193,829	169,073	87,129	121,004
1,372,531	(2,015,612)	(706,970)	482,062
—	(783,416)	(150,844)	207,001
(231,540)	(140,976)	—	(133,831)
1,444,191	(2,489,598)	(580,268)	879,900
5,230,699	6,674,890	4,185,292	3,605,024
6,674,890	4,185,292	3,605,024	4,484,924
4,693,576	5,429,643	5,676,242	6,476,532
142.21%	77.08%	63.51%	69.25%

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 2,397,088	2,397,088	2,429,306
Other Taxes	299,266	299,266	326,169
Licenses, Permits and Fees	9,464,545	9,464,545	10,159,882
Intergovernmental	449,514	449,514	509,046
Fines and Forfeitures	258,500	258,500	189,243
Charges for Services	357,845	357,845	538,583
Investment Income	66,000	66,000	143,843
Miscellaneous	146,250	146,250	192,250
Total Revenues	13,439,008	13,439,008	14,488,322
Expenditures			
General Government	3,756,231	3,756,231	3,588,058
Public Safety	6,963,887	6,963,887	6,642,166
Highways and Streets	2,425,670	2,425,670	3,414,384
Total Expenditures	13,145,788	13,145,788	13,644,608
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	293,220	293,220	843,714
Other Financing (Uses)			
Transfers Out	—	—	(728,000)
Net Change in Fund Balance	293,220	293,220	115,714
Fund Balance - Beginning			5,340,885
Fund Balance - Ending			5,456,599

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing #2 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 1,247,511	1,247,511	1,265,962
Investment Income	2,100	2,100	48,963
Total Revenues	<u>1,249,611</u>	<u>1,249,611</u>	<u>1,314,925</u>
Expenditures			
General Government			
Contractual Services	1,529,804	1,529,804	343,006
Other	550,000	550,000	569,694
Total Expenditures	<u>2,079,804</u>	<u>2,079,804</u>	<u>912,700</u>
Net Change in Fund Balance	<u>(830,193)</u>	<u>(830,193)</u>	402,225
Fund Balance - Beginning			<u>2,827,140</u>
Fund Balance - Ending			<u>3,229,365</u>

VILLAGE OF MONTGOMERY, ILLINOIS

American Rescue Plan - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Grants	\$ 1,336,215	1,336,215	990,812
Investment Income	1,500	1,500	68,414
	1,337,715	1,337,715	1,059,226
Expenditures			
General Government			
Contractual Services	800,000	800,000	48,510
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	537,715	537,715	1,010,716
Other Financing (Uses)			
Transfers Out	(1,819,721)	(1,819,721)	(942,302)
Net Change in Fund Balance	(1,282,006)	(1,282,006)	68,414
Fund Balance - Beginning			1,452
Fund Balance - Ending			69,866

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Tax Increment Financing District #2 Fund

The Tax Increment Financing (TIF) District #2 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

Montgomery Development Fund

The Montgomery Development Fund (MDF) accounts for the Village's loan program established to provide financial support to new or expanding business in the Village; encourage economic development by supporting projects that create or retain jobs; encourage area financial institutions to work with the Village and to utilize MDF programs to better serve its customers; and support projects and investments that protect and expand the tax base. The MDF consists of two programs: the Forgivable Loan Program and the Low Interest Loan Program.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for motor fuel tax allocations from the State of Illinois and expenditures related to the Village's annual road rehabilitation and construction program.

Police Gift Fund

The Police Gift Fund is used to account for contributions from donors restricted for educational and equipment purchases for the police force.

Montgomery Crossing Special Service Area Fund

The Montgomery Crossing Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Montgomery Crossing development.

Blackberry Crossing Special Service Area Fund

The Blackberry Crossing Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Blackberry Crossing development.

INDIVIDUAL FUND SCHEDULES - Continued

SPECIAL REVENUE FUNDS - Continued

Ogden Hill Special Service Area Fund

The Ogden Hill Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Ogden Hill development.

Marquis Pointe Special Service Area Fund

The Marquis Pointe Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Marquis Pointe development.

Balmorea Special Service Area Fund

The Balmorea Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Balmorea development.

Arbor Ridge Special Service Area Fund

The Arbor Ridge Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Arbor Ridge development.

Fairfield Way Special Service Area Fund

The Fairfield Way Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Fairfield Way development.

Foxmoor Special Service Area Fund

The Foxmoor Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Foxmoor development.

Tax Increment Financing District #1 Fund

The Tax Increment Financing (TIF) District #1 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's U.S. Route 30 and Fifth Street TIF District.

Tax Increment Financing District #3 Fund

The Tax Increment Financing (TIF) District #3 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

INDIVIDUAL FUND SCHEDULES - Continued

SPECIAL REVENUE FUNDS - Continued

Tax Increment Financing District #4 Fund

The Tax Increment Financing (TIF) District #4 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

American Rescue Plan Fund

The American Rescue Fund is used to account for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program funding to local governments to support their response to and recovery from the COVID-19 public health emergency.

Saratoga Springs Special Service Area Fund

The Saratoga Springs Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Saratoga Springs development.

Orchard Prairie North Special Service Area Fund

The Orchard Prairie North Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Orchard Prairie North development.

Blackberry Crossing West Special Service Area Fund

The Blackberry Crossing West Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Blackberry Crossing West development.

Fieldstone Special Service Area Fund

The Fieldstone Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Fieldstone development.

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2011 and Series 2014) for payment of the principal and interest on governmental debt (non-proprietary). Utility tax revenues are transferred from the Capital Improvement Fund to finance the annual payment requirements.

INDIVIDUAL FUND SCHEDULES - Continued

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds).

Capital Improvement Fund

The Capital Improvement Fund is used to account for funds restricted, committed, or assigned to the acquisition, construction and improvement of governmental general capital assets (not being financed by proprietary funds). Activities are financed by utility taxes, grants, rents on Village properties, and developer contributions.

Infrastructure Improvement Fund

The Infrastructure Improvement Fund is used to account for funds restricted, committed, or assigned to the acquisition, construction and improvement of governmental infrastructure capital assets (not being financed by proprietary funds) throughout the community. Activities are financed by the 1% non-home rule sales tax.

Vehicle and Equipment Replacement Fund

The Vehicle and Equipment Replacement Fund is used to account for contributions from other departments assigned for the future replacement of vehicles and equipment.

Lakewood Creek Project Fund

The Lakewood Creek Project Fund is used to account for the revenue restricted to capital improvements in the Lakewood Creek neighborhood. The public improvements are complete and the fees paid for third-party management of the Lakewood Creek Special Assessment now flow through this fund.

ENTERPRISE FUNDS

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 revenues and expenses relative to the operation of the water utility.

Refuse Fund

The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their bi-monthly utility bill.

INDIVIDUAL FUND SCHEDULES - Continued

INTERNAL SERVICE FUND

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

Employee Insurance Fund

The Employee Insurance Fund is used to account for the internal contributions (employer and employee) for providing group health, dental, and life insurance to Village employees.

FIDUCIARY FUNDS

PENSION TRUST FUND

Police Pension Fund

The Police Pension Fund is used to account for the resources necessary to provide retirement and disability pension benefits to full-time sworn police personnel. Although this is a single-employer pension plan, the defined benefits and employer and employee contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. Financing is provided by the Village contributions, employee payroll withholdings, and investment earnings.

CUSTODIAL FUNDS

Lakewood Creek Special Assessment Fund

The Lakewood Creek Special Assessment Fund is used to account for the contributions from property owners and payments of principal and interest on the Special Assessment Bonds.

Cornell Special Service Area Fund

The Cornell Special Service Area Fund is used to account for the tax collections to pay principal and interest on the Special Service Area #17 Bonds.

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Property Taxes			
Corporate	\$ 607,400	607,400	608,306
Police Pension	880,000	880,000	879,069
Social Security	220,000	220,000	219,758
IMRF	180,000	180,000	179,810
Insurance	200,000	200,000	199,783
Police Protection	250,000	250,000	249,737
Road and Bridge	59,688	59,688	92,843
	2,397,088	2,397,088	2,429,306
Other Taxes			
Utility Taxes	31,755	31,755	31,188
Video Gaming Taxes	228,000	228,000	263,440
Cannabis Taxes	39,511	39,511	31,541
	299,266	299,266	326,169
Intergovernmental			
Sales Taxes	5,866,355	5,866,355	5,928,133
State Income Taxes	2,680,663	2,680,663	3,118,150
Corporate Replacement Taxes	107,602	107,602	187,300
Road and Bridge Replacement Taxes	13,450	13,450	24,701
Local Use Taxes	759,825	759,825	837,428
TIF Surplus	11,670	11,670	13,177
State Grant - ILCC Tobacco (Police)	2,090	2,090	634
Federal Grant - Body Armor (Police)	4,650	4,650	5,532
Federal Grant - Traffic Safety (Police)	18,240	18,240	9,939
License Plate Grant	—	—	34,888
	9,464,545	9,464,545	10,159,882
Licenses, Permits and Fees			
Licenses - Liquor	36,975	36,975	39,637
Licenses - Amusement Machine	20,375	20,375	150
Licenses - Tobacco	400	400	950
Licenses - Contractors	31,250	31,250	34,279
Licenses - Other	750	750	24,002
Permits - Building	122,490	122,490	192,662
Permits - Oversized Vehicle	10,000	10,000	7,300

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Licenses, Permits and Fees - Continued			
Permits - Solicitor	\$ 3,000	3,000	3,540
Permits - Other	500	500	3,375
Fees - Cable Franchise	223,774	223,774	203,151
	449,514	449,514	509,046
Fines and Forfeitures			
Tow Impoundment Fee	60,000	60,000	48,500
Court Fines - Village	17,000	17,000	16,922
Court Fines - Kane County	155,000	155,000	96,614
Court Fines - Kendall County	18,000	18,000	15,639
Patrol Car Maintenance Fines - Kane County	2,500	2,500	134
Patrol Car Maintenance Fines - Kendall County	1,000	1,000	—
Code Enforcement Fines	5,000	5,000	11,434
	258,500	258,500	189,243
Charges for Services			
Plumbing Inspections	15,000	15,000	6,055
Engineering Inspections	10,150	10,150	7,160
Reinspections	1,000	1,000	300
Elevator Inspections	2,100	2,100	2,243
Planning - Plan Commission Applications	8,000	8,000	7,600
Recycling Income	9,000	9,000	8,104
Lawn Services	4,788	4,788	3,719
Professional Services Reimb. - Engineering Service	130,410	130,410	181,411
Professional Services Reimb. - Legal Service	23,625	23,625	44,330
Professional Services Reimb. - Planning Service	23,625	23,625	18,018
Professional Services Reimb. - Printing and Publishing	500	500	2,774
Police Reimbursements - Training	6,000	6,000	3,736
Police Reimbursements - Special Duty	28,154	28,154	17,586
Police Reimbursements - Other	3,500	3,500	114,483
Police Reimbursements - Firing Range	500	500	10
Other Reimbursements - Streets	11,193	11,193	24,385
Other Reimbursements - Credit Card Fees	69,600	69,600	90,989
Other Reimbursements - Miscellaneous	7,900	7,900	4,095
Rents and Royalties - Municipal Building Rental	2,800	2,800	1,585
	357,845	357,845	538,583

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Investment Income	\$ 66,000	66,000	143,843
 Miscellaneous			
Other Reimbursements - Insurance	30,000	30,000	75,445
Donations - Montgomery Fest	78,000	78,000	107,223
Donations - Beautification	6,000	6,000	140
Donations - River Run	14,300	14,300	10,717
Donations - Garage Sales	1,000	1,000	410
Donations - Settler's Cottage	500	500	727
Donations - HPC Brick Paver Program	500	500	200
Donations - Community Programs	4,500	4,500	1,195
Donations - Parkway Tree Program	2,000	2,000	—
Donations - Car Show	—	—	132
Donations - Safety Event	4,000	4,000	12,174
Salable Items - History Books	350	350	—
Salable Items - Miscellaneous	100	100	—
Change in Terminal Reserve (IPBC)	—	—	(25,213)
Miscellaneous	5,000	5,000	9,100
	146,250	146,250	192,250
 Total Revenues	 13,439,008	 13,439,008	 14,488,322

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

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

	Original Budget	Final Budget	Actual
General Government			
Elected Officials			
Personal Services	\$ 69,471	69,471	67,243
Contractual Services	166,511	166,511	160,335
Commodities	6,250	6,250	3,954
	242,232	242,232	231,532
Administration			
Personal Services	462,227	462,227	445,420
Contractual Services	165,819	165,819	128,462
Commodities	31,500	31,500	10,762
	659,546	659,546	584,644
Finance			
Accounting			
Personal Services	523,124	523,124	494,094
Contractual Services	355,877	355,877	335,913
Commodities	9,900	9,900	12,879
	888,901	888,901	842,886
Utility Billing			
Personal Services	163,032	163,032	161,349
Contractual Services	84,467	84,467	108,453
Commodities	61,682	61,682	62,665
	309,181	309,181	332,467
Less: Finance Internal Charges	(664,741)	(664,741)	(669,622)
Total Finance	533,341	533,341	505,731
Legal			
Contractual Services	214,200	214,200	209,516
Engineering			
Contractual Services	192,500	192,500	231,631

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
General Government - Continued			
Community Development			
Economic Development			
Contractual Services	\$ 97,700	97,700	91,761
Other	1,079,565	1,079,565	1,068,155
	1,177,265	1,177,265	1,159,916
Planning and Zoning			
Personal Services	258,160	258,160	252,522
Contractual Services	89,491	89,491	26,302
Commodities	3,050	3,050	2,688
	350,701	350,701	281,512
Inspections			
Personal Services	319,234	319,234	312,927
Contractual Services	61,947	61,947	66,758
Commodities	5,265	5,265	3,891
	386,446	386,446	383,576
Total Community Development	1,914,412	1,914,412	1,825,004
Total General Government	3,756,231	3,756,231	3,588,058
Public Safety			
Police			
Administration			
Personal Services	795,641	795,641	809,250
Contractual Services	148,038	148,038	144,518
Commodities	31,170	31,170	38,564
	974,849	974,849	992,332
Records			
Personal Services	316,934	316,934	294,190
Contractual Services	308,068	308,068	306,141
Commodities	9,470	9,470	8,410
	634,472	634,472	608,741

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
Patrol			
Personal Services	\$ 4,200,835	4,200,835	4,002,261
Contractual Services	295,072	295,072	284,618
Commodities	102,280	102,280	106,223
	<u>4,598,187</u>	<u>4,598,187</u>	<u>4,393,102</u>
Investigations			
Personal Services	687,416	687,416	584,432
Contractual Services	16,797	16,797	12,467
Commodities	41,923	41,923	32,533
	<u>746,136</u>	<u>746,136</u>	<u>629,432</u>
Police Commission			
Contractual Services	5,339	5,339	15,233
Commodities	450	450	—
	<u>5,789</u>	<u>5,789</u>	<u>15,233</u>
ESDA			
Contractual Services	4,254	4,254	3,326
Commodities	200	200	—
	<u>4,454</u>	<u>4,454</u>	<u>3,326</u>
Total Public Safety	<u>6,963,887</u>	<u>6,963,887</u>	<u>6,642,166</u>
Highways and Streets			
Administration			
Personal Services	106,024	106,024	104,459
Contractual Services	42,840	42,840	29,251
Commodities	21,635	21,635	19,992
	<u>170,499</u>	<u>170,499</u>	<u>153,702</u>
Streets			
Personal Services	525,506	525,506	473,925
Contractual Services	665,462	665,462	1,690,927
Commodities	64,450	64,450	59,597
	<u>1,255,418</u>	<u>1,255,418</u>	<u>2,224,449</u>

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Highways and Streets - Continued			
Vehicle Maintenance			
Personal Services	\$ 197,876	197,876	198,371
Contractual Services	121,839	121,839	138,108
Commodities	189,400	189,400	249,039
	<u>509,115</u>	<u>509,115</u>	<u>585,518</u>
Buildings and Grounds			
Personal Services	184,974	184,974	181,216
Contractual Services	428,153	428,153	418,536
Commodities	23,095	23,095	34,354
	<u>636,222</u>	<u>636,222</u>	<u>634,106</u>
Stormwater Management			
Contractual Services	54,432	54,432	24,658
Forestry			
Personal Services	187,008	187,008	183,671
Contractual Services	111,507	111,507	126,443
	<u>298,515</u>	<u>298,515</u>	<u>310,114</u>
Less: Highways and Streets Internal Charges	(498,531)	(498,531)	(518,163)
Total Highways and Streets	2,425,670	2,425,670	3,414,384
Total Expenditures	<u>13,145,788</u>	<u>13,145,788</u>	<u>13,644,608</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Debt Service Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ 250	250	—
Expenditures			
Debt Service			
Principal Retirement	665,000	665,000	665,000
Interest and Fiscal Charges	548,415	548,415	548,415
Total Expenditures	<u>1,213,415</u>	<u>1,213,415</u>	<u>1,213,415</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,213,165)	(1,213,165)	(1,213,415)
Other Financing Sources			
Transfers In	<u>1,213,165</u>	<u>1,213,165</u>	<u>1,213,165</u>
Net Change in Fund Balance			(250)
Fund Balance - Beginning			<u>37,386</u>
Fund Balance - Ending			<u>37,136</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Capital Improvement - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Other Taxes			
Utility Taxes - Electric	\$ 741,149	741,149	1,264,032
Utility Taxes - Natural Gas	280,434	280,434	482,027
Utility Taxes - Telecommunications	155,537	155,537	155,942
Intergovernmental			
State Grants	400,000	400,000	—
Licenses, Permits and Fees	169,662	169,662	29,785
Charges for Services	179,426	179,426	152,028
Investment Income	120,000	120,000	288,395
Total Revenues	2,046,208	2,046,208	2,372,209
Expenditures			
Capital Outlay	12,494,499	12,494,499	12,800,971
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(10,448,291)</u>	<u>(10,448,291)</u>	<u>(10,428,762)</u>
Other Financing Sources (Uses)			
Transfers In	—	—	728,000
Transfers Out	<u>(1,213,165)</u>	<u>(1,213,165)</u>	<u>(1,213,165)</u>
	<u>(1,213,165)</u>	<u>(1,213,165)</u>	<u>(485,165)</u>
Net Change in Fund Balance	<u>(11,661,456)</u>	<u>(11,661,456)</u>	<u>(10,913,927)</u>
Fund Balance - Beginning			<u>15,550,299</u>
Fund Balance - Ending			<u>4,636,372</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Infrastructure Improvement - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Non-Home Rule Sales Tax	\$ 4,105,151	4,105,151	3,991,507
Local Grant	70,000	70,000	—
Refunds and Reimbursements from Others	79,380	79,380	93,629
Investment Income	30,000	30,000	45,136
Total Revenues	<u>4,284,531</u>	<u>4,284,531</u>	<u>4,130,272</u>
Expenditures			
General Government			
Contractual Services	133,102	133,102	122,084
Capital Outlay	<u>4,968,512</u>	<u>4,968,512</u>	<u>2,832,317</u>
Total Expenditures	<u>5,101,614</u>	<u>5,101,614</u>	<u>2,954,401</u>
Net Change in Fund Balance	<u>(817,083)</u>	<u>(817,083)</u>	<u>1,175,871</u>
Fund Balance - Beginning			<u>2,730,908</u>
Fund Balance - Ending			<u>3,906,779</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2023

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 5,251,595	2,555,141	7,806,736
Receivables - Net of Allowances			
Property Taxes	402,191	—	402,191
Accounts	8,129	—	8,129
Accrued Interest	12,421	2,633	15,054
Notes	36,906	—	36,906
Due from Other Governments	71,987	—	71,987
Due from Other Funds	—	1,017,749	1,017,749
 Total Assets	 5,783,229	 3,575,523	 9,358,752
LIABILITIES			
Accounts Payable	30,253	7,973	38,226
Due to Other Funds	14,828	—	14,828
 Total Liabilities	 45,081	 7,973	 53,054
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	402,191	—	402,191
 Total Liabilities and Deferred Inflows of Resources	 447,272	 7,973	 455,245
FUND BALANCES			
Restricted	3,465,129	17,090	3,482,219
Assigned	1,886,736	3,550,460	5,437,196
Unassigned	(15,908)	—	(15,908)
 Total Fund Balances	 5,335,957	 3,567,550	 8,903,507
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 5,783,229	 3,575,523	 9,358,752

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2023

	Special Revenue	Capital Projects	Totals
Revenues			
Property Taxes	\$ 379,661	—	379,661
Intergovernmental	1,004,897	—	1,004,897
Fines and Forfeitures	—	36,540	36,540
Charges for Services	8,817	1,882,857	1,891,674
Investment Income	102,917	65,871	168,788
Miscellaneous	1,000	55,410	56,410
Total Revenues	1,497,292	2,040,678	3,537,970
Expenditures			
General Government	19,477	54,518	73,995
Highways and Streets	403,210	—	403,210
Capital Outlay	—	179,831	179,831
Total Expenditures	422,687	234,349	657,036
Net Change in Fund Balances	1,074,605	1,806,329	2,880,934
Fund Balances - Beginning	4,261,352	1,761,221	6,022,573
Fund Balances - Ending	5,335,957	3,567,550	8,903,507

VILLAGE OF MONTGOMERY, ILLINOIS

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

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Montgomery Development	Motor Fuel Tax	Police Gift
ASSETS			
Cash and Investments	\$ 1,849,830	2,382,677	9,245
Receivables - Net of Allowances	—	—	—
Property Taxes	—	—	—
Accounts	—	—	—
Accrued Interest	—	12,340	—
Notes	36,906	—	—
Due from Other Governments	—	71,987	—
 Total Assets	 1,886,736	 2,467,004	 9,245
LIABILITIES			
Accounts Payable	—	—	—
Due to Other Funds	—	—	—
Total Liabilities	—	—	—
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	—	—	—
Total Liabilities and Deferred	—	—	—
Inflows of Resources	—	—	—
FUND BALANCES			
Restricted	—	2,467,004	9,245
Assigned	1,886,736	—	—
Unassigned	—	—	—
Total Fund Balances	1,886,736	2,467,004	9,245
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 1,886,736	 2,467,004	 9,245

Montgomery Crossing Special Service Area	Blackberry Crossing Special Service Area	Ogden Hill Special Service Area	Marquis Pointe Special Service Area	Balmorea Special Service Area	Arbor Ridge Special Service Area	Fairfield Way Special Service Area
120,370	62,642	59,989	44,165	53,445	48,098	86,832
59,328	19,952	18,901	12,600	27,302	25,075	34,470
—	—	—	—	—	—	—
20	—	—	—	—	—	22
—	—	—	—	—	—	—
—	—	—	—	—	—	—
179,718	82,594	78,890	56,765	80,747	73,173	121,324
4,882	750	2,280	1,339	500	554	1,506
—	—	—	—	—	—	—
4,882	750	2,280	1,339	500	554	1,506
59,328	19,952	18,901	12,600	27,302	25,075	34,470
64,210	20,702	21,181	13,939	27,802	25,629	35,976
115,508	61,892	57,709	42,826	52,945	47,544	85,348
—	—	—	—	—	—	—
—	—	—	—	—	—	—
115,508	61,892	57,709	42,826	52,945	47,544	85,348
179,718	82,594	78,890	56,765	80,747	73,173	121,324

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Foxmoor Special Service Area	Tax Increment Financing	Tax Increment Financing District #1	Tax District #3
ASSETS				
Cash and Investments	\$ 95,051	181,276	—	—
Receivables - Net of Allowances	64,050	42,709	—	—
Property Taxes	—	—	638	—
Accounts	—	—	—	—
Accrued Interest	11	—	—	—
Notes	—	—	—	—
Due from Other Governments	—	—	—	—
Total Assets	159,112	223,985	638	
LIABILITIES				
Accounts Payable	4,501	—	528	—
Due to Other Funds	—	—	9,012	—
Total Liabilities	4,501	—	9,540	
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	64,050	42,709	—	—
Total Liabilities and Deferred Inflows of Resources	68,551	42,709	9,540	—
FUND BALANCES				
Restricted	90,561	181,276	—	—
Assigned	—	—	—	—
Unassigned	—	—	(8,902)	—
Total Fund Balances	90,561	181,276	(8,902)	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	159,112	223,985	638	

Tax Increment Financing District #4	Saratoga Springs Special Service Area	Orchard Prairie North Special Service Area	Blackberry Crossing West Special Service Area	Fieldstone Special Service Area	Totals
—	49,925	64,328	123,150	20,572	5,251,595
—	21,001	34,651	39,002	3,150	402,191
7,491	—	—	—	—	8,129
—	—	—	28	—	12,421
—	—	—	—	—	36,906
—	—	—	—	—	71,987
<u>7,491</u>	<u>70,926</u>	<u>98,979</u>	<u>162,180</u>	<u>23,722</u>	<u>5,783,229</u>
8,681	364	1,988	2,239	141	30,253
5,816	—	—	—	—	14,828
<u>14,497</u>	<u>364</u>	<u>1,988</u>	<u>2,239</u>	<u>141</u>	<u>45,081</u>
—	21,001	34,651	39,002	3,150	402,191
<u>14,497</u>	<u>21,365</u>	<u>36,639</u>	<u>41,241</u>	<u>3,291</u>	<u>447,272</u>
—	49,561	62,340	120,939	20,431	3,465,129
—	—	—	—	—	1,886,736
(7,006)	—	—	—	—	(15,908)
<u>(7,006)</u>	<u>49,561</u>	<u>62,340</u>	<u>120,939</u>	<u>20,431</u>	<u>5,335,957</u>
<u>7,491</u>	<u>70,926</u>	<u>98,979</u>	<u>162,180</u>	<u>23,722</u>	<u>5,783,229</u>

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Montgomery Development	Motor Fuel Tax	Police Gift
Revenues			
Property Taxes	\$ —	—	—
Intergovernmental	—	1,004,897	—
Charges for Services	—	—	—
Investment Income	51,073	35,323	—
Miscellaneous	—	—	1,000
Total Revenues	<u>51,073</u>	<u>1,040,220</u>	<u>1,000</u>
Expenditures			
General Government	78	—	—
Highways and Streets	—	73,693	—
Total Expenditures	<u>78</u>	<u>73,693</u>	<u>—</u>
Net Change in Fund Balances	50,995	966,527	1,000
Fund Balances - Beginning	<u>1,835,741</u>	<u>1,500,477</u>	<u>8,245</u>
Fund Balances - Ending	<u>1,886,736</u>	<u>2,467,004</u>	<u>9,245</u>

Montgomery Crossing Special Service Area	Blackberry Crossing Special Service Area	Ogden Hill Special Service Area	Marquis Pointe Special Service Area	Balmorea Special Service Area	Arbor Ridge Special Service Area	Fairfield Way Special Service Area
56,485	18,989	18,001	12,000	25,977	25,005	32,863
—	—	—	—	—	—	—
—	—	—	—	—	—	—
497	—	—	—	—	—	539
—	—	—	—	—	—	—
56,982	18,989	18,001	12,000	25,977	25,005	33,402
—	—	—	—	—	—	—
58,161	15,517	17,572	10,319	26,327	19,902	37,029
58,161	15,517	17,572	10,319	26,327	19,902	37,029
(1,179)	3,472	429	1,681	(350)	5,103	(3,627)
116,687	58,420	57,280	41,145	53,295	42,441	88,975
115,508	61,892	57,709	42,826	52,945	47,544	85,348

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Continued

For the Fiscal Year Ended April 30, 2023

	Foxmoor Special Service Area	Tax Increment Financing District #1	Tax Increment Financing District #3
Revenues			
Property Taxes	\$ 60,857	35,628	—
Intergovernmental	—	—	—
Charges for Services	—	—	1,326
Investment Income	275	14,531	—
Miscellaneous	—	—	—
Total Revenues	61,132	50,159	1,326
Expenditures			
General Government	—	6,521	1,635
Highways and Streets	54,744	—	—
Total Expenditures	54,744	6,521	1,635
Net Change in Fund Balances	6,388	43,638	(309)
Fund Balances - Beginning	84,173	137,638	(8,593)
Fund Balances - Ending	90,561	181,276	(8,902)

Tax Increment Financing District #4	Saratoga Springs Special Service Area	Orchard Prairie North Special Service Area	Blackberry Crossing West Special Service Area	Fieldstone Special Service Area	Totals
—	19,886	32,979	37,999	2,992	379,661
—	—	—	—	—	1,004,897
7,491	—	—	—	—	8,817
—	—	—	679	—	102,917
—	—	—	—	—	1,000
7,491	19,886	32,979	38,678	2,992	1,497,292
11,243	—	—	—	—	19,477
—	16,254	26,028	43,874	3,790	403,210
11,243	16,254	26,028	43,874	3,790	422,687
(3,752)	3,632	6,951	(5,196)	(798)	1,074,605
(3,254)	45,929	55,389	126,135	21,229	4,261,352
(7,006)	49,561	62,340	120,939	20,431	5,335,957

VILLAGE OF MONTGOMERY, ILLINOIS

Montgomery Development - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ 500	500	—
Investment Income	4,500	4,500	51,073
Total Revenues	5,000	5,000	51,073
Expenditures			
General Government			
Contractual Services	4,000	4,000	78
Capital Outlay	50,000	50,000	—
Total Expenditures	54,000	54,000	78
Net Change in Fund Balance	(49,000)	(49,000)	50,995
Fund Balance - Beginning			1,835,741
Fund Balance - Ending			1,886,736

VILLAGE OF MONTGOMERY, 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

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Taxes	\$ 476,157	476,157	445,906
State Grants	843,683	843,683	558,991
Investment Income	4,000	4,000	35,323
Total Revenues	<u>1,323,840</u>	<u>1,323,840</u>	<u>1,040,220</u>
Expenditures			
Highways and Streets			
Commodities	<u>97,700</u>	<u>97,700</u>	<u>73,693</u>
Net Change in Fund Balance	<u>1,226,140</u>	<u>1,226,140</u>	<u>966,527</u>
Fund Balance - Beginning			<u>1,500,477</u>
Fund Balance - Ending			<u>2,467,004</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Police Gift - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Miscellaneous	\$ 250	250	1,000
Expenditures			
Public Safety			
Commodities	1,000	1,000	—
Net Change in Fund Balance	(750)	(750)	1,000
Fund Balance - Beginning			8,245
Fund Balance - Ending			<u>9,245</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Montgomery Crossing Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 56,500	56,500	56,485
Investment Income	250	250	497
Total Revenues	<u>56,750</u>	<u>56,750</u>	<u>56,982</u>
Expenditures			
Highways and Streets			
Contractual Services	60,566	60,566	58,161
Net Change in Fund Balance	<u>(3,816)</u>	<u>(3,816)</u>	<u>(1,179)</u>
Fund Balance - Beginning			<u>116,687</u>
Fund Balance - Ending			<u>115,508</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Blackberry Crossing Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 19,000	19,000	18,989
Expenditures			
Highways and Streets			
Contractual Services	16,817	16,817	15,517
Net Change in Fund Balance	<u>2,183</u>	<u>2,183</u>	3,472
Fund Balance - Beginning			<u>58,420</u>
Fund Balance - Ending			<u>61,892</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Ogden Hill Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 18,000	18,000	18,001
Expenditures			
Highways and Streets			
Contractual Services	19,067	19,067	17,572
Net Change in Fund Balance	(1,067)	(1,067)	429
Fund Balance - Beginning			57,280
Fund Balance - Ending			57,709

VILLAGE OF MONTGOMERY, ILLINOIS

Marquis Pointe Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 12,000	12,000	12,000
Expenditures			
Highways and Streets			
Contractual Services	11,199	11,199	10,319
Net Change in Fund Balance	<u>801</u>	<u>801</u>	1,681
Fund Balance - Beginning			<u>41,145</u>
Fund Balance - Ending			<u>42,826</u>

VILLAGE OF MONTGOMERY, ILLINOIS**Balmorea Special Service Area - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended April 30, 2023**

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 26,000	26,000	25,977
Expenditures			
Highways and Streets			
Contractual Services	25,647	25,647	26,327
Net Change in Fund Balance	<u>353</u>	<u>353</u>	(350)
Fund Balance - Beginning			<u>53,295</u>
Fund Balance - Ending			<u>52,945</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Arbor Ridge Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 25,000	25,000	25,005
Expenditures			
Highways and Streets			
Contractual Services	20,363	20,363	19,902
Net Change in Fund Balance	<u>4,637</u>	<u>4,637</u>	5,103
Fund Balance - Beginning			<u>42,441</u>
Fund Balance - Ending			<u>47,544</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Fairfield Way Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 33,000	33,000	32,863
Investment Income	250	250	539
Total Revenues	33,250	33,250	33,402
Expenditures			
Highways and Streets			
Contractual Services	38,499	38,499	37,029
Net Change in Fund Balance	(5,249)	(5,249)	(3,627)
Fund Balance - Beginning			88,975
Fund Balance - Ending			85,348

VILLAGE OF MONTGOMERY, ILLINOIS

Foxmoor Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 61,000	61,000	60,857
Investment Income	150	150	275
Total Revenues	<u>61,150</u>	<u>61,150</u>	<u>61,132</u>
Expenditures			
Highways and Streets			
Contractual Services	55,664	55,664	54,744
Net Change in Fund Balance	<u>5,486</u>	<u>5,486</u>	<u>6,388</u>
Fund Balance - Beginning			<u>84,173</u>
Fund Balance - Ending			<u>90,561</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing District #1 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 35,000	35,000	35,628
Investment Income	100	100	14,531
Total Revenues	35,100	35,100	50,159
Expenditures			
General Government			
Contractual Services	695	695	6,521
Net Change in Fund Balance	34,405	34,405	43,638
Fund Balance - Beginning			137,638
Fund Balance - Ending			181,276

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing District #3 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ —	—	1,326
Expenditures			
General Government			
Contractual Services	895	895	1,635
Net Change in Fund Balance	<u>(895)</u>	<u>(895)</u>	<u>(309)</u>
Fund Balance - Beginning			<u>(8,593)</u>
Fund Balance - Ending			<u>(8,902)</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing District #4 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ —	—	7,491
Expenditures			
General Government			
Contractual Services	30,895	30,895	11,243
Net Change in Fund Balance	<u>(30,895)</u>	<u>(30,895)</u>	<u>(3,752)</u>
Fund Balance - Beginning			<u>(3,254)</u>
Fund Balance - Ending			<u>(7,006)</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Saratoga Springs Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 20,000	20,000	19,886
Expenditures			
Highways and Streets			
Contractual Services	16,529	16,529	16,254
Net Change in Fund Balance	<u>3,471</u>	<u>3,471</u>	3,632
Fund Balance - Beginning			<u>45,929</u>
Fund Balance - Ending			<u>49,561</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Orchard Prairie North Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 33,000	33,000	32,979
Expenditures			
Highways and Streets			
Contractual Services	26,660	26,660	26,028
Net Change in Fund Balance	<u>6,340</u>	<u>6,340</u>	6,951
Fund Balance - Beginning			<u>55,389</u>
Fund Balance - Ending			<u>62,340</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Blackberry Crossing West Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 38,000	38,000	37,999
Investment Income	300	300	679
Total Revenues	38,300	38,300	38,678
Expenditures			
Highways and Streets			
Contractual Services	43,972	43,972	43,874
Net Change in Fund Balance	(5,672)	(5,672)	(5,196)
Fund Balance - Beginning			126,135
Fund Balance - Ending			120,939

VILLAGE OF MONTGOMERY, ILLINOIS

Fieldstone Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 3,000	3,000	2,992
Expenditures			
General Government			
Contractual Services	3,649	3,649	3,790
Net Change in Fund Balance	(649)	(649)	(798)
Fund Balance - Beginning			21,229
Fund Balance - Ending			20,431

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Capital Projects Funds
Combining Balance Sheet
April 30, 2023

	Vehicle and Equipment Replacement	Lakewood Creek Project	Totals
ASSETS			
Cash and Investments	\$ 2,538,051	17,090	2,555,141
Receivables - Net of Allowances			
Accrued Interest	2,633	—	2,633
Due from Other Funds	1,017,749	—	1,017,749
 Total Assets	 3,558,433	 17,090	 3,575,523
LIABILITIES			
Accounts Payable	7,973	—	7,973
FUND BALANCES			
Restricted	—	17,090	17,090
Assigned	3,550,460	—	3,550,460
 Total Fund Balances	 3,550,460	 17,090	 3,567,550
 Total Liabilities and Fund Balances	 3,558,433	 17,090	 3,575,523

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Vehicle and Equipment Replacement	Lakewood Creek Project	Totals
Revenues			
Fines and Forfeitures	\$ 36,540	—	36,540
Charges for Services	1,882,857	—	1,882,857
Investment Income	65,303	568	65,871
Miscellaneous	—	55,410	55,410
Total Revenues	1,984,700	55,978	2,040,678
Expenditures			
General Government	—	54,518	54,518
Capital Outlay	179,831	—	179,831
Total Expenditures	179,831	54,518	234,349
Net Change in Fund Balances	1,804,869	1,460	1,806,329
Fund Balances - Beginning	1,745,591	15,630	1,761,221
Fund Balances - Ending	3,550,460	17,090	3,567,550

VILLAGE OF MONTGOMERY, ILLINOIS

Vehicle and Equipment Replacement - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Fines and Forfeitures	\$ 24,100	24,100	36,540
Charges for Services	875,069	875,069	1,882,857
Investment Income	19,000	19,000	65,303
Total Revenues	<u>918,169</u>	<u>918,169</u>	<u>1,984,700</u>
Expenditures			
Capital Outlay	<u>600,482</u>	<u>600,482</u>	<u>179,831</u>
Net Change in Fund Balance	<u>317,687</u>	<u>317,687</u>	<u>1,804,869</u>
Fund Balance - Beginning			<u>1,745,591</u>
Fund Balance - Ending			<u>3,550,460</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Lakewood Creek Project - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ 10	10	568
Miscellaneous	60,000	60,000	55,410
Total Revenues	60,010	60,010	55,978
Expenditures			
General Government			
Contractual Services	60,000	60,000	54,518
Net Change in Fund Balance	10	10	1,460
Fund Balance - Beginning			15,630
Fund Balance - Ending			17,090

VILLAGE OF MONTGOMERY, ILLINOIS

Water - Enterprise Fund - by Account
Combining Statement of Net Position
April 30, 2023

	Water Water Account	Improvement Account	Water Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 5,040,764	1,516,805	6,557,569
Receivables - Net of Allowances			
Accounts	1,046,651	2,090	1,048,741
Accrued Interest	15,877	—	15,877
Due from Other Funds	100,778	942,302	1,043,080
Total Current Assets	<u>6,204,070</u>	<u>2,461,197</u>	<u>8,665,267</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,225,018	—	1,225,018
Depreciable	53,382,493	—	53,382,493
Accumulated Depreciation	(30,507,745)	—	(30,507,745)
Total Capital Assets	<u>24,099,766</u>	<u>—</u>	<u>24,099,766</u>
Total Assets	<u>30,303,836</u>	<u>2,461,197</u>	<u>32,765,033</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	431,339	—	431,339
Deferred Items - ARO	<u>422,334</u>	<u>—</u>	<u>422,334</u>
Total Deferred Outflows of Resources	<u>853,673</u>	<u>—</u>	<u>853,673</u>
Total Assets and Deferred Outflows of Resources	<u>31,157,509</u>	<u>2,461,197</u>	<u>33,618,706</u>

	Water Account	Improvement Account	Water Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 276,543	589,027	865,570
Accrued Payroll	23,996	—	23,996
Deposits Payable	2,153	—	2,153
Accrued Interest Payable	109,208	—	109,208
Due to Other Funds	150	—	150
Other Payables	63,000	89,808	152,808
Current Portion of Long-Term Debt	681,399	—	681,399
Total Current Liabilities	<u>1,156,449</u>	<u>678,835</u>	<u>1,835,284</u>
Noncurrent Liabilities			
Compensated Absences Payable	99,839	—	99,839
Net Pension Liability - IMRF	366,585	—	366,585
Total OPEB Liability - RBP	432,609	—	432,609
General Obligation Bonds Payable - Net	6,028,366	—	6,028,366
IEPA Loans Payable	3,422,998	—	3,422,998
Asset Retirement Obligation	535,000	—	535,000
Total Noncurrent Liabilities	<u>10,885,397</u>	<u>—</u>	<u>10,885,397</u>
Total Liabilities	<u>12,041,846</u>	<u>678,835</u>	<u>12,720,681</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Items - IMRF	4,309	—	4,309
Deferred Items - Grants	—	2,000,000	2,000,000
Total Deferred Inflows of Resources	<u>4,309</u>	<u>2,000,000</u>	<u>2,004,309</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,046,155</u>	<u>2,678,835</u>	<u>14,724,990</u>
NET POSITION			
Net Investment in Capital Assets	13,978,096	—	13,978,096
Unrestricted (Deficit)	5,133,258	(217,638)	4,915,620
Total Net Position	<u>19,111,354</u>	<u>(217,638)</u>	<u>18,893,716</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Water - Enterprise Fund - by Account

Combining Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended April 30, 2023

	Water Water Account	Improvement Account	Eliminations	Totals
Operating Revenues		Water		
Charges for Services	\$ 6,244,343	51,212	—	6,295,555
Operating Expenses		Improvement	Eliminations	Totals
Operations	5,395,644	117,595	—	5,513,239
Depreciation and Amortization	2,029,091	—	—	2,029,091
Total Operating Expenses	7,424,735	117,595	—	7,542,330
Operating (Loss)	(1,180,392)	(66,383)	—	(1,246,775)
Nonoperating Revenues (Expenses)		Water		
Investment Income	81,866	—	—	81,866
Other Income	29,951	123,807	—	153,758
Interest Expense	(296,034)	—	—	(296,034)
	(184,217)	123,807	—	(60,410)
Income (Loss) Before Transfers	(1,364,609)	57,424	—	(1,307,185)
Transfers In	1,117,167	—	(174,865)	942,302
Transfers Out	—	(174,865)	174,865	—
	1,117,167	(174,865)	—	942,302
Change in Net Position	(247,442)	(117,441)	—	(364,883)
Net Position - Beginning	19,358,796	(100,197)	—	19,258,599
Net Position - Ending	19,111,354	(217,638)	—	18,893,716

VILLAGE OF MONTGOMERY, ILLINOIS

Water - Enterprise Fund - by Account

Combining Statements of Cash Flows

For the Fiscal Year Ended April 30, 2023

	Water Water Account	Improvement Account	Eliminations	Water Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 6,322,166	(767,924)	—	5,554,242
Payments to Employees	(1,008,867)	—	—	(1,008,867)
Payments to Suppliers	(4,670,412)	2,444,109	—	(2,226,303)
	<u>642,887</u>	<u>1,676,185</u>	—	<u>2,319,072</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	1,117,167	—	(174,865)	942,302
Transfers Out	—	(174,865)	174,865	—
	<u>1,117,167</u>	<u>(174,865)</u>	—	<u>942,302</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(1,256,294)	—	—	(1,256,294)
Principal Paid on Debt	(710,410)	—	—	(710,410)
Interest Paid on Debt	(296,034)	—	—	(296,034)
	<u>(2,262,738)</u>	—	—	<u>(2,262,738)</u>
Cash Flows from Investing Activities				
Investment Income	<u>81,866</u>	—	—	<u>81,866</u>
Net Change in Cash and Cash Equivalents	(420,818)	1,501,320	—	1,080,502
Cash and Cash Equivalents - Beginning	<u>5,461,582</u>	<u>15,485</u>	—	<u>5,477,067</u>
Cash and Cash Equivalents - Ending	<u>5,040,764</u>	<u>1,516,805</u>	—	<u>6,557,569</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating (Loss)	(1,180,392)	(66,383)	—	(1,246,775)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities				
Depreciation	2,029,091	—	—	2,029,091
Other Income	29,951	123,807	—	153,758
(Increase) Decrease in Current Assets	47,872	(942,943)	—	(895,071)
Increase (Decrease) in Current Liabilities	(283,635)	2,561,704	—	2,278,069
Net Cash Provided by Operating Activities	<u>642,887</u>	<u>1,676,185</u>	—	<u>2,319,072</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Water Account - Water - Enterprise Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Water Sales	\$ 4,932,992	4,932,992	4,918,780
Late Charges	149,993	149,993	186,498
Water Service Charges	365,724	365,724	370,942
Delinquent Fees	67,100	67,100	67,810
Sewer Maintenance Charges	159,960	159,960	161,032
BH Infrastructure Fee	508,500	508,500	510,313
Fox Metro Reading Fee	28,725	28,725	28,968
Total Revenues	6,212,994	6,212,994	6,244,343
Operating Expenses			
Operations			
Water Administration	311,346	311,346	282,176
Water Plant Operations	6,463,579	6,463,579	5,113,468
Depreciation and Amortization	—	—	2,029,091
Total Operating Expenses	6,774,925	6,774,925	7,424,735
Operating (Loss)	(561,931)	(561,931)	(1,180,392)
Nonoperating Revenues (Expenses)			
Investment Income	40,000	40,000	81,866
Other Income	29,743	29,743	29,951
Principal Retirement	(710,410)	(710,410)	—
Interest Expense	(302,023)	(302,023)	(296,034)
	(942,690)	(942,690)	(184,217)
(Loss) Before Transfers	(1,504,621)	(1,504,621)	(1,364,609)
Transfers In	—	—	1,117,167
Transfers Out	(2,232,938)	(2,232,938)	—
	(2,232,938)	(2,232,938)	1,117,167
Change in Net Position	(3,737,559)	(3,737,559)	(247,442)
Net Position - Beginning			19,358,796
Net Position - Ending			19,111,354

VILLAGE OF MONTGOMERY, ILLINOIS

Water Account - Water - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Water Administration			
Personal Services	\$ 141,165	141,165	66,828
Contractual Services	167,681	167,681	213,249
Commodities	2,500	2,500	2,099
	311,346	311,346	282,176
Water Plant Operations			
Personal Services	869,480	869,480	942,039
Contractual Services	4,602,863	4,602,863	2,998,026
Commodities	991,236	991,236	1,173,403
	6,463,579	6,463,579	5,113,468
Depreciation and Amortization	—	—	2,029,091
Total Operating Expenses	6,774,925	6,774,925	7,424,735

VILLAGE OF MONTGOMERY, ILLINOIS

Water Improvement Account - Water - Enterprise Fund
Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services	\$ —	—	51,212
Operating Expenses			
Operations	2,408,280	2,408,280	117,595
Operating (Loss)	(2,408,280)	(2,408,280)	(66,383)
Nonoperating Revenues			
Other Income	175,342	175,342	123,807
Income (Loss) Before Transfers	(2,232,938)	(2,232,938)	57,424
Transfers In	2,232,938	2,232,938	—
Transfers Out	—	—	(174,865)
	2,232,938	2,232,938	(174,865)
Change in Net Position	—	—	(117,441)
Net Position - Beginning			(100,197)
Net Position - Ending			<u>(217,638)</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Refuse - Enterprise Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Recycling Fee	\$ 1,404,071	1,404,071	1,416,002
Operating Expenses			
Operations			
Solid Waste Disposal	1,404,071	1,404,071	1,411,530
Change in Net Position			4,472
Net Position - Beginning			13,627
Net Position - Ending			18,099

VILLAGE OF MONTGOMERY, ILLINOIS

Employee Insurance - Internal Service Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 1,372,839	1,372,839	1,374,085
Operating Expenses			
Operations			
Insurance	1,372,839	1,372,839	1,237,472
Operating Income	—	—	136,613
Nonoperating Revenues (Expenses)			
Investment Income	6,000	6,000	37,044
Change in Net Position	6,000	6,000	173,657
Net Position - Beginning			627,278
Net Position - Ending			800,935

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension - Pension Trust Fund

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

For the Fiscal Year Ended April 30, 2023

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 891,330	891,330	891,330
Contributions - Plan Members	292,675	292,675	306,430
Total Contributions	<u>1,184,005</u>	<u>1,184,005</u>	<u>1,197,760</u>
Investment Income			
Interest Earned	1,111,000	1,111,000	91,795
Net Change in Fair Value	—	—	20,604
	<u>1,111,000</u>	<u>1,111,000</u>	<u>112,399</u>
Less Investment Expenses	—	—	(4,558)
Net Investment Income	<u>1,111,000</u>	<u>1,111,000</u>	<u>107,841</u>
Total Additions	<u>2,295,005</u>	<u>2,295,005</u>	<u>1,305,601</u>
Deductions			
Administration	27,785	27,785	25,843
Benefits and Refunds	745,853	745,853	1,407,468
Total Deductions	<u>773,638</u>	<u>773,638</u>	<u>1,433,311</u>
Change in Fiduciary Net Position	<u>1,521,367</u>	<u>1,521,367</u>	<u>(127,710)</u>
Net Position Restricted for Pensions			
Beginning			<u>13,391,192</u>
Ending			<u>13,263,482</u>

VILLAGE OF MONTGOMERY, ILLINOIS**Custodial Funds****Combining Statement of Fiduciary Net Position****April 30, 2023**

	Lakewood Creek Special Assessment	Cornell Special Service Area	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,155,433	8	1,155,441
Receivables			
Property Taxes	—	3,934	3,934
Total Assets	1,155,433	3,942	1,159,375
LIABILITIES			
Accounts Payable	—	—	—
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	1,155,433	3,942	1,159,375

VILLAGE OF MONTGOMERY, ILLINOIS

Custodial Funds

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

	Lakewood Creek Special Assessment	Cornell Special Service Area	Totals
Additions			
Property Taxes	\$ —	3,934	3,934
Charges for Services	903,647	—	903,647
Investment Income	30,250	—	30,250
Total Additions	933,897	3,934	937,831
Deductions			
Contractual Services	55,410	—	55,410
Debt Service			
Principal Retirement	755,858	3,064	758,922
Interest and Fiscal Charges	160,235	870	161,105
Total Deductions	971,503	3,934	975,437
Change in Fiduciary Net Position	(37,606)	—	(37,606)
Restricted for Individuals, Organizations, and Other Governments			
Beginning	1,193,039	3,942	1,196,981
Ending	1,155,433	3,942	1,159,375

VILLAGE OF MONTGOMERY, ILLINOIS**Consolidated Year-End Financial Report****April 30, 2023**

CSFA #	Program Name	State	Federal	Other	Total
444-26-1565	Tobacco Enforcement Program	\$ 634	—	—	634
	State and Community Highway Safety/National Priority Safety				
494-10-0343	Program	—	9,939	—	9,939
	Other Grant Programs and Activities	—	1,031,232	—	1,031,232
	All Other Costs Not Allocated	—	—	28,129,983	28,129,983
	 Totals	 634	 1,041,171	 28,129,983	 29,171,788



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

September 28, 2023

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Montgomery, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated September 28, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Village of Montgomery, Illinois
September 28, 2023

Purpose of this Report

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

SUPPLEMENTAL SCHEDULES

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2013

April 30, 2023

Date of Issue	June 11, 2013
Date of Maturity	December 1, 2038
Authorized Issue	\$4,590,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal				
Year		Principal	Interest	Totals
2024	\$	155,000	133,450	288,450
2025		160,000	128,800	288,800
2026		165,000	122,400	287,400
2027		175,000	115,800	290,800
2028		180,000	108,800	288,800
2029		190,000	101,600	291,600
2030		195,000	94,000	289,000
2031		205,000	86,200	291,200
2032		210,000	78,000	288,000
2033		220,000	69,600	289,600
2034		230,000	60,800	290,800
2035		240,000	51,600	291,600
2036		245,000	42,000	287,000
2037		255,000	32,200	287,200
2038		270,000	22,000	292,000
2039		280,000	11,200	291,200
		<hr/>	<hr/>	<hr/>
		3,375,000	1,258,450	4,633,450

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

Taxable General Obligation Alternate Revenue Source Refunding Bonds of 2014

April 30, 2023

Date of Issue	April 29, 2014
Date of Maturity	December 1, 2024
Authorized Issue	\$3,335,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal				
Year		Principal	Interest	Totals
2024	\$	685,000	48,140	733,140
2025		710,000	24,850	734,850
		<u>1,395,000</u>	<u>72,990</u>	<u>1,467,990</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2017

April 30, 2023

Date of Issue	July 18, 2017
Date of Maturity	December 1, 2037
Authorized Issue	\$3,370,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal				
Year		Principal	Interest	Totals
2024	\$	150,000	94,138	244,138
2025		155,000	89,638	244,638
2026		160,000	84,988	244,988
2027		165,000	80,188	245,188
2028		170,000	75,238	245,238
2029		175,000	70,138	245,138
2030		180,000	64,888	244,888
2031		185,000	59,488	244,488
2032		190,000	53,938	243,938
2033		195,000	48,238	243,238
2034		200,000	41,900	241,900
2035		210,000	35,400	245,400
2036		215,000	27,000	242,000
2037		225,000	18,400	243,400
2038		235,000	9,400	244,400
		<hr/>	<hr/>	<hr/>
		2,810,000	852,980	3,662,980
		<hr/>	<hr/>	<hr/>

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2021

April 30, 2023

Date of Issue	June 29, 2021
Date of Maturity	December 1, 2040
Authorized Issue	\$16,240,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ —	479,450	479,450
2025	—	479,450	479,450
2026	760,000	479,450	1,239,450
2027	795,000	441,450	1,236,450
2028	840,000	401,700	1,241,700
2029	875,000	359,700	1,234,700
2030	920,000	315,950	1,235,950
2031	965,000	269,950	1,234,950
2032	1,010,000	221,700	1,231,700
2033	1,030,000	201,500	1,231,500
2034	1,055,000	180,900	1,235,900
2035	1,075,000	159,800	1,234,800
2036	1,095,000	138,300	1,233,300
2037	1,120,000	116,400	1,236,400
2038	1,140,000	94,000	1,234,000
2039	1,165,000	71,200	1,236,200
2040	1,185,000	47,900	1,232,900
2041	1,210,000	24,200	1,234,200
	16,240,000	4,483,000	20,723,000

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2011

April 30, 2023

Date of Issue	October 20, 2011
Date of Maturity	April 19, 2032
Authorized Issue	\$4,310,177
Interest Rate	1.25%
Interest Dates	April 19 and October 19
Principal Maturity Date	April 19 and October 19
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 224,965	25,915	250,880
2025	227,786	23,094	250,880
2026	230,642	20,238	250,880
2027	233,534	17,346	250,880
2028	236,462	14,418	250,880
2029	239,427	11,453	250,880
2030	242,429	8,451	250,880
2031	245,469	5,411	250,880
2032	248,548	2,331	250,879
	<hr/> <u>2,129,262</u>	<hr/> <u>128,657</u>	<hr/> <u>2,257,919</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2014

April 30, 2023

Date of Issue	June 1, 2014
Date of Maturity	December 1, 2034
Authorized Issue	\$2,392,635
Interest Rate	1.995%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2024	\$ 122,319	32,133	154,452
2025	124,773	29,679	154,452
2026	127,274	27,178	154,452
2027	129,826	24,626	154,452
2028	132,429	22,023	154,452
2029	135,084	19,368	154,452
2030	137,792	16,660	154,452
2031	140,555	13,897	154,452
2032	143,373	11,079	154,452
2033	146,248	8,204	154,452
2034	149,180	5,272	154,452
2035	152,167	2,285	154,452
	<hr/> <u>1,641,020</u>	<hr/> <u>212,404</u>	<hr/> <u>1,853,424</u>

STATISTICAL SECTION (Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

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

	2014	2015	2016
Governmental Activities			
Net Investment in Capital Assets	\$ 50,229,557	48,714,620	46,661,769
Restricted	3,332,376	3,094,319	3,113,629
Unrestricted (Deficit)	3,083,037	3,583,910	249,053
Total Governmental Activities Net Position	56,644,970	55,392,849	50,024,451
Business-Type Activities			
Net Investment in Capital Assets	26,974,755	25,650,151	20,879,292
Unrestricted	2,224,460	2,596,797	2,957,829
Total Business-Type Activities Net Position	29,199,215	28,246,948	23,837,121
Primary Government			
Net Investment in Capital Assets	77,204,312	74,364,771	67,541,061
Restricted	3,332,376	3,094,319	3,113,629
Unrestricted	5,307,497	6,180,707	3,206,882
Total Primary Government Net Position	85,844,185	83,639,797	73,861,572

Data Source: Audited Financial Statements

* The Economic Development (Revolving Loan) Fund was dissolved on October 11, 2016 by the Illinois Department of Commerce and Economic Opportunity. All money was released to Village control to be expended in any manner deemed appropriate by the Village.

** The Village implemented GASB Nos. 74 and 75 as of April 30, 2019.

2017*	2018	2019**	2020	2021	2022	2023
45,991,729	44,692,893	43,943,173	42,946,474	41,961,058	40,033,420	40,803,687
1,662,150	1,284,243	2,023,667	2,650,328	4,888,818	5,281,680	6,781,450
2,739,824	3,079,607	(1,222,705)	(3,281,565)	(2,682,301)	1,432,233	5,374,581
50,393,703	49,056,743	44,744,135	42,315,237	44,167,575	46,747,333	52,959,718
20,383,154	19,146,577	18,355,971	16,719,681	15,261,554	13,984,150	13,978,096
3,302,664	3,179,608	2,176,430	3,794,068	4,935,241	5,288,076	4,933,719
23,685,818	22,326,185	20,532,401	20,513,749	20,196,795	19,272,226	18,911,815
66,374,883	63,839,470	62,299,144	59,666,155	57,222,612	54,017,570	54,781,783
1,662,150	1,284,243	2,023,667	2,650,328	4,888,818	5,281,680	6,781,450
6,042,488	6,259,215	953,725	512,503	2,252,940	6,720,309	10,308,300
74,079,521	71,382,928	65,276,536	62,828,986	64,364,370	66,019,559	71,871,533

VILLAGE OF MONTGOMERY, ILLINOIS

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental Activities										
General Government	\$ 3,215,504	3,543,827	4,000,986	4,244,641	4,116,922	4,200,723	6,387,862	5,011,178	4,490,044	6,385,513
Public Safety	5,001,049	4,948,830	5,805,768	5,678,585	6,129,886	6,313,301	6,782,631	6,726,856	6,966,682	7,704,522
Highways and Streets	4,608,540	4,376,423	5,085,800	5,719,404	7,466,762	7,298,111	8,252,272	7,895,794	8,240,386	5,422,126
Sanitation *	1,265,497	64,954	—	—	—	—	—	—	—	—
Interest on Long-Term Debt	466,594	358,069	344,003	318,881	296,284	261,329	208,114	169,165	809,417	409,733
Total Governmental Activities Expenses	14,557,184	13,292,103	15,236,557	15,961,511	18,009,854	18,073,464	21,630,879	19,802,993	20,506,529	19,921,894
Business-Type Activities										
Water	5,235,850	5,528,881	5,507,018	5,864,400	6,224,449	6,196,236	6,488,139	6,943,904	7,304,945	7,838,364
Refuse *	—	1,235,387	1,293,243	1,332,282	1,213,171	1,198,372	1,237,572	1,292,619	1,355,620	1,411,530
Total Business-Type Activities Expenses	5,235,850	6,764,268	6,800,261	7,196,682	7,437,620	7,394,608	7,725,711	8,236,523	8,660,565	9,249,894
Total Primary Government Expenses	19,793,034	20,056,371	22,036,818	23,158,193	25,447,474	25,468,072	29,356,590	28,039,516	29,167,094	29,171,788
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	749,477	560,053	488,315	603,044	676,638	691,978	966,971	943,663	956,177	1,243,108
Public Safety	478,482	314,769	509,588	271,302	235,286	334,673	295,685	297,355	297,238	325,058
Highways and Streets	607,452	648,251	713,056	621,374	640,824	618,241	659,160	682,834	1,012,753	2,008,975
Sanitation *	1,190,325	7,852	—	—	—	—	—	—	—	—
Operating Grants and Contributions	605,838	673,299	1,319,509	681,547	655,684	526,178	770,589	2,377,050	1,395,873	496,899
Capital Grants and Contributions	195,711	6,783	—	403,637	—	—	—	—	—	558,991
Total Governmental Activities Program Revenues	3,827,285	2,211,007	3,030,468	2,580,904	2,208,432	2,171,070	2,692,405	4,300,902	3,662,041	4,633,031
Business-Type Activities										
Charges for Services										
Water	4,114,506	5,689,543	5,864,368	6,205,808	5,930,548	6,113,989	6,354,241	6,789,258	5,836,790	6,295,555
Refuse *	39,361	117,113	—	587,125	—	—	327,702	672,298	1,359,618	1,416,002
Total Business-Type Activities Program Revenues	4,153,867	5,807,256	5,864,368	6,792,933	5,930,548	6,113,989	6,681,943	7,461,556	7,196,408	7,711,557
Total Primary Government Program Revenues	7,981,152	8,018,263	8,894,836	9,373,837	8,138,980	8,285,059	9,374,348	11,762,458	10,858,449	12,344,588

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense) Revenue										
Government Activities	\$ (10,729,899)	(11,081,096)	(12,206,089)	(13,380,607)	(15,801,422)	(15,902,394)	(18,938,474)	(15,502,091)	(16,844,488)	(15,288,863)
Business-Type Activities	(1,081,983)	(957,012)	(935,893)	(403,749)	(1,507,072)	(1,280,619)	(1,043,768)	(774,967)	(1,464,157)	(1,538,337)
Total Primary Government Net (Expense) Revenue	<u><u>(11,811,882)</u></u>	<u><u>(12,038,108)</u></u>	<u><u>(13,141,982)</u></u>	<u><u>(13,784,356)</u></u>	<u><u>(17,308,494)</u></u>	<u><u>(19,982,242)</u></u>	<u><u>(16,277,058)</u></u>	<u><u>(18,308,645)</u></u>	<u><u>(16,822,700)</u></u>	
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes	2,607,364	2,650,814	2,681,695	2,833,737	2,811,662	3,447,801	3,743,444	3,841,421	3,911,419	4,074,929
Property Taxes	1,391,352	1,324,207	1,256,073	1,330,011	1,248,464	1,280,686	1,193,929	1,184,554	1,334,160	1,933,189
Utility Taxes										
Video Gaming Taxes	17,477	48,392	60,261	69,783	110,129	131,588	135,367	126,539	231,672	263,440
Cannabis Taxes	—	—	—	—	—	—	3,886	16,314	30,865	31,541
Intergovernmental - Unrestricted										
Sales Taxes	2,851,053	3,169,321	5,967,427	6,565,069	7,141,902	7,587,026	7,856,323	8,310,885	9,487,212	9,919,640
Income Taxes	1,796,712	1,805,718	1,964,982	1,742,849	1,677,747	1,907,508	1,814,022	2,238,047	3,098,877	3,118,150
Replacement Taxes	76,855	66,610	56,272	68,467	64,221	61,977	67,840	86,049	187,562	212,001
Local Use Taxes	316,541	370,691	436,512	456,796	487,302	566,143	652,788	845,150	746,446	837,428
TIF Surplus	—	—	—	—	15,785	11,307	14,392	9,339	11,330	13,177
American Rescue Plan	—	—	—	—	—	—	—	—	—	990,812
Franchise Fees	218,343	237,577	258,965	261,152	246,034	250,229	241,068	222,507	221,506	—
Investment Income (Loss)	16,143	25,919	44,614	44,830	112,229	220,896	246,982	149,734	(127,604)	800,583
Miscellaneous	269,258	129,626	288,798	377,165	301,864	321,695	539,535	323,890	290,801	248,660
Internal Activity - Transfers	—	—	—	—	—	—	—	—	—	(942,302)
Total Government Activities	9,561,098	9,828,975	13,015,599	13,749,859	14,217,339	15,786,836	16,509,576	17,354,429	19,424,246	21,501,248
Business-Type Activities										
Investment Income (Loss)	1,373	4,745	19,148	24,775	59,077	104,802	84,921	52,921	(32,143)	81,866
Miscellaneous	—	—	71,058	227,671	88,362	122,744	940,195	405,092	571,731	153,758
Internal Activity - Transfers	—	—	—	—	—	—	—	—	—	942,302
Total Business-Type Activities	1,373	4,745	90,206	252,446	147,439	227,546	1,025,116	458,013	539,588	1,177,926
Total Primary Government	9,562,471	9,833,720	13,105,805	14,002,305	14,364,778	16,014,382	17,534,692	17,812,442	19,963,834	22,679,174
Changes in Net Position										
Governmental Activities	(1,168,801)	(1,252,121)	809,510	369,252	(1,584,083)	(115,558)	(2,428,898)	1,852,338	2,579,758	6,212,385
Business-Type Activities	(1,080,610)	(952,267)	(845,687)	(151,303)	(1,359,633)	(1,053,073)	(18,652)	(316,554)	(924,569)	(360,411)
Total Primary Government Changes in Net Position	<u><u>(2,249,411)</u></u>	<u><u>(2,204,388)</u></u>	<u><u>(36,177)</u></u>	<u><u>217,949</u></u>	<u><u>(2,943,716)</u></u>	<u><u>(1,168,631)</u></u>	<u><u>(2,447,550)</u></u>	<u><u>1,535,384</u></u>	<u><u>1,655,189</u></u>	<u><u>5,851,974</u></u>

Data Source: Audited Financial Statements

* The Refuse Fund (Sanitation) changed from a department in the General Fund during the year ended April 30, 2015.

VILLAGE OF MONTGOMERY, ILLINOIS

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

	2014	2015	2016
General Fund			
Nonspendable	\$ 754,783	686,895	617,742
Unassigned	<u>2,799,352</u>	<u>2,972,861</u>	<u>3,394,156</u>
Total General Fund	<u>3,554,135</u>	<u>3,659,756</u>	<u>4,011,898</u>
All Other Governmental Funds			
Restricted	3,332,376	3,094,319	3,169,718
Assigned	388,966	585,659	2,221,199
Unassigned	<u>(360,486)</u>	<u>(129,852)</u>	<u>(30,090)</u>
Total All Other Governmental Funds	<u>3,360,856</u>	<u>3,550,126</u>	<u>5,360,827</u>
Total Governmental Funds	<u>6,914,991</u>	<u>7,209,882</u>	<u>9,372,725</u>

Data Source: Audited Financial Statements

*The Economic Development (Revolving Loan) Fund was dissolved on October 11, 2016 by the Illinois Department of Commerce and Economic Opportunity. All money was released to Village control to be expended in any manner deemed appropriate by the Village.

2017*	2018	2019	2020	2021	2022	2023
549,233	481,703	377,270	483,486	590,419	633,284	550,277
3,488,826	3,625,645	4,440,049	4,511,552	4,404,648	4,707,601	4,906,322
<hr/>						
4,038,059	4,107,348	4,817,319	4,995,038	4,995,067	5,340,885	5,456,599
<hr/>						
1,712,350	1,335,443	2,073,534	2,700,328	4,936,276	18,550,564	9,970,739
4,819,428	5,170,063	4,532,941	4,239,488	5,065,379	8,631,041	10,828,194
—	—	—	—	(1,980)	(11,847)	(15,908)
<hr/>						
6,531,778	6,505,506	6,606,475	6,939,816	9,999,675	27,169,758	20,783,025
<hr/>						
10,569,837	10,612,854	11,423,794	11,934,854	14,994,742	32,510,643	26,239,624
<hr/>						

VILLAGE OF MONTGOMERY, ILLINOIS

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

	2014	2015*	2016
Revenues			
Property Taxes	\$ 2,607,364	2,650,814	2,681,695
Other Taxes	5,231,904	5,628,806	1,316,334
Licenses, Permits and Fees	401,960	394,959	447,653
Intergovernmental	2,011,067	1,830,460	9,744,702
Fines and Forfeitures	301,446	308,703	341,152
Charges for Services	2,293,343	944,616	1,158,907
Investment Income (Loss)	16,143	25,919	44,614
Miscellaneous	738,124	249,051	288,798
Total Revenues	13,601,351	12,033,328	16,023,855
Expenditures			
General Government	2,674,004	2,908,916	3,099,920
Public Safety	4,342,408	4,329,070	4,434,450
Highways and Streets	3,012,767	2,891,627	3,678,986
Sanitation **	1,265,497	64,954	—
Capital Outlay	483,766	471,361	1,368,627
Debt Service			
Principal Retirement	1,297,966	738,396	828,071
Interest and Fiscal Charges	474,225	340,767	364,061
Total Expenditures	13,550,633	11,745,091	13,774,115
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,718	288,237	2,249,740
Other Financing Sources (Uses)			
Debt Issuance	3,644,433	—	—
Premium on Debt Issuance	21,989	—	—
Payment to Escrow Agent	(3,289,345)	—	—
Disposal of Capital Assets	31,176	6,654	68,650
Transfers In	1,681,117	968,253	1,492,113
Transfers Out	(1,681,117)	(968,253)	(1,492,113)
	408,253	6,654	68,650
Net Change in Fund Balances	458,971	294,891	2,318,390
Debt Service as a Percentage of Noncapital Expenditures	13.65%	9.54%	9.44%

Data Source: Audited Financial Statements

* The Sanitation (Refuse) function changed from a department in the General Fund to an Enterprise Fund during the year ended April 30, 2015.

2017	2018	2019	2020	2021	2022	2023
2,833,737	2,811,662	3,447,801	3,743,444	3,841,421	3,911,419	4,074,929
1,399,794	1,358,593	1,412,254	1,333,182	1,327,407	1,596,697	2,228,170
525,473	427,199	460,164	672,228	569,477	612,232	16,147,098
9,514,728	10,042,641	10,660,139	11,175,954	13,845,927	14,927,300	538,831
255,857	216,061	282,892	275,223	279,382	246,120	225,783
1,016,400	1,044,839	1,148,011	1,337,013	1,367,939	1,646,341	2,675,914
44,824	110,396	212,669	237,228	142,290	(124,500)	763,539
377,165	301,244	244,525	283,664	192,226	290,801	248,660
15,967,978	16,312,635	17,868,455	19,057,936	21,566,069	23,106,410	26,902,924
3,621,280	3,582,411	3,602,701	3,811,506	4,211,225	4,359,372	4,745,347
4,837,851	5,279,814	5,263,236	5,640,813	5,994,220	6,213,185	6,642,166
4,129,972	5,577,214	5,604,072	6,831,874	6,089,198	6,819,265	3,817,594
—	—	—	—	—	—	—
1,251,522	1,129,429	927,016	748,288	1,029,815	2,970,373	15,813,119
755,000	810,000	1,375,000	1,385,000	1,025,000	870,000	665,000
334,965	312,015	285,490	225,453	166,713	625,090	548,415
14,930,590	16,690,883	17,057,515	18,642,934	18,516,171	21,857,285	32,231,641
1,037,388	(378,248)	810,940	415,002	3,049,898	1,249,125	(5,328,717)
—	—	—	—	—	16,240,000	—
—	—	—	—	—	1,511,394	—
—	—	—	—	—	(1,492,111)	—
159,724	174,142	—	96,058	9,990	7,493	—
1,084,076	1,162,439	1,656,790	1,608,278	2,553,809	2,671,836	1,941,165
(1,084,076)	(1,162,439)	(1,656,790)	(1,608,278)	(2,553,809)	(2,671,836)	(2,883,467)
159,724	174,142	—	96,058	9,990	16,266,776	(942,302)
1,197,112	(204,106)	810,940	511,060	3,059,888	17,515,901	(6,271,019)
7.86%	7.06%	10.24%	8.87%	6.77%	7.99%	6.30%

VILLAGE OF MONTGOMERY, ILLINOIS

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

Tax Levy Year		Residential Property	Commercial Property	Industrial Property
2013	Kane County	\$ 95,690,557	\$ 15,832,182	\$ 42,166,350
	Kendall County	173,665,059	30,805,075	2,773,279
2014	Kane County	93,950,487	15,891,731	40,619,798
	Kendall County	171,747,048	31,054,702	2,773,279
2015	Kane County	98,338,791	15,564,174	41,358,775
	Kendall County	176,394,904	32,053,647	2,773,279
2016	Kane County	108,568,782	16,037,793	42,098,691
	Kendall County	198,500,016	31,838,517	2,773,279
2017	Kane County	116,542,473	16,680,893	42,863,804
	Kendall County	210,473,440	32,512,305	2,773,279
2018	Kane County	124,172,746	19,251,029	47,928,447
	Kendall County	226,660,110	33,337,544	2,773,279
2019	Kane County	131,975,374	20,052,122	47,563,340
	Kendall County	238,717,322	36,043,368	2,993,873
2020	Kane County	139,057,427	20,623,242	49,421,934
	Kendall County	251,810,811	36,202,110	2,993,873
2021	Kane County	145,310,112	22,377,391	51,487,377
	Kendall County	270,940,448	42,396,473	2,993,873
2022	Kane County	154,122,848	24,237,295	56,710,935
	Kendall County	296,534,793	50,360,114	2,993,873

Date Source: Village and County Records (Rate Setting EAV)

Railroad Property	Farm Property	Total Equalized Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed to Total Actual Value	Total Direct Tax Rate
\$ 1,054,188	\$ 399,615	\$ 155,142,892	\$ 465,428,676	33.33%	0.0629
10,056	150,992	207,404,461	622,213,383	33.33%	0.5824
		<u>362,547,353</u>	<u>1,087,642,059</u>		
1,062,546	396,287	151,920,849	455,762,547	33.33%	0.5989
10,056	163,392	205,748,477	617,245,431	33.33%	0.5937
		<u>357,669,326</u>	<u>1,073,007,978</u>		
1,114,199	417,234	156,793,173	470,379,519	33.33%	0.5883
10,056	180,852	211,412,738	634,238,214	33.33%	0.5804
		<u>368,205,911</u>	<u>1,104,617,733</u>		
1,263,415	426,791	168,395,472	505,186,416	33.33%	0.5387
10,056	189,322	233,311,190	699,933,570	33.33%	0.5391
		<u>401,706,662</u>	<u>1,205,119,986</u>		
1,408,869	424,682	177,920,721	533,762,163	33.33%	0.0534
10,056	198,652	245,967,732	737,903,196	33.33%	0.5125
		<u>423,888,453</u>	<u>1,271,665,359</u>		
1,513,472	503,549	193,369,243	580,107,729	33.33%	0.0471
34,962	208,952	263,014,847	789,044,541	33.33%	0.4851
		<u>456,384,090</u>	<u>1,369,152,270</u>		
1,755,043	539,472	201,885,351	605,656,053	33.33%	0.0427
51,654	220,299	278,026,516	834,079,548	33.33%	0.4549
		<u>479,911,867</u>	<u>1,439,735,601</u>		
2,122,285	577,506	211,802,394	635,407,182	33.33%	0.0408
44,025	232,679	291,283,498	873,850,494	33.33%	0.4602
		<u>503,085,892</u>	<u>1,509,257,676</u>		
2,533,135	617,221	222,325,236	666,975,708	33.33%	0.4340
45,052	245,509	316,621,355	949,864,065	33.33%	0.4340
		<u>538,946,591</u>	<u>1,616,839,773</u>		
2,840,954	517,514	238,429,546	715,288,638	33.33%	0.4182
52,423	260,425	350,201,628	1,050,604,884	33.33%	0.4185
		<u>588,631,174</u>	<u>1,765,893,522</u>		

VILLAGE OF MONTGOMERY, ILLINOIS

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

	2013 (1)	2014 (2)	2015 (2)
Village of Montgomery			
General Corporate	0.2573	0.2667	0.2607
IMRF	0.0606	0.0629	0.0615
Liability Insurance	0.0714	0.0740	0.0724
Social Security	0.0606	0.0629	0.0615
Police Pension	0.1227	0.1272	0.1243
Police Protection	—	—	—
Prior Year Adjustment	—	—	—
 Total Direct Tax Rates	 0.5726	 0.5937	 0.5804
 Overlapping Rates	 0.4623	 —	 —
Kane County	0.3039	—	—
Kane County Forest Preserve District	—	0.8085	0.7909
Kendall County	—	0.1826	0.1787
Kendall County Forest Preserve District	0.2517	—	—
Aurora Township	0.1104	—	—
Aurora Township Road District	—	0.0947	0.0904
Oswego Township	—	0.2124	0.2027
Oswego Township Road District	0.8000	—	—
Montgomery Fire Protection District	—	0.8045	0.7871
Oswego Fire Protection District	0.2999	0.3058	0.2996
Oswego Library District	0.6280	—	—
Fox Valley Park District	—	0.5103	0.4973
Oswegoland Park District	6.6667	—	—
Unit School District Number 129	—	7.8803	7.3176
Unit School District Number 308	0.5807	0.5973	0.5885
 Total Overlapping Tax Rates	 10.1036	 11.3964	 10.7528
 Total Direct and Overlapping Rates	 10.6762	 11.9901	 11.3332

Notes:

Property tax rates are per \$100 of assessed valuation

(1) Representative tax rates for other government units are from Kane County Tax Code AU013, which represents the largest portion of the Village's 2012 to 2013 and 2017 to 2020 EAV

(2) Representative tax rates for other government units are from Kendall County Tax Code OS009, which represents the largest portion of the Village's 2014 to 2016 EAV

Data Source: Offices of the Kane County and Kendall County Clerks

2016 (2)	2017 (1)	2018 (1)	2019 (1)	2020 (1)	2021	2022
0.1384	0.1376	0.1246	0.1355	0.1173	0.1127	0.1087
0.0571	0.0542	0.0514	0.0379	0.0350	0.0334	0.0322
0.0733	0.0696	0.0660	0.0555	0.0389	0.0371	0.0358
0.0593	0.0563	0.0534	0.0471	0.0427	0.0408	0.0394
0.1451	0.1315	0.1306	0.1428	0.1652	0.1633	0.1574
0.0659	0.0625	0.0593	0.0584	0.0486	0.0464	0.0447
—	0.0019	0.0098	(0.0002)	(0.0088)	0.0003	—
0.5391	0.5136	0.4951	0.4770	0.4389	0.4340	0.4182
—	0.4025	0.3877	0.3739	0.3618	0.3522	0.3322
—	0.1658	0.1607	0.1549	0.1477	0.1435	0.1367
0.7477	—	—	—	—	—	—
0.1755	—	—	—	—	—	—
—	0.2163	0.2210	0.2107	0.2002	0.1884	0.1709
—	0.0961	0.0917	0.0887	0.0858	0.0826	0.0802
0.0855	—	—	—	—	—	—
0.1917	—	—	—	—	—	—
—	0.7460	0.7099	0.7055	0.6786	0.6446	0.6280
0.7524	—	—	—	—	—	—
0.2864	0.2816	0.2724	0.2782	0.2518	0.2585	0.2541
—	0.5322	0.4903	0.4916	0.4557	0.4337	0.4199
0.4764	—	—	—	—	—	—
—	5.9882	5.8301	5.6274	5.4393	5.2857	5.1444
6.9712	—	—	—	—	—	—
0.5601	0.5533	0.5414	0.5377	0.4286	0.4710	0.4656
10.2469	8.9820	8.7052	8.4686	8.0495	7.8602	7.6320
10.7860	9.4956	9.2003	8.9456	8.4884	8.2942	8.0502

VILLAGE OF MONTGOMERY, ILLINOIS

Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago
April 30, 2023 (Unaudited)

Taxpayer	Value	Rank	Taxpayer	2022 Tax Levy		2013 Tax Levy		Percentage of Total Village Taxable Assessed Value
				Taxable Assessed	Value	Taxable Assessed	Value	
United Facilities, Inc.	\$ 15,063,810	1	2.56%	United Facilities		\$ 9,603,598	1	2.65%
Montgomery Properties LLC	9,752,439	2	1.66%	Wal-mart Stores Inc.		5,441,216	2	1.50%
American Crystal Sugar Co.	8,853,338	3	1.50%	Menards, Inc		3,187,856	3	0.88%
Allsteel 900 Knell LLC	4,940,884	4	0.84%	Fox River Foods Inc		2,781,422	4	0.77%
Wal-mart Stores Inc.	4,505,391	5	0.77%	2001 Baseline Road LLC		2,709,745	5	0.75%
Victorian My Mazel LLC	4,338,403	6	0.74%	IP Eat Five LLC		2,549,845	6	0.70%
Montgomery Investors LLC	3,680,629	7	0.63%	JC Penny Properties, Inc.		2,188,961	7	0.60%
IP Eat Five LLC	3,239,107	8	0.55%	Centerpoint Properties		2,371,133	8	0.65%
Carl Buddig & Co.	3,187,646	9	0.54%	Monmouth Capital Corp.		2,249,601	9	0.62%
Fox River Foods Inc.	3,081,439	10	0.52%	Victorian Apartments LLC		1,827,876	10	0.50%
Total	<u><u>60,643,086</u></u>		<u><u>10.30%</u></u>			<u><u>34,911,253</u></u>	<u><u>9.63%</u></u>	
2022 EAV	<u><u>\$ 588,631,174</u></u>		2013 EAV			<u><u>\$ 362,547,353</u></u>		

Data Source: Kane and Kendall Counties Assessors (The 2022 EAV is the most current)

VILLAGE OF MONTGOMERY, ILLINOIS

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

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 2,096,375	\$ 2,093,262	99.85%	\$ 2,020	\$ 2,095,282	99.95%
2014	2,131,362	2,128,444	99.86%	12,511	2,140,955	100.45%
2015	2,136,891	2,131,871	99.77%	3,779	2,135,650	99.94%
2016	2,164,974	2,162,561	99.89%	(2,183)	2,160,378	99.79%
2017	2,174,319	2,172,629	99.92%	—	2,172,629	99.92%
2018	2,233,407	2,231,693	99.92%	—	2,231,693	99.92%
2019	2,227,811	2,224,971	99.87%	—	2,224,971	99.87%
2020	2,270,093	2,269,701	99.98%	—	2,269,701	99.98%
2021	2,336,464	2,336,463	100.00%	—	2,336,463	100.00%
2022	2,461,761	*	*	*	*	*

Data Source: Village Records

*Taxes are collected in two installments due in June and September of the following year.

Note: The percentage collected may exceed 100% due to the use of a weighted average of taxes levied by two counties.

VILLAGE OF MONTGOMERY, ILLINOIS

Sales Tax Base - Taxable Sales by Category - Last Ten Calendar Years
April 30, 2023 (Unaudited)

Category	2013	2014	2015 (2)
General Merchandise	\$ 731,581	884,321	1,489,844
Food	179,076	161,385	245,183
Drinking and Eating Places	174,763	171,217	327,968
Apparel	14,019	15,067	24,467
Furniture & H.H. & Radio	22,547	9,446	33,435
Lumber, Building Hardware	381,898	424,927	652,700
Automobile and Filling Stations	439,511	416,930	526,431
Drugs and Miscellaneous Retail	329,801	354,712	449,040
Agriculture and All Others	385,633	360,361	927,918
Manufacturers	170,761	208,833	330,015
Censored (1)	<u>8,346</u>	<u>18,700</u>	<u>12,132</u>
Totals	<u>2,837,936</u>	<u>3,025,899</u>	<u>5,019,133</u>
Village Portion of State Sales Tax Rate	1.00%	1.00%	1.00%
Village Non-Home Rule Rate	—%	—%	1.00%
Totals	<u>1.00%</u>	<u>1.00%</u>	<u>2.00%</u>

Notes:

(1) Censored - The State will not release data if 4 or fewer businesses are included in a particular category for each County.

(2) The Village Non-Home Rule Sales Tax was implemented on July 1, 2015.

(3) The above numbers are the total sales tax dollars received by the Village before applicable sales tax rebates.

Data Source: Illinois Department of Revenue SIC Reporting

2016	2017	2018	2019	2020	2021	2022
1,190,970	1,237,033	1,254,109	1,290,509	1,195,077	1,197,255	1,166,008
1,048,995	1,208,296	1,736,738	1,820,355	1,917,507	2,118,785	2,419,381
450,668	501,084	518,035	497,951	491,359	602,973	682,119
32,781	37,558	41,964	38,410	—	51,331	60,999
28,547	29,595	17,397	56,064	41,412	62,642	50,229
878,745	883,918	925,284	978,447	1,190,904	1,245,094	1,229,254
677,443	742,106	777,910	760,091	690,846	808,983	1,014,561
578,138	728,736	724,141	731,524	801,553	1,312,607	1,324,902
1,066,314	1,050,707	1,102,859	1,145,558	1,172,402	1,476,337	1,609,478
509,575	550,425	416,946	477,130	390,417	476,391	552,344
14,538	23,887	35,699	13,520	39,290	—	—
6,476,714	6,993,345	7,551,082	7,809,559	7,930,767	9,352,398	10,109,275
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

VILLAGE OF MONTGOMERY, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years

April 30, 2023 (Unaudited)

Fiscal Year		Village Portion of State	State Portion of State	Total State	Village Non-Home Rule Rate	Regional Transportation Authority Rate	Public Safety Rate	Total Rate Village (Kendall County)
		Rate	Rate	Rate	Rate	Rate	Rate	(Kendall County)
2013	Kane County	1.00%	5.25%	6.25%	—%	0.75%	—%	7.00%
	Kendall County	1.00%	5.25%	6.25%	—%	—%	1.00%	7.25%
2014	Kane County	1.00%	5.25%	6.25%	—%	0.75%	—%	7.00%
	Kendall County	1.00%	5.25%	6.25%	—%	—%	1.00%	7.25%
2015	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2016	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2017	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2018	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2019	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2020	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2021	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2022	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%

Data Source: Village and State Records

Note: The rates listed in this table apply to sales of general merchandise. Sales of food not prepared for immediate consumption, drugs and titled vehicles are subject to a different tax rate. This rate is 1.75% in Kane County and 1.00% in Kendall County for sales of food and 7.00% in Kane County and 6.25% in Kendall County for sales of titled vehicles.

VILLAGE OF MONTGOMERY, ILLINOIS

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

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Source Bonds	Lease Payable	General Obligation	Alternate Revenue	Source Bonds	IEPA Loans		
2014	\$ 11,336,945	\$ 201,467	\$ 6,431,249	\$ 4,627,334	\$ 22,596,995		4.73%	\$ 1,225.57
2015	10,655,742	103,071	5,995,585	6,759,592	23,513,990		4.87%	1,275.30
2016	9,891,082	—	5,540,147	6,534,438	21,965,667		4.56%	1,191.33
2017	9,101,691	—	5,069,944	6,159,856	20,331,491		3.96%	1,102.70
2018	8,262,302	—	8,095,875	5,778,319	22,136,496		4.15%	1,200.59
2019	6,864,771	—	7,570,586	5,390,258	19,825,615		3.67%	1,075.26
2020	5,464,385	—	7,274,750	4,995,551	17,734,686		3.23%	961.86
2021	4,431,166	—	6,969,593	4,594,071	15,994,830		2.50%	789.40
2022	19,814,732	—	6,665,138	4,185,692	30,665,562		4.87%	1,513.45
2023	19,002,097	—	6,351,388	3,770,282	29,123,767		4.56%	1,437.36

Data Source: Village Records

Notes:

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years April 30, 2023 (Unaudited)

Fiscal Year	Gross General Obligation Bonds	Debt Payable From Other Sources	Net General Obligation Bonds	Total Estimated Actual Value of Taxable Property	Percentage of Estimated Actual Value of Taxable Property (1)	Per Capita (2)
2014	\$ 17,768,194	\$ 59,033	\$ 17,709,161	\$ 1,087,642,059	1.63%	\$ 960.47
2015	16,651,327	56,089	16,595,238	1,073,007,978	1.55%	900.06
2016	15,431,229	—	15,431,229	1,104,617,733	1.40%	836.93
2017	14,171,635	—	14,171,635	1,205,119,986	1.18%	768.61
2018	16,358,177	—	16,358,177	1,271,665,359	1.29%	887.20
2019	14,435,357	—	14,435,357	1,369,152,270	1.05%	782.91
2020	12,739,135	—	12,739,135	1,439,735,601	0.88%	690.92
2021	11,400,759	—	11,400,759	1,509,257,676	0.76%	562.67
2022	26,479,870	—	26,479,870	1,616,839,773	1.64%	1,306.87
2023	25,353,485	—	25,353,485	1,765,893,522	1.44%	1,251.28

Data Source: Village Records

Notes:

Details regarding the Village's outstanding debt can be found in the notes to the financial statements. See Demographic and Economic Statistics schedule for population data.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

VILLAGE OF MONTGOMERY, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt

April 30, 2023 (Unaudited)

Governmental Unit	Governmental Activities Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Montgomery	\$ 19,002,097	100.00%	\$ 19,002,097
Less: Self-Supported Debt	(19,002,097)	100.00%	(19,002,097)
Net Direct Bonded Debt	—	—	—
School Districts:			
School District #115	49,205,000	9.86%	4,851,613
School District #129	101,098,000	5.85%	5,914,233
School District #131	134,190,000	3.94%	5,287,086
School District #302	54,197,866	4.13%	2,238,372
School District #308	233,488,792	11.32%	26,430,931
Community College District #516	30,550,000	4.72%	1,441,960
Total School Districts	602,729,658		46,164,195
Other Agencies:			
Kane County	20,045,000	1.37%	274,617
Kendall County	14,985,000	8.48%	1,270,728
Kane County Forest Preserve District	95,120,000	1.37%	1,303,144
Kendall County Forest Preserve District	22,565,000	8.48%	1,913,512
Fox Valley Park District	15,374,180	9.00%	1,383,676
Oswegoland Park District	1,000,000	3.19%	31,900
Oswego Library District	3,010,000	21.03%	633,003
Sugar Grove Library District	815,000	12.71%	103,587
Total Other Agencies	172,914,180		6,914,166
Total Overlapping Debt	775,643,838		53,078,361
Total Direct and Overlapping Debt	775,643,838		53,078,361

Data Source: Kane and Kendall Clerks

Note: Overlapping and bonded debt percentages based on 2022 EAV, the most current available.

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

VILLAGE OF MONTGOMERY, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

	2014	2015	2016
Assessed Value of Property	<u>\$ 362,547,353</u>	<u>357,669,326</u>	<u>368,205,911</u>
Debt Limit			
8.625% of Assessed Value	31,269,709	30,848,979	31,757,760
Total Debt Applicable to Limit	—	—	—
Legal Debt Margin	<u>31,269,709</u>	<u>30,848,979</u>	<u>31,757,760</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	— %	— %	— %

Data Source: Audited Financial Statements

2017	2018	2019	2020	2021	2022	2023
401,706,662	423,888,453	456,384,090	479,911,867	503,085,892	538,946,591	588,631,174
34,647,200	36,560,379	39,363,128	41,392,399	43,391,158	46,484,143	50,769,439
—	—	—	—	—	—	—
34,647,200	36,560,379	39,363,128	41,392,399	43,391,158	46,484,143	50,769,439
— %	— %	— %	— %	— %	— %	— %

VILLAGE OF MONTGOMERY, ILLINOIS

Pledged Revenue Coverage - Last Ten Fiscal Years
April 30, 2023 (Unaudited)

Fiscal Year	General Obligation Alternate Revenue Source Bonds and IEPA Loans						
	Water Charges and Other	Less: Operating Expenses (1)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest		
2014	\$ 4,115,879	\$ 2,864,628	\$ 1,251,251	\$ 533,228	\$ 227,090		1.6457
2015	4,572,131	3,204,017	1,368,114	685,374	302,158		1.3854
2016	4,565,238	3,014,249	1,550,989	760,453	313,743		1.4439
2017	4,871,852	3,690,643	1,181,209	834,582	301,039		1.0401
2018	4,732,639	3,982,215	750,424	861,537	357,429		0.6156
2019	4,913,784	3,894,124	1,019,660	888,061	370,998		0.8099
2020	5,112,726	4,112,382	1,000,344	669,707	341,987		0.9888
2021	5,947,562	4,675,196	1,272,366	706,637	327,684		1.2301
2022	5,836,790	4,970,925	865,865	712,834	312,603		0.8444
2023	6,295,555	5,513,239	782,316	710,410	296,034		0.7773

Data Source: Village Records

(1) Total expenses exclusive of depreciation and bond interest.

VILLAGE OF MONTGOMERY, ILLINOIS

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

Calendar Year	Population	Personal Income (in Thousands)	Per Capita Personal Income (1)	Unemployment Rate (2)
2014	18,438	\$ 477,783,894	\$ 25,913	6.70%
2015	18,438	483,296,856	26,212	5.55%
2016	18,438	481,342,428	26,106	5.35%
2017	18,438	512,816,094	27,813	4.60%
2018	18,438	533,171,646	28,917	4.25%
2019	18,438	540,362,466	29,307	3.90%
2020	18,438	549,692,094	29,813	8.75%
2021 (3)	20,262	640,096,842	31,591	6.10%
2022 (4)	20,262	630,087,414	31,097	5.30%
2023 (5)	20,262	639,124,266	31,543	4.90%

Data Source:

- (1) US Census Bureau, 2014-2018 American Community Survey 5-Year Estimates
- (2) Illinois Department of Employment Security, Kane and Kendall Counties
- (3) Illinois Department of Employment Security, Kane and Kendall Counties, April 2021
- (4) Illinois Department of Employment Security, Kane and Kendall Counties, April 2022
- (5) Illinois Department of Employment Security, Kane and Kendall Counties, April 2023

VILLAGE OF MONTGOMERY, ILLINOIS

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

Employer	2023			2014		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
School District #308	3,296	1	17.88%			
Carl Buddig & Co.	589	2	3.20%			
Performance Food Service	379	3	2.06%	538	2	2.92%
Eby-Brown Co., LLC	329	4	1.78%	329	5	1.78%
Lyon LLC	300	5	1.63%			
Blain Supply, Inc.	250	6	1.36%			
Wal-Mart Stores, Inc.	250	7	1.36%	286	6	1.55%
Aurora Bearing Co.	246	8	1.33%	250	7	1.36%
US Medical Glove	220	9	1.19%			
Hormann, LLC	200	10	1.09%	200	9	1.08%
Caterpillar, Inc.				3,100	1	16.81%
Butterball				430	3	2.33%
VVF Illinois Services				350	4	1.90%
ComEd				200	8	1.08%
Aurora Metals Division, LLC				150	10	0.81%
Total	<u>6,059</u>		<u>32.88%</u>	<u>5,833</u>		<u>31.62%</u>

Data Source:

Montgomery Economic Development Corporation

2023 Illinois Manufacturers Directory, 2022 Illinois Services Directory, Selective Telephone Survey

2014 Illinois Manufacturers Directory, 2012 Illinois Services Directory, Selective Telephone Survey

VILLAGE OF MONTGOMERY, ILLINOIS

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

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

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

Function	2014	2015	2016
General Government			
Administration	2.38	1.88	1.88
Finance	5.50	6.00	6.00
Community Development	4.70	5.00	5.00
Public Safety			
Police			
Sworn Officers	25.00	25.00	25.00
Civilians/Other	3.00	3.00	3.00
Highways and Streets			
Administration	2.00	2.00	2.00
Street Maintenance	8.50	9.00	9.00
Water Operations	3.00	3.00	3.00
Building Maintenance	1.00	1.00	1.00
Fleet Maintenance	1.00	1.00	1.00
Forestry	—	—	—
Totals	56.08	56.88	56.88

Data Source: Village Records

*Forestry is a new division for the Village as of FY2023. In the past, these employees were listed under Street Maintenance.

2017	2018	2019	2020	2021	2022	2023
1.88	2.88	2.88	3.88	3.88	4.00	4.00
6.00	5.00	5.00	5.00	5.00	5.00	5.00
5.00	5.00	5.00	5.00	5.00	5.50	5.50
28.00	30.00	31.00	32.00	33.00	35.00	32.50
3.75	3.75	4.38	4.38	4.38	4.38	6.63
2.00	2.00	2.00	2.00	2.00	2.00	2.00
10.50	11.00	7.00	7.50	9.00	9.00	5.00
3.00	4.00	8.00	9.00	9.00	9.00	9.00
1.00	1.00	1.00	1.00	1.00	1.00	2.00
1.50	1.50	1.50	1.50	2.00	2.00	2.00
—	—	—	—	—	—	2.50
62.63	66.13	67.76	71.26	74.26	76.88	76.13

VILLAGE OF MONTGOMERY, ILLINOIS

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

Function/Program	2014	2015	2016
General Government			
Accounts Payable			
Checks Issued	—	2,455	4,206
ACH Transactions	—	58	65
Percent of Accounts Payable as ACH	—%	2.3%	1.5%
Voided Checks	—	23	23
Percent of Accounts Payable Voided	—%	0.9%	0.5%
Payroll			
Direct Deposits	—	1,506	1,477
Checks Issued	—	402	334
Percent of Payroll as Direct Deposits	—%	78.9%	81.6%
Debt			
Bond Rating	—	AA	AA
Public Safety			
Physical Arrests	994	1,505	993
Parking Violations	1,273	1,184	984
Traffic Violations	2,474	2,758	2,884
Truck Overweight Violations	—	—	77
Highways and Streets			
Resurfacing (Miles)	1.10	0.90	6.70
Sidewalk Replacement (Sq. Ft.)	3,100	4,475	1,480
Sidewalk New (Sq. Ft.)	—	—	—
Parkway Tree Planting	142	174	282
Parkway Tree Removal	152	749	475
Water			
Number of Accounts	—	9,114	9,111
Average Bi-Monthly Bill	\$—	\$69	\$70
Average Monthly Bill*	\$—	\$—	\$—
Payment Types			
Epayment (Village website, IVR, Mobile)	—%	—%	26.0%
Lockbox	—%	—%	27.6%
Bill Pay (Bank Website)	—%	—%	11.8%
Credit Card	—%	—%	5.5%
Direct Debit	—%	—%	4.4%
Other	—%	—%	24.7%
Peak Daily Consumption	3,563,800	3,732,300	3,384,000
Average Daily Consumption	2,156,394	2,443,000	2,243,917
Water Main Breaks	56	44	19
Water Main Breaks Spoils Removal (Sq. Yd.)	—	1,428	1,580
Fire Hydrant Maintenance and Painting	300	300	325
New Connections	30	50	22

Data Source: Village Records

N/A - Not Available

* Village began monthly utility billing effective January 1, 2022

2017	2018	2019	2020	2021	2022	2023
4,916	5,186	4,926	4,782	4,806	2,221	1,582
113	227	245	228	481	1,070	1,172
2.2%	4.2%	4.7%	4.6%	9.1%	48.2%	74.1%
57	69	18	27	37	134	105
1.1%	1.3%	0.3%	0.5%	0.7%	0.7%	0.7%
1,600	1,710	1,955	1,997	2,107	2,134	1,968
326	271	173	97	37	39	40
83.1%	86.3%	91.3%	95.4%	98.3%	98.3%	98.0%
AA						
821	778	838	857	829	556	727
866	1,579	1,329	1,126	619	683	852
2,135	3,807	3,515	3,329	2,706	1,667	1,933
32	N/A	N/A	N/A	N/A	1	1
5.40	5.20	5.17	10.45	8.06	6.53	4.00
13,716	40,106	39,459	57,648	45,573	46,100	21,000
1,800	—	471	2,065	1,149	1,251	746
300	341	389	406	335	205	292
286	213	115	113	125	196	125
9,145	9,196	9,241	9,319	9,425	9,550	9,700
\$75	\$72	\$75	\$79	\$85	\$—	\$—
\$—	\$—	\$—	\$—	\$—	\$51	\$42
31.1%	26.4%	30.1%	N/A	N/A	N/A	N/A
25.2%	29.8%	26.7%	N/A	N/A	N/A	N/A
14.2%	16.9%	16.9%	N/A	N/A	N/A	N/A
5.5%	2.5%	2.2%	N/A	N/A	N/A	N/A
4.5%	6.2%	5.8%	N/A	N/A	N/A	N/A
19.5%	18.2%	18.3%	N/A	N/A	N/A	N/A
3,923,000	3,417,000	3,899,000	3,484,000	3,815,000	3,951,000	3,493,000
2,328,000	2,306,000	2,130,000	2,357,000	2,840,000	2,481,000	2,240,000
33	51	44	43	25	36	36
2,250	N/A	896	880	490	720	243
180	120	133	75	115	136	204
19	2	16	70	N/A	N/A	N/A

VILLAGE OF MONTGOMERY, ILLINOIS

Capital Asset Statistic by Function/Program - Last Ten Calendar Years April 30, 2023 (Unaudited)

Function/Program	2013	2014	2015
Public Safety			
Police			
Stations	1	1	1
Area Patrols	4	4	4
Patrol Units	19	19	19
Highways and Streets			
Residential Streets (Miles)	76.0	76.0	76.0
Water			
Water Mains (Miles)	117	117	117
Fire Hydrants	1,680	1,680	1,680
Storage Capacity (Millions of Gallons)	5.8	5.8	5.8

Data Source: Village Records

2016	2017	2018	2019	2020	2021	2022
1	1	1	1	1	1	1
4	4	4	4	4	4	4
19	19	19	19	19	25	28
76.5	76.5	76.5	76.5	76.5	76.5	76.5
118	118	133	133	133	133	133
1,700	1,700	1,747	1,747	1,747	1,747	1,747
5.8	5.8	5.8	5.8	5.8	5.8	5.8