

Village of Wayne

Wayne, Illinois



ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2021

**VILLAGE OF WAYNE
WAYNE, ILLINOIS**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2021**

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

**Village of Wayne, Wayne, Illinois
Annual Financial Report
For the Year Ended April 30, 2021**

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PART I
INTRODUCTORY SECTION

**VILLAGE OF WAYNE
WAYNE, ILLINOIS**

PRINCIPAL OFFICIALS

April 30, 2021

VILLAGE BOARD OF TRUSTEES

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

OFFICERS

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

ADMINISTRATIVE OFFICE

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

PART II
FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Selden Fox

Accounting for your future

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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Wayne, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Village of Wayne, Illinois** (Village), as of and for the year ended April 30, 2021, and the statements of revenues, expenditures and changes in fund balance – budget and actual for the General Fund and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Wayne, Illinois, as of April 30, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As disclosed in Note IV.G to the financial statements, the Village adopted GASB Statement No. 84, *Fiduciary Activities*, which changed the reporting of a certain fiduciary fund during the current fiscal year. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3-9, and the multiyear schedule of changes in net pension liability and related ratios (pages 50-51), and the multiyear schedule of contributions – last 10 fiscal years (pages 52-53) be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying financial information listed as supplementary information (the nonmajor governmental funds on pages 54-67, and the other financial schedules on pages 68-71, and the statistical information on pages 72-75 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Selden Fox, Ltd.

October 19, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Wayne, Illinois
Management's Discussion and Analysis
April 30, 2021

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts; please read it in conjunction with the Village's financial statements (beginning on page 10).

Financial Highlights

- The Village's net position at April 30, 2021, was assets and deferred outflows in excess of liabilities and deferred inflows of \$4,183,832 (\$3,722,247 at April 30, 2020). Net position increased \$461,585 for the year ended April 30, 2021 (net position increased \$19,306 for the year ended April 30, 2020).
- Governmental activities and general revenues for the fiscal year ended April 30, 2021, was \$2,183,311 (\$2,019,770 for the year ended April 30, 2020), an increase of \$163,541 from the prior year.
- Governmental fund balances totaled \$3,237,479 at April 30, 2021 (\$2,869,526 at April 30, 2020), an increase of \$257,965, as compared with an increase of \$307,888 for the year ended April 30, 2020.

Overview of the Financial Statements

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

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

The statement of net position presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

Overview of the Financial Statements (cont'd)

Government-wide Financial Statements (cont'd)

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

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

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

The government-wide financial statements can be found on pages 10 through 12 of this report.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds. The Village has no proprietary funds.

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

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

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

Overview of the Financial Statements (cont'd)

Fund Financial Statements (cont'd)

***Governmental Funds* (cont'd)**

The basic governmental fund financial statements can be found on pages 13 through 20 of this report.

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

The basic fiduciary fund financial statements can be found on pages 21 and 22 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 49 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain information concerning the Village's change in its net pension liability and historical data on employer contributions to its single employer Police Pension Fund. This information can be found on pages 50 through 53 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, of revenue, expenditures and changes in fund balance – budget and actual for the nonmajor funds, and capital asset and long-term debt schedules are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 54 through 71 of this report. Some historical statistical information on general governmental revenues and expenditures, property tax levies and collections, and assessed and actual values of taxable properties are included on pages 72 through 75.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$4,183,832 at the close of the most recent fiscal year.

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

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

	2021	2020
Current and other assets	\$ 4,407,958	\$ 3,995,524
Capital assets	3,537,584	3,451,204
Deferred outflows	-	3,815
Total assets and deferred outflows	7,945,542	7,450,543
Current liabilities	306,326	287,344
Noncurrent liabilities	3,448,117	3,411,840
Deferred inflows	7,267	29,112
Total liabilities and deferred inflows	3,761,710	3,728,296
Net position:		
Net investment in capital assets	3,537,584	3,451,204
Restricted	801,436	596,740
Unrestricted	(155,188)	(325,697)
Total net position	\$ 4,183,832	\$ 3,722,247

Governmental Activities and General Revenues – Governmental activities and general revenues increased the Village’s net position by \$461,585 (\$19,306 increase in the prior year). For the year ended April 30, 2021, there was an overall increase in governmental and general revenues of \$163,541 and an overall decrease in expenses of \$278,738 that resulted in the difference in the year-over-year changes in net position. For the year ended April 30, 2020, an overall increase in revenues of \$183,556 and an overall increase in expenses of \$49,953.

Detail on current year activity is on the following page.

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

	2021	2020
Program revenues:		
Charges for services	\$ 234,717	\$ 288,702
Operating grants and contributions	112,938	109,778
Capital grants and contributions	80,106	-
General revenues:		
Property taxes	883,529	859,328
Other taxes	289,792	258,196
Intergovernmental:		
State income tax	315,791	239,111
Municipal retailers' tax	152,804	108,788
Other	87,250	89,953
Investment income	10,166	56,085
Miscellaneous	16,218	9,829
	2,183,311	2,019,770
Total revenues		
Expenses:		
General government	348,414	326,185
Public safety	771,044	725,658
Retirement contributions, net of change in net pension obligation/asset	268,247	546,734
Highways and streets	334,021	401,887
	1,721,726	2,000,464
Total expenses		
Changes in net position	461,585	19,306
Net position:		
Beginning of the year	3,722,247	3,702,941
End of the year	\$ 4,183,832	\$ 3,722,247

Revenues increased in the current year by \$163,541, which was due to increases in operating and capital grants and contributions, property taxes, intergovernmental revenues and other taxes offset by decreases in charges for services, and investment income. General government expenses decreased \$278,738 primarily due to a \$278,487 reduction in expense year-over-year from the actuarially determined change in the net pension obligation. Public safety expenses, including retirement contributions and the change in the net pension obligation, increased \$45,386 primarily due to increases in compensation of officers while highway and streets expense decreased \$67,866 due to less road program expenses than in the prior year.

Governmental Fund Financial Highlights

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

General Fund – General Fund revenues of \$1,899,889 were over budgeted expectations by \$385,268. State income tax, municipal retailer’s tax, amusement tax, building permits, utilities tax, traffic fines, grants and contributions, and miscellaneous revenues all saw actual revenues that outpaced budgeted revenues. Expenditures in the General Fund of \$1,730,945 were over the budget of \$1,683,080 by \$47,865. The negative variance between budget versus actual was attributable to funding of street maintenance through the General Fund in the current year. Current expenditures of \$1,584,681 were over the budget of \$1,439,380 by \$145,301.

Capital Asset and Debt Administration

Capital Assets – The Village’s investment in capital assets (net of accumulated depreciation) as of April 30, 2021 and 2020, was \$3,537,584 and \$3,451,204, respectively. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment, and vehicles. The Village, as a phase-three government under GASB 34, has elected to capitalize infrastructure assets (i.e., streets, sidewalks and curbs, land beneath the streets, and bridges) on the statement of net position on a prospective basis. The total change in the Village’s investment in capital assets between the current fiscal year and the prior year’s annual report was due primarily to the purchase and improvement of public safety vehicles. Additions to capital assets totaled \$177,051 while depreciation was \$77,790 in the current year.

The following table presents capital assets at April 30, 2021 and 2020, at net book value.

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

	<u>2021</u>	<u>2020</u>
Land	\$ 3,014,502	\$ 3,014,502
Buildings and improvements	219,211	228,506
Infrastructure	17,894	20,174
Machinery and equipment	57,976	8,762
Vehicles	<u>228,001</u>	<u>179,260</u>
	<u>\$ 3,537,584</u>	<u>\$ 3,451,204</u>

Additional information on the Village’s capital assets can be found in Note III.B. on page 39 of this report.

Capital Asset and Debt Administration (cont'd)

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

The Village does record a long-term liability in the governmental activities for its net pension liability for the police pension plan. Additional information on the Village's net pension liability can be found in Note IV.C. beginning on page 41.

Summary and Future Considerations

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

Request for Information

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

BASIC FINANCIAL STATEMENTS

Village of Wayne, Illinois
Statement of Net Position
April 30, 2021

Assets		
Cash and investments		\$ 3,383,881
Receivables:		
Property taxes		881,996
State income taxes		76,798
Municipal retailers' tax		27,102
Motor fuel taxes		8,008
Utility taxes		27,613
Prepaid items		2,560
Capital assets not depreciated		3,014,502
Capital assets being depreciated, net of accumulated depreciation		523,082
Total assets		7,945,542
Liabilities		
Accounts payable		25,096
Accrued salaries		18,797
Payroll taxes withheld and accrued		675
Compensated absences payable		17,843
Developers' deposits		15,295
Construction deposits		198,918
Unearned revenue		29,702
Noncurrent liabilities - net pension liability		3,448,117
Total liabilities		3,754,443
Deferred Inflows of Resources		
Pension-related		7,267
Total liabilities and deferred inflows of resources		3,761,710
Net Position		
Net investment in capital assets		3,537,584
Restricted for:		
Village portion of Social Security tax		64,316
Audit		11,652
Highways and streets		331,357
Special service areas		184,708
Donor purposes:		
Nonexpendable		100,000
Expendable		109,403
Unrestricted		(155,188)
Total net position		\$ 4,183,832

See accompanying notes.

Village of Wayne, Illinois
Statement of Activities
For the Year Ended April 30, 2021

Functions/Programs	Expenses	Charges for Services and Fees
Primary government:		
Governmental activities:		
General government	\$ 348,414	\$ 108,272
Public safety	1,039,291	64,085
Highways and streets	334,021	62,360
Total governmental activities	\$ 1,721,726	\$ 234,717

See accompanying notes.

Program Revenues		Net (Expense) Revenue and Changes in Net Position
Operating Grants and Contributions	Capital Grants and Contributions	
\$ 109,988	\$ -	\$ (130,154)
2,950	-	(972,256)
-	80,106	(191,555)
<u>\$ 112,938</u>	<u>\$ 80,106</u>	<u>(1,293,965)</u>

General revenues:

Taxes:

Property	883,529
State income taxes	315,791
Municipal retailers' tax	152,804
Amusement tax	58,288
Motor fuel tax allotments	87,040
Utilities tax	231,504
Road and bridge taxes	210
Investment income	10,166
Miscellaneous	16,218

Total 1,755,550

Changes in net position 461,585

Net position, beginning of the year 3,722,247

Net position, end of the year \$ 4,183,832

Village of Wayne, Illinois
Balance Sheet - Governmental Funds
April 30, 2021

Assets	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and investments	\$ 2,532,662	\$ 851,219	\$ 3,383,881
Receivables:			
Property taxes, net of allowance for uncollectible amounts	820,570	61,426	881,996
State income tax	76,798	-	76,798
Municipal retailers' tax	27,102	-	27,102
Motor fuel taxes	-	8,008	8,008
Utilities and excise tax	27,613	-	27,613
Prepaid items	2,560	-	2,560
Total assets	\$ 3,487,305	\$ 920,653	\$ 4,407,958
Liabilities			
Accounts payable	\$ 25,096	\$ -	\$ 25,096
Accrued salaries	18,797	-	18,797
Accrued payroll taxes	-	675	675
Developers' deposits	15,295	-	15,295
Construction deposits	198,918	-	198,918
Unearned revenue	29,702	-	29,702
Total liabilities	287,808	675	288,483
Deferred Inflows of Resources			
Property taxes	820,570	61,426	881,996
Total liabilities and deferred inflows of resources	1,108,378	62,101	1,170,479
Fund balances:			
Nonspendable	2,560	100,000	102,560
Restricted for:			
Retirement	-	39,751	39,751
Audit	-	908	908
Road and bridge maintenance	-	331,357	331,357
Special service areas	-	158,591	158,591
Donor purposes	27,291	82,112	109,403
Committed for capital outlay	-	145,833	145,833
Unassigned, reported in:			
General fund	2,349,076	-	2,349,076
Total fund balances	2,378,927	858,552	3,237,479
Total liabilities, deferred inflows of resources and fund balances	\$ 3,487,305	\$ 920,653	\$ 4,407,958

See accompanying notes.

Village of Wayne, Illinois
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2021

Total fund balance - governmental funds (page 13)	\$ 3,237,479
Amounts reported for governmental activities in the statement of net position (page 10) are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds' balance sheet.	3,537,584
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position.	881,996
Certain liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds. These liabilities consist of:	
Compensated absences payable	(17,843)
Net pension liability	(3,448,117)
Differences between expected and actual experience, assumption changes, and net differences between projected and actual earnings for the Police Pension Trust Fund are recognized as deferred outflows or deferred inflows in the statement of net position.	<u>(7,267)</u>
Net position of governmental activities (page 10)	<u>\$ 4,183,832</u>

See accompanying notes.

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended April 30, 2021

	General	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	\$ 601,007	\$ 88,646	\$ 689,653
Property taxes - police pension	171,116	-	171,116
Road and bridge taxes	-	210	210
State income taxes	312,142	3,649	315,791
Municipal retailers' tax	152,804	-	152,804
Amusement tax	58,288	-	58,288
Motor fuel tax allotments	-	87,040	87,040
Permits and licenses	108,272	-	108,272
Vehicle stickers	62,360	-	62,360
Utilities tax	231,504	-	231,504
Traffic fines	64,085	-	64,085
Grants and contributions	2,950	80,106	83,056
Coronavirus relief pass through federal funding	109,988	-	109,988
Interest	9,156	1,010	10,166
Miscellaneous	16,217	-	16,217
Total revenues	1,899,889	260,661	2,160,550
Expenditures:			
Current expenditures:			
General government:			
Administration	219,573	-	219,573
Building	86,502	-	86,502
Audit	-	14,900	14,900
Payroll taxes	-	51,074	51,074
Public safety	954,932	-	954,932
Highways and streets	323,674	5,078	328,752
Other	-	-	-
Capital outlay and grant related expenditures	146,264	-	146,264
Total expenditures	1,730,945	71,052	1,801,997
Revenues over expenditures before other financing sources	168,944	189,609	358,553

(cont'd)

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds (cont'd)
For the Year Ended April 30, 2021

	General	Nonmajor Governmental Funds	Total Governmental Funds
Other financing sources:			
Proceeds from sale of capital assets	\$ 9,400	\$ -	\$ 9,400
Total other financing sources	9,400	-	9,400
Net changes in fund balances	178,344	189,609	367,953
Fund balances, beginning of the year	2,200,583	668,943	2,869,526
Fund balances, end of the year	\$ 2,378,927	\$ 858,552	\$ 3,237,479

See accompanying notes.

Village of Wayne, Illinois
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended April 30, 2021

Net change in fund balances - total governmental funds (page 16) \$ 367,953

Amounts reported for governmental activities in the statement of activities (pages 11 and 12) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital outlay in the governmental funds. 177,051

Depreciation on capital assets is reported as an expense in the statement of activities. (77,790)

The gain on disposal of capital assets is reported as an increase to net position on the statement of activities, but proceeds from the sale of capital assets are recorded as an increase to fund balance on the statement of revenues, expenditures and changes in fund balance. (12,881)

Revenues in the statement of activities do not provide current financial resources, and are not reported as revenues in the individual funds. 22,760

The net effect of changes in the net pension liability is reported as an expense in the statement of activities. (18,247)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as an expenditure in governmental funds:
Change in compensated absence payable 2,739

Change in net position of governmental activities (page 12) \$ 461,585

See accompanying notes.

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ 601,669	\$ 601,007	\$ (662)
Property taxes - police pension	171,116	171,116	-
State income tax	182,862	312,142	129,280
Municipal retailers' tax	75,000	152,804	77,804
Amusement tax	25,000	58,288	33,288
Building permits	91,974	103,992	12,018
Truck permits	3,750	3,030	(720)
Liquor licenses	1,250	1,250	-
Vehicle stickers	75,000	62,360	(12,640)
Utilities tax	217,000	231,504	14,504
Traffic fines	40,400	64,085	23,685
Grants and contributions	2,100	2,950	850
Coronavirus relief pass through federal funding	-	109,988	109,988
Interest	20,000	9,156	(10,844)
Miscellaneous	7,500	16,217	8,717
Total revenues	1,514,621	1,899,889	385,268
Current expenditures - general government:			
Administrative department:			
Personnel services	69,826	71,525	(1,699)
Contractual services	117,339	123,530	(6,191)
Commodities	6,602	4,440	2,162
Insurance	17,029	16,528	501
Other expenditures	6,303	3,550	2,753
Total administrative department	217,099	219,573	(2,474)
Building department:			
Personnel services	65,810	58,607	7,203
Contractual services	18,125	17,857	268
Commodities	1,278	2,284	(1,006)
Other expenditures	8,110	7,754	356
Total building department	93,323	86,502	6,821

(cont'd)

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund (cont'd)
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Current expenditures - public safety:			
Personnel services	\$ 527,200	\$ 526,445	\$ 755
Police pension contribution	250,000	250,000	-
Contractual services	93,990	109,598	(15,608)
Commodities	31,255	24,690	6,565
Insurance	43,316	42,622	694
Other expenditures	1,000	1,577	(577)
Total public safety	<u>946,761</u>	<u>954,932</u>	<u>(8,171)</u>
Current expenditures - highways and streets:			
Personnel services	58,888	48,897	9,991
Contractual services	116,623	267,201	(150,578)
Commodities	5,894	6,668	(774)
Other expenditures	792	908	(116)
Total highways and streets	<u>182,197</u>	<u>323,674</u>	<u>(141,477)</u>
Total current expenditures	<u>1,439,380</u>	<u>1,584,681</u>	<u>(145,301)</u>
Capital expenditures:			
Administrative department	10,000	10,100	(100)
Building department	-	252	(252)
Public safety	61,700	60,404	1,296
Public works department - vehicle	-	46,486	(46,486)
Highways and streets	172,000	29,022	142,978
Total capital expenditures	<u>243,700</u>	<u>146,264</u>	<u>97,436</u>
Total expenditures	<u>1,683,080</u>	<u>1,730,945</u>	<u>(47,865)</u>
Revenues over (under) expenditures before other financing sources	<u>(168,459)</u>	<u>168,944</u>	<u>337,403</u>

(cont'd)

Village of Wayne, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund (cont'd)
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Other financing sources:			
Proceeds from sale of capital assets	\$ -	\$ 9,400	\$ 9,400
Total other financing sources	-	9,400	9,400
Net changes in fund balance	\$ (168,459)	178,344	\$ 346,803
Fund balance, beginning of the year		2,200,583	
Fund balance, end of the year		\$ 2,378,927	

See accompanying notes.

Village of Wayne, Illinois
Statement of Fiduciary Net Position -
Fiduciary Funds - Trust and Custodial Funds
April 30, 2021

Assets	Police Pension Trust Fund	Special Service Area #5 Custodial Fund
Cash and cash equivalents	\$ -	\$ -
Investments:		
Money market funds	34,501	117,964
Illinois Funds	11,513	41,811
Certificates of deposit	160,178	-
U.S. government and agency securities	1,087,067	-
Corporate bonds	317,656	-
Municipal bonds	268,948	-
Equity mutual funds	223,216	-
Treasury bonds	207,926	-
Accrued interest receivable	12,827	-
Total assets	\$ 2,323,832	\$ 159,775
Liabilities		
Liabilities:		
Accounts payable	\$ 2,061	\$ -
Total liabilities	2,061	-
Net Position		
Restricted for pension	2,321,771	-
Restricted for debt service	-	159,775
Total liabilities and net position	\$ 2,323,832	\$ 159,775

See accompanying notes.

Village of Wayne, Illinois
Statement of Changes in Net Position -
Fiduciary Funds - Trust and Custodial Funds
For the Year Ended April 30, 2021

	Police Pension Trust Fund	Special Service Area #5 Custodial Fund
Additions:		
Contributions:		
Employer	\$ 250,000	\$ -
Plan members (employees)	7,139	-
Total contributions	257,139	-
Investment income:		
Interest	50,687	78
Net increase in fair value of investments	55,428	-
Total investment income	106,115	78
Property taxes levied for SSA #5	-	27,918
Total additions	363,254	27,996
Deductions:		
Pension benefit payments	252,735	-
Dues	1,241	-
Professional fees	11,543	-
Training	485	-
Insurance	3,090	-
Debt service:		
Principal	-	-
Interest and service charges	-	8,770
Total deductions	269,094	8,770
Net changes in net position	94,160	19,226
Net position:		
Beginning of the year (as restated)	2,227,611	140,549
End of the year	\$ 2,321,771	\$ 159,775

See accompanying notes.

Village of Wayne, Illinois Notes to the Financial Statements

I. Summary of Significant Accounting Policies

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

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

A. The Reporting Entity

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

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

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

B. Government-wide and Fund Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

The Village reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The major departments of the General Fund are administration, building, public safety, and highways and streets.

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

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

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

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

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

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

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

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

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

1. Deposits and Investments

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

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

Investments – Investments are reported at fair value except non-negotiable certificates of deposit and other short-term investments, including funds on deposit with Illinois Funds, which are reported at cost, and approximates fair value. The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

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

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

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

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

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

1. Deposits and Investments (cont'd)

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

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

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

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

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

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

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

1. Deposits and Investments (cont'd)

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

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

2. Receivables and Payables

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

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

The Village's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk not later than the last Tuesday in December of each year. Taxes are due and collectible one-half on June 1 and one-half on September 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are based on the assessed valuation of the Village's real property as equalized by the state of Illinois. The rate-setting equalized assessed valuation of real property totaled \$155,028,738 for the calendar year 2020.

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

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

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

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

3. Prepaid Items

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

4. Capital Assets

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

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

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

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

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

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

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

5. Compensated Absences

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

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

6. Long-term Obligations

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

7. Fund Balances and Net Position

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

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

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

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

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

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

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

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

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

In the fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Spendable fund balance is further classified as restricted, committed, assigned or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent. The Village's fund balances have the following restrictions and commitments. There are no assigned fund balances at April 30, 2021.

Individual Fund Restrictions, Commitments and Assignments:

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

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

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

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

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

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

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

The Village has a portion of the fund balance (\$2,560) in the General Fund that is considered nonspendable, and is intended to offset the prepaid items, and another portion (\$27,291) that represents the remaining balance on contributions received for police equipment that is considered restricted. The remaining fund balance in the General Fund is considered to be unassigned, as those funds are available for the general use of the Village, including funding other fund deficits.

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

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

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

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

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

II. Budgetary Information

A. Budget Process

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

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

B. Expenditures in Excess of Budget

The budget for expenditures presented in this report is as adopted by the Village Board of Trustees, and is less than the amount appropriated. Expenditures exceed budget in the General Fund by \$47,865 and the Social Security Fund by \$1,216. These expenditures were funded by unbudgeted revenue sources or fund balance.

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

III. Detailed Notes For All Activities and Fund Types

A. Deposits and Investments

The carrying amount of cash and investments at April 30, 2021, is as follows:

	Village	Police Pension Trust Fund	Special Service Area #5 Agency Fund	Total
Cash on hand	\$ 50	\$ -	\$ -	\$ 50
Cash in banks	325,843	-	-	325,843
Total cash	325,893	-	-	325,893
Money market funds	368,410	34,501	117,964	520,875
Illinois Funds	2,689,578	11,513	41,811	2,742,902
Certificates of deposit	-	160,178	-	160,178
U.S. Government and agency securities	-	1,294,993	-	1,294,993
Corporate bonds	-	317,656	-	317,656
Municipal bonds	-	268,948	-	268,948
Equity mutual funds	-	223,216	-	223,216
Total investments	3,057,988	2,311,005	159,775	5,528,768
Total cash and investments	\$ 3,383,881	\$ 2,311,005	\$ 159,775	\$ 5,854,661

The Village's and Special Service Area #5 Agency Fund's money market fund and its Illinois Funds have an investment maturity of less than one year. The carrying value and maturities of the Police Pension Trust Fund's investments at April 30, 2021, are as follows:

	Investment Maturities (in Years)				
	Carrying Value	Less than 1	1 to 5	6 to 10	More than 10
Money market fund	\$ 34,501	\$ 34,501	\$ -	\$ -	\$ -
U.S. Government and agency securities	1,294,993	-	381,351	913,642	-
Corporate bonds	317,656	-	242,870	74,786	-
Municipal bonds	268,948	-	130,938	138,010	-
Equity mutual funds	223,216	223,216	-	-	-
Total measured at fair value	2,139,314	257,717	755,159	1,126,438	-
Certificates of deposit	160,178	-	135,415	24,763	-
Illinois Funds	11,513	11,513	-	-	-
Total investments	\$ 2,311,005	\$ 269,230	\$ 890,574	\$ 1,151,201	\$ -

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

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

A. Deposits and Investments (cont'd)

The Village had the following recurring fair value measurements as of April 30, 2021:

	Fair Value	Level 1	Level 2	Level 3
Money market fund	\$ 368,410	\$ 368,410	\$ -	\$ -
Total measured at fair value	368,410	\$ 368,410	\$ -	\$ -
Illinois Funds	2,689,578			
Total investments	\$ 3,057,988			

Special Service Area #5 Agency Fund had the following recurring fair value measurements as of April 30, 2021:

	Fair Value	Level 1	Level 2	Level 3
Money market fund	\$ 117,964	\$ 117,964	\$ -	\$ -
Total measured at fair value	117,964	\$ 117,964	\$ -	\$ -
Illinois Funds	41,811			
Total investments	\$ 159,775			

The Police Pension Trust Fund has the following recurring fair value measurements as of April 30, 2021:

	Fair Value	Level 1	Level 2	Level 3
Money market fund	\$ 34,501	\$ 34,501	\$ -	\$ -
U.S. Government and agency securities	1,294,993	-	1,294,993	-
Corporate bonds	317,656	-	317,656	-
Municipal bonds	268,948	-	268,948	-
Equity mutual funds	223,216	223,216	-	-
Total measured at fair value	2,139,314	\$ 257,717	\$ 1,881,597	\$ -
Certificates of deposit	160,178			
Illinois Funds	11,513			
Total investments	\$ 2,311,005			

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

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

A. Deposits and Investments (cont'd)

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

As of April 30, 2021, the Police Pension Trust Fund’s investments were rated as follows:

Investment Type	Fair Value	Moody’s Rating
U.S government and agency securities:		
U.S. Treasury	\$ 207,926	NR
Federal Farm Credit System	762,874	Aaa
Federal National Mortgage Association	55,647	Aaa
Federal Home Loan Bank	268,546	Aaa
Corporate bonds:		
	31,032	Aaa
	16,413	Aa1
	54,802	Aa2
	38,324	Aa3
	36,989	A1
	124,494	A2
	15,602	Baa2
Municipal bonds:		
	35,942	Aaa
	91,838	Aa2
	10,964	Aa3
	19,894	A1
	20,857	A2
	89,453	NR

NR = Not Rated

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

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

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

A. Deposits and Investments (cont'd)

Custodial Credit Risk – For deposits and investments, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investment or collateral securities that are in the possession of another party. It is the policy of the Village to invest public funds in a manner which will preserve capital, maintain liquidity, and provide a competitive market return while conforming to all state and local statutes governing the investment of public funds. Statutes require that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. The Police Pension Trust Fund's investment policy requires all bank balances to be covered by federal depository insurance or collateralized by the financial institution. The Police Pension Trust Fund's investment policy requires that its investments are registered in the name of the Police Pension Trust Fund and placed with a custodian approved by the Police Pension Trust Fund's Board so long as the custodian meets the requirements of State of Illinois statutes. All cash in banks and certificates of deposit were within FDIC insurance limits at April 30, 2021, or supplemented by collateral agreements with the related financial institution.

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

<u>Investment Type</u>	<u>% of Net Position</u>
Federal Farm Credit System securities	32.86%
Federal Home Loan Bank securities	11.57%

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

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

A. Deposits and Investments (cont'd)

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

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

The Village's investment policy structures maturities of securities and invests operating funds in shorter-term securities, money market funds, or similar investment pools as a means of managing its exposure to fair value losses arising from increasing interest rates. At April 30, 2021, the Village's investments are invested in the Illinois Funds, a highly liquid short-term maturity investment pool, and a money market fund.

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

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

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

B. Capital Assets

Capital asset activity for the year ended April 30, 2021, is as follows:

	<u>Balances May 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30, 2021</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 3,014,502	\$ -	\$ -	\$ 3,014,502
Capital assets being depreciated:				
Buildings and improvements	309,679	-	-	309,679
Infrastructure	57,005	-	-	57,005
Machinery and equipment	140,443	57,503	(15,914)	182,032
Vehicles	416,431	119,548	(94,092)	441,887
	<u>923,558</u>	<u>177,051</u>	<u>(110,006)</u>	<u>990,603</u>
Less accumulated depreciation:				
Building improvements	81,173	9,295	-	90,468
Infrastructure	36,831	2,280	-	39,111
Machinery and equipment	131,683	8,287	(15,914)	124,056
Vehicles	237,169	57,928	(81,211)	213,886
	<u>486,856</u>	<u>77,790</u>	<u>(97,125)</u>	<u>467,521</u>
Total capital assets being depreciated, net	<u>436,702</u>	<u>99,261</u>	<u>(12,881)</u>	<u>523,082</u>
Governmental activities, capital assets, net	<u>\$ 3,451,204</u>	<u>\$ 99,261</u>	<u>\$ (12,881)</u>	<u>\$ 3,537,584</u>

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

General government	\$ 5,326
Public safety	37,856
Highways and streets	<u>34,608</u>
Total depreciation – governmental activities	<u>\$ 77,790</u>

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

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

C. Commitments

KaneComm

The Village is a subscriber to Kane County Emergency Communications (KaneComm). Under the subscription agreement, KaneComm provides all necessary 911 communications and dispatch services. The agreement with KaneComm dated May 1, 2017, extends through March 2022, and may be automatically renewed for successive one-year periods unless the Village notifies KaneComm of its intent to withdraw. There are early termination features in the agreement, which generally would require the Village to make a substantial payment to KaneComm which is not estimable at this time.

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

After the first year of the agreement, total costs for the Village are not to exceed five percent over the previous year's cost unless the Village's calls for service volume increases by more than fifty percent. The Village is committed to KaneComm for any debt attributable to the Village while a member of KaneComm, which would be incorporated into the base fee. The current year expenditures and expense to the Village under this agreement totaled \$45,754 and is included in the general fund public safety contractual services expenditures on the governmental fund financial statements statement of revenues, expenditures and changes in fund balances and public safety expenses on the government-wide statement of activities.

IV. Other Information

A. Permanent Fund

In October 2010, the Village received a \$100,000 donation to establish a permanent endowment in memory of a past trustee. Any earnings above the original donation are available for the preservation and maintenance of parks and other open space controlled by the Village. The original donation is reported as nonspendable net position on the statement of net position and on the balance sheet – governmental funds. Cumulative unexpended investment earnings of \$6,512 at April 30, 2021, is reported as expendable restricted net position on the statement of net position, and as restricted fund balance on the balance sheet – governmental funds.

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

IV. Other Information (cont'd)

B. Risk Management

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

Effective January 1, 2014, the Village became a member of the Illinois Municipal League Risk Management Association (IMLRMA), a joint risk management pool through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit. The difference between the coverage limit and the self-insured retention represented the amount payable by the Association's reinsurance. The Village made an annual contribution of \$55,343 to IMLRMA during the year ended April 30, 2021.

C. Police Pension Plan

General Information About the Pension Plan

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

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

At April 30, 2021, the Police Pension Plan membership consisted of:

Retirees and beneficiaries	7
Inactive, non-retired members	1
Active members	0
Total	8

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

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

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

General Information About the Pension Plan (cont'd)

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

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

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

Contributions – Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the costs of benefits earned by Plan members as actuarially determined by an enrolled actuary. By the year 2041, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded. Actuarial valuations are performed annually. For the year ended April 30, 2021, the Village's contribution was 356% of covered payroll.

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

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

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

General Information About the Pension Plan (cont'd)

Investment Policy – The pension plan’s investment policy was established in accordance with provisions of the Illinois Compiled Statutes (ILCS) for pension plans, and may be amended by the Pension Board of Trustees. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The primary policies of the fund, in order of priority are safety, liquidity and return on investment.

The ILCS limit the Police Pension Trust Fund’s investments in equities, mutual funds and variable annuities to 10%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Police Pension Trust Fund’s investments was determined using an asset allocation study conducted by the Police Pension Trust Fund’s investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return excluding inflation for each major asset class included in the Fund’s target asset allocation as of April 30, 2021, are listed in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equity Investments	10%	
Large Cap Domestic Equity		5.80%
Small Cap Domestic Equity		7.60%
International Equity		7.10%
Fixed Income	90%	1.30%

Investment Valuations – Equity mutual funds and debt securities in the Police Pension Trust Fund are stated at fair value as of the trade date. Fair value is based on quoted market prices at April 30, for debt securities and equity mutual funds.

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

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

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

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

General Information About the Pension Plan (cont'd)

Investment Rate of Return – For the year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.14%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

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

Actuarial Valuation and Assumptions – The actuarial assumptions used in the April 30, 2021, valuation were based on a 2020 comprehensive study of Police Officers and Police Pension Funds in Illinois conducted by Lauterbach and Amen. The valuation was done using the entry age normal actuarial cost method and the market value asset valuation method. The total pension liability in the April 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Discount rate used for the total pension liability	5.00%
Long-term expected rate of return on plan assets	5.00%
High quality 20-year tax-exempt G.O. bond rate	2.27%
Projected individual pay increases	3.00%
Projected increase in total payroll	3.00%
Consumer price index (Urban)	2.25%
Inflation rate included	2.25%
Retirement age	L&A 2020 Illinois Police Retirement Rates capped at age 65
Disability rates	L&A 2020 Illinois Police Disability Rates
Termination rates	L&A 2020 Illinois Police Termination Rates
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Percent married	80%

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

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

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

Net Pension Liability (cont'd)

Actuarial Valuation and Assumptions (cont'd) – The actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at April 30, 2021, was 21 years.

Discount Rate – The discount rate used in the determination of the total pension liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate. The discount rate used to measure the total pension liability was 5.00%, and was unchanged from the prior period. The discount rate is impacted by a couple of metrics. Any change in the underlying High Quality 20-Year Tax Exempt G.O. Bond Rate (assumed at 2.27% at April 30, 2021, and 2.56% in the prior year) will impact the blended discount rate. In addition, there are changes that can be made that impact the projection of the net position of the fund. For example, changes in the formal or informal funding policy can impact the discount rate. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance, April 30, 2020	\$ 5,626,315	\$ 2,214,475	\$ 3,411,840
Changes for the year:			
Service cost	33,957	-	33,957
Interest	278,985	-	278,985
Differences between expected and actual experience	83,366	-	83,366
Contributions - employer	-	250,000	(250,000)
Contributions - employee	-	7,139	(7,139)
Net investment income	-	100,534	(100,534)
Benefit payments, including refunds of employee contributions	(252,735)	(252,735)	-
Administrative expenses	-	(10,778)	10,778
Prior period adjustment	-	13,136	(13,136)
Net changes	143,573	107,296	36,277
Balances at April 30, 2021	\$ 5,769,888	\$ 2,321,771	\$ 3,448,117

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

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

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

Net Pension Liability (cont'd)

Changes in Net Pension Liability

Discount Rate Sensitivity – The following presents the net pension liability of the Village, calculated using the Discount Rate, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net Pension Liability	\$ 4,241,487	\$ 3,448,117	\$ 2,794,436

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

For the year ended April 30, 2021, the Village recognized pension expense to the Police Pension Plan of \$268,247. At April 30, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ -
Changes in assumptions	-	-	-
Net difference between projected and actual earnings in pension plan investments	-	7,267	7,267
Total	\$ -	\$ 7,267	\$ 7,267

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

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

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont'd)

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

<u>Year Ending April 30.</u>		
2022	\$	7,487
2023		(3,092)
2024		(13,668)
2025		<u>2,006</u>
	<u>\$</u>	<u>(7,267)</u>

D. **New Governmental Accounting Standards**

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

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

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, requires interest cost incurred before the end of a construction period be recognized as an expense in business-type activity or enterprise fund financial statements. Statement No. 89 is effective for the fiscal year ending April 30, 2022.

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

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

IV. Other Information (cont'd)

D. New Governmental Accounting Standards (cont'd)

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

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

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

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

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

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

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

IV. Other Information (cont'd)

E. Subsequent Events

In July 2021, the Village received notification from the Illinois Department of Commerce and Economic Opportunity that they are eligible to receive up to approximately \$330,000 from the Coronavirus Local Fiscal Recovery Fund, which was established with the American Rescue Plan Act for cities, villages, and towns with populations of less than 50,000. Allocations from this program can be used to cover revenue losses and the costs of responding to the COVID-19 public health emergency or to its negative economic impacts on households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds can also be used to invest in building, maintaining, or upgrading water, sewer, and broadband infrastructure. Allocations to communities are made on a per-capita basis in two payments. Under the program, local governments will receive their allocation in two payments. The first payment will be made within 30 days of portal completion, the second to be made approximately one year later. The Village's first allocation of approximately \$165,000 of this amount was received in August 2021.

Management has evaluated subsequent events through October 19, 2021, the date these financial statements were available to be issued.

F. Risks and Uncertainties

In January 2020, the World Health Organization has declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern". COVID-19 has continued to spread throughout the world and has adversely impacted global commercial activity. The full future impact which COVID-19's spread will have on the Village's financial condition cannot be reasonably estimated at this time.

G. Prior Period Adjustment

The Village restated fund balance in the Special Service Area #5 custodial fund to record the beginning net position of this custodial fund in order to implement GASB 84, *Fiduciary Activities*. The opening balance of net position of the fund was adjusted to \$140,549 at May 1, 2020. Net position of the fund, as previously reported at April 30, 2020, was \$0.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2021</u>	<u>2020</u>
Total pension liability:		
Service cost	\$ 33,957	\$ 35,372
Interest	278,985	258,741
Changes in benefit terms	-	-
Differences between expected and actual experience	83,366	166,315
Changes in assumptions	-	(10,599)
Benefit payments, including refunds of member contributions	<u>(252,735)</u>	<u>(251,169)</u>
Net change in total pension liability	143,573	198,660
Total pension liability, beginning of year	<u>5,626,315</u>	<u>5,427,655</u>
Total pension liability, end of year	<u>\$ 5,769,888</u>	<u>\$ 5,626,315</u>
Plan fiduciary net position:		
Contributions - employer	\$ 250,000	\$ 274,997
Contributions - member	7,139	8,721
Net investment income	100,534	180,171
Benefit payments, including refunds of member contributions	<u>(252,735)</u>	<u>(251,169)</u>
Administrative expense	<u>(10,778)</u>	<u>(24,584)</u>
Prior period audit adjustment	<u>13,136</u>	<u>(5,621)</u>
Net change in plan fiduciary net position	107,296	182,515
Plan fiduciary net position, beginning of year	<u>2,214,475</u>	<u>2,031,960</u>
Plan fiduciary net position, end of year	<u>\$ 2,321,771</u>	<u>\$ 2,214,475</u>
Employer's net pension liability	<u>\$ 3,448,117</u>	<u>\$ 3,411,840</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>40.24%</u>	<u>39.36%</u>
Covered employee payroll	<u>\$ 70,160</u>	<u>\$ 91,325</u>
Employer's net pension liability as a percentage of covered-employee payroll	<u>4914.65%</u>	<u>3735.93%</u>

See independent auditor's report.

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

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 208,561	\$ 171,612	\$ 172,561	\$ 176,919
Contributions in relation to actuarially determined contribution	250,000	274,997	225,000	208,708
Contribution deficiency (excess)	\$ (41,439)	\$ (103,385)	\$ (52,439)	\$ (31,789)
Covered-employee payroll	\$ 70,160	\$ 91,325	\$ 81,815	\$ 160,016
Contributions as a percentage of covered-employee payroll	356.33%	301.12%	275.01%	130.43%

Notes to Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Actuarial Asset Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Inflation (CPI-U)	2.50%
Payroll Increases	3.50%
Individual Pay Increases	3.50% - 11.00%
Investment Rate of Return	4.75%
Mortality	RP-2014 Healthy Annuitant with Blue Collar Data, as Described
Retirement Age	Illinois Dept. of Insurance Actuarial Experience Study Dated 10/05/17
Disability Rates	Illinois Dept. of Insurance Actuarial Experience Study Dated 10/05/17
Termination Rates	Illinois Dept. of Insurance Actuarial Experience Study Dated 10/05/17

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

See independent auditor's report.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 193,272	\$ 193,272	\$ 182,215	\$ 184,777	\$ 194,391	\$ 182,083
<u>190,000</u>	<u>208,708</u>	<u>200,000</u>	<u>282,913</u>	<u>157,000</u>	<u>126,679</u>
<u>\$ 3,272</u>	<u>\$ (15,436)</u>	<u>\$ (17,785)</u>	<u>\$ (98,136)</u>	<u>\$ 37,391</u>	<u>\$ 55,404</u>
\$ 288,096	\$ 362,971	\$ 293,222	\$ 313,569	\$ 325,774	\$ 322,709
65.95%	57.50%	68.21%	90.22%	48.19%	39.25%

SUPPLEMENTAL SECTION

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

Capital Projects Funds

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

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

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

Permanent Funds

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

**Village of Wayne, Illinois
Combining Balance Sheet
Nonmajor Governmental Funds
April 30, 2021**

	Special Revenue Funds					
	Social Security Fund	Audit Fund	Road and Bridge Fund	Motor Fuel Tax Fund	Special Service Area #3	Special Service Area #4
Assets						
Current assets:						
Cash and investments	\$ 40,426	\$ 908	\$ 54,058	\$ 269,291	\$ 29,484	\$ 129,107
Receivables:						
Motor fuel taxes	-	-	-	8,008	-	-
Property taxes, net of allowance for uncollectible taxes	24,565	10,744	-	-	15,000	11,117
Total assets	\$ 64,991	\$ 11,652	\$ 54,058	\$ 277,299	\$ 44,484	\$ 140,224
Liabilities						
Accrued payroll taxes	\$ 675	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred Inflows of Resources						
Property taxes	24,565	10,744	-	-	15,000	11,117
Total liabilities and deferred inflows of resources	25,240	10,744	-	-	15,000	11,117
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted for:						
Donor purposes	-	-	-	-	-	-
Retirement	39,751	-	-	-	-	-
Audit	-	908	-	-	-	-
Road and bridge maintenance	-	-	54,058	277,299	-	-
Special service areas	-	-	-	-	29,484	129,107
Committed for capital outlay	-	-	-	-	-	-
Total fund balances	39,751	908	54,058	277,299	29,484	129,107
Total liabilities and fund balances	\$ 64,991	\$ 11,652	\$ 54,058	\$ 277,299	\$ 44,484	\$ 140,224

See independent auditor's report.

Sanctuary Fund	Total	Capital Projects Funds			Total	Permanent Fund Jensen Memorial Fund	Total Nonmajor Governmental Funds
		School Fund	Park Fund	Special Service Area #5			
\$ 75,600	\$ 598,874	\$ 53,003	\$ 88,286	\$ 4,544	\$ 145,833	\$ 106,512	\$ 851,219
-	8,008	-	-	-	-	-	8,008
-	61,426	-	-	-	-	-	61,426
\$ 75,600	\$ 668,308	\$ 53,003	\$ 88,286	\$ 4,544	\$ 145,833	\$ 106,512	\$ 920,653
\$ -	\$ 675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 675
-	61,426	-	-	-	-	-	61,426
-	62,101	-	-	-	-	-	62,101
-	-	-	-	-	-	100,000	100,000
75,600	75,600	-	-	-	-	6,512	82,112
-	39,751	-	-	-	-	-	39,751
-	908	-	-	-	-	-	908
-	331,357	-	-	-	-	-	331,357
-	158,591	-	-	-	-	-	158,591
-	-	53,003	88,286	4,544	145,833	-	145,833
75,600	606,207	53,003	88,286	4,544	145,833	106,512	858,552
\$ 75,600	\$ 668,308	\$ 53,003	\$ 88,286	\$ 4,544	\$ 145,833	\$ 106,512	\$ 920,653

Village of Wayne, Illinois
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended April 30, 2021

	Special Revenue Funds					
	Social Security Fund	Audit Fund	Road and Bridge Fund	Motor Fuel Tax Fund	Special Service Area #3	Special Service Area #4
Revenues:						
Property taxes	\$ 49,380	\$ 10,603	\$ 2,549	\$ -	\$ 15,020	\$ 11,094
Road and bridge taxes	-	-	210	-	-	-
State income tax	250	3,399	-	-	-	-
Motor fuel tax allotments	-	-	-	87,040	-	-
Grants and contributions	-	-	-	80,106	-	-
Interest	-	-	92	295	-	-
Total revenues	49,630	14,002	2,851	167,441	15,020	11,094
Expenditures:						
General government:						
Audit	-	14,900	-	-	-	-
Payroll taxes	51,074	-	-	-	-	-
Highways and streets	-	-	-	-	5,078	-
Total expenditures	51,074	14,900	-	-	5,078	-
Net changes in fund balances	(1,444)	(898)	2,851	167,441	9,942	11,094
Fund balances, beginning of the year	41,195	1,806	51,207	109,858	19,542	118,013
Fund balances, end of the year	\$ 39,751	\$ 908	\$ 54,058	\$ 277,299	\$ 29,484	\$ 129,107

See independent auditor's report.

Sanctuary Fund	Total	Capital Projects Funds			Total	Permanent Fund Jensen Memorial Fund	Total Nonmajor Govern- mental Funds
		School Fund	Park Fund	Special Service Area #5			
\$ -	\$ 88,646	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,646
-	210	-	-	-	-	-	210
-	3,649	-	-	-	-	-	3,649
-	87,040	-	-	-	-	-	87,040
-	80,106	-	-	-	-	-	80,106
144	531	101	167	9	277	202	1,010
144	260,182	101	167	9	277	202	260,661
-	14,900	-	-	-	-	-	14,900
-	51,074	-	-	-	-	-	51,074
-	5,078	-	-	-	-	-	5,078
-	71,052	-	-	-	-	-	71,052
144	189,130	101	167	9	277	202	189,609
75,456	417,077	52,902	88,119	4,535	145,556	106,310	668,943
\$ 75,600	\$ 606,207	\$ 53,003	\$ 88,286	\$ 4,544	\$ 145,833	\$ 106,512	\$ 858,552

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Social Security Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ 49,711	\$ 49,380	\$ (331)
State income tax	146	250	104
	<u>49,857</u>	<u>49,630</u>	<u>(227)</u>
Total revenues			
	<u>49,858</u>	<u>51,074</u>	<u>(1,216)</u>
Expenditures - current - payroll taxes			
	<u>\$ (1)</u>	<u>(1,444)</u>	<u>\$ (1,443)</u>
Revenues under expenditures			
Fund balance, beginning of the year		<u>41,195</u>	
Fund balance, end of the year		<u>\$ 39,751</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Audit Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ 10,643	\$ 10,603	\$ (40)
State income tax	1,991	3,399	1,408
	<u>12,634</u>	<u>14,002</u>	<u>1,368</u>
Total revenues			
	14,935	14,900	35
Expenditures - current - auditing expenditures			
	<u>\$ (2,301)</u>	<u>(898)</u>	<u>\$ 1,403</u>
Revenues under expenditures			
Fund balance, beginning of the year		<u>1,806</u>	
Fund balance, end of the year		<u>\$ 908</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Road and Bridge Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Property taxes	\$ -	\$ 2,549	\$ 2,549
Road and bridge taxes	-	210	210
Interest	-	92	92
	<hr/>	<hr/>	<hr/>
Total revenues	-	2,851	2,851
	<hr/>	<hr/>	<hr/>
Expenditures	50,000	-	50,000
	<hr/>	<hr/>	<hr/>
Revenues over (under) expenditures	\$ (50,000)	2,851	\$ 52,851
	<hr/>	<hr/>	<hr/>
Fund balance, beginning of the year		51,207	
		<hr/>	
Fund balance, end of the year		\$ 54,058	
		<hr/>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Motor Fuel Tax Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Motor fuel tax allotments	\$ -	\$ 87,040	\$ 87,040
Grants and contracts	-	80,106	80,106
Interest	-	295	295
	<u>-</u>	<u>167,441</u>	<u>167,441</u>
Total revenues	-	167,441	167,441
Expenditures - current - general government - highways and streets	140,000	-	140,000
	<u>140,000</u>	<u>-</u>	<u>140,000</u>
Revenues over (under) expenditures	\$ (140,000)	167,441	\$ 307,441
		<u>167,441</u>	
Fund balance, beginning of the year		109,858	
		<u>109,858</u>	
Fund balance, end of the year		\$ 277,299	
		<u>\$ 277,299</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Special Service Area #3 Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues - property taxes	\$ 15,000	\$ 15,020	\$ 20
Expenditures:			
Current - general government - highways and streets:			
Contractual services	12,500	-	12,500
Repairs and maintenance	2,500	5,078	(2,578)
Total expenditures	15,000	5,078	9,922
Revenues over expenditures	\$ -	9,942	\$ 9,942
Fund balance, beginning of the year		19,542	
Fund balance, end of the year		\$ 29,484	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Special Service Area #4 Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues - property taxes	\$ 11,000	\$ 11,094	\$ 94
Expenditures:			
Current - general government - highways and streets:			
Contractual services	775	-	775
Repairs and maintenance	10,225	-	10,225
Total expenditures	11,000	-	11,000
Revenues over expenditures	\$ -	11,094	\$ 11,094
Fund balance, beginning of the year		118,013	
Fund balance, end of the year		\$ 129,107	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Sanctuary Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues - interest	\$ -	\$ 144	\$ 144
Expenditures - contractual services	95,000	-	95,000
Revenues over (under) expenditures	\$ (95,000)	144	\$ 95,144
Fund balance, beginning of the year		75,456	
Fund balance, end of the year		\$ 75,600	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
School Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Interest	\$ -	\$ 101	\$ 101
Total revenues	<u>-</u>	<u>101</u>	<u>101</u>
Expenditures:			
Current - general government - administration	20,000	-	20,000
Capital outlay - land improvements and equipment	35,000	-	35,000
Total expenditures	<u>55,000</u>	<u>-</u>	<u>55,000</u>
Revenues over (under) expenditures	<u>\$ (55,000)</u>	<u>101</u>	<u>\$ 55,101</u>
Fund balance, beginning of the year		<u>52,902</u>	
Fund balance, end of the year		<u>\$ 53,003</u>	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Park Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues - interest	\$ -	\$ 167	\$ 167
Expenditures:			
Current - general government - administration	10,000	-	10,000
Capital outlay - land improvements and equipment	95,000	-	95,000
Total expenditures	105,000	-	105,000
Revenues over (under) expenditures	\$ (105,000)	167	\$ 105,167
Fund balance, beginning of the year		88,119	
Fund balance, end of the year		\$ 88,286	

See independent auditor's report.

Village of Wayne, Illinois
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
William T. Jensen III Memorial Fund
For the Year Ended April 30, 2021

	Original and Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues - interest	\$ -	\$ 202	\$ 202
Expenditures - park maintenance	1,000	-	1,000
Revenues over (under) expenditures	\$ (1,000)	202	\$ 1,202
Fund balance, beginning of the year		106,310	
Fund balance, end of the year		\$ 106,512	

See independent auditor's report.

OTHER FINANCIAL SCHEDULES

Capital Assets Used in the Operation of Governmental Funds

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

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

Village of Wayne, Illinois
Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
April 30, 2021

General fixed assets:	
Land	\$ 3,014,502
Building improvements	309,679
Infrastructure	57,005
Equipment	182,032
Vehicles	<u>441,887</u>
Total	<u>\$ 4,005,105</u>
Investment in general fixed assets:	
Donations	\$ 2,621,512
General, Special Revenue and Capital Projects Funds	<u>1,383,593</u>
Total	<u>\$ 4,005,105</u>

See independent auditor's report.

Village of Wayne, Illinois
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
April 30, 2021

	Function and Activity			Total
	General Government	Street and Bridge (Public Works)	Police Protection	
Land	\$ 3,014,502	\$ -	\$ -	\$ 3,014,502
Building and improvements	55,232	254,447	-	309,679
Infrastructure	57,005	-	-	57,005
Equipment	62,790	57,725	61,517	182,032
Vehicles	-	209,272	232,615	441,887
Total	\$ 3,189,529	\$ 521,444	\$ 294,132	\$ 4,005,105

See independent auditor's report.

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

	<u>Balances May 1,</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30,</u>
Function and activity:				
General Government	\$ 3,195,344	\$ 10,100	\$ (15,915)	\$ 3,189,529
Street and Bridge (Public Works)	470,581	108,886	(58,023)	521,444
Police Protection	272,135	58,065	(36,068)	294,132
Total	<u>\$ 3,938,060</u>	<u>\$ 177,051</u>	<u>\$ (110,006)</u>	<u>\$ 4,005,105</u>

See independent auditor's report.

Long-term Debt Payable by Special Service Area #5

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

**Village of Wayne, Illinois
 Long-term Debt Requirements
 Special Service Area #5 Special Tax Bonds
 April 30, 2021**

Series 2007, Special Tax Bonds

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

Due Date	Future Principal and Interest Requirements		
	Principal	Interest	Total
04/30/22	\$ 25,000	\$ 8,120	\$ 33,120
04/30/23	115,000	6,670	121,670
	\$ 140,000	\$ 14,790	\$ 154,790

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

See independent auditor's report.

STATISTICAL INFORMATION

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

Fiscal Year Ended April 30,	Village Property Taxes	Police Pension Property Taxes	State Income Tax	Other Taxes	Investment Income	Permits, Licenses and Traffic Fines	Other	Total
2012	\$ 587,615	\$ 121,945	\$ 198,871	\$ 432,985	\$ 4,041	\$ 170,882	\$ 259,959	\$ 1,776,298
2013	624,952	102,425	240,120	437,319	4,112	180,931	100,361	1,690,220
2014	624,466	126,844	236,891	440,088	2,282	168,975	34,375	1,633,921
2015	629,697	142,777	238,078	432,250	2,048	191,423	281,826	1,918,099
2016	635,915	143,489	292,237	443,144	4,757	238,155	87,464	1,845,161
2017	633,693	154,968	196,630	446,224	19,212	192,666	12,318	1,655,711
2018	642,321	154,386	269,191	416,616	25,957	219,254	87,722	1,815,447
2019	657,691	166,498	251,343	436,462	55,335	227,977	21,828	1,817,134
2020	677,099	164,282	239,111	456,937	56,085	288,702	119,607	2,001,823
2021	689,653	171,116	315,791	529,846	10,166	234,717	209,261	2,160,550

Data source: Village of Wayne annual financial reports.

See independent auditor's report.

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

Fiscal Year Ended April 30,	General Government	Police Protection	Police Pension Contribution	Capital Expenditures	Street and Bridge Maintenance	Social Security	Repairs and Maintenance	Total
2012	\$ 393,938	\$ 722,384	\$ 126,679	\$ 11,093	\$ 338,591	\$ 48,764	\$ 50,235	\$ 1,691,684
2013	281,281	719,967	157,000	45,043	109,216	45,076	49,011	1,406,594
2014	287,754	721,863	282,913	58,096	189,786	47,292	54,851	1,642,555
2015	295,602	741,766	200,000	221,164	247,656	48,416	66,506	1,821,110
2016	290,196	742,216	208,708	398,347	358,203	48,557	69,487	2,115,714
2017	288,181	720,070	190,000	76,820	240,329	48,520	63,438	1,627,358
2018	244,743	734,788	208,708	67,078	350,508	50,666	60,426	1,716,917
2019	217,702	691,203	225,000	156,938	313,876	48,330	79,683	1,732,732
2020	217,232	621,014	274,997	228,869	212,848	46,161	92,814	1,693,935
2021	234,473	704,932	250,000	146,264	328,752	51,074	86,502	1,801,997

Data source: Village of Wayne annual financial reports.

See independent auditor's report.

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

Kane County:

Fiscal Year Ended April 30,	Tax Year Levy	Total Tax Levy	Total Tax Levy Extension	Total Tax Collections	Percent of Total Tax Collections to Tax Levy Extension	Adjustments From Prior Years	Percent of Delinquent Taxes of Tax Levy Extension
2012	2010	\$ 298,799	\$ 298,799	\$ 298,223	99.81%	\$ 576	0.19%
2013	2011	318,190	314,260	313,638	99.80%	622	0.20%
2014	2012	336,950	336,950	329,159	97.69%	7,791	2.31%
2015	2013	342,874	342,874	342,373	99.85%	501	0.15%
2016	2014	349,605	349,605	348,329	99.64%	1,276	0.36%
2017	2015	355,467	355,467	355,649	100.05%	-	0.00%
2018	2016	349,076	349,076	347,401	99.52%	1,675	0.48%
2019	2017	364,609	364,609	363,891	99.80%	718	0.20%
2020	2018	367,667	367,667	367,576	99.98%	91	0.02%
2021	2019	376,174	376,174	375,798	99.90%	-	0.00%

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

Data source: Kane County Collector

DuPage County:

Fiscal Year Ended April 30,	Tax Year Levy	Total Tax Levy	Total Tax Levy Extension	Total Tax Collections	Percent of Total Tax Collections to Tax Levy Extension	Adjustments From Prior Years	Percent of Delinquent Taxes of Tax Levy Extension
2012	2010	\$ 381,222	\$ 381,222	\$ 381,517	100.08%	\$ -	0.00%
2013	2011	383,668	383,668	383,807	100.04%	-	0.00%
2014	2012	386,149	386,149	385,568	99.85%	581	0.15%
2015	2013	397,163	397,163	396,348	99.79%	815	0.21%
2016	2014	403,126	403,126	402,204	99.77%	922	0.23%
2017	2015	405,996	405,996	404,399	99.61%	1,597	0.39%
2018	2016	421,011	421,011	420,511	99.88%	500	0.12%
2019	2017	431,476	431,476	431,440	99.99%	36	0.01%
2020	2018	447,508	447,508	447,379	99.97%	129	0.03%
2021	2019	456,944	456,944	456,307	99.86%	637	0.14%

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

Data source: DuPage County Collector

See independent auditor's report.

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

Kane County:

<u>Fiscal Year Ended April 30,</u>	<u>Tax Year Levy</u>	<u>Assessed Value (1)</u>	<u>Estimated Actual Value</u>
2012	2010	\$ 82,875,495	\$248,626,485
2013	2011	78,102,323	234,306,969
2014	2012	76,220,996	228,662,988
2015	2013	71,051,712	213,155,136
2016	2014	69,393,765	208,181,295
2017	2015	70,495,525	211,486,575
2018	2016	70,429,377	211,288,131
2019	2017	72,459,530	217,378,590
2020	2018	69,471,997	208,415,991
2021	2019	67,917,404	203,752,212

Data source: Kane County Collector

DuPage County:

<u>Fiscal Year Ended April 30,</u>	<u>Tax Year Levy</u>	<u>Assessed Value (1)</u>	<u>Estimated Actual Value</u>
2012	2010	\$105,865,730	\$317,597,190
2013	2011	95,344,931	286,034,793
2014	2012	87,344,185	262,032,555
2015	2013	82,296,451	246,889,353
2016	2014	80,017,132	240,051,396
2017	2015	80,506,885	241,520,655
2018	2016	84,932,646	254,797,938
2019	2017	85,746,497	257,239,491
2020	2018	84,547,110	253,641,330
2021	2019	82,495,671	247,487,013

Data source: DuPage County Collector

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

See independent auditor's report.