



**VILLAGE OF CHATHAM, ILLINOIS**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

For the Fiscal Year Ended April 30, 2024

*Prepared by:*

*Megan Cochran, Chief Fiscal Officer*

**VILLAGE OF CHATHAM, ILLINOIS**  
**TABLE OF CONTENTS**

---

	<u>Page(s)</u>
<b>INTRODUCTORY SECTION</b>	
Transmittal Letter.....	i-v
Principal Village Officials .....	vi
Organization Chart.....	vii
Certificate of Achievement for Excellence in Financial Reporting.....	viii
 <b>FINANCIAL SECTION</b>	
Independent Auditor’s Report.....	1-4
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	5-6
Management’s Discussion and Analysis .....	MDA 1-12
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position .....	7-8
Statement of Activities.....	9
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet.....	10
Reconciliation of Fund Balances of Governmental Funds To the Governmental Activities in the Statement of Net Position.....	11
Statement of Revenues, Expenditures and Changes in Fund Balance .....	12
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities .....	13
Proprietary Funds:	
Statement of Net Position .....	14-15
Statement of Revenues, Expenses and Changes In Net Position .....	16
Statement of Cash Flows .....	17-18
Fiduciary Funds:	
Statement of Fiduciary Net Position .....	19
Statement of Changes in Fiduciary Net Position .....	20
Notes to Financial Statements.....	21-64

**VILLAGE OF CHATHAM, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

	<u>Page(s)</u>
<b>Required Supplementary Information</b>	
<b>Schedule of Changes in Employer’s Net Pension Liability and Related Ratios:</b>	
Illinois Municipal Retirement Fund.....	65-66
Police Pension Trust Fund .....	67-68
<b>Schedule of Employer Contributions</b>	
Illinois Municipal Retirement Fund.....	69
Police Pension Trust Fund .....	70
<b>Schedule of Changes in the Employer’s Total OPEB</b>	
<b>Liability and Related Ratios:</b>	
Other Post-Employment Benefit Plan.....	71
Schedule of Investment Returns: Police Pension Trust Fund.....	72
<b>Schedule of Revenues, Expenditures and Changes in</b>	
Fund Balance – Budget and Actual: General Fund .....	73-75
<b>Schedule of Revenues, Expenditures and Changes in</b>	
Fund Balance – Budget and Actual: Motor Fuel Tax Fund.....	76
Notes to Required Supplementary Information .....	77
 <b>Combining and Individual Fund Statements and Schedules:</b>	
<b>Nonmajor Governmental Funds:</b>	
Combining Balance Sheet.....	78
Combining Schedule of Revenues, Expenditures and	
Changes in Fund Balance.....	79
Schedule of Revenues, Expenditures and Changes	
in Fund Balance – Budget and Actual:	
Special Revenue Funds .....	80
Capital Projects Fund.....	81
Permanent Fund .....	82
 <b>Supplementary Financial Information</b>	
<b>Electric Fund:</b>	
Comparative Statement of Net Position.....	83-84
Comparative Statement of Revenues, Expenses and	
Changes in Net Position.....	85
<b>Schedule of Outstanding Bonds</b>	
Governmental Activities .....	86
Business-Type Activities .....	87

**VILLAGE OF CHATHAM, ILLINOIS**  
**TABLE OF CONTENTS (Continued)**

---

	<u>Page(s)</u>
<b>STATISTICAL SECTION (UNAUDITED)</b>	
Statistical Section Contents.....	88
Financial Trends	
Net Position by Component .....	89-90
Changes in Net Position by Component .....	91-94
Fund Balances – Governmental Funds .....	95-96
Changes in Fund Balances – Governmental Funds .....	97-98
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property .....	99-100
Direct and Overlapping Property Tax Rates .....	101-102
Principal Property Tax Payers .....	103
Property Tax Levies and Collections .....	104
Taxable Sales by Category.....	105-106
Direct and Overlapping Sales Tax Rates .....	107
Debt Capacity	
Ratios of Outstanding Debt by Type .....	108-109
Direct and Overlapping Governmental Activities Debt .....	110
General Bonded Debt Capacity and Ratios .....	111
Pledged Revenue.....	112
Demographic and Economic Information	
Demographic and Economic Statistics .....	113
Principal Employers .....	114
Full-time Equivalent Village Employees by Functions/Programs.....	115
Operating Information	
Operating Indicators by Function .....	116-117
Capital Asset Statistics .....	118
<b>OTHER INFORMATION (UNAUDITED)</b>	
Schedule of Insurance Coverage.....	119
Schedule of Electric Rates Charged.....	120

## **INTRODUCTORY SECTION**

**Village President**  
*Dave Kimsey*

**Village Clerk**  
*Dan Holden*



**Village Trustees**  
*Kristin Chiaro*  
*Meredith Ferguson*  
*John Fletcher*  
*Brett Gerger*  
*Timothy Nice*  
*Carl Try*

October 16, 2024

To the Honorable Village President, Members of the Village Board and the Citizens of the Village of Chatham:

The annual comprehensive financial report of the Village of Chatham, Illinois (Village) for the year ended April 30, 2024 is hereby submitted as mandated by state statute. It requires that the Village, on an annual basis, report on its financial activity, as well as having an independent firm of certified public accountants audit the report. Responsibility, for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed to protect the Village's assets from loss, theft or misuse and to compile sufficient, reliable information for the preparation of the Village's financial statements in conformance with generally accepted accounting principles (GAAP). This internal control structure is designed to provide a reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to gain an understanding of the Village's activities have been included.

A narrative introduction, overview and analysis accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The Village's MD&A can be found immediately following the report of the independent auditors and will provide further information regarding the format and content of this report.

The Village of Chatham's financial statements have been audited by Sikich CPA LLC, a firm of licensed certified public accountants. They have issued an unmodified (clean) opinion on the Village of Chatham's financial statements for the fiscal year ended April 30, 2024. The independent auditors report is presented in the financial section of the report.

## **Village of Chatham Profile**

The Village of Chatham, incorporated on March 23, 1874, is located in Sangamon County, approximately 3 miles south of the Illinois State Capitol, Springfield. The Village lies along the original alignment of historic [U.S. Route 66 \(Illinois Route 4\)](#). The Village encompasses an area of 7 square miles and serves a population of 14,377 residents and is located in Chatham, Ball, Woodside and Curran Townships. It is empowered by state statute to extend its corporate limits by annexation.

The Village operates under the Village Board-Trustee form of government. Policymaking and legislative authority are vested in the Village Board, which consists of a Village President and a six-member Board of Trustees. The Village Board sets policy for the Village, adopts ordinances and resolutions, adopts the annual appropriation and approves expenditures. Board members are elected to four-year staggered terms. The Village President and Village Clerk are also elected to four-year terms. The Village President, Village Clerk and Board members are elected on a non-partisan basis. The Village Manager is appointed by the Village President with the consent of the Village Board and is responsible for carrying out the policies and ordinances of the Village and for overseeing the day-to-day operations.

The Village of Chatham provides a full range of services, including police protection, electric, water and sewer service, yard waste collections, parks, cemeteries and the care of streets and sidewalks.

This report includes all funds of the Village including the activities of the Chatham Police Pension Fund for which the Village is financially accountable for. Other independent districts and government entities also provide services in Chatham. Government entities such as the Chatham Fire Protection District, Chatham Library District, Chatham Township, Ball Township, Woodside Township, Curran Township, Ball-Chatham School District, South Sangamon Water Commission, and the Sangamon County Water Reclamation District have not met the established criteria for inclusion in the reporting entity, and accordingly, are excluded from this report.

## **Financial Planning**

The annual appropriation ordinance is the legal document under which Village resources are expended. This document is based on the Village's annual budget. The budget process begins in February of each year. The Chief Budget Officer and Treasurer prepares estimates of revenue and personal service line items. Each department prepares expenditure requests and also provides information on any new initiatives to be undertaken by the department.

The finance staff compiles the information and the Village's management team conducts meetings to discuss and formulate each department's needs for the upcoming fiscal year. From these meetings a budget document is developed and presented to the Village Board. The budget document is the basis from which the annual appropriation ordinance is derived.

## **Local Economy**

The Village of Chatham economy reflects typical suburban mixtures of business, limited manufacturing, service businesses, restaurants and health care. Local businesses mostly serve customers in the Village and surrounding area. The health care industry sector includes the addition of an express care facility to the existing Memorial Physician Services building and the Hospital Sisters Health System facility.

Municipal sales tax revenue provides a good measure of the local economy. Fiscal year 2024 saw an increase in the amount of sales tax revenue of 11.1% with the top four sales tax categories for the Village being drug and miscellaneous retail, food, auto and gas stations, and drinking and eating places. The increase is due to the economy as well as the lifting of the State of Illinois' suspension of its 1% sales and use tax on grocery items effective July 1, 2023.

The Village's use tax has increased significantly in previous years due to the "Leveling the Playing Field" legislation which required remote retailers to collect and remit the state and local retailer's occupation tax for sales made after January 1, 2021. Fiscal year 2023 had an increase of 18.9% in local use tax from fiscal year 2022, but decreased 6.2% in fiscal year 2024. This is consistent with the decrease in use tax distributions for the municipal/county share of Illinois Use tax. While remote sales continue to increase, fiscal year 2024 revenues were impacted by the Illinois Department of Revenue one-time audit results.

In fiscal year 2024, the Village experienced an increase in the number of building permits issued after experiencing a decrease in fiscal year 2023. The COVID-19 pandemic has had a significant impact on the construction industry through inflation, volatility in material prices, and increased labor costs and the Village is carefully considering the future effect of this factor. During fiscal year 2024, the Manor Hill Plat 2 residential development was completed and Morrison Minor Subdivision residential development was in progress.

The taxable equalized assessed valuation (EAV) within the Village has continued to increase over the past ten levy years and is anticipated to increase again for the 2024 levy year. The Village's 2023 taxable EAV increased 8.7% to \$371,429,277. A portion of this increase is due to new construction EAV.

Per the Bureau of Labor Statistics, over the past 10 years the unemployment rate ranged from 3.0% to 11.8%. Beginning in March 2020, when the COVID-19 virus was declared a global pandemic the unemployment rate increased to 11.8%. The unemployment rate has been decreasing over the last couple of years, but increased to 5.30% during fiscal year 2024. This rate is still below the current state average of 6.1%.



## **Major initiatives**

Among the Village's more significant accomplishments during fiscal year 2024 were the following:

An EF1 tornado and a derecho impacted the Village on June 29, 2023 causing significant damage to the Village's electrical system as well as causing significant vegetative debris. The Village incurred approximately \$4,900,000 in costs to repair the electrical system and hauling and disposing of vegetative debris caused by the storm. During the fiscal year, the Village worked with the Federal Emergency Management Agency (FEMA) and was awarded funding to reimburse 75% of the incurred costs totaling approximately \$1,000,000 as of April 30, 2024. The Village was awarded 75% of the remaining incurred costs totaling approximately \$2,700,000 after the fiscal year end. Therefore, the Village will be reimbursed by FEMA a total amount of approximately \$3,700,000 with the remaining \$1,200,000 incurred costs being paid by Village reserves.

Beginning in fiscal year 2022, the Village received \$1,769,236 in Coronavirus State and Local Fiscal Recovery Funds that were authorized by the American Rescue Plan Act (ARPA funds). During fiscal year 2024, the Village spent \$557,736 on projects that were determined to be eligible projects and were considered in the Village's comprehensive plan. Major projects that were funded with the federal ARPA funds included the purchase of police vehicles and equipment for approximately \$213,000, patching roadwork on Plummer Blvd for approximately \$97,000 to prepare for the future Plummer Blvd Overlay project to be funded through the Motor Fuel Tax Rebuild IL Funds, bike trail upgrades throughout Chatham Community Park for approximately \$48,000, and construction of fence and gate entry to secure Village property for approximately \$61,000.

Also, in fiscal year 2024, the Motor Fuel Tax fund had significant projects. Gordon Drive upgrades began in fiscal year 2023 for approximately \$116,000 which included the rebuilding of the curbs and gutters of intersections. The Gordon Drive project was completed in fiscal year 2024 with the remaining upgrades totaling approximately \$494,000.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Chatham for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended April 30, 2023. This was the seventh year that the Village received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this report conforms to the Certificate of Achievement Program's requirements and are submitting it to the GFOA for its determination.

The preparation of this report could not be accomplished without the efficient and dedicated services of the Administration and Finance Department staff. Their contributions are truly appreciated. I would also like to acknowledge our auditors, Sikich CPA LLC for their help in formulating this report. My sincere gratitude is extended to the Village President, the Board of Trustees and the Village Manager for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner.

Respectively submitted,

A handwritten signature in cursive script that reads "Megan Cochran".

Megan Cochran  
Chief Fiscal Officer

**VILLAGE OF CHATHAM**

**VILLAGE OF CHATHAM, ILLINOIS**

**PRINCIPAL VILLAGE OFFICIALS**

**VILLAGE PRESIDENT**

Dave Kimsey

**BOARD OF TRUSTEES**

Kristen Chiaro

Meredith Ferguson

John Fletcher

Brett Gerger

Timothy Nice

Carl Try

**VILLAGE CLERK**

Dan Holden

**VILLAGE MANAGER**

Patrick McCarthy

**DEPARTMENT DIRECTORS:**

Kayla Piehl, Chief Budget Officer and Treasurer

Megan Cochran, Chief Fiscal Officer

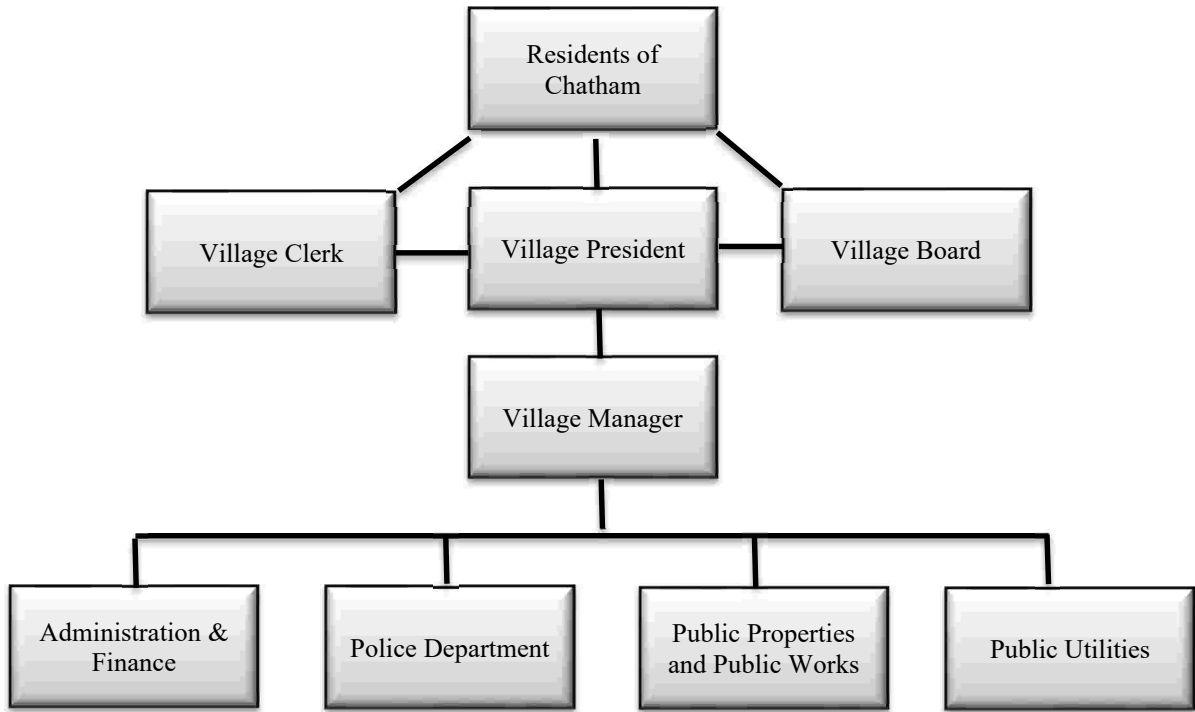
Vern Foli, Chief of Police

Dustin Patterson, General Foreman Water, Parks, and Streets Department

Jill Butler, Administrative Assistant

Casey Erickson, Code Enforcement Manager

**VILLAGE OF CHATHAM**  
**2024 ORGANIZATIONAL CHART**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Chatham  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

April 30, 2023

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

3051 Hollis Dr., 3rd Floor  
Springfield, IL 62704  
217.793.3363

**SIKICH.COM**

## **INDEPENDENT AUDITOR'S REPORT**

To the President  
and Board of Trustees  
Village of Chatham, Illinois

### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chatham, Illinois as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chatham, Illinois as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

The Village adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, which established a single model for IT subscription accounting based on the foundational principle that subscriptions are financings of the right to use an underlying intangible asset. Our opinion is not modified with respect to these matters.

### ***Basis for Opinions***

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

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

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

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

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

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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



## ***Other Matters***

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplementary financial information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplementary financial information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

This 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 combining and individual fund financial statements and schedules and supplementary financial information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The audit as of and for the period ended April 30, 2023 was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The 2023 comparative information included on certain combining and individual fund statements and schedules is presented for purposes of additional analysis and is not required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements by Sikich LLP 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 the opinion of Sikich LLP, the information was fairly stated in all material respects in relation to the financial statements as a whole.

### *Other Information*

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 16, 2024, on our consideration of the Village of Chatham, Illinois' internal control over financial reporting and on our tests and its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Chatham, Illinois' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the Village of Chatham, Illinois' internal control over financial reporting and compliance.

***Sikich CPA LLC***

Springfield, Illinois  
October 16, 2024

3051 Hollis Dr., 3rd Floor  
Springfield, IL 62704  
217.793.3363

**SIKICH.COM**

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

Board of Trustees  
Village of Chatham, Illinois  
Chatham, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Chatham, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village of Chatham, Illinois’ basic financial statements, and have issued our report thereon dated October 16, 2024.

***Report on Internal Control Over Financial Reporting***

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

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

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

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

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

***Purpose of This Report***

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

***Sikich CPA LLC***

Springfield, Illinois  
October 16, 2024

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

# VILLAGE OF CHATHAM, ILLINOIS

## MANAGEMENT'S DISCUSSIONS AND ANALYSIS

April 30, 2024

---

As the management of the Village of Chatham (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2024.

### **Financial Highlights**

- The assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$42,294,951 (net position).
- At the close fiscal year 2024, the Village's governmental funds reported combined ending fund balances of \$7,888,795 of which \$2,086,053 was unassigned and is available for spending at the Village's discretion.
- General governmental revenues were \$7,676,029 and represent 69% of all governmental revenues. Charges for services of \$1,379,841 represent 13% and operating grants and contributions in the form of motor fuel tax distribution and public safety grants accounted for \$1,305,369 represent 12% of all governmental revenues. Capital grants and contributions in the form of developer contributions of streets and storm sewer infrastructure accounted for \$695,170 represent 6% of total governmental revenues of \$11,056,409.
- The Village had \$11,106,818 in expenses related to government activities. However, only \$3,380,380 of these expenses was offset by program specific charges and operating grants and contributions.
- The Village's long-term debt (excluding compensated absences and other post-employment benefits) decreased \$641,551 during fiscal year 2024.

### **USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE REPORT**

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

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

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Chatham's finances, in a manner similar to a private-sector business and are presented on the full accrual basis of accounting.

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

**VILLAGE OF CHATHAM, ILLINOIS**  
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

---

**Government-Wide Financial Statements (Continued)**

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

Both of the government-wide financial statements distinguish functions of the Village of Chatham 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 activities). The governmental activities of the Village include general government, cemetery, culture and recreation, public safety and public works and transportation. The business-type activities of the Village include electric, water and sewer systems.

The government-wide financial statements can be found on pages 7 through 9 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that are 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 three categories: governmental, proprietary and fiduciary funds.

**Governmental funds**

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

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

The Village had 7 individual government funds during fiscal year 2024. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balance for the General Fund, Motor Fuel Tax Fund, and Capital Projects Fund which are considered to be "major" funds. Data from the other 4 governmental funds is provided in the form of combining statements elsewhere in this report.

**VILLAGE OF CHATHAM, ILLINOIS**  
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

---

**Governmental funds (Continued)**

The Village adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the General Fund to demonstrate budget compliance.

The governmental fund financial statements can be found on pages 10 through 13 of this report.

**Proprietary Funds**

The Village maintains only the enterprise type of proprietary fund. Enterprise funds are used to report the same functions presented as business type activities in the government-wide financial statements. The Village uses enterprise funds to account for its electric and water and sewer system.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric distribution operation and the water and sewer operations, both of which are considered to be major funds of the Village of Chatham.

The proprietary fund financial statements can be found on pages 14 through 18 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 maintains one fiduciary fund, the Police Pension Fund.

The fiduciary fund financial statements can be found on pages 19 and 20 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 21 through 64 of the report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning historical pension and retiree's health plan information and budgetary comparison schedules for the general fund and the motor fuel tax fund. Required supplementary information can be found on pages 65 through 77 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 78 through 82 of this report.



**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Government-Wide Financial Analysis**

**Table 1**

**Statement of Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Current and Other Assets	\$ 10,867,671	\$ 12,183,710	\$ 6,631,408	\$ 7,277,634	\$ 17,499,079	\$ 19,461,344
Capital Assets	21,750,790	21,348,056	20,151,929	20,518,512	41,902,719	41,866,568
<b>Total Assets</b>	<b>32,618,461</b>	<b>33,531,766</b>	<b>26,783,337</b>	<b>27,796,146</b>	<b>59,401,798</b>	<b>61,327,912</b>
Deferred Outflows of Resources	901,596	1,857,852	1,068,863	1,175,888	1,970,459	3,033,740
<b>Total Assets and Deferred Outflows of Resources</b>	<b>33,520,057</b>	<b>35,389,618</b>	<b>27,852,200</b>	<b>28,972,034</b>	<b>61,372,257</b>	<b>64,361,652</b>
Current Liabilities	1,466,872	2,285,178	1,692,015	1,829,963	3,158,887	4,115,141
Non-current Liabilities	9,391,197	10,425,712	3,874,601	4,661,428	13,265,798	15,087,140
<b>Total Liabilities</b>	<b>10,858,069</b>	<b>12,710,890</b>	<b>5,566,616</b>	<b>6,491,391</b>	<b>16,424,685</b>	<b>19,202,281</b>
Deferred Inflows of Resources	2,520,439	2,465,195	132,182	246,801	2,652,621	2,711,996
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>13,378,508</b>	<b>15,176,085</b>	<b>5,698,798</b>	<b>6,738,192</b>	<b>19,077,306</b>	<b>21,914,277</b>
Net Position:						
Net Investment in Capital Assets	20,800,486	20,292,970	18,081,058	17,910,872	38,881,544	38,203,842
Restricted	2,512,547	2,349,651	182,589	229,497	2,695,136	2,579,148
Unrestricted	(3,171,484)	(2,429,088)	3,889,755	4,093,473	718,271	1,664,385
<b>Total Net Position</b>	<b>\$ 20,141,549</b>	<b>\$ 20,213,533</b>	<b>\$ 22,153,402</b>	<b>\$ 22,233,842</b>	<b>\$ 42,294,951</b>	<b>\$ 42,447,375</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Village's combined net position decreased by \$152,424 from \$42,447,375 to \$42,294,951. This change is the result of a decrease of \$80,440 from business activities and a decrease of \$71,984 in the net position of governmental activities. The decrease in the business activities is due to a Presidential declared disaster that occurred on June 29, 2023. FEMA grants covered only 75% of the disaster costs causing a decrease in the net position in the Electric Fund that was offset by an increase in net position in the Waterworks and Sewerage Fund due to a decrease in expenditures and an increase in contribution revenue from developers during the fiscal year. The decrease in the governmental activities was also due to the Presidential declared disaster. FEMA did not obligate a grant to reimburse 75% of the expenditures until after the end of the fiscal year and therefore, grant revenue was not reported to offset the costs incurred from the disaster. The expenditures from the disaster was offset by increases in governmental revenues including operating grants, investment income, and capital contributions from developers during the fiscal year.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Government-Wide Financial Analysis (Continued)**

By far the largest portion of the Village’s net position (91.9%) reflects its investment in capital assets (e.g., land, buildings and improvements, equipment, vehicles and infrastructure); less any related debt used to acquire those assets that is still outstanding. The Village uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

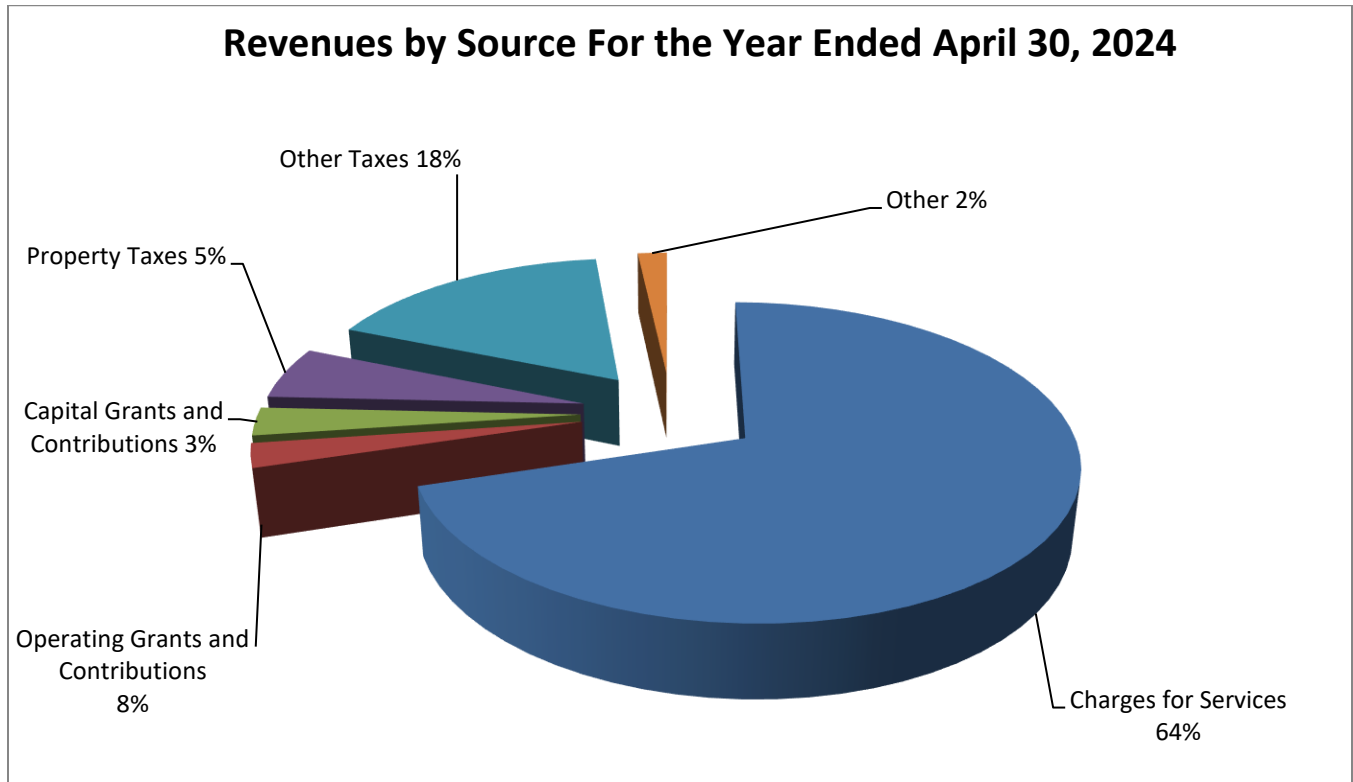
A portion of the Village’s net position (6.4%) represents resources that are subject to external restrictions on how it may be used. The governmental activities unrestricted net position had a deficit of \$3,171,484 in fiscal year 2024 and a deficit of \$2,429,088 in fiscal year 2023. The majority of the deficit is due to the Presidential declared disaster previously mentioned in which none of the expenditures incurred from the disaster were offset by reimbursement grants. The deficit from the disaster was offset by increases in operating grants and investment income.

For more detailed information, see the Statement of Net Position on pages 7 and 8.

**Table 2**  
**Changes in Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Revenues						
Program Revenues						
Charges for services	\$1,379,841	\$1,325,414	\$18,381,476	\$18,072,735	\$19,761,317	\$19,398,149
Operating Grants and Contributions	1,305,369	571,809	1,039,279	-	2,344,648	571,809
Capital Grants and Contributions	695,170	597,116	378,989	-	1,074,159	597,116
General Revenues						
Property Taxes	1,610,626	1,522,435	-	-	1,610,626	1,522,435
Other Taxes	5,450,584	5,037,344	-	-	5,450,584	5,037,344
Other	614,819	398,355	92,279	45,409	707,098	443,764
Total Revenues	<u>11,056,409</u>	<u>9,452,473</u>	<u>19,892,023</u>	<u>18,118,144</u>	<u>30,948,432</u>	<u>25,570,617</u>
Expenses						
General Government	4,292,796	918,312	-	-	4,292,796	918,312
Cemetery	39,758	42,039	-	-	39,758	42,039
Culture and Recreation	789,857	861,952	-	-	789,857	861,952
Public Safety	3,668,326	2,351,765	-	-	3,668,326	2,351,765
Public Works	2,302,249	2,064,572	-	-	2,302,249	2,064,572
Electric	-	-	12,500,798	10,326,118	12,500,798	10,326,118
Water and Sewer	-	-	7,493,240	7,651,617	7,493,240	7,651,617
Interest on Long-Term Debt	13,832	14,760	-	-	13,832	14,760
Total Expenses	<u>11,106,818</u>	<u>6,253,400</u>	<u>19,994,038</u>	<u>17,977,735</u>	<u>31,100,856</u>	<u>24,231,135</u>
Transfers	(21,575)	(16,527)	21,575	16,527	-	-
Change in Net Position	<u>(71,984)</u>	<u>3,182,546</u>	<u>(80,440)</u>	<u>156,936</u>	<u>(152,424)</u>	<u>3,339,482</u>
Net Position beginning of year	<u>20,213,533</u>	<u>17,030,987</u>	<u>22,233,842</u>	<u>22,076,906</u>	<u>42,447,375</u>	<u>39,107,893</u>
Net Position, end of the year	<u>\$20,141,549</u>	<u>\$20,213,533</u>	<u>\$22,153,402</u>	<u>\$22,233,842</u>	<u>\$42,294,951</u>	<u>\$42,447,375</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

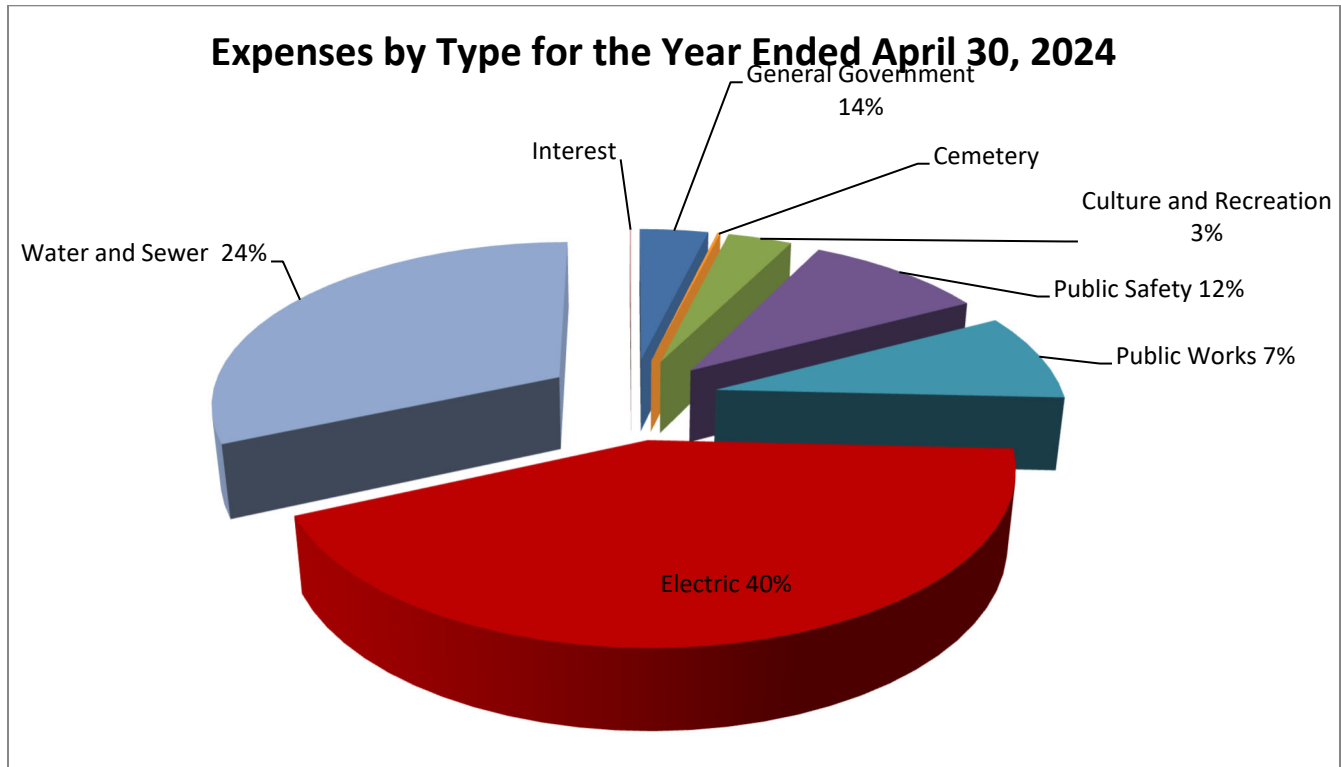


For the fiscal year ended April 30, 2024, revenues totaled \$30,948,432. The Village’s largest revenue source is from charges for services, which consist of charges from the electric, water and sewer system as well as franchise fees, business permit fees and administrative utility fees. Other taxes include sales tax, income tax, telecommunications tax, local use tax, road and bridge taxes and video gaming taxes.

Charges for services stayed fairly consistent from the prior year as they only increased 1.9% from \$19,398,149 in fiscal year 2023 to \$19,761,317 in fiscal year 2024. Service charges for the electric system and water and sewer system are up \$308,741 over fiscal year 2023, which represents a 1.7% increase over the previous year, while service charges from governmental activities increased \$54,427 or 4.1%. The increase in service charges for electric and water and sewer is due to an increase in electric and water and sewer consumption associated with a steady growth of new residents as well as a rate increase passed for sewer service. The slight increase in governmental service charges is due to an increase in fines, business licenses, and the increase in the administration fee for the Utility Funds based on revenue assumptions being adjusted in fiscal year 2024. The Village's Operating Grants and Contributions increased from \$571,809 to \$2,344,648. The Village’s capital grants and contributions increased from \$597,116 in fiscal year 2023 to \$1,074,159 in fiscal year 2024. The Village received and spent a State Grant totaling \$400,000, received FEMA grants totaling \$1,044,472 to reimburse expenses incurred in a Presidential declared disaster, and spent ARPA funds totaling \$557,736 in fiscal year 2024.

**VILLAGE OF CHATHAM, ILLINOIS**  
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

---



The Village of Chatham’s expenses totaled \$31,100,856 in 2024. The largest portion of these expenses is for the electric system which represents 40% followed by expenses for the water and sewer systems at 24%. These expenses reflect the cost of providing electric, water and sewer services to the Village of Chatham’s residents. Expenses related to the electric, water and sewer services increased by 11.2% or \$2,016,303 mostly due to the repair costs of the electric system from the Presidential declared disaster. As of April 30, 2024, FEMA has obligated to reimburse 75% of the costs.

General government activities are the largest expense component of the governmental activities and experienced an increase in expenses of \$3,374,484 mostly due to the costs relating to the repairs from the Presidential declared disaster. As of October 16, 2024, FEMA has obligated to reimburse 75% of the costs. Public safety expenses relate to the operation of the Village’s Police Department. Public works expenses are costs associated with maintaining the Village’s streets. Culture and recreation expenses include expenses to maintain the Village’s parks.

**FINANCIAL ANALYSIS OF THE VILLAGE’S FUNDS**

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

**VILLAGE OF CHATHAM, ILLINOIS**  
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

---

**Governmental Funds**

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

At the end of fiscal year 2024, the Village's governmental funds reported combined ending fund balances of \$7,888,795 a decrease of \$651,069 in comparison to the prior year. Approximately 5% of this total amount or \$456,042 constitutes nonspendable fund balance, which is amounts held in the Village's Cemetery Perpetual Care Fund. Approximately 26% or \$2,056,533 constitutes restricted fund balance which is restricted for Motor Fuel Tax, public safety or debt service. Approximately 5% or \$371,671 constitutes committed fund balance, which is earmarked by the Village Board for future use. Approximately 37% of this total amount or \$2,918,496 is assigned fund balance, which has been authorized by the Village Board to be spent during the subsequent fiscal year. Approximately \$2,086,053 constitutes unassigned fund balance, which is available for spending at the Village's discretion.

The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$2,086,053 while total fund balance was \$2,763,554. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 20.8% of total General Fund expenditures, while total fund balance represents 27.6% of that same amount. This is a decrease from the prior year due to the Presidential declared disaster in which there were approximately \$3,600,000 in costs incurred to repair storm damage. Of this amount 75% was obligated to be reimbursed by FEMA after the end of the fiscal year and therefore, the expenditures were not offset by revenues.

The total fund balance of the Village's General Fund decreased by \$1,827,789 during the current fiscal year due to the disaster noted above. The total fund balance of the Motor Fuel Tax Fund increased by \$138,577 during the current fiscal year due to an increase in motor fuel tax receipts. The total fund balance of the Capital Projects Fund increased \$1,003,539 due to the new Capital Projects Plan implemented in fiscal year 2022. \$1,000,000 was transferred from the General Fund to the Capital Projects Fund to make purchases for equipment, vehicles and other projects to be purchased in future fiscal years. The combined fund balance of the Village's remaining governmental funds increased by \$34,604 primarily due to increased investment income and the Village's budgeting process.

**Proprietary Funds**

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

The Village reports the Electric Fund and the Waterworks and Sewerage Fund, both as major proprietary funds. The Electric Fund accounts for the distribution of electric services to the Village's residents. The Waterworks and Sewerage Fund accounts for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide these services are accounted for in these two funds, including, but not limited to administration, operations and maintenance, financing and related debt services, billing and collection.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Proprietary Funds (Continued)**

Business type activities had a 9.8% increase in total revenues. The increase is due to an increase in operating grants due to the Presidential declared disaster, contribution revenue from developers, and electric and water and sewer consumption associated with a steady growth of new residents as well as a rate increase passed for sewer service. Expenses for business type activities increased 11.2% primarily due to the expenditures incurred from the disaster. The result was an overall small decrease in net position for business activities for fiscal year 2024 of \$80,440.

**Table 3**  
**General Fund Budgetary Highlights for the**  
**Fiscal Year Ended April 30, 2024**  
**With Comparative Actual Totals for the Year Ended April 30, 2023**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual 2024</u>	<u>Actual 2023</u>
<b>REVENUES</b>				
Taxes	\$ 6,226,533	\$ 6,226,533	\$ 6,480,063	\$ 6,196,956
Licenses, Permits, and Fees	1,011,752	1,011,752	1,034,628	1,005,651
Other	<u>1,156,164</u>	<u>1,157,064</u>	<u>1,675,682</u>	<u>911,292</u>
<b>Total Revenues</b>	<u>8,394,449</u>	<u>8,395,349</u>	<u>9,190,373</u>	<u>8,113,899</u>
<b>EXPENDITURES</b>				
Expenditures	<u>(8,181,294)</u>	<u>(11,514,084)</u>	<u>(10,017,438)</u>	<u>(6,243,008)</u>
<b>Total Expenditures</b>	<u>(8,181,294)</u>	<u>(11,514,084)</u>	<u>(10,017,438)</u>	<u>(6,243,008)</u>
Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources (Uses)	213,155	(3,118,735)	(827,065)	1,870,891
Transfers out	(1,170,000)	(1,170,000)	(1,021,575)	(1,303,027)
Subscription liability issued	<u>-</u>	<u>-</u>	<u>20,851</u>	<u>-</u>
<b>Change in Fund Balance</b>	<b><u>\$ (956,845)</u></b>	<b><u>\$ (4,288,735)</u></b>	<b><u>\$ (1,827,789)</u></b>	<b><u>\$ 567,864</u></b>

Revenues of the Village are budgeted by source prior to the adoption of the Village’s annual appropriation ordinance. The Village adopts an annual appropriation ordinance outlining expenditures by operational line item. The original appropriation was amended in January 2024 and April 2024 for transfers between operational line items within the General Fund Departments. The total of the amended appropriation for the Village’s General Fund increased by \$3,332,790 for an increase in general government expenditures due to storm damage repairs. The General Fund Revenues received were more than the amount estimated by \$795,024 and expenditures were \$1,496,646 less than the amended budget.

**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Capital Assets**

The following schedule reflects the Village's capital asset balances as of April 30, 2024.

**Table 4**

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land, not Depreciated	\$ 966,309	\$ 937,419	\$ 318,734	\$ 318,734	\$ 1,285,043	\$ 1,256,153
Construction in Progress	77,113	939,700	26,175	4,600	103,288	944,300
Improvements	1,597,364	1,432,302	97,022	97,022	1,694,386	1,529,324
Buildings	1,609,240	1,528,606	1,155,398	1,079,548	2,764,638	2,608,154
Vehicles	1,497,338	1,439,092	1,317,874	1,265,913	2,815,212	2,705,005
Equipment	1,414,813	1,348,904	1,552,874	1,550,735	2,967,687	2,899,639
Infrastructure	25,887,200	24,158,949	-	-	25,887,200	24,158,949
Utility Plant	-	-	42,076,541	41,528,692	42,076,541	41,528,692
Intangible right-to-use	23,185	-	491,409	406,210	514,594	406,210
Less:						
Accumulated Depreciation	(11,312,602)	(10,436,916)	(26,777,392)	(25,705,378)	(38,089,994)	(36,142,294)
Accumulated Amortization	(9,170)	-	(106,706)	(27,564)	(115,876)	(27,564)
<b>Total</b>	<u>\$ 21,750,790</u>	<u>\$ 21,348,056</u>	<u>\$ 20,151,929</u>	<u>\$ 20,518,512</u>	<u>\$ 41,902,719</u>	<u>\$ 41,866,568</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

---

**Capital Assets (Continued)**

At year-end the Village’s investment in capital assets for governmental and business type activities amounts to \$41,902,719 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, vehicles, equipment, park facilities, roads, sidewalks, storm sewers, electric system, water system and wastewater system and other infrastructure.

Major capital asset events during FY 2024 included the following:

Governmental Activities		
Building improvements in police and parks	\$	80,634
Vehicle and equipment additions in administration, parks, and police	\$	221,677
Infrastructure additions in streets	\$	1,728,251
Business-type Activities		
Utility Plant additions in electric and water distribution system		
Electric distribution system	\$	53,534
Water main	\$	236,435
Sanitary sewer	\$	257,880

Additional information on the Village’s capital assets can be found in Note 4 on pages 33 through 37.

**Long-Term Debt**

As of April 30, 2024, the Village had a total of \$3,021,203 of bonded and similar indebtedness outstanding. Of this amount, \$700,631 comprises debt backed by the full faith and credit of the government. \$1,182,000 of the debt represents bonds that are secured by specified revenue sources (i.e., revenue and alternative source revenue bonds). The Village also had \$1,138,572 of debt consisting of notes payable, finance purchase agreements, and leases.

During Fiscal Year 2024, the Village entered into a five-year loan agreement in the Electric Fund in the amount of \$84,437 to finance the purchase of a one-ton dump truck. The Village also entered into a five-year lease agreement in the Electric Fund in the amount of \$51,527 to finance the purchase of a vehicle. During Fiscal Year 2024, the Village paid off a ten-year loan agreement with an original obligation amount of \$710,000. All bonds, loans and leases are paid out of their respective departments.



**VILLAGE OF CHATHAM, ILLINOIS**  
**MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

**Table 5**  
**Bonded and Similar Indebtedness**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
General Obligation Bonds	\$ 700,631	\$ 737,081	\$ -	\$ -	\$ 700,631	\$ 737,081
Electric Alternate Source Revenue Bonds	-	-	1,182,000	1,488,000	1,182,000	1,488,000
Notes Payable	221,276	256,183	316,691	581,332	537,967	837,515
Leases	12,915	-	395,769	379,925	408,684	379,925
Purchase agreements	<u>15,510</u>	<u>61,850</u>	<u>176,411</u>	<u>158,383</u>	<u>191,921</u>	<u>220,233</u>
<b>Total</b>	<u>\$ 950,332</u>	<u>\$1,055,114</u>	<u>\$2,070,871</u>	<u>\$2,607,640</u>	<u>\$3,021,203</u>	<u>\$3,662,754</u>

Additional information on the Village’s long-term debt activity can be found in Note 6 on pages 39 through 48.

**Economic Factors**

Property taxes provide the Village with a stable revenue source, although the source is subject to an annual tax cap. The Village still is experiencing growth in this area due to new residential developments.

The Village continues to develop a budget based on conservative estimates in revenues and maintaining a low operating budget, utilizing reserves when necessary to fund unpredictable costs and capital improvements.

The Village implemented a new rate structure in fiscal year 2016 for the water and sewer operations that included a flat facility charge that did not include any consumption with a separate rate per 1000 gallons for consumption. This structure alleviated consumption risk experienced in the Water and Sewer Fund making it less reliant on high usage to balance the fund and shifted more of the cost to a fixed monthly portion to be able to fund capital improvements as well as provide rate stabilization. During Fiscal Year 2024, the Village increased the sewer facility charge and sewer consumption charge to pass along a sewer rate increase from the Village’s sewer supplier.

**Contacting the Village’s Financial Management**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village’s financial status. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Megan Cochran, Chief Fiscal Officer, Village of Chatham, 116 E. Mulberry St., Chatham, Illinois 62629.

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF NET POSITION

April 30, 2024

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 8,366,739	\$ 3,439,253	\$ 11,805,992
Restricted accounts - cash	70,756	182,589	253,345
Receivables, net			
Accounts	-	1,235,035	1,235,035
Taxes	2,104,129	-	2,104,129
Other	78,317	-	78,317
Inventory	-	761,969	761,969
Internal balances	26,717	(26,717)	-
Due from other governments	221,013	1,039,279	1,260,292
Total current assets	<u>10,867,671</u>	<u>6,631,408</u>	<u>17,499,079</u>
Noncurrent Assets:			
Capital assets, not being depreciated	1,043,422	344,909	1,388,331
Property and equipment	32,005,955	46,199,709	78,205,664
Less: accumulated depreciation	(11,312,602)	(26,777,392)	(38,089,994)
Intangible right-to-use assets	23,185	491,409	514,594
Less: accumulated amortization	(9,170)	(106,706)	(115,876)
Total noncurrent assets	<u>21,750,790</u>	<u>20,151,929</u>	<u>41,902,719</u>
Total assets	<u>32,618,461</u>	<u>26,783,337</u>	<u>59,401,798</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	901,596	1,068,863	1,970,459
Total deferred outflows of resources	<u>901,596</u>	<u>1,068,863</u>	<u>1,970,459</u>
Total assets and deferred outflows of resources	<u>33,520,057</u>	<u>27,852,200</u>	<u>61,372,257</u>

This statement is continued on the following page.

**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

April 30, 2024

	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 220,726	\$ 458,561	\$ 679,287
Unearned revenue	873,264	122,596	995,860
Accrued payroll	133,774	81,134	214,908
Other payables	15,423	13,466	28,889
Accrued compensated absences payable	20,783	10,937	31,720
Customer deposits	-	306,250	306,250
Accrued interest payable	3,295	13,219	16,514
OPEB liability - current	116,358	42,845	159,203
G.O. bonds payable - current	36,941	-	36,941
G.O. bonds (Alternate Revenue Source) payable - current	-	314,000	314,000
Notes payable - current	22,924	177,663	200,587
Lease obligation - current	7,874	73,842	81,716
Finance agreement payable - current	15,510	77,502	93,012
Total current liabilities	1,466,872	1,692,015	3,158,887
Noncurrent Liabilities:			
Accrued compensated absences payable	405,882	261,055	666,937
OPEB liability	3,003,534	1,105,949	4,109,483
Net pension liability	5,114,698	1,079,733	6,194,431
G.O. bonds payable	663,690	-	663,690
G.O. bonds (Alternate Revenue Source) payable	-	868,000	868,000
Notes payable	198,352	139,028	337,380
Lease obligation	5,041	321,927	326,968
Finance agreement payable	-	98,909	98,909
Total noncurrent liabilities	9,391,197	3,874,601	13,265,798
Total liabilities	10,858,069	5,566,616	16,424,685
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	1,735,689	-	1,735,689
Deferred inflows related to pensions	784,750	132,182	916,932
Total deferred inflows of resources	2,520,439	132,182	2,652,621
Total liabilities and deferred inflows of resources	13,378,508	5,698,798	19,077,306
<b>NET POSITION</b>			
Net Investment in capital assets	20,800,486	18,081,058	38,881,544
Restricted for maintenance of roadways	1,985,777	-	1,985,777
Restricted for cemetery care (nonexpendable)	456,042	-	456,042
Restricted for public safety	66,544	-	66,544
Restricted for debt service	4,184	182,589	186,773
Unrestricted	(3,171,484)	3,889,755	718,271
<b>TOTAL NET POSITION</b>	<b>\$ 20,141,549</b>	<b>\$ 22,153,402</b>	<b>\$ 42,294,951</b>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHATHAM, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2024

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Program Revenues				Net (Expense) Revenue and Changes in Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Governmental activities							
General government	\$ 4,292,796	\$ 852,395	\$ 160,249	\$ -	\$ (3,280,152)	\$ -	\$ (3,280,152)
Cemetery	39,758	35,080	-	-	(4,678)	-	(4,678)
Culture and recreation	789,857	700	-	-	(789,157)	-	(789,157)
Public safety	3,668,326	99,281	435,579	-	(3,133,466)	-	(3,133,466)
Public works/transportation	2,302,249	392,385	709,541	695,170	(505,153)	-	(505,153)
Interest on long-term debt	13,832	-	-	-	(13,832)	-	(13,832)
Total governmental activities	<u>11,106,818</u>	<u>1,379,841</u>	<u>1,305,369</u>	<u>695,170</u>	<u>(7,726,438)</u>	<u>-</u>	<u>(7,726,438)</u>
Business-type activities							
Electric	12,500,798	10,811,071	1,016,440	-	-	(673,287)	(673,287)
Waterworks and Sewerage	7,493,240	7,570,405	22,839	378,989	-	478,993	478,993
Total business-type activities	<u>19,994,038</u>	<u>18,381,476</u>	<u>1,039,279</u>	<u>378,989</u>	<u>-</u>	<u>(194,294)</u>	<u>(194,294)</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 31,100,856</u>	<u>\$ 19,761,317</u>	<u>\$ 2,344,648</u>	<u>\$ 1,074,159</u>	<u>(7,726,438)</u>	<u>(194,294)</u>	<u>(7,920,732)</u>
<b>General revenues and transfers:</b>							
Taxes							
Property taxes, levied for general purposes					1,610,626	-	1,610,626
Road and bridge taxes					25,524	-	25,524
Local use taxes					549,171	-	549,171
Telecommunications taxes					117,056	-	117,056
Video gaming taxes					203,163	-	203,163
Intergovernmental revenues					4,555,670	-	4,555,670
Investment income					196,942	92,279	289,221
Miscellaneous					417,877	-	417,877
Transfers					(21,575)	21,575	-
Total general revenues and transfers					<u>7,654,454</u>	<u>113,854</u>	<u>7,768,308</u>
Change in net position					(71,984)	(80,440)	(152,424)
Net position beginning of year					<u>20,213,533</u>	<u>22,233,842</u>	<u>42,447,375</u>
Net position end of year					<u>\$ 20,141,549</u>	<u>\$ 22,153,402</u>	<u>\$ 42,294,951</u>

The accompanying notes are an integral part of these financial statements.

VILLAGE OF CHATHAM, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2024

	General	Motor Fuel Tax	Capital Projects	Aggregate Nonmajor	Total
<b>ASSETS</b>					
Current Assets:					
Cash and cash equivalents	\$ 3,318,809	\$ 1,934,069	\$ 2,311,751	\$ 802,110	\$ 8,366,739
Restricted accounts - cash	70,756	-	-	-	70,756
Taxes receivable	2,104,129	-	-	-	2,104,129
Other receivables	46,141	-	-	32,176	78,317
Due from other funds	48,292	-	-	414	48,706
Due from other governments	169,305	51,708	-	-	221,013
Total current assets	5,757,432	1,985,777	2,311,751	834,700	10,889,660
<b>TOTAL ASSETS</b>	<b>\$ 5,757,432</b>	<b>\$ 1,985,777</b>	<b>\$ 2,311,751</b>	<b>\$ 834,700</b>	<b>\$ 10,889,660</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 218,937	\$ -	\$ -	\$ 1,789	\$ 220,726
Accrued payroll	131,723	-	-	2,051	133,774
Other payables	15,076	-	-	347	15,423
Unearned revenue	870,464	-	-	2,800	873,264
Due to other funds	21,989	-	-	-	21,989
Total liabilities	1,258,189	-	-	6,987	1,265,176
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred revenue - property taxes	1,735,689	-	-	-	1,735,689
Total deferred inflows of resources	1,735,689	-	-	-	1,735,689
Total liabilities and deferred inflows of resources	2,993,878	-	-	6,987	3,000,865
<b>FUND BALANCES</b>					
Nonspendable					
Corpus of permanent fund	-	-	-	456,042	456,042
Restricted					
Debt service	4,184	-	-	-	4,184
Public works	-	1,985,777	-	-	1,985,777
Capital projects	28	-	-	-	28
Public safety	66,544	-	-	-	66,544
Unrestricted					
Committed					
Veteran's memorial brick	-	-	-	12,574	12,574
Yard waste	-	-	-	186,342	186,342
Public safety	-	-	-	22,247	22,247
Public works	-	-	-	44,144	44,144
Cemetery	-	-	-	106,364	106,364
Assigned					
Capital projects	500,000	-	2,311,751	-	2,811,751
Future operations	106,745	-	-	-	106,745
Unassigned	2,086,053	-	-	-	2,086,053
Total fund balances	2,763,554	1,985,777	2,311,751	827,713	7,888,795
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 5,757,432</b>	<b>\$ 1,985,777</b>	<b>\$ 2,311,751</b>	<b>\$ 834,700</b>	<b>\$ 10,889,660</b>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2024

---

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 7,888,795</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and right to use assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	21,750,790
Deferred outflows related to pensions	901,596
Deferred inflows related to pensions	(784,750)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Compensated absences payable	(426,665)
Accrued interest payable	(3,295)
G.O. bonds payable, current	(36,941)
Notes payable, current	(22,924)
Lease obligation, current	(7,874)
Finance agreement payable, current	(15,510)
G.O. bonds payable, noncurrent	(663,690)
Notes payable, noncurrent	(198,352)
Lease obligation, noncurrent	(5,041)
Net pension liability	(5,114,698)
Total OPEB liability	(3,119,892)
Total long-term liabilities	<u>(9,614,882)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 20,141,549</u></b>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2024

	<b>General</b>	<b>Motor Fuel Tax</b>	<b>Capital Projects</b>	<b>Aggregate Nonmajor</b>	<b>Total</b>
<b>REVENUES</b>					
Property taxes	\$ 1,610,626	\$ -	\$ -	\$ -	\$ 1,610,626
Road and bridge taxes	25,524	-	-	-	25,524
Local use tax	549,171	-	-	-	549,171
Motor fuel taxes	-	709,541	-	-	709,541
Telecommunications tax	93,645	-	-	23,411	117,056
Video gaming tax	203,163	-	-	-	203,163
Licenses, permits, fees, fines, and service charges	1,034,628	-	-	345,213	1,379,841
Investment income	114,819	16,459	43,878	21,786	196,942
Other	407,299	10,578	-	-	417,877
Intergovernmental revenues	3,997,934	-	-	-	3,997,934
Federal grants	649,016	-	-	-	649,016
State grants	504,548	-	-	-	504,548
<b>Total revenues</b>	<b>9,190,373</b>	<b>736,578</b>	<b>43,878</b>	<b>390,410</b>	<b>10,361,239</b>
<b>EXPENDITURES</b>					
Current operations:					
General government	4,265,983	-	-	-	4,265,983
Cemetery	43,564	-	-	-	43,564
Culture and recreation	753,568	-	-	408	753,976
Public safety	3,467,038	-	40,339	-	3,507,377
Public works/transportation	730,109	582,359	-	355,398	1,667,866
Capital outlay	671,965	15,642	-	-	687,607
Debt service:					
Principal	71,357	-	-	-	71,357
Interest	13,854	-	-	-	13,854
<b>Total expenditures</b>	<b>10,017,438</b>	<b>598,001</b>	<b>40,339</b>	<b>355,806</b>	<b>11,011,584</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<b>(827,065)</b>	<b>138,577</b>	<b>3,539</b>	<b>34,604</b>	<b>(650,345)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer in	-	-	1,000,000	-	1,000,000
Transfer out	(1,021,575)	-	-	-	(1,021,575)
Subscription liabilities issued	20,851	-	-	-	20,851
<b>Total other financing sources (uses)</b>	<b>(1,000,724)</b>	<b>-</b>	<b>1,000,000</b>	<b>-</b>	<b>(724)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,827,789)</b>	<b>138,577</b>	<b>1,003,539</b>	<b>34,604</b>	<b>(651,069)</b>
<b>FUND BALANCE - MAY 1, 2023</b>	<b>4,591,343</b>	<b>1,847,200</b>	<b>1,308,212</b>	<b>793,109</b>	<b>8,539,864</b>
<b>FUND BALANCE - APRIL 30, 2024</b>	<b>\$ 2,763,554</b>	<b>\$ 1,985,777</b>	<b>\$ 2,311,751</b>	<b>\$ 827,713</b>	<b>\$ 7,888,795</b>

The accompanying notes are an integral part of these financial statements.



**VILLAGE OF CHATHAM, ILLINOIS**

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE  
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2024

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$ (651,069)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the amount of capital outlays in the current year:

Capital outlays	689,942
Depreciation	(970,298)
Amortization	(9,170)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, and disposals) is to increase/decrease net position:

Donations of capital assets	695,170
Loss on disposal of capital assets	(2,910)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Accrued compensated absences	(52,281)
Pension expense	220,129
Other post-employment benefits	(96,301)

The issuance of long-term debt (e.g. bonds, loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds an interest expenditure is reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items:

Repayment of G.O. bonds payable	36,450
Repayment of purchase agreements payable	46,340
Repayment of notes payable	34,907
Repayment of subscription liabilities	7,936
Subscription proceeds	(20,851)
Accrued interest payable	22
	22

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ (71,984)

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

April 30, 2024

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and cash equivalents	\$ 2,617,081	\$ 822,172	\$ 3,439,253
Restricted accounts - cash	182,589	-	182,589
Accounts receivable, net	702,105	532,930	1,235,035
Due from other funds	-	21,575	21,575
Due from other government	1,016,440	22,839	1,039,279
Inventory	592,142	169,827	761,969
Total current assets	5,110,357	1,569,343	6,679,700
Capital Assets:			
Capital assets, not being depreciated	282,034	62,875	344,909
Property and equipment	21,780,181	24,419,528	46,199,709
Less: accumulated depreciation	(12,518,238)	(14,259,154)	(26,777,392)
Intangible right-to-use assets	68,863	422,546	491,409
Less: accumulated amortization	(14,982)	(91,724)	(106,706)
Capital assets, net	9,597,858	10,554,071	20,151,929
Total assets	14,708,215	12,123,414	26,831,629
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	855,176	213,687	1,068,863
Total deferred outflows	855,176	213,687	1,068,863
Total assets and deferred outflows of resources	\$ 15,563,391	\$ 12,337,101	\$ 27,900,492

This statement is continued on the following page.

**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF NET POSITION (Continued)  
**PROPRIETARY FUNDS**

April 30, 2024

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	\$ 68,535	\$ 390,026	\$ 458,561
Accrued payroll	50,353	30,781	81,134
Unearned revenue	74,424	48,172	122,596
Due to other funds	48,285	7	48,292
Customer deposits	206,500	99,750	306,250
Accrued interest payable	13,113	106	13,219
Other payables	8,290	5,176	13,466
Current maturities of long term debt:			
Accrued compensated absences payable	7,934	3,003	10,937
OPEB liability	23,571	19,274	42,845
G.O. bonds (Alternate Revenue Source) payable	314,000	-	314,000
Loan payable	-	177,663	177,663
Lease obligation	14,698	59,144	73,842
Finance agreement payable	77,502	-	77,502
<b>Total current liabilities</b>	<b>907,205</b>	<b>833,102</b>	<b>1,740,307</b>
Long-Term Liabilities:			
Accrued compensated absences payable	171,146	89,909	261,055
OPEB liability	608,426	497,523	1,105,949
Net pension liability	863,873	215,860	1,079,733
G.O. bonds (Alternate Revenue Source) payable	868,000	-	868,000
Loan payable	-	139,028	139,028
Lease obligation	39,061	282,866	321,927
Finance agreement payable	98,909	-	98,909
<b>Total long-term liabilities</b>	<b>2,649,415</b>	<b>1,225,186</b>	<b>3,874,601</b>
<b>Total liabilities</b>	<b>3,556,620</b>	<b>2,058,288</b>	<b>5,614,908</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	105,756	26,426	132,182
<b>Total liabilities and deferred inflows of resources</b>	<b>3,662,376</b>	<b>2,084,714</b>	<b>5,747,090</b>
<b>NET POSITION</b>			
Net Investment in capital assets	8,185,688	9,895,370	18,081,058
Restricted for debt service	182,589	-	182,589
Unrestricted	3,532,738	357,017	3,889,755
<b>Total net position</b>	<b>\$ 11,901,015</b>	<b>\$ 10,252,387</b>	<b>\$ 22,153,402</b>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS

For the Year Ended April 30, 2024

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
User charges	\$ 10,585,304	\$ 7,464,739	\$ 18,050,043
Other income	226,794	106,693	333,487
<b>Total operating revenues</b>	<b>10,812,098</b>	<b>7,571,432</b>	<b>18,383,530</b>
<b>OPERATING EXPENSES</b>			
Electricity purchases	7,127,081	-	7,127,081
Water purchases/sewer expenses	-	5,490,664	5,490,664
Distribution and customer service	4,726,929	1,402,428	6,129,357
Depreciation and amortization	617,714	594,248	1,211,962
<b>Total operating expenses</b>	<b>12,471,724</b>	<b>7,487,340</b>	<b>19,959,064</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,659,626)</b>	<b>84,092</b>	<b>(1,575,534)</b>
<b>NONOPERATING INCOME (EXPENSE)</b>			
Investment income	75,282	16,997	92,279
Grant income	1,016,440	22,839	1,039,279
Interest expense	(29,074)	(5,900)	(34,974)
Loss on asset disposal	(1,027)	(1,027)	(2,054)
<b>Total nonoperating income (expense)</b>	<b>1,061,621</b>	<b>32,909</b>	<b>1,094,530</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(598,005)</b>	<b>117,001</b>	<b>(481,004)</b>
<b>CONTRIBUTION REVENUE</b>	<b>-</b>	<b>378,989</b>	<b>378,989</b>
<b>TRANSFERS</b>			
Transfer in	-	21,575	21,575
<b>Total transfers</b>	<b>-</b>	<b>21,575</b>	<b>21,575</b>
<b>CHANGE IN NET POSITION</b>	<b>(598,005)</b>	<b>517,565</b>	<b>(80,440)</b>
<b>NET POSITION - MAY 1, 2023</b>	<b>12,499,020</b>	<b>9,734,822</b>	<b>22,233,842</b>
<b>NET POSITION - APRIL 30, 2024</b>	<b>\$ 11,901,015</b>	<b>\$ 10,252,387</b>	<b>\$ 22,153,402</b>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

For the Year Ended April 30, 2024

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 10,929,120	\$ 7,627,498	\$ 18,556,618
Payments to suppliers	(10,380,832)	(6,249,423)	(16,630,255)
Payments to employees	(1,757,150)	(897,149)	(2,654,299)
Net cash from operating activities	<u>(1,208,862)</u>	<u>480,926</u>	<u>(727,936)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Due to other funds	48,285	7	48,292
Net cash from non-capital financing activities	<u>48,285</u>	<u>7</u>	<u>48,292</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(142,811)	(159,758)	(302,569)
Principal paid on capital debt	(367,144)	(269,906)	(637,050)
Interest paid on capital debt	(32,028)	(6,225)	(38,253)
Principal paid on leases	(12,771)	(52,823)	(65,594)
Net cash from capital and related financing activities	<u>(554,754)</u>	<u>(488,712)</u>	<u>(1,043,466)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and dividends received	75,282	16,997	92,279
Net cash from investing activities	<u>75,282</u>	<u>16,997</u>	<u>92,279</u>
Net increase (decrease) in cash	(1,640,049)	9,218	(1,630,831)
Cash and cash equivalents, beginning	4,439,719	812,954	5,252,673
Cash and cash equivalents, ending	<u>\$ 2,799,670</u>	<u>\$ 822,172</u>	<u>\$ 3,621,842</u>
Cash and cash equivalents consists of the following:			
Cash and cash equivalents	\$ 2,617,081	\$ 822,172	\$ 3,439,253
Restricted accounts - cash	182,589	-	182,589
	<u>\$ 2,799,670</u>	<u>\$ 822,172</u>	<u>\$ 3,621,842</u>

This statement is continued on the following page.

**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (Continued)

For the Year Ended April 30, 2024

	<b>Electric</b>	<b>Waterworks and Sewerage</b>	<b>Total</b>
Reconciliation of operating income/(loss) to net cash from operating activities:			
Operating income (loss)	\$ (1,659,626)	\$ 84,092	\$ (1,575,534)
Adjustments to reconcile income (loss) to net cash from operating activities:			
Depreciation and amortization	617,714	594,248	1,211,962
(Increase) decrease in assets:			
Accounts receivable	117,022	56,066	173,088
Inventories	(138,486)	(6,645)	(145,131)
Deferred outflows of resources	(187,976)	295,001	107,025
(Decrease) increase in liabilities:			
Accounts payable	(3,212)	(82,022)	(85,234)
Unearned revenue	(11,395)	(13,358)	(24,753)
Accrued payroll	4,243	(1,166)	3,077
Compensated absences	(18,940)	4,721	(14,219)
Net OPEB obligation	27,835	16,196	44,031
Net pension liability	68,762	(390,351)	(321,589)
Deferred inflows of resources	(34,279)	(80,340)	(114,619)
Deposits payable	8,850	4,700	13,550
Other payables	626	(216)	410
Net cash from operating activities	<u>\$ (1,208,862)</u>	<u>\$ 480,926</u>	<u>\$ (727,936)</u>
Non-cash capital and related financing activities:			
Donated water and sewer infrastructure	\$ -	\$ 378,989	\$ 378,989
Assets acquired through lease	153,300	17,242	170,542
Total non-cash capital and related financing activities	<u>\$ 153,300</u>	<u>\$ 396,231</u>	<u>\$ 549,531</u>

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION  
POLICE PENSION TRUST FUND**

April 30, 2024

---

**ASSETS**

Cash	\$ 144,730
Investment held in the Illinois Police Officer's Pension Investment Fund	<u>11,781,942</u>
Total Assets	<u>11,926,672</u>

**LIABILITIES**

Accounts payable	<u>3,894</u>
------------------	--------------

<b>NET POSITION, RESTRICTED FOR PENSIONS</b>	<u><u>\$ 11,922,778</u></u>
--	-----------------------------

The accompanying notes are an integral part of these financial statements.

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
POLICE PENSION TRUST FUND**

For the Year Ended April 30, 2024

---

**ADDITIONS**

Contributions

Employer (property taxes)	\$ 653,085
Employee	<u>137,404</u>

Total contributions	<u>790,489</u>
---------------------	----------------

Investment income

Net appreciation (depreciation) in fair value of investments	970,048
Interest	74,497
Investment fees	<u>(6,564)</u>

Total net investment income (loss)	<u>1,037,981</u>
------------------------------------	------------------

Total additions	<u>1,828,470</u>
-----------------	------------------

**DEDUCTIONS**

Benefits and refunds

Retiree benefits	515,667
Contributions refunded	45,860
Administration	<u>16,011</u>

Total deductions	<u>577,538</u>
------------------	----------------

<b>NET INCREASE (DECREASE)</b>	1,250,932
--------------------------------	-----------

**NET POSITION, RESTRICTED FOR PENSIONS**

<b>MAY 1, 2023</b>	<u>10,671,846</u>
--------------------	-------------------

<b>APRIL 30, 2024</b>	<u><u>\$ 11,922,778</u></u>
-----------------------	-----------------------------

The accompanying notes are an integral part of these financial statements.



# VILLAGE OF CHATHAM, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2024

---

### 1. SIGNIFICANT ACCOUNTING POLICIES

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

- (a) Reporting Entity – The Village is a body corporate and politic established under Illinois Compiled Statutes (ILCS). The Village is considered to be a primary government as defined by GASB Statement No. 14, since it is legally separate and fiscally independent.

The financial statements of the Village includes the financial activities of the Village and any component units, entities which are financially accountable to the Village. The Police Pension Plan is reported as a blended fiduciary component unit in accordance with GASB Statement No. 84, *Fiduciary Activities*. The data is included in the Village's fiduciary fund financial statements because the fund is fiscally dependent on the Village and provides services entirely to the Village's current and former employees. The Police Pension Plan does not issue a separate component unit report.

Other than the Police Pension Plan, the Village has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the Village's financial statements.

In 2009, the Village, along with the Village of New Berlin, Illinois, established the South Sangamon Water Commission. A jointly operated Commission established to provide water service primarily to the Village of Chatham and Village of New Berlin. The Board of Trustees of the Commission are appointed, one each, by Sangamon County, the Village of New Berlin and the Village of Chatham and has the authority to make decisions, hire employees, and significantly influence operations. The Commission also has the primary accountability for fiscal matters.

- (b) Fund Accounting – The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflow of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (c) 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 non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are supported by taxes and intergovernmental revenues and are reported separate from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 that 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, proprietary funds and fiduciary funds. Major individual funds are reported as separate columns in the fund financial statements.

- (d) 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 proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. In determining when to recognize intergovernmental revenue (grants and shared revenue), the legal and contractual requirements of the individual programs are used as guidance. There are, however, essentially two bases for this revenue recognition. In one, monies are virtually unrestricted as to the purpose of expenditure and are nearly irrevocable; therefore, these amounts are recognized as revenue at the time of their receipt or earlier if they meet the criteria of availability. In the other, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenue is recognized based upon the expenditures recorded.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay current liabilities.

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales and telecommunication taxes collected within 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relating to compensated absences, are recorded only when payment is due.

Property taxes, sales taxes, telecommunications taxes, licenses and permits, charges for services, fines and forfeits, miscellaneous revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Personal property replacement taxes are considered to be measurable when they have been collected and allocated by the state and are recognized as revenue at that time. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports the following major governmental funds:

*The General Fund* is used to account for all activities of the general government not accounted for in some other fund.

*The Motor Fuel Tax Fund* accounts for motor fuel taxes received for highways and street purposes.

*The Capital Projects Fund* accounts for the resources used for the acquisitions or construction of capital facilities other than those financed by the enterprise fund activities.

The Village reports the following proprietary funds, which are major funds:

*The Electric Fund* is used to account for the revenues and expenses related to operating and maintaining the Village's Electric operations.

*The Waterworks and Sewerage Fund* is used to account for the revenues and expenses related to operating and maintaining the Village's Water and Sewer operations.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(d) Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)

Additionally, the Village reports the following fund types:

Special Revenue Funds are used to account for specific revenues from which the expenditures are externally imposed by outside entities or committed by ordinance.

The Permanent Fund is used to account for assets received and held for the perpetual care of the Village Cemetery.

The Fiduciary Fund of the Village is used to account for assets held by the Village in a trustee capacity. The Police Pension Trust Fund is used to account for assets received and held for the payment of benefits to participants.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are administrative charges between the Village's General Fund and the Electric and Waterworks and Sewerage Funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for electric, water and sewer sales and service. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (e) Capital Assets – Capital assets are not capitalized in the governmental funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds. Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received. The Village records all capital items, which are individually greater than \$5,000, with a useful life of greater than one year, as capital assets. Except for certain infrastructure acquired or constructed, which were partially financed with Tax Increment Financing and General Obligation Bonds, infrastructure assets acquired prior to May 1, 2004, are not reported in the basic financial statements.

The Village's capital assets also include certain right-to-use assets. These right-to-use assets arise in association with agreements where the Village reports a lease (only applies when the Village is the lessee) or agreements where the Village reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

The right-to-use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalized initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. The right-to-use subscription assets are amortized on a straight-line basis over the subscription term.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(e) Capital Assets (Continued)

Depreciation is computed using the straight-line method over the following estimated useful lives:

Improvements	10 to 40 years
Buildings and grounds	20 to 40 years
Vehicles	5 years
Equipment	5 years
Infrastructure	40 years
Utility plant	10 to 40 years

(f) Cash and Cash Equivalents – For the purposes of the statement of cash flows, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

(g) Fund Balance/Net Position – In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for specific purpose, or externally imposed by outside entities. None of the restricted fund balance result from enabling legislation adopted by the Village.

Committed fund balance is constrained by formal actions of the Village’s Board, which is considered the Village’s highest level of decision-making authority. Formal actions include ordinances approved by the Board. Assigned fund balance represents amounts constrained by the Village’s intent to use them for a specific purpose, but that are neither restricted nor committed. The Chief Financial Officer has the ability to designate if a portion of fund balance should be assigned. Any residual fund balance in the general fund or any deficit fund balances in other governmental funds is reported as unassigned.

The Village’s flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted and unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds. It is the Village’s policy to maintain an unassigned fund balance in the general fund of a minimum of 17% to 25% of the total budgeted annual expenditures of the most recently approved budget.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(g) Fund Balance/Net Position (Continued)

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the Village. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

- (h) Concentration of Suppliers – The Village of Chatham has an agreement with the Illinois Municipal Electric Agency to purchase electric power through transmission lines owned by the City of Springfield. The agreement to purchase electric power expires September 30, 2035.

The Village of Chatham has an agreement with the South Sangamon County Water Commission, whereby the South Sangamon County Water Commission will supply water to the Village of Chatham until December 31, 2040, or 5 years after the expiration of the original issue of Commission’s bonds, whichever is later. The Village pays for actual water usage and is not required to purchase a minimum amount of water.

- (i) Investments – Investments are stated at fair value, except for nonnegotiable certificates of deposits which are recorded at cost, using quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses on marketable securities are computed using the specific identification method.
- (j) Inventories – All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of proprietary funds are recorded as expenditures/expenses when consumed rather than purchased.
- (k) Compensated Absences – Vested or accumulated vacation leave and vested sick leave are accrued when incurred by the Village in the government-wide and proprietary fund financial statements. Vested or accumulated vacation leave of the proprietary fund is recorded as an expense and liability of that fund as the benefits accrued to employees. A liability in the governmental funds is reported only if the benefit has matured.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- (l) Long-Term Obligations – In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

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

- (m) Interfund Transactions – Interfund services transactions are accounted for as revenues, expenditures or expenses. All other interfund transactions are reported as transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the fiscal year end are referred to as “due to/from” and “interfund advance receivable/payable”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.
- (n) Interest Costs on Construction – Interest costs incurred before the end of a construction period are recognized as an expenditure or expense in the period in which the costs are incurred.
- (o) Deferred Outflows/Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, 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. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.
- (p) Use of Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.



## **2. PROPERTY TAX CALENDAR**

The following information gives significant dates on the property tax calendar of the Village.

- The property tax lien date is January 1, 2022.
- The annual tax levy ordinance for 2022 taxes received during fiscal year 2024 was passed December 2022.
- The first installment of property taxes is due to the County Collector on June 1 and the second installment is due to the County Collector on September 1.
- Significant amounts of property taxes for 2022 were distributed to the Village in June and September of 2023.

The annual tax levy ordinance for 2023 taxes to be received during fiscal year 2025 was passed December 2023. The 2023 taxes are intended to finance the 2025 fiscal year and are not considered available for current operations and are, therefore, shown as deferred revenue. The 2024 tax levy has not been recorded as a receivable at April 30, 2024. Although the tax attached as a lien on property as of January 1, 2024, the tax will not be levied until December 2024, and, accordingly, is not measurable at April 30, 2024.

## **3. DEPOSITS AND INVESTMENTS**

The Village's Board of Trustees has adopted an investment policy to invest in instruments allowed by Illinois Compiled Statutes (ILCS). The policy further identifies allowable securities to include securities guaranteed by the full faith and credit of the United States of America, interest-bearing savings accounts, certificates of deposit, or time deposits constituting direct obligations of any bank as defined by the Illinois Banking Act and only those insured by FDIC, short-term discount obligations of the Federal National Mortgage Association or in shares or other forms of security legally issuable by savings and loan associations incorporated under the laws of State of Illinois, and Illinois Funds.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety of principal, diversity of investments, liquidity, return on investment, and maintaining public trust.

### **A. Deposits with Financial Institutions.**

*Custodial credit risk* for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to them. To guard against credit risk for deposits with financial institutions, the Village's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by the Village or third party or escrow agent of the pledging institution, evidenced by a written safekeeping agreement.

**3. DEPOSITS AND INVESTMENTS (Continued)**

**B. Investments**

*Custodial Credit risk* is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of any outside party. The Village's investment policy does not specifically address custodial credit risk.

*Interest rate risk* is the risk that the fair value of securities in the portfolio will fall due to changes in the market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with the Village's investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio so that investments will have maturities to have available sufficient cash for all operating purposes.

The policy limits investments of the General Fund and Special Revenue Funds to maturities of fifteen months from the date of purchase. For all other investments, any investment purchased with a maturity of longer than two years must be specifically pre-authorized by the Chair of the Administration Committee and the Village President.

*Credit risk* is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Village's investment policy does not specifically address credit risk.

*Concentration of credit risk* is the risk of loss resulting from the concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. To reduce exposure to concentration of credit risk, the Village limits the amount a financial institution may hold of the Village's investment portfolio to \$100,000, excluding investments in U.S. Treasury securities held in safekeeping, investments in the Illinois Funds and investments at a financial institution in which the deposits in excess of \$100,000 are secured by collateral.

*Fair value hierarchy* – The Village categorizes its fair value measurements within the fair value established by generally accepted accounting principles. The hierarchy of inputs are used to measure the fair value of the asset. Level inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs. The Village had no general investments outside of the Police Pension Fund as of April 30, 2024.

**3. DEPOSITS AND INVESTMENTS (Continued)**

Police Pension Funds

A. Deposits with Financial Institutions.

The Plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the Plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Plan.

*Custodial credit risk* for deposits with financial institutions is the risk that in the event of a bank's failure, the Pension Fund's deposits may not be returned to them. To guard against credit risk for deposits with financial institutions the Pension Fund's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 110% of the uninsured bank balance, with collateral held by an independent third party institution in the name of the Police Pension Fund and evidenced by a written collateral agreement.

B. Investments

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Investments of the Plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at [www.ipopif.org](http://www.ipopif.org).

Fair Value Measurement

The Plan categorizes 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; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at April 30, 2024.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**3. DEPOSITS AND INVESTMENTS (Continued)**

Police Pension Funds (continued)

B. Investments (Continued)

Illinois Police Officers' Pension Investment Fund (Continued)

Net Asset Value

The Net Asset Value (NAV) of the Plan's pooled investment in IPOPIF was \$11,781,942 at April 30, 2024. The pooled investments consist of the investments as noted in the target allocation table which can be found at IPOPIF's website ([www.ipopif.org](http://www.ipopif.org)). Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at April 30, 2024.

The Plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security object to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to Article 3 participating police pension funds. IPOPIF shall not be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and person with disabilities.

Investment Rate of Return

For the year ended April 30, 2024, the annual money weighted rate of return on Pension Plan investments, net of pension Plan investment expense, was 8.90%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS**

**A. Governmental Activities**

Capital asset activity for the year ending April 30, 2024 consists of the following:

	Balances May 1	Additions	Retirements	Balances April 30
Land, not depreciated	\$ 937,419	\$ 28,890	\$ -	\$ 966,309
Construction in progress, not depreciated	939,700	60,807	923,394	77,113
Total capital assets, not depreciated	<u>1,877,119</u>	<u>89,697</u>	<u>923,394</u>	<u>1,043,422</u>
Improvements	1,432,302	165,062	-	1,597,364
Buildings and grounds	1,528,606	80,634	-	1,609,240
Vehicles	1,439,092	124,350	66,104	1,497,338
Equipment	1,348,904	97,327	31,418	1,414,813
Infrastructure	24,158,949	1,728,251	-	25,887,200
Total tangible capital assets being depreciated	<u>29,907,853</u>	<u>2,195,624</u>	<u>97,522</u>	<u>32,005,955</u>
Subscription assets	-	23,185	-	23,185
Total intangible capital assets being amortized	<u>-</u>	<u>23,185</u>	<u>-</u>	<u>23,185</u>
Less accumulated depreciation for:				
Improvements	395,366	38,922	-	434,288
Buildings and grounds	574,938	44,685	-	619,623
Vehicles	1,104,961	121,831	66,104	1,160,688
Equipment	943,348	116,430	28,508	1,031,270
Infrastructure	7,418,303	648,430	-	8,066,733
Total accumulated depreciation	<u>10,436,916</u>	<u>970,298</u>	<u>94,612</u>	<u>11,312,602</u>
Less accumulated amortization for:				
Subscription assets	-	9,170	-	9,170
Total accumulated amortization	<u>-</u>	<u>9,170</u>	<u>-</u>	<u>9,170</u>
Total capital assets being depreciated and amortized, net	<u>19,470,937</u>	<u>1,239,341</u>	<u>2,910</u>	<u>20,707,368</u>
Total capital assets, net	<u>\$ 21,348,056</u>	<u>\$ 1,329,038</u>	<u>\$ 926,304</u>	<u>\$ 21,750,790</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities**

Capital asset activity for the year ended April 30, 2024 consists of the following:

<u>ELECTRIC</u>	Balances May 1	Additions	Retirements	Balances April 30
Land, not depreciated	\$ 279,734	\$ -	\$ -	\$ 279,734
Construction in progress, not depreciated	2,300	-	-	2,300
Total capital assets, not being depreciated	<u>282,034</u>	-	-	<u>282,034</u>
Improvements	83,691	-	-	83,691
Buildings and grounds	702,844	75,850	-	778,694
Vehicles	1,061,696	85,437	11,733	1,135,400
Equipment	909,910	10,094	14,692	905,312
Utility plant	18,823,550	53,534	-	18,877,084
Total tangible capital assets being depreciated	<u>21,581,691</u>	<u>224,915</u>	<u>26,425</u>	<u>21,780,181</u>
Right-to-use vehicle	-	51,621	-	51,621
Subscription asset	-	17,242	-	17,242
Total intangible capital assets being amortized	<u>-</u>	<u>68,863</u>	<u>-</u>	<u>68,863</u>
Less accumulated depreciation for:				
Improvements	42,567	1,803	-	44,370
Buildings and grounds	471,330	12,618	-	483,948
Vehicles	865,780	75,037	11,732	929,085
Equipment	845,400	23,653	13,666	855,387
Utility plant	9,715,827	489,621	-	10,205,448
Total accumulated depreciation	<u>11,940,904</u>	<u>602,732</u>	<u>25,398</u>	<u>12,518,238</u>
Less accumulated amortization for:				
Right-to-use vehicle	-	8,661	-	8,661
Subscription asset	-	6,321	-	6,321
Total accumulated amortization	<u>-</u>	<u>14,982</u>	<u>-</u>	<u>14,982</u>
Total capital assets being depreciated and amortized, net	<u>9,640,787</u>	<u>(323,936)</u>	<u>1,027</u>	<u>9,315,824</u>
Total capital assets, net	<u>\$ 9,922,821</u>	<u>\$ (323,936)</u>	<u>\$ 1,027</u>	<u>\$ 9,597,858</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities (Continued)**

<u>WATERWORKS &amp; SEWERAGE</u>	Balances May 1	Additions	Retirements	Balances April 30
Land, not depreciated	\$ 39,000	\$ -	\$ -	\$ 39,000
Construction in progress, not depreciated	2,300	21,575	-	23,875
Total capital assets, not being depreciated	41,300	21,575	-	62,875
Improvements	13,331	-	-	13,331
Buildings and grounds	376,704	-	-	376,704
Vehicles	204,217	-	21,743	182,474
Equipment	640,825	21,429	14,692	647,562
Utility plant	22,705,142	494,315	-	23,199,457
Total tangible capital assets being depreciated	23,940,219	515,744	36,435	24,419,528
Right-to-use vehicles	406,210	-	906	405,304
Subscription asset	-	17,242	-	17,242
Total intangible capital assets being amortized	406,210	17,242	906	422,546
Less accumulated depreciation for:				
Improvements	3,257	413	-	3,670
Buildings and grounds	112,747	9,589	-	122,336
Vehicles	170,537	9,758	21,742	158,553
Equipment	544,571	29,534	13,666	560,439
Utility plant	12,933,362	480,794	-	13,414,156
Total accumulated depreciation	13,764,474	530,088	35,408	14,259,154
Less accumulated amortization for:				
Right-to-use vehicles	27,564	57,839	-	85,403
Subscription asset	-	6,321	-	6,321
Total accumulated amortization	27,564	64,160	-	91,724
Total capital assets being depreciated and amortized, net	10,554,391	(61,262)	1,933	10,491,196
Total capital assets, net	\$ 10,595,691	\$ (39,687)	\$ 1,933	\$ 10,554,071

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

**B. Business-type activities (Continued)**

<u>BUSINESS-TYPE ACTIVITIES</u>	<u>Balances May 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances April 30</u>
Land, not depreciated	\$ 318,734	\$ -	\$ -	\$ 318,734
Construction in progress, not depreciated	4,600	21,575	-	26,175
Total capital assets, not being depreciated	323,334	21,575	-	344,909
Improvements	97,022	-	-	97,022
Buildings and grounds	1,079,548	75,850	-	1,155,398
Vehicles	1,265,913	85,437	33,476	1,317,874
Equipment	1,550,735	31,523	29,384	1,552,874
Utility plant	41,528,692	547,849	-	42,076,541
Total tangible capital assets being depreciated	45,521,910	740,659	62,860	46,199,709
Right-to-use vehicles	406,210	51,621	906	456,925
Subscription asset	-	34,484	-	34,484
Total intangible capital assets being amortized	406,210	86,105	906	491,409
Less accumulated depreciation for:				
Improvements	45,824	2,216	-	48,040
Buildings and grounds	584,077	22,207	-	606,284
Vehicles	1,036,317	84,795	33,474	1,087,638
Equipment	1,389,971	53,187	27,332	1,415,826
Utility plant	22,649,189	970,415	-	23,619,604
Total accumulated depreciation	25,705,378	1,132,820	60,806	26,777,392
Less accumulated amortization for:				
Right-to-use vehicles	27,564	66,500	-	94,064
Subscription asset	-	12,642	-	12,642
Total accumulated amortization	27,564	79,142	-	106,706
Total capital assets being depreciated and amortized, net	20,195,178	(385,198)	2,960	19,807,020
Total capital assets, net	\$ 20,518,512	\$ (363,623)	\$ 2,960	\$ 20,151,929



**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**4. CAPITAL ASSETS (Continued)**

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

Governmental activities:	
General government	\$ 45,052
Culture and recreation	92,730
Public safety	93,748
Public works	<u>738,768</u>
Total depreciation expense – governmental activities	<u>\$ 970,298</u>
Business-type activities:	
Electric	\$ 602,732
Waterworks and Sewerage	<u>530,088</u>
Total depreciation expense – business-type activities	<u>\$ 1,132,820</u>

Amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	<u>\$ 9,170</u>
Total amortization expense – governmental activities	<u>\$ 9,170</u>
Business-type activities:	
Electric	\$ 14,982
Waterworks and Sewerage	<u>64,160</u>
Total amortization expense – business-type activities	<u>\$ 79,142</u>

**5. RESTRICTED ASSETS**

The Village reports restricted cash in the Electric Fund due to the issuance of the 2014 General Obligation Bonds (Alternate Revenue Source) and restricted cash in the General Fund due to the issuance of the 2021 General Obligation Bonds.

Electric Fund

The Electric General Obligation Bonds (Alternate Revenue Source), Series 2014 require the funding by the utility of certain reserve accounts. These reserve account balances are required to be invested as the ordinances call for and segregated from the other funds. The following accounts were so segregated at April 30, 2024.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**5. RESTRICTED ASSETS (Continued)**

Electric Fund (Continued)

Electric Fund:

Cash:

Electric GO Bond and Interest \$ 182,589

As of April 30, 2024, all accounts were funded as required by the bond ordinances. The funding requirements of these accounts are established by the general obligation bond ordinances and are outlined as follows for the 2014 general obligation bonds (alternate revenue source).

Operation and Maintenance Account, established to establish a balance sufficient to pay operation and maintenance expenses for the current month.

Junior Bond and Interest Account, established to accumulate an amount sufficient to pay principal or interest or both. There shall be deposited to the Junior Bond and Interest Account, a fractional amount of interest becoming due on the next succeeding interest payment date and a fractional amount of principal becoming due on the next succeeding principal maturity date of all of the Outstanding Junior Bonds.

Junior Bond Reserve Account, established to accumulate funds to be used to pay principal or interest on outstanding bonds at any time when there are insufficient funds available in the Junior Bond and Interest Account to pay the same.

Depreciation, Improvement, and Extension Account, established to accumulate funds established per bond ordinances for the payment of the cost of extraordinary maintenance, necessary repairs and replacements, or contingencies for which no other funds are available.

Surplus Account, established to accumulate funds remaining in the System Fund, after crediting the required amounts to the respective accounts noted above and after making up any deficiency in the above accounts. Then, at the discretion of the Corporate Authorities, the funds shall be used, if at all, for one or more of the following purposes:

- (1) For the purpose of constructing or acquiring repairs, replacements, or improvements to the System or
- (2) For the purpose of purchasing Outstanding Bonds or
- (3) For any other lawful corporate purpose (including but not limited to payments in lieu of taxes and general supervision and administrative charges by the Issuer).

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**5. RESTRICTED ASSETS (Continued)**

General Fund

The General Obligation Bonds, Series 2021 require the funding of a Debt Service account with taxes levied to be used for the sole purpose of paying principal of and interest on the Bonds. The General Obligation Bonds, Series 2021 also requires the proceeds of the sale of the bonds be deposited into a Bond Proceeds account. As of April 30, 2024, the account was funded as required by the ordinance. The General Fund also maintains various bank accounts that are restricted by state statute or program requirements for specific public safety duties.

General Fund

Cash:

Unspent Bond Proceeds	\$	28
2021 Debt Service		4,184
Public Safety Accounts		<u>66,544</u>

Total \$ 70,756

**6. LONG-TERM DEBT**

Governmental Activities

General Obligation Bonds

The Village issues general obligation bonds to provide for the acquisition, construction and installation of various improvements and facilities. General obligation bonds outstanding at the end of the fiscal year are as follows:

\$810,000 General Obligation Bonds, Series 2021 payable through December 30, 2040 in \$46,400 payments; interest rate of 1.35% \$ 700,631

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

General Obligation Bonds (Continued)

Future principal and interest payments on the general obligation bonds are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 36,941	\$ 9,459	\$ 46,400
2026	37,440	8,960	46,400
2027	37,946	8,454	46,400
2028	38,458	7,942	46,400
2029	38,977	7,423	46,400
2030-2034	202,922	29,078	232,000
2035-2039	216,993	15,007	232,000
2040-2041	90,954	1,846	92,800
Total	<u>\$ 700,631</u>	<u>\$ 88,169</u>	<u>\$ 788,800</u>

Street Shop Building Note (Direct Borrowing)

On October 15, 2014, the Village entered into an agreement with a financial institution to finance costs associated with the construction of a shop building for the street and water departments. The Village borrowed \$460,000 at an interest rate of 1.74% to be paid in monthly installments of \$4,185 beginning November 15, 2014, with a final payment due October 15, 2024. The assets and related obligation have been allocated half to the General Fund and half to the Waterworks and Sewerage Fund. The principal balance for the governmental activities as of April 30, 2024 is \$12,454 and the principal balance for the business-type activities as of April 30, 2024 is \$12,454 for a combined total of \$24,908.

Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 12,454	\$ 66	\$ 12,520
Total	<u>\$ 12,454</u>	<u>\$ 66</u>	<u>\$ 12,520</u>

Market Street Building Note (Direct Borrowing)

On October 25, 2021, the Village entered into an agreement with a financial institution to finance costs associated with the purchase of property and buildings for the Village. The Village borrowed \$234,127 at an interest rate of 1.59% to be paid in monthly installments of \$1,142 beginning November 25, 2021, with a final payment due October 25, 2026. The principal balance for the governmental activities as of April 30, 2024 is \$208,822.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

Market Street Building Note (Direct Borrowing) (Continued)

Future principal and interest payments on the notes payables are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 10,470	\$ 3,234	\$ 13,704
2026	10,584	3,120	13,704
2027	<u>187,768</u>	<u>1,500</u>	<u>189,268</u>
Total	<u>\$ 208,822</u>	<u>\$ 7,854</u>	<u>\$ 216,676</u>

Financed Purchase Agreement

The Village is obligated under a vehicle purchase agreement accounted for as a financed purchase agreement. The asset (street sweeper) and related obligation are accounted for as governmental activities. The asset under the agreement net of depreciation totaled \$12,772 at April 30, 2024. The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2024:

<u>Years ending April 30,</u>	
2025	\$ <u>15,625</u>
Future minimum payments	15,625
Less: Amount representing interest	<u>115</u>
Present value of minimum payments	<u>\$ 15,510</u>

Subscription Leases

The Village has entered into agreements to lease subscription services. The subscription agreements qualify as other than short-term leases under GASB 96 and therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

Subscription Leases (Continued)

On May 1, 2023, the Village entered into a 32 month subscription for the use of certain software. An initial subscription liability was recorded in the amount of \$44,730. The Village is required to make annual fixed payments of \$15,500 and the subscription has an interest rate of 2.503%. The Village had a termination period of 36 months as of the subscription commencement. The asset and related subscription lease have been allocated equally between the General Fund, the Electric Fund, and the Waterworks and Sewerage Fund. The subscription liability for the governmental activities as of April 30, 2024 is \$9,960 and the subscription liability for the business-type activities as of April 30, 2024 is \$19,914 for a combined total of \$29,874. The value of the right to use asset and the accumulated amortization for the governmental activities as of April 30, 2024 is \$17,247 and \$6,323, respectively and the right to use asset and the accumulated amortization for the business-type activities as of April 30, 2024 is \$34,484 and \$12,642, respectively for a combined total of \$51,731 and \$18,965, respectively.

On May 1, 2023, the Village entered into a 25 month subscription for the use of certain software. An initial subscription liability was recorded in the amount of \$5,938. The Village is required to make annual fixed payments of \$3,000 and the subscription has an interest rate of 1.500%. The Village had a termination period of 1 month as of the subscription commencement. The subscription liability for the governmental activities as of April 30, 2024 is \$2,955. The value of the right to use asset and the accumulated amortization for the governmental activities as of April 30, 2024 is \$5,938 and \$2,847, respectively.

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,874	\$ 294	\$ 8,168
2026	5,041	126	5,167
Total	<u>\$ 12,915</u>	<u>\$ 420</u>	<u>\$ 13,335</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

Governmental Activities (Continued)

Following is a summary of the changes that occurred to the liabilities reported in the governmental activities of the Village for the year ended April 30, 2024.

	Balance May 1, 2023	Additions	Reductions	Balance April 30, 2024
G.O. bonds	\$ 737,081	\$ -	\$ 36,450	\$ 700,631
Notes payable	256,183	-	34,907	221,276
Purchase agreements	61,850	-	46,340	15,510
Subscription leases	-	20,851	7,936	12,915
Net pension liability	6,229,987	-	1,115,289	5,114,698
OPEB liability	3,023,591	96,301	-	3,119,892
Compensated absences	374,384	426,665	374,384	426,665
	<u>\$ 10,683,076</u>	<u>\$ 543,817</u>	<u>\$ 1,615,306</u>	<u>\$ 9,611,587</u>

The General Fund and Yard Waste Recycling and Refuse Fund generally liquidate the pension, OPEB, and compensated absences liabilities.

Following are governmental activities obligations due within one year:

G.O. bonds	\$ 36,941
Notes payable	22,924
Purchase agreements	15,510
Lease obligation	7,874
OPEB liability	116,358
Compensated absences	<u>20,783</u>
Total	<u>\$ 220,390</u>

The amount available for retirement of future general obligation bond debt is made up of the following:

Debt Service (General Fund)	<u>\$ 4,184</u>
-----------------------------	-----------------

Business-type Activities

General Obligation Bonds (Alternate Revenue Source)

The Village issues general obligation bonds (alternate revenue source) where the Village pledges revenue derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the fiscal year are as follows:

\$3,805,000 Electric General Obligation Refunding Bond (Alternate Revenue Source, Series 2014, for the purpose of refunding certain prior bonds of the Village, payable through November 1, 2028 in various amounts ranging from \$105,000 to \$336,000; interest rates ranging from 1.70 % to 2.40%)	<u>\$ 1,182,000</u>
---	---------------------

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

General Obligation Bonds (Alternate Revenue Source) (Continued)

Future principal and interest payments on the general obligation (alternate revenue source) bonds are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 314,000	\$ 26,014	\$ 340,014
2026	321,000	19,420	340,420
2027	336,000	12,518	348,518
2028	106,000	4,958	110,958
2029	105,000	2,520	107,520
Total	<u>\$ 1,182,000</u>	<u>\$ 65,430</u>	<u>\$ 1,247,430</u>

Water Shop Building Note (Direct Borrowing)

On October 15, 2014, the Village entered into an agreement with a financial institution to finance costs associated with the construction of a shop building for the street and water departments. The Village borrowed \$460,000 at an interest rate of 1.74% to be paid in monthly installments of \$4,185 beginning November 15, 2014, with a final payment due October 15, 2024. The assets and related obligation have been allocated half to the General Fund and half to the Waterworks and Sewerage Fund. The principal balance for the governmental activities as of April 30, 2024 is \$12,454 and the principal balance for the business-type activities as of April 30, 2024 is \$12,454 for a combined total of \$24,908.

Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 12,454	\$ 66	\$ 12,520
Total	<u>\$ 12,454</u>	<u>\$ 66</u>	<u>\$ 12,520</u>

Ground Storage Tank and Tower Painting Note (Direct Borrowing)

On September 11, 2020, the Village entered into an agreement with a financial institution to finance costs associated with improvements to the above ground storage tank and tower. The Village borrowed \$882,012 at an interest rate of 1.05% to be paid in monthly installments of \$13,970 beginning October 11, 2020, with a final payment due February 11, 2026.



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Ground Storage Tank and Tower Painting Note (Direct Borrowing) (Continued)

The assets and related obligation have been allocated to the Waterworks and Sewerage Fund. The principal balance for the business-type activities as of April 30, 2024 was \$304,237. Future principal and interest payments on the notes payable are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 165,209	\$ 2,436	\$ 167,645
2026	139,028	682	139,710
Total	<u>\$ 304,237</u>	<u>\$ 3,118</u>	<u>\$ 307,355</u>

Financed Purchase Agreement

The Village is obligated under an equipment purchase agreement accounted for as a financed purchase agreement. The asset (Digger Derrick) and related obligation are accounted for as business-type activities. The asset under the purchase agreement net of depreciation totaled \$92,499 at April 30, 2024.

The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2024:

<u>Years ended April 30,</u>	
2025	\$ 54,229
2026	45,123
Future minimum payments	99,352
Less: Amount representing interest	<u>2,315</u>
Present value of minimum payments	<u>\$ 97,037</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Financed Purchase Agreement (Continued)

The Village is obligated under an equipment purchase agreement accounted for as a financed purchase agreement. The asset (Dump Truck) and related obligation are accounted for as business-type activities. The asset under the purchase agreement net of depreciation totaled \$79,466 at April 30, 2024.

The following is a schedule of future minimum payments under the purchase agreement, together with the net present value of the minimum payments at April 30, 2024:

Years ended April 30,

2025	\$	19,274
2026		19,274
2027		19,274
2028		19,274
2029		<u>12,829</u>
Future minimum payments		89,925
Less: Amount representing interest		<u>10,551</u>
Present value of minimum payments	\$	<u><u>79,374</u></u>

Leases

The Village entered into a lease agreement in November 2022, for the right-to-use vehicle. Payments of \$5,531 are due in monthly installments, through November 2029. The value of the right-to-use asset as of April 30, 2024 is \$405,304 with accumulated amortization of \$85,403.

The annual requirements to amortize to maturity leases outstanding as of April 30, 2024, are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 54,227	\$ 12,141	\$66,368
2026	56,408	9,960	66,368
2027	58,677	7,691	66,368
2028	61,037	5,331	66,368
2029	63,492	2,876	66,368
2030	<u>38,211</u>	<u>505</u>	<u>38,716</u>
Total	<u>\$ 332,052</u>	<u>\$ 38,504</u>	<u>\$ 370,556</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Leases (Continued)

The Village entered into a lease agreement in June 2023, for the right-to-use vehicle. Payments of \$962 are due in monthly installments, through July 2028. The value of the right-to-use asset as of April 30, 2024 is \$51,621 with accumulated amortization of \$8,661.

The annual requirements to amortize to maturity leases outstanding as of April 30, 2024, are as follows:

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 9,781	\$ 1,763	\$ 11,544
2026	10,228	1,316	11,544
2027	10,696	848	11,544
2028	11,184	360	11,544
2029	1,914	11	1,925
Total	<u>\$ 43,803</u>	<u>\$ 4,298</u>	<u>\$ 48,101</u>

Subscription Leases

On May 1, 2023, the Village entered into a 32 month subscription for the use of certain software. An initial subscription liability was recorded in the amount of \$44,730. The Village is required to make annual fixed payments of \$15,500 and the subscription has an interest rate of 2.503%. The Village had a termination period of 36 months as of the subscription commencement. The asset and related subscription lease have been allocated equally between the General Fund, the Electric Fund, and the Waterworks and Sewerage Fund. The subscription liability for the governmental activities as of April 30, 2024 is \$9,960 and the subscription liability for the business-type activities as of April 30, 2024 is \$19,914 for a combined total of \$29,874. The value of the right to use asset and the accumulated amortization for the governmental activities as of April 30, 2024 is \$17,247 and \$6,323, respectively and the right to use asset and the accumulated amortization for the business-type activities as of April 30, 2024 is \$34,484 and \$12,642, respectively for a combined total of \$51,731 and \$18,965, respectively.

<u>Years ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 9,834	\$ 498	\$ 10,332
2026	10,080	252	10,332
Total	<u>\$ 19,914</u>	<u>\$ 750</u>	<u>\$ 20,664</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

Business-type Activities (Continued)

Line of Credit

The Village has a \$3,000,000 revolving line of credit from a financial institution that was issued August 16, 2023 with a maturity date of August 16, 2024 and interest at 5.10%. The line of credit is to be repaid by the revenues of the Electric Fund. As of April 30, 2024, the amount owed on the line of credit was \$0.

Following is a summary of the changes that occurred to the liabilities reported in the business-type activities of the Village for the year ended April 30, 2024.

	Balance May 1, 2023	Additions	Reductions	Balance April 30, 2024
G.O. bonds (Alternate Revenue Source)	\$ 1,488,000	\$ -	\$ 306,000	\$ 1,182,000
Notes payable	581,332	-	264,641	316,691
Purchase agreements	158,383	84,437	66,409	176,411
Leases	379,925	51,621	55,691	375,855
Subscription leases	-	29,817	9,903	19,914
Net pension liability	1,401,322	-	321,589	1,079,733
OPEB liability	1,104,763	44,031	-	1,148,794
Compensated absences	286,211	271,992	286,211	271,992
	<u>\$ 5,399,936</u>	<u>\$ 481,898</u>	<u>\$ 1,310,444</u>	<u>\$ 4,571,390</u>

Following are business-type activities obligations due within one year:

G.O. bonds (Alternate Revenue Source)	\$ 314,000
Notes payable	177,663
Purchase agreements	77,502
Leases	73,842
OPEB liability	42,845
Compensated absences	<u>10,937</u>
Total	<u>\$ 696,789</u>

**7. PLEDGED REVENUES**

The Village has pledged all revenue from the Village's Electric operations to repay the \$3,805,000 Electric General Obligation Refunding Bonds (Alternate Revenue Source), Series 2014 through fiscal year 2029. The total principal and interest remaining to be paid on the bonds is \$1,247,430. Principal and interest paid and total revenues for fiscal year 2024 were \$338,134 and \$10,812,098 respectively.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**8. INTERFUND BALANCES AND TRANSFERS**

Interfund receivable and payable balances at April 30, 2024 consist of:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Electric Fund	\$ 48,285	\$ -
Waterworks and Sewerage Fund	7	21,575
Aggregate Nonmajor Governmental Funds	-	414
Total	<u>48,292</u>	<u>21,989</u>
Electric Fund:		
General Fund	<u>-</u>	<u>48,285</u>
Waterworks and Sewerage Fund:		
General Fund	<u>21,575</u>	<u>7</u>
Aggregate Nonmajor Governmental Funds:		
General Fund	<u>414</u>	<u>-</u>
Total	<u>\$ 70,281</u>	<u>\$ 70,281</u>

The purposes of the interfund receivable and payable balances are as follows:

- The balance due to the General fund from the Electric fund is grant revenue incorrectly recorded in the General fund
- The balance due to the Waterworks and Sewerage fund from the General fund is ARPA grant funds due from the General fund
- The balance due to the Aggregate nonmajor governmental funds from the General fund is telecommunication taxes due to the utility tax fund

During fiscal year 2024, the General Fund made a \$1,000,000 budgeted transfer to the capital projects fund for the Capital Plan implemented in fiscal year 2024. This transfer was used to make purchases for vehicles, equipment and other projects discussed in the fiscal year 2024 budget. The General Fund made a \$21,575 budgeted transfer to the Waterworks and Sewerage Fund to transfer ARPA grant funds. For the statement of activities, interfund transfers within the governmental or business-types activities are netted and eliminated.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**9. RETIREMENT PLANS**

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, and the Police Pension Plan, which is a single-employer pension plan. The table below is a summary for all pension plans as of and for the year ended April 30, 2024:

	IMRF	Police Pension	Total
Net Pension Liability	\$ 1,467,703	\$ 4,726,728	\$ 6,194,431
Deferred Outflows of Resources	1,452,928	517,531	1,970,459
Deferred Inflows of Resources	179,678	737,254	916,932
Pension Expense	(566,322)	670,097	103,775

Illinois Municipal Retirement Fund

*Plan Description.* The Village of Chatham’s defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Village’s plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not for individual employers. The report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

*Plan Administration.* All Village employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

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

*Plan Membership.* At December 31, 2023, the date of the most recent actuarial valuation, the IMRF membership consisted of:

Retirees and beneficiaries currently receiving benefits	35
Inactive employees entitled to, but not yet receiving benefits	25
Active plan members	<u>37</u>
Total	<u>97</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Benefits Provided.* IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

*Contributions.* As set by statute, the Village's plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution for the fiscal year ended April 30, 2024 was 9.28% of covered payroll. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, with supplemental retirement benefits rate being set by statute.

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2023. The total pension liability was determined by an actuarial valuation as of that date.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability as of December 31, 2023.

Actuarial valuation date	December 31, 2023
Asset valuation method	Fair Value of Assets
Actuarial cost method	Entry Age Normal
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%

Retirement Age – Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.

Mortality – For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

*Single Discount Rate.* A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members’ contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determine contribution rates and the member rate. The single discount rate reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 3.77%; and the resulting single discount rate is the expected rate of return on pension plan investments of 7.25%.

*Changes in the Net Pension Liability (Asset).*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
Balances at January 1, 2023	\$ 15,880,737	\$ 13,623,185	\$ 2,257,552
Changes for the period:			
Service cost	258,492	-	258,492
Interest	1,135,480	-	1,135,480
Difference between expected and actual experience	160,243	-	160,243
Changes in assumptions*	7,702	-	7,702
Employer contributions	-	422,338	(422,338)
Employee contributions	-	227,404	(227,404)
Net investment income	-	1,721,882	(1,721,882)
Benefit payments and refunds	(696,384)	(696,384)	-
Other	-	(9,024)	9,024
Adjustment	-	(10,834)	10,834
Net changes	865,533	1,655,382	(789,849)
Balances at December 31, 2023	\$ 16,746,270	\$ 15,278,567	\$ 1,467,703

\*Changes in assumptions related to retirement age and mortality were made since the prior measurement date. Retirement age assumptions were updated from the 2020 valuation pursuant to an experience study of the period 2017-2019 to the 2023 valuation pursuant to an experience study of the period 2020-2022. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2021 table.

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**9. RETIREMENT PLANS (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Discount Rate Sensitivity (Continued)*

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 3,607,800	\$ 1,467,703	\$ (222,412)

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended April 30, 2024, the Village reported recognized total pension expense/(income) of \$103,775, of which \$(566,322) related to IMRF. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 629,074	\$ 111,153
Changes in assumption	15,330	68,525
Net difference between projected and actual earnings on pension plan investments	729,446	-
Contributions made after measurement date	79,078	-
<b>TOTAL</b>	<u>\$ 1,452,928</u>	<u>\$ 179,678</u>

\$79,078 reported as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent year ended April 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year ended April 30,</u>	
2025	\$ 226,590
2026	374,159
2027	619,961
2028	(32,528)
2029	5,990
Thereafter	-
<b>TOTAL</b>	<u>\$ 1,194,172</u>

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund

*Plan Description.* Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single employer pension plan. The plan issues an annual report to the Illinois Department of Insurance; however, they do not issue their own stand-alone financial statements. The Village accounts for the plan as a pension trust fund and the plan is governed by a five-member Board. Two members are elected from active officers, two are appointed by the Village President, and one is elected from retired members. Although this is a single employer pension plan, the defined benefits, as well as the employee and employer contribution levels, are mandated by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. Plan members' contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions.

*Plan Membership.* At May 1, 2023, the date of the most recent actuarial valuation, the Police Pension membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	8
Inactive plan members, but not yet receiving benefits	6
Active plan members	<u>16</u>
Total	<u>30</u>

*Benefits Provided.* The Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 3.0% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the 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's annual contribution to the plan is provided by property tax levy. These taxes are required to be of an amount necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. There is no formal funding policy that exists between the Pension Board and the Village. The informal funding policy that has been determined for future contributions is 99.48% of the actuarially determined contribution which is based on 100% amortization of the unfunded actuarially accrued liability. For the year ended April 30, 2024, the Village's contribution was 47.26% of covered payroll.

*Net Pension Liability.* The Village's net pension liability was measured as of April 30, 2024. The total pension liability was determined by an actuarial valuation as of May 1, 2023 and rolled forward to the measurement date of April 30, 2024.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability as of April 30, 2024.

Actuarial valuation date	May 1, 2023
Actuarial cost method	Entry Age Normal
Asset valuation	Fair Value
Long-term expected rate of return	6.25%
Salary increases	3.75%-11.09%
Increase in total payroll	3.25%
Price inflation	2.25%
Percent married	80.0%

Mortality rates were based on Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described. Retirement rates were based on L&A 2020 Illinois Police Retirement Rates Capped at age 65.

All economic assumption rates are assumed to be annual rates, compounded on an annual basis.

The long-term expected rate of return on assets is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. Long-term Real Rates of Return are shown as the Expected Rate of Return, net of the assumed inflation rate. There are multiple approaches seen to providing these rates. Typically, the information is either based on capital market projections, or historical rates seen for the asset classes.

Assumptions were changed from the prior year. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.53% to 4.07% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index which is unchanged from the prior year.

*Discount Rate.* The discount rate used to measure the total pension liability was 6.25%. 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 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.

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Changes in the Net Pension Liability.*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at May 1, 2023	\$ 16,045,603	\$ 10,671,846	\$ 5,373,757
Changes for the period:			
Service cost	372,434	-	372,434
Interest	975,041	-	975,041
Changes in benefit terms	-	-	-
Actuarial experience	(182,045)	-	(182,045)
Employer contributions	-	653,085	(653,085)
Employee contributions	-	137,404	(137,404)
Net investment income	-	1,037,981	(1,037,981)
Benefit payments and refunds	(561,527)	(561,527)	-
Administrative expense	-	(16,011)	16,011
Net changes	603,903	1,250,932	(647,029)
Balances at April 30, 2024	\$ 16,649,506	\$ 11,922,778	\$ 4,726,728

The Plan's fiduciary net position as a percentage of total pension liability for the year ended April 30, 2024 was 71.61%.

*Discount Rate Sensitivity.* The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.25%) or 1 percentage point higher (7.25%) than the current rate.

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Net pension liability (asset)	\$ 7,408,107	\$ 4,726,728	\$ 2,571,514

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**9. RETIREMENT PLANS (Continued)**

Police Pension Fund (Continued)

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended April 30, 2024, the Village reported recognized total pension expense/(income) of \$103,775, of which \$670,097 was related to the Police pension. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Difference between expected and actual experience	\$ 119,163	\$ 661,632
Changes in assumption	170,254	75,622
Net difference between projected and actual earnings on pension plan investments	<u>228,114</u>	<u>-</u>
<b>TOTAL</b>	<u>\$ 517,531</u>	<u>\$ 737,254</u>

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

<u>Year ended April 30,</u>	
2025	\$ (9,163)
2026	245,697
2027	(97,626)
2028	(190,052)
2029	(117,868)
Thereafter	<u>(50,711)</u>
<b>TOTAL</b>	<u>\$ (219,723)</u>

**10. OTHER POST-EMPLOYMENT BENEFITS**

Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. No contributions are made by the Village or its employees to fund a reserve for payment of benefits. Accordingly, there are no assets accumulated in a GASB-compliant trust. Since no reserve is maintained for benefit payments, the plan does not issue a separate stand-alone financial report. The OPEB obligation is generally liquidated through the funds in which the related employees' wages are paid.

Benefits Provided

The Village provides post-retirement health benefits, as per the requirements of local ordinances and labor agreements. Retirees are eligible to continue their health care coverage with the Village's carrier. The Village will pay the retirees single medical insurance coverage provided the employee is not eligible from other sources as per the following schedule upon retirement until said employee is eligible for Medicare benefits. If the employee is eligible for coverage from other sources, the Village will pay that amount provided it does not exceed the amount the Village regularly pays for single member premium coverage. If the premium contribution exceeds the costs of the Village contribution, the retiree will be eligible to remain on the Village plan. To be eligible for this benefit, the retiree shall be at least fifty-five years of age and has been an employee of the Village for a minimum of 10 years, with the exception of retirees under the International Fraternal Order of Police, Local Unit 821. Such retirees shall be at least fifty years of age. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

10 years of employment with the Village = 25% of single medical coverage premium  
15 years of employment with the Village = 50% of single medical coverage premium  
20 years of employment with the Village = 100% of single medical coverage premium



**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Plan Membership

At April 30, 2024 (census date), membership consisted of:

Inactive employees currently receiving benefit payments	11
Inactive employees entitled to but not but not yet receiving benefit payments	-
Active employees	<u>55</u>
Total	<u><u>66</u></u>

Total OPEB Liability

The Village’s total OPEB liability of \$4,268,686 was measured as of April 30, 2024 and was determined by an actuarial valuation as of May 1, 2023 using the alternative measurement method and the measurement date of April 30, 2024.

Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2024 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updating procedures to April 30, 2024 including updating the discount rate at April 30, 2024 as noted below. The total OPEB liability was calculated using the assumptions noted below.

Actuarial cost method	Entry-age normal
Assumptions	
Payroll increases	2.75%
Discount rate	4.07% (3.53% in 2023)
Inflation	2.25%
Healthcare cost trend rates	5.00% to 7.40% 5.00% ultimate
Asset valuation method	Not applicable

The payroll increase assumption is based on a review of the IMRF Experience Study Report dated December 14, 2020 and the L&A assumption study for Police 2020.

**VILLAGE OF CHATHAM, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

---

**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Actuarial Assumptions and Other Inputs (Continued)

The discount rate was based on the municipal bond rate for the Bond Buyer 20-Bond G.O. Index. The 4.07% rate shown is as of April 25, 2024, and is the most recent rate available prior to the measurement date. The 20-Bond G.O. Index is based on an average of certain general obligation bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

The initial healthcare trend rate is based on the 2023 Segal Health Plan Cost Trend Survey. The grading period and ultimate trend rates selected fall within a generally accepted range.

Mortality rates were based on the PubG-2010(B) study. These rates are improved generationally using MP-2020 improvement rates, weighted per IMRF Experience Study dated December 14, 2020. Mortality rates for active police officers were based on the sex distinct raw rates as developed in the PubS-2010(A) study improved to 2017 using MP-2019 improvement rates.

Coverage election at retirement is assumed to be 100% for IMRF employees and 33% for IMRF employees currently waiving health insurance coverage. Of the employees assumed to elect coverage at retirement, 50% are assumed to elect spouse coverage and female spouses are assumed to be 3 years younger than male spouses. The assumptions are based on the current population.

Changes in the Total OPEB Liability

Balances beginning May 1, 2023	\$ 4,128,354
Changes for the year:	
Service cost	336,425
Interest	142,921
Difference between expected and actual experience	-
Assumption changes*	(179,811)
Benefit payments	(159,203)
Net changes	<u>140,332</u>
Balances ending April 30, 2024	<u>\$ 4,268,686</u>

\*Changes in assumptions include changes in the discount rate from 3.53% to 4.07%

**VILLAGE OF CHATHAM, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

---

**10. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 4.07% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.07%) or 1 percentage point higher (5.07%) than the current rate:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
Total OPEB Liability	\$ 4,607,874	\$ 4,268,686	\$ 3,955,894

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 5.00% to 7.40% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.00% to 6.40%) or 1 percentage point higher (6.00% to 8.40%) than the current rate:

	1% Decrease (Varies)	Current Discount Rate (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 3,784,920	\$ 4,268,686	\$ 4,845,847

OPEB Expense

For the year ended April 30, 2024, the Village reported recognized total OPEB expense of 140,332.

**11. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. To insure against the losses, the Village participates in the Illinois Counties Risk Management Trust (ICRMT), a public entity risk pool with transfers of risk. The Village pays an annual premium to ICRMT for its coverage. Employee health risks are insured through the purchase of a commercial insurance plan. In addition, the Village has workers compensation coverage through the Illinois Public Risk Fund. Settled claims have not exceeded this coverage in any of the past three fiscal years.

**12. JOINT VENTURE**

During fiscal year 2009, the Village, along with the Village of New Berlin, Illinois, established the South Sangamon Water Commission. The Commission is a municipal corporation established pursuant to the provisions of the Water Commission Act of the State of Illinois (65 ILCS 5/11-135-1 et. seq.) for the purpose of constructing and operating a water supply distribution system serving its customers. The Village has no equity interest.

During fiscal year 2010, the Village entered into a wholesale water agreement with the South Sangamon Water Commission whereby the Water Commission will supply water to the Village until December 31, 2040, or 5 years after the expiration of the original issue of the Commission's bonds, whichever is later. The agreement became effective when the treatment plant commenced operations in May 2012. Under this agreement, the Village paid \$3,585,098 to the Commission during fiscal year 2024 for the purchase of water.

The Commission's fiscal year end is April 30. Separate financial statements are available for the Commission by contacting the South Sangamon Water Commission at PO Box 83 New Berlin, Illinois 62670-0083.

**REQUIRED SUPPLEMENTARY INFORMATION**

VILLAGE OF CHATHAM, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Nine Calendar Years

MEASUREMENT DATE DECEMBER 31	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>									
Service cost	\$ 258,492	\$ 231,823	\$ 251,027	\$ 268,419	\$ 263,876	\$ 230,684	\$ 244,533	\$ 249,095	\$ 248,975
Interest	1,135,480	1,043,870	1,011,184	952,162	902,963	879,549	898,328	882,777	782,200
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	160,243	623,944	(234,705)	336,664	10,587	(353,775)	(516,855)	(469,473)	681,972
Changes of assumptions	7,702	-	-	(203,217)	-	423,617	(410,496)	(68,605)	33,697
Benefit payments, including refunds of member contributions	(696,384)	(602,398)	(531,731)	(530,722)	(471,468)	(467,190)	(450,749)	(443,799)	(297,513)
	865,533	1,297,239	495,775	823,306	705,958	712,885	(235,239)	149,995	1,449,331
Total pension liability - beginning	15,880,737	14,583,498	14,087,723	13,264,417	12,558,459	11,845,574	12,080,813	11,930,818	10,481,487
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 16,746,270</b>	<b>\$ 15,880,737</b>	<b>\$ 14,583,498</b>	<b>\$ 14,087,723</b>	<b>\$ 13,264,417</b>	<b>\$ 12,558,459</b>	<b>\$ 11,845,574</b>	<b>\$ 12,080,813</b>	<b>\$ 11,930,818</b>
<b>PLAN FIDUCIARY NET POSITION</b>									
Contributions - employer	\$ 422,338	\$ 342,570	\$ 336,495	\$ 390,571	\$ 315,961	\$ 343,850	\$ 355,417	\$ 339,165	\$ 425,528
Contributions - member	227,404	211,676	195,474	202,045	182,229	146,776	136,795	108,548	114,457
Net investment income	1,721,882	(1,821,273)	2,202,367	1,632,715	1,791,167	(862,097)	1,306,357	594,756	43,111
Benefit payments, including refunds of member contributions	(696,384)	(602,398)	(531,731)	(530,722)	(471,468)	(467,190)	(450,749)	(443,799)	(297,513)
Other income (expense)	(19,858)	(20,048)	(19,752)	(16,051)	(9,079)	(16,315)	45,042	61,553	(142,279)
	1,655,382	(1,889,473)	2,182,853	1,678,558	1,808,810	(854,976)	1,392,862	660,223	143,304
Plan fiduciary net position - beginning	13,623,185	15,512,658	13,329,805	11,651,247	9,842,437	10,697,413	9,304,551	8,644,328	8,501,024
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 15,278,567</b>	<b>\$ 13,623,185</b>	<b>\$ 15,512,658</b>	<b>\$ 13,329,805</b>	<b>\$ 11,651,247</b>	<b>\$ 9,842,437</b>	<b>\$ 10,697,413</b>	<b>\$ 9,304,551</b>	<b>\$ 8,644,328</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 1,467,703</b>	<b>\$ 2,257,552</b>	<b>\$ (929,160)</b>	<b>\$ 757,918</b>	<b>\$ 1,613,170</b>	<b>\$ 2,716,022</b>	<b>\$ 1,148,161</b>	<b>\$ 2,776,262</b>	<b>\$ 3,286,490</b>
Plan fiduciary net position as a percentage of the total pension liability	91.24%	85.78%	106.37%	94.62%	87.84%	78.37%	90.31%	77.02%	72.45%
Covered payroll	\$ 3,127,256	\$ 2,798,799	\$ 2,702,773	\$ 2,817,953	\$ 2,735,596	\$ 2,440,390	\$ 2,313,911	\$ 2,263,499	\$ 2,443,509
Employer's net pension liability (asset) as a percentage of covered payroll	46.93%	80.66%	(34.38%)	26.90%	58.97%	111.29%	49.62%	122.65%	134.50%

MEASUREMENT DATE DECEMBER 31	2023	2022	2021	2020	2019	2018	2017	2016	2015
------------------------------	------	------	------	------	------	------	------	------	------

Year Ended December 31, 2023 - Changes in assumptions related to retirement age and mortality were made since the prior measurement date. Retirement age assumptions were updated from the 2020 valuation pursuant to an experience study of the period 2017-2019 to the 2023 valuation pursuant to an experience study of the period 2020-2022. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2021 table.

Year Ended December 31, 2022- No changes in assumptions

Year Ended December 31, 2021- No changes in assumptions

Year Ended December 31, 2020 - Changes in assumptions related to price inflation, salary increases, retirement age and mortality were made since the prior measurement date. Price inflation and salary increases decreased from 2.50% to 2.25% and 3.35% - 14.25% to 2.85% - 13.75%, respectively. Retirement age assumptions were updated from the 2017 valuation pursuant to an experience study of the period 2014-2016 to the 2020 valuation pursuant to an experience study of the period 2017-2019. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2020 table.

Year Ended December 31, 2019 - Changes in assumptions related to salary increases decreased from 3.39% -14.25% to 3.35% - 14.25%

Year Ended December 31, 2018 - Changes in assumptions related to investment rate of return were made since the prior measurement date. Investment rate of return decreased from 7.50% to 7.25%.

Year Ended December 31, 2017 - Changes in assumptions related to price inflation, salary increases, retirement age and mortality were made since the prior measurement date. Price inflation and salary increases decreased from 2.75% and 3.75% - 14.50% to 2.50% and 3.39% - 14.25%, respectively. Retirement age assumptions were updated from the 2014 valuation pursuant to an experience study of the period 2011-2013 to the 2017 valuation pursuant to an experience study of the period 2014-2016. Mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2017 table.

Year Ended December 31, 2016 - Changes in assumptions related to investment rate of return and mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS  
POLICE PENSION TRUST FUND

Last Ten Fiscal Years

MEASUREMENT DATE MAY 1	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>										
Service cost	\$ 372,434	\$ 375,233	\$ 350,642	\$ 374,564	\$ 359,618	\$ 374,057	\$ 365,889	\$ 344,366	\$ 306,768	\$ 330,691
Interest	975,041	937,975	906,282	882,049	830,363	783,679	737,681	670,000	582,946	491,643
Changes of benefit terms	-	(15,235)	-	-	110,840	-	-	-	-	-
Differences between expected and actual experience	(182,045)	(214,834)	(423,736)	(149,490)	156,600	5,608	14,574	98,527	143,983	675,793
Changes of assumptions	-	-	(59,566)	45,796	(81,860)	-	-	291,257	659,242	525,246
Benefit payments, including refunds of member contributions	(561,527)	(495,228)	(473,044)	(456,533)	(401,279)	(431,512)	(332,855)	(309,649)	(290,496)	(211,806)
	603,903	587,911	300,578	696,386	974,282	731,832	785,289	1,094,501	1,402,443	1,811,567
Total pension liability - beginning	16,045,603	15,457,692	15,157,114	14,460,728	13,486,446	12,754,614	11,969,325	10,874,824	9,472,381	7,660,814
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 16,649,506</b>	<b>\$ 16,045,603</b>	<b>\$ 15,457,692</b>	<b>\$ 15,157,114</b>	<b>\$ 14,460,728</b>	<b>\$ 13,486,446</b>	<b>\$ 12,754,614</b>	<b>\$ 11,969,325</b>	<b>\$ 10,874,824</b>	<b>\$ 9,472,381</b>
<b>PLAN FIDUCIARY NET POSITION</b>										
Contributions - employer	\$ 653,085	\$ 706,006	\$ 708,017	\$ 665,113	\$ 633,707	\$ 604,324	\$ 530,523	\$ 510,127	\$ 326,628	\$ 341,113
Contributions - member	137,404	136,686	127,667	121,507	122,579	109,075	118,016	111,324	108,237	107,716
Net investment income	1,037,981	232,538	(792,413)	2,075,210	(127,230)	359,011	363,359	480,550	(52,244)	295,773
Benefit payments, including refunds of member contributions	(561,527)	(495,228)	(473,044)	(456,533)	(401,279)	(431,512)	(332,855)	(309,649)	(290,496)	(211,806)
Administrative expense	(16,011)	(13,616)	(11,556)	(12,438)	(13,835)	(15,416)	(15,672)	(13,463)	(13,674)	(4,221)
	1,250,932	566,386	(441,329)	2,392,859	213,942	625,482	663,371	778,889	78,451	528,575
Plan fiduciary net position - beginning	10,671,846	10,105,460	10,546,789	8,153,930	7,939,988	7,314,506	6,651,135	5,872,246	5,793,795	5,265,220
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 11,922,778</b>	<b>\$ 10,671,846</b>	<b>\$ 10,105,460</b>	<b>\$ 10,546,789</b>	<b>\$ 8,153,930</b>	<b>\$ 7,939,988</b>	<b>\$ 7,314,506</b>	<b>\$ 6,651,135</b>	<b>\$ 5,872,246</b>	<b>\$ 5,793,795</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 4,726,728</b>	<b>\$ 5,373,757</b>	<b>\$ 5,352,232</b>	<b>\$ 4,610,325</b>	<b>\$ 6,306,798</b>	<b>\$ 5,546,458</b>	<b>\$ 5,440,108</b>	<b>\$ 5,318,190</b>	<b>\$ 5,002,578</b>	<b>\$ 3,678,586</b>



<b>MEASUREMENT DATE MAY 1</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Plan fiduciary net position as a percentage of the total pension liability	71.61%	66.51%	65.37%	69.58%	56.39%	58.87%	57.35%	55.57%	54.00%	61.17%
Covered payroll	\$ 1,381,767	\$ 1,379,264	\$ 1,297,195	\$ 1,226,099	\$ 1,236,916	\$ 1,195,048	\$ 1,251,466	\$ 1,212,074	\$ 1,185,936	\$ 1,136,776
Employer's net pension liability (asset) as a percentage of covered payroll	342.08%	389.61%	412.60%	376.02%	509.88%	464.12%	434.70%	438.77%	421.83%	323.60%

Year ended April 30, 2024 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.53% to 4.07%.

Year ended April 30, 2023 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.21% to 3.53%, Benefit terms were updated as a result of an IDOI Public Pension Division unofficial opinion, which impacted Tier II benefits.

Year ended April 30, 2022 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.27% to 3.21%, Projected Individual Pay Increases was changed from 3.75%-21.01% to 3.75%-11.09% and the inflation rate was changed from 2.50% to 2.25%.

Year ended April 30, 2021 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.56% to 2.27%, Projected Individual Pay Increases was changed from 3.75%-21.01% to 4.00%-21.25%, and the Inflation Rate was changed from 2.25% to 2.50%

Year ended April 30, 2020 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.79% to 2.56%, Projected Individual Pay Increases was changed from 4.00%-21.25% to 3.75%-21.01%, Consumer Price Index was changed from 2.50% to 2.25% and the Inflation Rate was changed from 2.50% to 2.25%. Also, changes to demographic assumptions were made based on a study of Police officers and Police Pension Funds in Illinois. Benefits changes were updated based on PA 101-0610, effective January 1, 2020, which includes changes to the Tier II Plan Provisions.

Year ended April 30, 2019 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.97% to 3.79%

Year ended April 30, 2018 - The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.82% to 3.97%

Year ended April 30, 2017 - Changes in assumptions related to the bond rate and mortality were made since the prior measurement date. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.32% to 3.82%. Also, mortality assumptions were updated to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis.

Year ended April 30, 2016 - Changes in assumptions related to the bond rate, discount rate and demographics were made since the prior measurement date. The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.62% to 3.32%. The single discount rate used was changed from 6.50% to 6.25% Also, changes to demographic assumptions were made based on a study of Police officers and Police Pension Funds in Illinois. The change in demographic assumptions impacted mortality rates, mortality improvement rates, retirements rates, disability rates, and termination rates.

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Nine Fiscal Years

<b>FISCAL YEAR ENDING APRIL 30,</b>	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 290,324	\$ 312,936	\$ 326,809	\$ 346,142	\$ 331,521	\$ 335,774	\$ 351,115	\$ 330,816	\$ 332,775
Contributions in relation to the actuarially determined contribution	290,324	312,936	326,809	346,142	331,521	335,774	351,115	330,774	332,775
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42	\$ -
Covered payroll	\$ 3,127,256	\$ 2,798,799	\$ 2,699,109	\$ 2,695,567	\$ 2,749,884	\$ 2,545,451	\$ 2,351,697	\$ 2,273,112	\$ 2,446,564
Contributions as a percentage of covered payroll	9.28%	11.18%	12.11%	12.84%	12.06%	13.19%	14.93%	14.55%	13.60%

Notes to schedule:

Information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 20 years; the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and postretirement benefit increases of 3.00% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION TRUST FUND

Last Ten Fiscal Years

<b>FISCAL YEAR ENDING APRIL 30,</b>	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 656,501	\$ 707,426	\$ 710,329	\$ 666,450	\$ 634,385	\$ 604,307	\$ 531,274	\$ 510,280	\$ 327,052	\$ 306,391
Contributions in relation to the actuarially determined contribution	653,085	706,006	708,017	665,113	633,707	604,324	530,523	510,127	326,628	341,113
Contribution deficiency (excess)	\$ 3,416	\$ 1,420	\$ 2,312	\$ 1,337	\$ 678	\$ (17)	\$ 751	\$ 153	\$ 424	\$ (34,722)
Covered payroll	\$ 1,381,767	\$ 1,379,264	\$ 1,297,195	\$ 1,226,099	\$ 1,236,916	\$ 1,195,048	\$ 1,251,466	\$ 1,212,074	\$ 1,185,936	\$ 1,136,776
Contributions as a percentage of covered payroll	47.26%	51.19%	54.58%	54.25%	51.23%	50.57%	42.39%	42.09%	27.54%	30.01%

Notes to schedule:

Information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 13.84 years (layered); the asset valuation method was 5-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 6.25% annually, and projected salary increases assumption of 3.75% to 11.09% compounded annually.

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POST-EMPLOYMENT BENEFIT PLAN

Last Six Fiscal Years

MEASUREMENT DATE MAY 1,	2024	2023	2022	2021	2020	2019
<b>TOTAL OPEB LIABILITY</b>						
Service cost	\$ 336,425	\$ 130,594	\$ 151,731	\$ 135,267	\$ 105,826	\$ 99,197
Interest	142,921	157,401	130,770	133,152	166,632	166,628
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	(994,279)	-	36,918	-	-
Changes of assumptions	(179,811)	7,351	(971,528)	436,883	696,532	82,446
Benefit payments, including refunds of member contributions	(159,203)	(152,386)	(184,210)	(181,164)	(148,381)	(148,503)
	140,332	(851,319)	(873,237)	561,056	820,609	199,768
Total OPEB liability - beginning	4,128,354	4,979,673	5,852,910	5,291,854	4,471,245	4,271,477
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 4,268,686</b>	<b>\$ 4,128,354</b>	<b>\$ 4,979,673</b>	<b>\$ 5,852,910</b>	<b>\$ 5,291,854</b>	<b>\$ 4,471,245</b>
Covered-employee payroll	\$ 4,403,218	\$ 4,285,370	\$ 4,018,239	\$ 3,921,666	\$ 3,978,097	\$ 3,655,376
Employer's net pension liability (asset) as a percentage of covered-employee payroll	96.94%	96.34%	123.93%	149.25%	133.02%	122.32%

Year ended April 30, 2024, the changes in assumptions included changes in the discount rate from 3.53% to 4.07%.

Year ended April 30, 2023 the changes in assumptions included changes in the the discount rate from 3.21% to 3.53%. In addition, the assumptions related to expected increases in medical costs have been revised.

Year ended April 30, 2022 the changes in assumptions included changes in the the discount rate from 2.27% to 3.21%. Mortality rates, mortality improvement rates, retirement rates, termination rates, and disability rates were changed from the 2017 IMRF Experience Study to the 2020 IMRF Experience Study

Year ended April 30, 2021 the changes in assumptions included changes in the the discount rate from 2.56% to 2.27%.

Year ended April 30, 2020 the changes in assumptions included changes in the inflation rate, mortality rates, mortality improvement rates, termination rates, disability rates, and the discount rate was changed from 3.79% to 2.56%.

Year ended April 30, 2019 - Because this is the implementation year, the beginning total OPEB liability is based on the same data and plan provisions as the ending total OPEB liability. For the purpose of developing changes in OPEB liability, the only change in assumptions was the discount rate from 3.97% to 3.79%.

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

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION TRUST FUND**

Last Ten Fiscal Years

---

<b>FISCAL YEAR ENDING APRIL 30,</b>	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual money-weighted rate of return	8.90%	3.92%	-7.27%	24.48%	-1.54%	4.74%	5.23%	7.85%	-0.80%	5.21%

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Over/(Under)
<b>REVENUES</b>				
Property taxes	\$ 1,619,349	\$ 1,619,349	\$ 1,610,626	\$ (8,723)
Road and bridge taxes	25,710	25,710	25,524	(186)
Local use tax	589,457	589,457	549,171	(40,286)
Telecommunications tax	68,120	68,120	93,645	25,525
Gaming tax	188,468	188,468	203,163	14,695
Franchise fees	253,966	253,966	243,945	(10,021)
Business licenses	39,914	39,914	40,523	609
Building and zoning fees	55,413	55,413	61,323	5,910
Fines	74,187	74,187	99,281	25,094
Cemetery fees	17,796	17,796	19,080	1,284
Administration fee	570,476	570,476	570,476	-
Investment income	25,120	25,120	114,819	89,699
Other	131,044	131,944	407,299	275,355
Intergovernmental revenues	3,735,429	3,735,429	3,997,934	262,505
Federal grants	800,000	800,000	649,016	(150,984)
State grants	200,000	200,000	504,548	304,548
<b>Total revenues</b>	<b>8,394,449</b>	<b>8,395,349</b>	<b>9,190,373</b>	<b>795,024</b>
<b>EXPENDITURES</b>				
General government:				
Salaries and overtime	349,400	336,400	287,891	(48,509)
Village officials	53,000	53,000	51,600	(1,400)
Other payroll expenditures	112,400	112,400	95,727	(16,673)
Travel and training	3,681	3,681	2,036	(1,645)
Legal fees	139,872	139,872	53,763	(86,109)
Professional services	210,470	210,470	139,232	(71,238)
Accounting and auditing fees	3,937	6,937	6,620	(317)
Building and grounds maintenance	20,899	47,899	41,613	(6,286)
Vehicle and equipment maintenance	3,305	3,305	1,533	(1,772)
Office expenditures	41,684	41,684	32,480	(9,204)
IT & GIS	60,773	60,773	43,143	(17,630)
Code enforcement	55,186	55,186	33,924	(21,262)
General insurance	39,133	49,133	48,381	(752)
Emergency services	8,400	8,400	8,400	-
Refunds	4,371	4,371	2	(4,369)
Grant expense	361,890	3,516,620	3,419,638	(96,982)
<b>Total general government</b>	<b>1,468,401</b>	<b>4,650,131</b>	<b>4,265,983</b>	<b>(384,148)</b>
Cemetery:				
Salaries and overtime	24,100	24,100	21,862	(2,238)
Other payroll expenditures	9,460	9,460	6,827	(2,633)
Building and grounds maintenance	23,865	23,865	14,875	(8,990)
Office expenditures	4,000	4,000	-	(4,000)
<b>Total cemetery</b>	<b>61,425</b>	<b>61,425</b>	<b>43,564</b>	<b>(17,861)</b>

This schedule is continued on the following pages.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Over/(Under)
<b>Culture and recreation:</b>				
Salaries and overtime	406,200	376,200	367,652	(8,548)
Other payroll expenditures	120,840	120,840	103,483	(17,357)
Travel and training	546	546	-	(546)
Professional services	2,782	2,782	-	(2,782)
Building and grounds maintenance	75,064	215,674	191,739	(23,935)
Program expenditures	30,000	30,000	21,271	(8,729)
4th of July	10,000	10,000	10,000	-
Vehicle and equipment maintenance	44,765	54,765	43,766	(10,999)
Office expenditures	4,413	4,413	2,839	(1,574)
Equipment purchase	12,882	12,882	7,734	(5,148)
Uniforms and supplies	6,889	6,889	5,084	(1,805)
<b>Total culture and recreation</b>	<b>714,381</b>	<b>834,991</b>	<b>753,568</b>	<b>(81,423)</b>
<b>Public safety:</b>				
Salaries and overtime	2,234,100	2,156,900	1,801,862	(355,038)
Other payroll expenditures	662,600	662,600	508,131	(154,469)
Travel and training	53,032	53,032	35,046	(17,986)
Professional services	5,733	5,733	3,258	(2,475)
Building and grounds maintenance	11,931	54,131	47,636	(6,495)
Vehicle and equipment maintenance	83,028	103,028	68,990	(34,038)
Office expenditures	73,024	73,024	63,008	(10,016)
IT	76,549	76,549	47,311	(29,238)
General insurance	60,205	70,205	68,512	(1,693)
Equipment purchase	113,293	113,293	98,521	(14,772)
Pension contribution	656,501	656,501	653,085	(3,416)
Uniforms and supplies	45,186	45,186	44,912	(274)
Crime prevention	58,092	63,092	15,996	(47,096)
Grant expense	34,770	34,770	10,770	(24,000)
<b>Total public safety</b>	<b>4,168,044</b>	<b>4,168,044</b>	<b>3,467,038</b>	<b>(701,006)</b>
<b>Public works/transportation:</b>				
Employee salaries and overtime	\$ 376,800	\$ 323,300	\$ 316,453	\$ (6,847)
Other payroll expenditures	154,800	154,800	124,461	(30,339)
Travel and training	1,061	3,561	1,199	(2,362)
Building and ground maintenance	38,260	111,710	96,860	(14,850)
Vehicle and equipment maintenance	72,137	122,137	100,566	(21,571)
General insurance	30,102	37,102	35,422	(1,680)
Equipment purchase	239,118	189,118	9,939	(179,179)
Uniforms and supplies	35,059	35,059	32,039	(3,020)
Street maintenance	50,000	50,000	10,578	(39,422)
Office expenditures	14,517	15,517	2,592	(12,925)
<b>Total public works/transportation</b>	<b>1,011,854</b>	<b>1,042,304</b>	<b>730,109</b>	<b>(312,195)</b>

This schedule is continued on the following page.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)  
GENERAL FUND

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Over/(Under)
Debt service				
Principal	71,343	71,357	71,357	-
Interest	13,881	13,867	13,854	(13)
Total debt service	85,224	85,224	85,211	(13)
Capital outlays:				
Construction in progress	60,807	60,807	60,807	-
Buildings	80,634	80,634	80,634	-
Improvements	85,419	85,419	85,419	-
Infrastructure	202,577	202,577	202,577	-
Subscriptions	20,851	20,851	20,851	-
Vehicle purchase	124,350	124,350	124,350	-
Equipment purchase	97,327	97,327	97,327	-
Total capital outlay	671,965	671,965	671,965	-
Total expenditures	8,181,294	11,514,084	10,017,438	(1,496,646)
EXCESS OR DEFICIENCIES OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	213,155	(3,118,735)	(827,065)	2,291,670
OTHER FINANCING SOURCES (USES)				
Transfer out	(1,170,000)	(1,170,000)	(1,021,575)	148,425
Subscription liability issued	-	-	20,851	20,851
Total other financing (uses)	(1,170,000)	(1,170,000)	(1,000,724)	169,276
NET CHANGE IN FUND BALANCE	<u>\$ (956,845)</u>	<u>\$ (4,288,735)</u>	(1,827,789)	<u>\$ 2,460,946</u>
FUND BALANCE - MAY 1, 2023			<u>4,591,343</u>	
FUND BALANCE - APRIL 30, 2024			<u>\$ 2,763,554</u>	

See accompanying Independent Auditor's Report.



VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MOTOR FUEL TAX FUND

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Over/(Under)
<b>REVENUES</b>				
Motor fuel tax	\$ 610,870	\$ 610,870	\$ 709,541	\$ 98,671
Investment income	6,790	6,790	16,459	9,669
Other	-	-	10,578	10,578
<b>Total revenues</b>	<b>617,660</b>	<b>617,660</b>	<b>736,578</b>	<b>118,918</b>
<b>EXPENDITURES</b>				
Public works/transportation:				
Street maintenance and improvements	1,479,602	1,479,602	568,744	(910,858)
Professional services	56,081	56,081	13,615	(42,466)
<b>Total Public works/transportation</b>	<b>1,535,683</b>	<b>1,535,683</b>	<b>582,359</b>	<b>(953,324)</b>
Capital outlay:				
Infrastructure	15,642	15,642	15,642	-
<b>Total Capital outlay</b>	<b>15,642</b>	<b>15,642</b>	<b>15,642</b>	<b>-</b>
<b>Total expenditures</b>	<b>1,551,325</b>	<b>1,551,325</b>	<b>598,001</b>	<b>(953,324)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (933,665)</b>	<b>\$ (933,665)</b>	<b>138,577</b>	<b>\$ 1,072,242</b>
FUND BALANCE - MAY 1, 2023			<u>1,847,200</u>	
FUND BALANCE - APRIL 30, 2024			<u>\$ 1,985,777</u>	

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2024

---

**1. BUDGETARY CONTROLS**

The President and Board of Trustees legally enact the budget through passage of an ordinance which is developed on the modified accrual basis of accounting for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Permanent Fund and the accrual basis of accounting for the Proprietary Funds and the Fiduciary Funds. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by operational line item which constitutes the legal level of control. Expenditures may not exceed appropriations. All budget revisions must be approved by the Board of Trustees. The budget lapses at year end. The Village has adopted an annual budget for all funds.

**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

**VILLAGE OF CHATHAM, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2024

	Special Revenue			Permanent	Total
	Veteran's Memorial Brick	Yard Waste, Recycling and Refuse	Police and Public Works Utility Tax	Cemetery Trust	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 12,574	\$ 161,903	\$ 65,977	\$ 561,656	\$ 802,110
Other receivables	-	31,426	-	750	32,176
Due from other funds	-	-	414	-	414
Total current assets	12,574	193,329	66,391	562,406	834,700
<b>TOTAL ASSETS</b>	<b>\$ 12,574</b>	<b>\$ 193,329</b>	<b>\$ 66,391</b>	<b>\$ 562,406</b>	<b>\$ 834,700</b>
<b>LIABILITIES AND FUND BALANCE</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 1,789	\$ -	\$ -	\$ 1,789
Accrued payroll	-	2,051	-	-	2,051
Payroll tax liabilities	-	347	-	-	347
Unearned revenue	-	2,800	-	-	2,800
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>6,987</b>	<b>-</b>	<b>-</b>	<b>6,987</b>
<b>FUND BALANCE</b>					
Nonspendable					
Corpus of permanent fund	-	-	-	456,042	456,042
Unrestricted					
Committed					
Veteran's memorial brick	12,574	-	-	-	12,574
Yard waste	-	186,342	-	-	186,342
Public safety	-	-	22,247	-	22,247
Public works	-	-	44,144	-	44,144
Cemetery	-	-	-	106,364	106,364
Total fund balance	12,574	186,342	66,391	562,406	827,713
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 12,574</b>	<b>\$ 193,329</b>	<b>\$ 66,391</b>	<b>\$ 562,406</b>	<b>\$ 834,700</b>

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2024

	Special Revenue			Permanent	Total
	Veteran's Memorial Brick	Yard Waste, Recycling and Refuse	Police and Public Works Utility Tax	Cemetery Trust	
<b>REVENUES</b>					
Telecommunications tax	\$ -	\$ -	\$ 23,411	\$ -	\$ 23,411
Fees and service charges	700	328,513	-	16,000	345,213
Investment income	113	4,904	500	16,269	21,786
<b>Total revenues</b>	<b>813</b>	<b>333,417</b>	<b>23,911</b>	<b>32,269</b>	<b>390,410</b>
<b>EXPENDITURES</b>					
Current					
Culture and recreation	408	-	-	-	408
Public works/transportation	-	355,398	-	-	355,398
<b>Total expenditures</b>	<b>408</b>	<b>355,398</b>	<b>-</b>	<b>-</b>	<b>355,806</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>405</b>	<b>(21,981)</b>	<b>23,911</b>	<b>32,269</b>	<b>34,604</b>
<b>FUND BALANCE - MAY 1, 2023</b>	<b>12,169</b>	<b>208,323</b>	<b>42,480</b>	<b>530,137</b>	<b>793,109</b>
<b>FUND BALANCE - APRIL 30, 2024</b>	<b>\$ 12,574</b>	<b>\$ 186,342</b>	<b>\$ 66,391</b>	<b>\$ 562,406</b>	<b>\$ 827,713</b>

See accompanying Independent Auditor's Report.

**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUNDS**

For the Year Ended April 30, 2024

	Veteran's Memorial Brick		Yard Waste, Recycling and Refuse		Police and Public Works Utility Tax	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>REVENUES</b>						
Telecommunications tax	\$ -	\$ -	\$ -	\$ -	\$ 17,330	\$ 23,411
Fees and service charges	500	700	291,698	328,513	-	-
Investment income	40	113	1,580	4,904	110	500
Total revenues	<u>540</u>	<u>813</u>	<u>293,278</u>	<u>333,417</u>	<u>17,440</u>	<u>23,911</u>
<b>EXPENDITURES</b>						
Salaries and overtime	-	-	51,300	43,604	-	-
Other payroll expenditures	-	-	19,250	14,106	-	-
Clean-up and beautification	-	-	20,000	18,471	-	-
Yard waste supplies and services	-	-	245,000	241,572	-	-
Building and grounds maintenance	1,200	408	-	-	-	-
Vehicle and equipment maintenance	-	-	2,000	-	-	-
Equipment	-	-	37,650	37,645	3,230	-
Total expenditures	<u>1,200</u>	<u>408</u>	<u>375,200</u>	<u>355,398</u>	<u>3,230</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (660)</u>	<u>405</u>	<u>\$ (81,922)</u>	<u>(21,981)</u>	<u>\$ 14,210</u>	<u>23,911</u>
FUND BALANCE - MAY 1, 2023		<u>12,169</u>		<u>208,323</u>		<u>42,480</u>
FUND BALANCE - APRIL 30, 2024		<u>\$ 12,574</u>		<u>\$ 186,342</u>		<u>\$ 66,391</u>

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND

For the Year Ended April 30, 2024

	Original Budget	Final Budget	Actual	Over/(Under)
<b>REVENUES</b>				
Investment income	\$ 5,920	\$ 5,920	\$ 43,878	\$ 37,958
Total revenues	5,920	5,920	43,878	37,958
<b>EXPENDITURES</b>				
General government:				
Building and grounds maintenance	2,000,000	2,000,000	-	(2,000,000)
Total general government	2,000,000	2,000,000	-	(2,000,000)
Public safety:				
Vehicle and equipment purchase	46,800	46,800	40,339	(6,461)
Total public safety	46,800	46,800	40,339	(6,461)
Public works/transportation:				
Building and grounds maintenance	20,632	20,632	-	(20,632)
Total public works/transportation	20,632	20,632	-	(20,632)
Total expenditures	2,067,432	2,067,432	40,339	(2,027,093)
Excess (deficiency) of revenues over expenditures before other financing sources	(2,061,512)	(2,061,512)	3,539	2,065,051
<b>OTHER FINANCING SOURCES</b>				
Transfer in	1,000,000	1,000,000	1,000,000	-
Total other financing sources	1,000,000	1,000,000	1,000,000	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,061,512)</u>	<u>\$ (1,061,512)</u>	1,003,539	<u>\$ 2,065,051</u>
FUND BALANCE - MAY 1, 2023			<u>1,308,212</u>	
FUND BALANCE - APRIL 30, 2024			<u>\$ 2,311,751</u>	

See accompanying Independent Auditor's Report.

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
PERMANENT FUND

For the Year Ended April 30, 2024

	Cemetery Trust	
	Final Budget	Actual
<b>REVENUES</b>		
Fees and service charges	\$ 14,200	\$ 16,000
Investment income	4,660	16,269
Total revenues	<u>18,860</u>	<u>32,269</u>
<b>EXPENDITURES</b>		
Building and grounds maintenance	78,489	-
Refund	5,304	-
Total expenditures	<u>83,793</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (64,933)</u>	32,269
<b>FUND BALANCE - MAY 1, 2023</b>		<u>530,137</u>
<b>FUND BALANCE - APRIL 30, 2024</b>		<u>\$ 562,406</u>

See accompanying Independent Auditor's Report.



**SUPPLEMENTARY FINANCIAL INFORMATION**

# VILLAGE OF CHATHAM, ILLINOIS

## STATEMENT OF NET POSITION ELECTRIC FUND

April 30, 2024

(With Comparative Actual Amounts for April 30, 2023)

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 2,617,081	\$ 4,259,890
Restricted accounts - cash	182,589	179,829
Accounts receivable	702,105	819,127
Due from other government	1,016,440	-
Inventory	592,142	453,656
	<u>5,110,357</u>	<u>5,712,502</u>
Total current assets		
Capital Assets:		
Capital assets, not being depreciated	282,034	282,034
Property and equipment	21,780,181	21,581,691
Less: accumulated depreciation	(12,518,238)	(11,940,904)
Intangible right-to-use assets	68,863	-
Less: accumulated amortization	(14,982)	-
	<u>9,597,858</u>	<u>9,922,821</u>
Capital assets, net		
Total assets	<u>14,708,215</u>	<u>15,635,323</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to pensions	<u>855,176</u>	<u>667,200</u>
Total assets and deferred outflows of resources	<u>15,563,391</u>	<u>16,302,523</u>

This statement is continued on the following page.

**VILLAGE OF CHATHAM, ILLINOIS**

STATEMENT OF NET POSITION (Continued)  
ELECTRIC FUND

April 30, 2024

(With Comparative Actual Amounts for April 30, 2023)

	2024	2023
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable	\$ 68,535	\$ 71,747
Accrued payroll	50,353	46,110
Accrued compensated absences payable	7,934	5,957
Unearned revenue	74,424	85,819
Due to other funds	48,285	-
Customer deposits	206,500	197,650
Accrued interest payable	13,113	16,067
Other payables	8,290	7,664
Current maturities of long term debt:		
OPEB liability	23,571	22,301
G.O. bonds (Alternate Revenue Source) payable	314,000	306,000
Lease obligation	14,698	-
Finance agreement payable	77,502	56,109
	907,205	815,424
Long-Term Liabilities:		
Accrued compensated absences payable	171,146	192,063
Net OPEB obligation	608,426	581,861
Net pension liability	863,873	795,111
G.O. bonds (Alternate Revenue Source) payable	868,000	1,182,000
Lease obligation	39,061	-
Finance agreement payable	98,909	97,009
	2,649,415	2,848,044
	3,556,620	3,663,468
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows related to pensions	105,756	140,035
	3,662,376	3,803,503
<b>NET POSITION</b>		
Investment in capital assets	8,185,688	8,281,703
Restricted for debt service	182,589	179,829
Unrestricted	3,532,738	4,037,488
	\$ 11,901,015	\$ 12,499,020

**VILLAGE OF CHATHAM, ILLINOIS**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
ELECTRIC FUND**

For the Year Ended April 30, 2024  
(With Comparative Actual Amounts for the Year Ended April 30, 2023)

	2024	2023
<b>OPERATING REVENUES</b>		
User charges	\$ 10,585,304	\$ 10,669,666
Other income	226,794	67,261
Total revenues	10,812,098	10,736,927
<b>OPERATING EXPENSES</b>		
Electricity purchases	7,127,081	7,022,524
Distribution and customer service	4,726,929	2,625,145
Depreciation and amortization	617,714	643,513
Total expenses	12,471,724	10,291,182
<b>OPERATING INCOME (LOSS)</b>	<b>(1,659,626)</b>	<b>445,745</b>
<b>NONOPERATING INCOME (EXPENSE)</b>		
Investment income	75,282	37,732
Grant income	1,016,440	-
Interest expense	(29,074)	(34,936)
Loss on disposal	(1,027)	-
Total nonoperating income (expense)	1,061,621	2,796
<b>CHANGE IN NET POSITION</b>	<b>(598,005)</b>	<b>448,541</b>
<b>NET POSITION - MAY 1, 2023</b>	<b>12,499,020</b>	<b>12,050,479</b>
<b>NET POSITION - APRIL 30, 2024</b>	<b>\$ 11,901,015</b>	<b>\$ 12,499,020</b>

VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF OUTSTANDING BONDS  
GOVERNMENTAL ACTIVITIES

April 30, 2024

			Total Debt
	Principal	Interest	Service Requirements
2024-2025	\$ 36,941	\$ 9,459	\$ 46,400
2025-2026	37,440	8,960	46,400
2026-2027	37,946	8,454	46,400
2027-2028	38,458	7,942	46,400
2028-2029	38,977	7,423	46,400
2029-2030	39,503	6,897	46,400
2030-2031	40,037	6,363	46,400
2031-2032	40,577	5,823	46,400
2032-2033	41,125	5,275	46,400
2033-2034	41,680	4,720	46,400
2034-2035	42,242	4,158	46,400
2035-2036	42,813	3,587	46,400
2036-2037	43,391	3,009	46,400
2037-2038	43,977	2,423	46,400
2038-2039	44,570	1,830	46,400
2039-2040	45,172	1,228	46,400
2040-2041	45,782	618	46,400
	<u>\$ 700,631</u>	<u>\$ 88,169</u>	<u>\$ 788,800</u>

**VILLAGE OF CHATHAM, ILLINOIS**

**SCHEDULE OF OUTSTANDING BONDS  
BUSINESS-TYPE ACTIVITIES**

April 30, 2024

	Electric General Obligation (Alternative Revenue Source) Bonds, Series 2014		Total Debt Service Requirements
	Principal	Interest	
	2024-2025	\$ 314,000	
2025-2026	321,000	19,420	340,420
2026-2027	336,000	12,518	348,518
2027-2028	106,000	4,958	110,958
2028-2029	105,000	2,520	107,520
	\$ 1,182,000	\$ 65,430	\$ 1,247,430

## **STATISTICAL SECTION**

# STATISTICAL SECTION

## Table of Contents

	<u>Page(s)</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well being have changed over time.	89-98
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's most significant local revenue sources.	99-107
<b>Debt Capacity</b> These schedules contain information to help the reader assess the affordability of the Village's current level of outstanding debt and the Village's ability to issue additional debt in the future.	108-112
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	113-115
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	116-118



**VILLAGE OF CHATHAM, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Governmental activities</b>				
Net invested in capital assets	\$ 15,360,931	\$ 15,390,867	\$ 18,787,798	\$ 20,671,241
Restricted	660,783	1,199,613	723,568	636,627
Unrestricted	(160,710)	(4,086,718)	(3,665,344)	(4,098,855)
<b>Total governmental activities net assets</b>	<b>\$ 15,861,004</b>	<b>\$ 12,503,762</b>	<b>\$ 15,846,022</b>	<b>\$ 17,209,013</b>
<b>Business-type activities</b>				
Net invested in capital assets	\$ 14,776,580	\$ 14,879,229	\$ 17,241,187	\$ 18,501,744
Restricted	370,231	287,472	291,743	253,524
Unrestricted	1,298,337	1,102,357	1,439,419	1,917,284
<b>Total business-type activities net position</b>	<b>\$ 16,445,148</b>	<b>\$ 16,269,058</b>	<b>\$ 18,972,349</b>	<b>\$ 20,672,552</b>
<b>Primary government</b>				
Net invested in capital assets	\$ 30,137,511	\$ 30,270,096	\$ 36,028,985	\$ 39,172,985
Restricted	1,031,014	1,487,085	1,015,311	890,151
Unrestricted	1,137,627	(2,984,361)	(2,225,925)	(2,181,571)
<b>Total primary government net position</b>	<b>\$ 32,306,152</b>	<b>\$ 28,772,820</b>	<b>\$ 34,818,371</b>	<b>\$ 37,881,565</b>

Source: Audited Financial Statements

\* GASB Statement No. 68 *Accounting and Financial Reporting for Pension - an amendment of GASB Statement No. 27*, was implemented in fiscal year 2016.

\* GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, was implemented in fiscal year 2019.

2019	2020	2021	2022	2023	2024
\$ 20,991,362	\$ 20,532,271	\$ 19,511,603	\$ 19,917,421	\$ 20,292,970	\$ 20,800,486
708,852	822,934	1,842,930	2,036,992	2,349,651	2,512,547
(6,693,656)	(7,284,678)	(6,712,672)	(4,923,426)	(2,429,088)	(3,171,484)
<u>\$ 15,006,558</u>	<u>\$ 14,070,527</u>	<u>\$ 14,641,861</u>	<u>\$ 17,030,987</u>	<u>\$ 20,213,533</u>	<u>\$ 20,141,549</u>
\$ 18,693,865	\$ 18,472,646	\$ 18,335,086	\$ 18,001,758	\$ 17,910,872	\$ 18,081,058
254,978	256,258	226,034	226,719	229,497	182,589
1,878,999	1,882,007	2,591,460	3,848,429	4,093,473	3,889,755
<u>\$ 20,827,842</u>	<u>\$ 20,610,911</u>	<u>\$ 21,152,580</u>	<u>\$ 22,076,906</u>	<u>\$ 22,233,842</u>	<u>\$ 22,153,402</u>
\$ 39,685,227	\$ 39,004,917	\$ 37,846,689	\$ 37,919,179	\$ 38,203,842	\$ 38,881,544
963,830	1,079,192	2,068,964	2,263,711	2,579,148	2,695,136
(4,814,657)	(5,402,671)	(4,121,212)	(1,074,997)	1,664,385	718,271
<u>\$ 35,834,400</u>	<u>\$ 34,681,438</u>	<u>\$ 35,794,441</u>	<u>\$ 39,107,893</u>	<u>\$ 42,447,375</u>	<u>\$ 42,294,951</u>

VILLAGE OF CHATHAM, ILLINOIS

CHANGES IN NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Expenses</b>				
Governmental activities:				
General government	\$ 667,302	\$ 696,626	\$ 1,014,063	\$ 788,007
Cemetery	46,854	45,791	41,887	31,271
Culture and recreation	530,004	460,039	470,468	479,961
Public safety	2,376,929	2,604,840	3,027,738	3,141,695
Public works/transportation	1,364,512	1,195,975	1,452,476	1,686,736
Economic development	49,969	31,276	31,480	-
Interest on long-term debt	11,494	7,914	7,874	16,863
Total governmental activities expenses	5,047,064	5,042,461	6,045,986	6,144,533
Business-type activities:				
Electric Fund	9,096,569	9,181,668	9,445,691	9,691,818
Water and Sewer Fund	5,530,677	5,306,341	5,448,465	6,092,018
Total business-type activities expenses	14,627,246	14,488,009	14,894,156	15,783,836
<b>Total primary government expenses</b>	<b>\$ 19,674,310</b>	<b>\$ 19,530,470</b>	<b>\$ 20,940,142</b>	<b>\$ 21,928,369</b>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General government	535,026	443,887	458,556	479,117
Cemetery	37,250	22,000	21,125	23,075
Culture and recreation	42,289	34,120	42,296	32,563
Public safety	93,703	76,157	91,607	82,085
Public works/transportation	215,943	219,568	254,980	229,488
Operating grants and contributions:				
General government	-	-	-	-
Public safety	12,784	15,611	21,902	13,184
Public works/transportation	341,987	326,385	306,972	308,846
Capital grants and contributions:				
General government	-	-	-	-
Culture and recreation	-	-	-	-
Public works/transportation	1,171,228	289,479	3,043,570	2,426,318
<b>Total governmental activities program revenue</b>	<b>2,450,210</b>	<b>1,427,207</b>	<b>4,241,008</b>	<b>3,594,676</b>

2019	2020	2021	2022	2023	2024
\$ 779,204	\$ 705,936	\$ 738,230	\$ 609,704	\$ 918,312	\$ 4,292,796 (a)
31,770	31,561	27,359	22,165	42,039	39,758
538,307	532,094	417,000	380,708	861,952	789,857
3,156,536	3,918,156	3,601,220	2,830,614	2,351,765	3,668,326
1,418,716	1,695,556	1,596,104	1,526,039	2,064,572	2,302,249
-	-	-	-	-	-
16,679	15,765	34,750	13,548	14,760	13,832
5,941,212	6,899,068	6,414,663	5,382,778	6,253,400	11,106,818
10,017,887	10,078,219	9,947,865	9,789,230	10,326,118	12,500,798
6,716,079	7,088,810	7,405,842	7,289,231	7,651,617	7,493,240
16,733,966	17,167,029	17,353,707	17,078,461	17,977,735	19,994,038
\$ 22,675,178	\$ 24,066,097	\$ 23,768,370	\$ 22,461,239	\$ 24,231,135	\$ 31,100,856
476,482	736,440	758,104	927,074	840,804	852,395
22,755	30,040	26,430	35,598	40,380	35,080
23,192	11,210	550	200	700	700
84,114	64,021	81,140	54,228	84,690	99,281
241,464	398,432	355,709	351,968	358,840	392,385
-	-	-	-	-	160,249
17,066	14,409	11,442	8,765	23,911	435,579
306,944	428,105	1,091,996	736,183	547,898	709,541
-	-	-	-	-	-
-	-	-	-	350,000	-
669,640	-	12,600	30,400	247,116	695,170
1,841,657	1,682,657	2,337,971	2,144,416	2,494,339	3,380,380

VILLAGE OF CHATHAM, ILLINOIS

CHANGES IN NET POSITION BY COMPONENT (Continued)

LAST TEN FISCAL YEARS

	2015	2016	2017	2018
Business type Activities:				
Charges for Services:				
Electric Fund	\$ 9,425,246	\$ 9,770,310	\$ 10,120,727	\$ 10,140,071
Water and Sewer Fund	5,105,633	5,584,652	6,040,429	6,543,655
Operating grants and contributions:				
Electric Fund	-	-	-	-
Water and Sewer Fund	-	-	-	-
Capital grants and contributions:				
Electric Fund	-	34,482	-	-
Water and Sewer Fund	589,496	128,300	1,429,415	790,152
<b>Total business-type activities</b>				
<b>    program revenue</b>	15,120,375	15,517,744	17,590,571	17,473,878
<b>Total primary government</b>				
<b>    program revenue</b>	<u>\$ 17,570,585</u>	<u>\$ 16,944,951</u>	<u>\$ 21,831,579</u>	<u>\$ 21,068,554</u>
Net(expense) revenue:				
Governmental activities	\$ (2,596,854)	\$ (3,615,254)	\$ (1,804,978)	\$ (2,549,857)
Business-type activities	493,129	1,029,735	2,696,415	1,690,042
<b>Total primary government</b>				
<b>    net expense</b>	<u>\$ (2,103,725)</u>	<u>\$ (2,585,519)</u>	<u>\$ 891,437</u>	<u>\$ (859,815)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
General revenue				
Property tax	1,621,673	1,696,421	1,739,128	1,217,149
Road and bridge taxes	26,284	23,867	18,814	22,130
Local use taxes	221,456	264,653	280,974	298,323
Telecommunications taxes	251,648	285,038	250,346	232,323
Video gaming taxes	46,430	57,601	74,128	87,064
Intergovernmental revenues	2,044,879	2,161,715	1,909,534	1,973,009
Investment income	6,048	7,099	8,916	9,486
Miscellaneous	20,575	103,382	140,308	73,364
Transfers	-	-	-	-
Total governmental activities	4,238,993	4,599,776	4,422,148	3,912,848
Business-type activities:				
Investment income	2,977	3,961	6,876	10,161
Transfers	-	-	-	-
Total business-type activities	2,977	3,961	6,876	10,161
<b>Total primary government</b>	<u>\$ 4,241,970</u>	<u>\$ 4,603,737</u>	<u>\$ 4,429,024</u>	<u>\$ 3,923,009</u>
<b>Changes in Net Position post Prior Period Adjustment</b>				
Governmental activities	\$ 1,642,139	\$ 984,522	\$ 2,617,170	\$ 1,362,991
<b>Business-type activities</b>	496,106	1,033,696	2,703,291	1,700,203
<b>Total primary government</b>	<u>\$ 2,138,245</u>	<u>\$ 2,018,218</u>	<u>\$ 5,320,461</u>	<u>\$ 3,063,194</u>

Source: Audited Financial Statements

(a) During Fiscal Year 2024 a presidential declared disaster impacted the Village. The General Fund incurred approximately \$3,600,000 in costs relating to hauling and disposing of vegetative debris caused by the storm. After April 30, 2024 FEMA obligated to reimburse the Village for 75% of those incurred costs.

2019	2020	2021	2022	2023	2024
\$ 10,598,508	\$ 10,053,650	\$ 10,224,141	\$ 10,692,532	\$ 10,736,927	\$ 10,811,071
6,911,516	6,852,193	7,347,709	7,294,509	7,335,808	7,570,405
-	5,447	146,523	-	-	1,016,440
-	-	157,456	-	-	22,839
-	-	-	-	-	-
216,958	-	-	-	-	378,989
17,726,982	16,911,290	17,875,829	17,987,041	18,072,735	19,799,744
\$ 19,568,639	\$ 18,593,947	\$ 20,213,800	\$ 20,131,457	\$ 20,567,074	\$ 23,180,124
\$ (4,099,555)	\$ (5,216,411)	\$ (4,076,692)	\$ (3,238,362)	\$ (3,759,061)	\$ (7,726,438)
993,016	(255,739)	522,122	908,580	95,000	(194,294)
\$ (3,106,539)	\$ (5,472,150)	\$ (3,554,570)	\$ (2,329,782)	\$ (3,664,061)	\$ (7,920,732)
1,269,035	1,325,566	1,417,623	1,476,037	1,522,435	1,610,626
23,141	24,433	24,673	24,508	25,711	25,524
340,021	396,816	514,158	492,430	585,435	549,171
222,548	166,400	133,257	119,458	108,737	117,056
92,477	91,263	94,122	172,573	170,495	203,163
2,034,747	2,181,416	2,420,079	3,201,113	4,146,966	4,555,670
24,907	28,460	17,198	19,438	80,202	196,942
79,527	66,026	26,916	121,931	318,153	417,877
-	-	-	-	(16,527)	(21,575)
4,086,403	4,280,380	4,648,026	5,627,488	6,941,607	7,654,454
32,078	38,808	19,547	15,746	45,409	92,279
-	-	-	-	16,527	21,575
32,078	38,808	19,547	15,746	61,936	113,854
\$ 4,118,481	\$ 4,319,188	\$ 4,667,573	\$ 5,643,234	\$ 7,003,543	\$ 7,768,308
\$ (13,152)	\$ (936,031)	\$ 571,334	\$ 2,389,126	\$ 3,182,546	\$ (71,984)
1,025,094	(216,931)	541,669	924,326	156,936	(80,440)
\$ 1,011,942	\$ (1,152,962)	\$ 1,113,003	\$ 3,313,452	\$ 3,339,482	\$ (152,424)

**VILLAGE OF CHATHAM, ILLINOIS**

**FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>General Fund</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	18,446	17,227	516,838	517,386
Committed	48,821	57,620	34,687	37,969
Assigned	-	-	-	-
Unassigned	1,076,299	1,745,380	1,792,800	1,772,912
<b>Total general fund</b>	<b>1,143,566</b>	<b>1,820,227</b>	<b>2,344,325</b>	<b>2,328,267</b>
<b>All other governmental funds</b>				
Nonspendable	\$ 342,055	\$ 347,655	\$ 358,855	\$ 368,055
Restricted	300,282	834,731	347,954	230,686
Committed	340,547	333,420	366,127	416,986
Assigned	295,568	162,546	162,846	90,634
Unassigned	-	-	-	-
<b>Total all other governmental funds</b>	<b>1,278,452</b>	<b>1,678,352</b>	<b>1,235,782</b>	<b>1,106,361</b>
<b>Total governmental funds</b>	<b>\$ 2,422,018</b>	<b>\$ 3,498,579</b>	<b>\$ 3,580,107</b>	<b>\$ 3,434,628</b>

Source: Audited Financial Statements

2019	2020	2021	2022	2023	2024
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
120,119	50,852	407,240	50,381	62,437	70,756
29,200	-	-	-	-	-
-	506,165	1,323,669	1,286,501	1,000,000	606,745
1,958,045	1,775,665	1,947,501	2,686,597	3,528,906	2,086,053
2,107,364	2,332,682	3,678,410	4,023,479	4,591,343	2,763,554
\$ 376,055	\$ 391,055	\$ 403,255	\$ 421,542	\$ 440,042	\$ 456,042
212,678	381,027	1,032,435	1,565,096	1,847,200	1,985,777
389,676	411,966	393,254	353,282	353,067	371,671
39,901	42,677	73,669	244,432	1,308,212	2,311,751
-	-	-	-	-	-
1,018,310	1,226,725	1,902,613	2,584,352	3,948,521	5,125,241
\$ 3,125,674	\$ 3,559,407	\$ 5,581,023	\$ 6,607,831	\$ 8,539,864	\$ 7,888,795



VILLAGE OF CHATHAM, ILLINOIS

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2015	2016	2017	2018
<b>Revenue</b>				
Property taxes	\$ 1,621,673	\$ 1,696,421	\$ 1,739,128	\$ 1,217,149
Road and bridge taxes	26,284	23,867	18,814	22,130
Local use tax	221,456	264,653	280,974	298,323
Motor fuel taxes	341,987	309,629	306,972	308,846
Telecommunications tax	251,648	285,038	250,346	232,323
Video gaming tax	46,430	57,601	74,128	87,064
Licenses, permits, fees, fines and service charges	924,212	795,732	868,564	846,328
Investment income	6,048	7,099	8,916	9,486
Other	34,123	103,382	140,308	73,364
Intergovernmental revenues	2,044,879	2,161,715	1,909,534	1,973,009
Federal grants	12,784	32,367	21,902	13,184
State grants	-	-	-	-
<b>Total Revenues</b>	<b>5,531,524</b>	<b>5,737,504</b>	<b>5,619,586</b>	<b>5,081,206</b>
<b>Expenditures</b>				
General government	648,907	667,035	985,698	782,639
Cemetery	46,000	46,778	41,717	31,084
Culture and recreation	471,989	416,985	413,138	418,366
Public safety	2,334,414	2,280,367	2,703,473	2,778,866
Public works/transportation	951,169	731,286	900,048	1,051,203
Economic Development	49,969	31,276	31,480	-
Capital outlay	1,937,423	449,185	932,596	106,378
Debt service:				
Principal	163,575	181,410	57,811	42,687
Interest	12,578	9,122	5,096	15,462
<b>Total expenditures</b>	<b>6,616,024</b>	<b>4,813,444</b>	<b>6,071,057</b>	<b>5,226,685</b>
Excess of revenues over(under) expenditures	(1,084,500)	924,060	(451,471)	(145,479)
<b>Other Financing Sources (Uses)</b>				
Transfer in	2,043,107	94,359	763,927	-
Transfer out	(2,043,107)	(94,359)	(763,927)	-
Bond proceeds	-	-	500,000	-
Loan proceeds	230,000	152,500	-	-
Leases issued	-	-	33,000	-
<b>Total other financing sources (uses)</b>	<b>230,000</b>	<b>152,500</b>	<b>533,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (854,500)</b>	<b>\$ 1,076,560</b>	<b>\$ 81,529</b>	<b>\$ (145,479)</b>
Debt service as a percentage of noncapital expenditures	3.77%	4.37%	1.22%	1.14%

Source: Audited Financial Statements

	2019	2020	2021	2022	2023	2024
\$	1,269,035	\$ 1,325,566	\$ 1,417,623	\$ 1,476,037	\$ 1,522,435	\$ 1,610,626
	23,141	24,433	24,673	24,508	25,711	25,524
	340,021	396,816	514,158	492,430	585,435	549,171
	306,944	428,105	448,063	483,551	547,898	709,541
	222,548	166,400	133,257	119,458	108,737	117,056
	92,477	91,263	94,122	172,573	170,495	203,163
	848,007	1,240,143	1,221,933	1,369,068	1,325,414	1,379,841
	24,907	28,460	17,198	19,438	80,202	196,942
	79,527	66,026	26,916	121,931	318,153	417,877
	2,034,747	2,181,416	2,420,079	3,201,113	3,805,890	3,997,934
	8,109	10,671	273,540	8,765	364,987	649,016
	8,957	3,738	381,835	252,632	476,316	504,548
	5,258,420	5,963,037	6,973,397	7,741,504	9,331,673	10,361,239
	741,428	714,740	763,839	734,296	883,149	4,265,983 (a)
	30,102	30,250	29,187	29,975	35,839	43,564
	443,333	444,552	395,646	428,742	676,782	753,976
	2,791,356	3,058,022	3,000,080	3,309,009	3,387,932	3,507,377
	768,794	1,009,788	1,023,437	1,078,057	1,353,116	1,667,866
	-	-	-	-	-	-
	733,917	463,348	48,867	1,290,140	961,084	687,607
	41,576	42,416	484,395	65,720	70,289	71,357
	16,868	15,960	16,330	12,884	14,922	13,854
	5,567,374	5,779,076	5,761,781	6,948,823	7,383,113	11,011,584
	(308,954)	183,961	1,211,616	792,681	1,948,560	(650,345)
	449,348	101,258	38,809	1,403,948	1,286,500	1,000,000
	(449,348)	(101,258)	(38,809)	(1,403,948)	(1,303,027)	(1,021,575)
	-	-	810,000	-	-	-
	-	-	-	234,127	-	-
	-	249,772	-	-	-	20,851
	-	249,772	810,000	234,127	(16,527)	(724)
\$	(308,954)	\$ 433,733	\$ 2,021,616	\$ 1,026,808	\$ 1,932,033	\$ (651,069)
	1.21%	1.11%	8.76%	1.39%	1.33%	0.83%

(a) During Fiscal Year 2024 a presidential declared disaster impacted the Village. The General Fund incurred approximately \$3,600,000 in costs relating to hauling and disposing of vegetative debris caused by the storm. After April 30, 2024 FEMA obligated to reimburse the Village for 75% of those incurred costs.

VILLAGE OF CHATHAM, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

---

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Farm Property
2015	\$ 217,527,403	\$ 20,017,170	\$ 512,663	\$ 928,892
2016	227,713,787	20,868,182	499,427	947,532
2017	240,660,750	28,372,687	875,808	1,070,621
2018	250,996,956	29,594,472	894,288	1,192,708
2019	258,023,209	32,872,181	904,125	1,112,529
2020	270,220,511	33,825,042	850,404	1,292,658
2021	275,605,059	33,882,511	851,423	1,385,039
2022	286,397,373	34,853,817	872,709	1,288,517
2023	303,362,170	35,708,781	887,545	1,368,957
2024	328,676,181	40,082,741	926,005	1,411,931

Source: County Clerk's Office

---

Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Taxable Assessed Value as a % of Estimated Actual Value
\$ 168,810	\$ 239,154,938	\$ 0.4698	\$ 724,711,933	33.00%
202,736	250,231,664	0.4630	758,277,770	33.00%
206,287	271,186,153	0.4495	821,776,221	33.00%
210,468	282,888,892	0.4488	857,239,067	33.00%
226,168	293,138,212	0.4530	888,297,612	33.00%
246,932	306,435,547	0.4636	928,592,567	33.00%
257,452	311,981,484	0.4747	945,398,436	33.00%
280,209	323,692,625	0.4712	980,886,742	33.00%
307,443	341,634,896	0.4740	1,035,257,261	33.00%
332,419	371,429,277	0.4673	1,125,543,264	33.00%

**VILLAGE OF CHATHAM, ILLINOIS**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Fiscal Years

<b><u>Overlapping Rates</u></b>	2014	2015	2016	2017
Village	\$ 0.4698	\$ 0.4630	\$ 0.4495	\$ 0.4488
Chatham School District Unit #5	4.5079	4.4552	4.3887	4.4098
Lincoln Land Junior College District #526	0.4736	0.5021	0.5041	0.4884
Chatham Township	0.1723	0.1683	0.1611	0.1409
Chatham Township Road & Bridge	0.3864	0.3737	0.3604	0.3324
Chatham Fire Protection District	0.5389	0.5320	0.5199	0.5199
Sangamon County Water Reclamation District	0.0955	0.0956	0.0951	0.0959
Chatham Library	0.2682	0.2650	0.2591	0.2590
Chatham Library Bond	0.0680	0.0668	-	-
Chatham Library Bond #2	-	-	0.0635	0.0644
Sangamon County	0.7507	0.7546	0.7512	0.7583
<b>Total</b>	<b>\$ 7.7313</b>	<b>\$ 7.6763</b>	<b>\$ 7.5526</b>	<b>\$ 7.5178</b>
 <b><u>Direct Rates</u></b>				
General	\$ 0.2270	\$ 0.1693	\$ 0.1664	\$ 0.1619
Police Pension	0.1367	0.2039	0.1959	0.2136
IMRF	0.0487	0.0464	0.0428	0.0300
Police Protection	0.0574	0.0434	0.0444	0.0433
<b>Total</b>	<b>\$ 0.4698</b>	<b>\$ 0.4630</b>	<b>\$ 0.4495</b>	<b>\$ 0.4488</b>

Part of the Village of Chatham is in Chatham Township and part is in Ball Township. A small part of the Village is also in Woodside and Curran Townships. One of the township rates would apply depending on the property's location.

For illustrative purposes, the chart represents the components of the Chatham Township rate.

Source: County Clerk's Office

	2018	2019	2020	2021	2022	2023
\$	0.4530	\$ 0.4636	\$ 0.4747	\$ 0.4712	\$ 0.4740	\$ 0.4673
	4.4448	4.5344	4.6262	4.6360	4.6119	4.5286
	0.4917	0.4954	0.4964	0.4982	0.4935	0.4893
	0.1185	0.1015	0.0904	0.0830	0.0839	0.0783
	0.2882	0.2713	0.2603	0.2503	0.2485	0.2388
	0.5249	0.5374	0.5439	0.5392	0.5361	0.5196
	0.0970	0.1001	0.1027	0.1044	0.1032	0.1017
	0.2640	0.2699	0.2733	0.2710	0.2693	0.2594
	-	-	-	-	-	-
	0.0651	0.0642	0.0651	0.0653	0.0632	0.0606
	0.7691	0.7854	0.8048	0.8188	0.7920	0.7654
\$	7.5163	\$ 7.6232	\$ 7.7378	\$ 7.7374	\$ 7.6756	\$ 7.5090
\$	0.1633	\$ 0.1712	\$ 0.1707	\$ 0.1785	\$ 0.2004	\$ 0.2056
	0.2164	0.2175	0.2277	0.2185	0.1922	0.1796
	0.0290	0.0277	0.0277	0.0263	0.0249	0.0229
	0.0443	0.0472	0.0486	0.0479	0.0565	0.0592
\$	0.4530	\$ 0.4636	\$ 0.4747	\$ 0.4712	\$ 0.4740	\$ 0.4673

VILLAGE OF CHATHAM, ILLINOIS

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Nine Years Ago

Fiscal Year	2024				2015			
	Taxable Assessed		Percentage of Total City Taxable		Taxable Assessed		Percentage of Total City Taxable	
	Value	Rank	Assessed Value		Value	Rank	Assessed Value	
Chatham Dev Group LLC	\$ 4,215,497	1	1.13%	\$ 3,641,261	1	1.52%		
Premier Chatham IL LLC	2,465,840	2	0.66%	-		0.00%		
ARHC VHCTMIL01 LLC	2,342,094	3	0.63%	1,917,566	2	0.80%		
Chatham Dev Group LLC	1,667,314	4	0.46%	1,440,192	3	0.60%		
Foxx LLC	1,592,060	5	0.43%	1,289,927	4	0.54%		
RHC Investments Inc.	1,473,348	6	0.40%	-		0.00%		
R&M Phillips Investments LLC	1,053,983	7	0.28%	862,936	5	0.36%		
Chatham 125 Medical Properties	951,923	8	0.26%	-		0.00%		
Envision Chatham LLC	765,790	9	0.21%	669,929	6	0.28%		
Henry Technologies Inc.	719,383	10	0.19%	629,331	7	0.26%		
Illinois National Bank				623,756	8	0.26%		
Walgreens				531,742	9	0.22%		
Bishop Hardware				447,869	10	0.19%		
	<u>\$ 17,247,232</u>		<u>4.64%</u>	<u>\$ 12,054,509</u>		<u>5.04%</u>		
EAV			371,429,277			239,154,938		

Source: County Clerks Office

**VILLAGE OF CHATHAM, ILLINOIS**

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years

Fiscal Year Ended April 30	Tax Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year	
			Amount	Percentage of Levy
2015	2013	\$ 1,075,383	\$ 1,073,195	99.80%
2016	2014	1,123,550	1,122,508	99.91%
2017	2015	1,158,573	1,158,335	99.98%
2018	2016	1,218,982	1,217,149	99.85%
2019	2017	1,269,605	1,269,035	99.96%
2020	2018	1,327,916	1,325,566	99.82%
2021	2019	1,420,635	1,417,623	99.79%
2022	2020	1,480,976	1,476,037	99.67%
2023	2021	1,525,240	1,522,435	99.82%
2024	2022	1,619,349	1,610,626	99.46%

Collections within the fiscal year may include taxes collected attributable to prior years. These collections, are immaterial as 99% or greater of the current year's tax levy historically been collected during the respective fiscal year. Additionally, information to associate any non-current tax collections to a specific tax levy year is not readily available.

Source: County Clerks Office



VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF VILLAGE TAXABLE SALES BY CATEGORY

Last Ten Calendar Years

	2014	2015	2016	2017	2018
General Merchandise	\$ -	\$ -	\$ -	\$ -	\$ -
Food	209,484	232,308	212,832	208,432	208,548
Drinking and eating places	93,192	98,916	101,029	107,521	114,635
Apparel	5,642	7,555	9,050	10,186	6,339
Furniture/Household/Radio	770	799	1,341	1,871	1,899
Lumber/Building/Hardware	119,060	118,390	119,461	118,945	115,091
Auto and gas stations	149,599	170,306	138,210	151,999	166,062
Drugs and miscellaneous retail	226,485	265,910	246,568	232,261	267,448
Agriculture and all others	67,347	35,815	37,037	43,749	38,788
Manufacturers	4,177	3,137	3,672	2,370	1,276
<b>Total</b>	<b>\$ 875,756</b>	<b>\$ 933,136</b>	<b>\$ 869,200</b>	<b>\$ 877,334</b>	<b>\$ 920,086</b>
Village sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%
Number of Taxpayers	243	249	261	272	259

\* Certain categories are estimated because they not shown in the State report, due to fewer than four taxpayers

\*\* The large increase is due to the Leveling the Playing Field Act, remote retailers had to start registering sites in Illinois and paying destination rate sales tax instead of reporting and paying use tax.

Source: Illinois Department of Revenue Categories by Standard Industrial Codes (SIC)

	2019	2020	2021	2022	2023
\$	-	\$ -	\$ 484	\$ 574	\$ 602
	201,078	225,127	238,040	271,271	287,579
	121,150	124,716	157,465	165,028	174,582
	3,586	4,137	6,853	8,374	9,892
	1,664	589	2,971	3,365	3,899
	98,099	118,428	133,044	140,779	154,069
	176,022	158,915	200,776	228,604	245,246
	283,971	317,391	495,153	528,939	625,105
	32,870	31,936	66,746	73,120	74,067
	1,378	1,226	3,952	3,242	3,987
\$	919,818	\$ 982,465	\$ 1,305,486	\$ 1,423,296	\$ 1,579,028
	1.00%	1.00%	1.00%	1.00%	1.00%
	268	247	1873**	2483	3144

VILLAGE OF CHATHAM, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES  
STATE OF ILLINOIS RATE

Last Ten Fiscal Years

---

Fiscal Year	Village Share	Sangamon County Share	Sangamon County School Facility Share	State of Illinois Share	Total Rate
2015	1.00%	0.25%	0.00%	5.00%	6.25%
2016	1.00%	0.25%	0.00%	5.00%	6.25%
2017	1.00%	0.25%	0.00%	5.00%	6.25%
2018	1.00%	0.25%	0.00%	5.00%	6.25%
2019	1.00%	0.25%	0.00%	5.00%	6.25%
2020	1.00%	0.25%	1.00%	5.00%	7.25%
2021	1.00%	0.25%	1.00%	5.00%	7.25%
2022	1.00%	0.25%	1.00%	5.00%	7.25%
2023	1.00%	0.25%	1.00%	5.00%	7.25%
2024	1.00%	0.25%	1.00%	5.00%	7.25%

Source: Village records and Illinois Department of Revenue

VILLAGE OF CHATHAM, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				
	General Obligation Bonds	Tax Increment Bonds	Notes Payable	Installment Purchases and Leases	General Obligation Bonds (Electric Alternative Revenue Source)	Debt Certificates	Notes Payable	Installment Purchases and Leases	
2015	\$ 71,000	\$ 125,000	\$ 219,442	\$ 90,484	\$ 3,571,000	\$ 45,000	\$ 1,015,101	\$ 142,048	
2016	36,000	-	198,031	168,408	3,340,000	-	877,156	97,607	
2017	500,000	-	176,220	133,600	3,105,000	-	737,040	52,511	
2018	479,500	-	154,033	71,140	2,858,000	-	594,681	274,689	
2019	460,500	-	131,457	30,571	2,598,000	-	1,573,838	311,115	
2020	441,000	-	108,541	226,261	2,335,000	-	1,335,060	238,059	
2021	810,000	-	85,146	166,641	2,062,000	-	1,099,266	389,339	
2022	773,045	-	290,508	110,154	1,783,000	-	842,109	242,964	
2023	737,081	-	256,183	61,850	1,488,000	-	581,332	538,308	
2024	700,631	-	221,276	28,425	1,182,000	-	316,691	572,180	

\* - Information not available

(1) US Department of Commerce, Bureau of Economic Statistics

Details of the Village's outstanding debt may be found in the notes to the basic financial statements.

---

Total Primary Government	Actual Property Value	Percentage of Estimated Actual Property Value	Chatham Personal Income	Percentage of Personal Income	Population	Per Capita
\$ 5,279,075	\$ 724,711,933	0.73%	\$ 490,854,500	1.08%	11,500	\$ 459
4,717,202	758,277,770	0.62%	503,815,000	0.94%	11,500	410
4,704,371	821,776,221	0.57%	512,014,500	0.92%	11,500	409
4,432,043	857,239,067	0.52%	532,737,500	0.83%	11,500	385
5,105,481	888,297,612	0.57%	562,246,500	0.91%	11,500	444
4,683,921	928,592,567	0.50%	568,617,500	0.82%	11,500	407
4,612,392	945,398,436	0.49%	760,413,907	0.61%	14,377	321
4,041,780	945,398,436	0.43%	822,450,662	0.49%	14,377	281
3,662,754	1,035,257,261	0.35%	821,889,959	0.45%	14,377	255
3,021,203	1,125,543,264	0.27%	*	*	14,377	210

**VILLAGE OF CHATHAM, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Direct:			
Village of Chatham	\$ 950,332	100.00%	\$ 950,332
Overlapping:			
Ball Chatham CUSD #5	\$ 45,070,000	39.60%	\$ 17,847,720
Auburn Unit #10	13,265,000	0.10%	13,265
Lincoln Land Junior College District #526	25,223,887	7.63%	1,924,583
Woodside Township	-	4.82%	-
Ball Township	-	79.36%	-
Chatham Township	-	88.21%	-
Curran Township	-	0.68%	-
Springfield Airport Authority	16,186,831	7.37%	1,192,969
Chatham Fire Protection District	-	78.30%	-
Springfield Metro Expo Authority	7,103,637	0.48%	34,097
Sangamon Mass Transit District	1,758,902	0.63%	11,081
Curran-Gardner Water Public Water District	8,092,000	0.20%	16,184
Sangamon County Water Reclamation District	207,157,399	10.14%	21,005,760
Chatham Area Library	984,000	75.33%	741,247
Sangamon County	55,077,361	7.56%	4,163,848
Total Overlapping Debt	<u>379,919,017</u>		<u>46,950,754</u>
Total Direct and Overlapping Debt	<u>\$ 380,869,349</u>		<u>\$ 47,901,086</u>

Source: County Clerks Office and Illinois State Comptroller's website

The Sangamon County Clerk's Office provides an annual overlap report. The report specifies each overlapping district's EAV dollars and percentage. The overlapping district percentage is applied to their outstanding debt. The debt amount is obtained from financial reports filed and available on the Illinois State Comptroller's website.

VILLAGE OF CHATHAM, ILLINOIS

GENERAL BONDED DEBT CAPACITY AND RATIOS

Last Ten Calendar Years

Calendar Year	Equalized Assessed Value	General Bonded Debt	Less Amounts Available in Debt Service	Net Bonded Debt	General Bonded Debt to Assessed Value	Debt Limit (1)	Legal Debt Margin	Legal Debt Margin as a % of Debt Limit
2014	\$ 239,154,938	\$ 71,000	\$ 18,446	\$ 52,554	0.02%	\$ 20,627,113	\$ 20,574,559	99.75%
2015	250,231,664	36,000	17,227	18,773	0.01%	21,582,481	21,563,708	99.91%
2016	271,186,153	500,000	16,759	483,241	0.18%	23,389,806	22,906,565	97.93%
2017	282,888,892	479,500	16,808	462,692	0.16%	24,399,167	23,936,475	98.10%
2018	293,138,212	460,500	16,963	443,537	0.15%	25,283,171	24,839,634	98.25%
2019	306,435,547	441,000	16,900	424,100	0.14%	26,430,066	26,005,966	98.40%
2020	311,981,484	810,000	602	809,398	0.26%	26,908,403	26,099,005	96.99%
2021	323,692,625	773,045	4,510	768,535	0.24%	27,918,489	27,149,954	97.25%
2022	341,634,896	737,081	4,315	732,766	0.21%	29,466,010	28,733,244	97.51%
2023	371,429,277	700,631	4,184	696,447	0.19%	32,035,775	31,339,328	97.83%

Source: Additional Schedules Village Financial Statements

(1) The debt limit for non-home rule governments is 8.625% of assessed valuation (65 ILCS 5/8 5-1).

**VILLAGE OF CHATHAM, ILLINOIS**

**PLEDGED REVENUE**

Last Ten Fiscal Years

Fiscal Year	General Obligation Electric Alternate Revenue Source Bonds					
	Gross Revenues *	Less Operating Expenses*	Net Available Revenue	Current Maturities Debt Service		Coverage
				Principal	Interest	
2015	\$ 9,425,246	\$ 8,428,392	\$ 996,854	\$ 234,000	\$ 97,665	3.01
2016	9,770,310	8,552,449	1,217,861	231,000	119,547	3.47
2017	10,120,727	8,795,027	1,325,700	235,000	112,501	3.81
2018	10,140,071	9,032,560	1,107,511	247,000	105,287	3.14
2019	10,598,508	9,314,900	1,283,608	260,000	97,555	3.59
2020	10,053,650	9,411,079	642,572	263,000	89,391	1.82
2021	10,224,141	9,282,102	942,039	273,000	50,207	2.91
2022	10,692,532	9,103,628	1,588,904	279,000	42,761	4.94
2023	10,736,927	9,647,669	1,089,258	295,000	37,738	3.27
2024	10,812,098	11,854,010	(1,041,912)	306,000	32,134	(3.08) **

\* Electric Fund revenue includes electric user fees and other revenues, operating expenses do not include depreciation expense

\*\*Operating expenses included significant expenses to repair the electrical system due to storm damage. Grants reimbursing 75% of expenses were reported in non-operating income



# VILLAGE OF CHATHAM, ILLINOIS

## DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

Calendar Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2014	11,500	\$ 42,683	\$ 490,854,500	36.1	4612	4.30%
2015	11,500	43,810	503,815,000	36.1	4661	4.20%
2016	11,500	44,523	512,014,500	36.1	4730	3.70%
2017	11,500	46,325	532,737,500	36.1	4807	3.20%
2018	11,500	48,891	562,246,500	36.1	4809	3.00%
2019	11,500	49,445	568,617,500	36.1	4857	11.80%
2020	14,377	52,891	760,413,907	35.7	4822	8.00%
2021	14,377	57,206	822,450,662	35.8	4791	4.40%
2022	14,377	57,167	821,889,959	35.6	4669	3.80%
2023	14,377	*	*	35.6	4615	5.30%

\* Information not available

(1) Population data based on latest census data

(2) Information obtained from the U.S. Department of Commerce Bureau of Economic Analysis  
 Figures for the most current year are unavailable.

(3) Census Data

(4) Ball-Chatham District 5 -Annual Financial Report

(5) Unemployment data from the Illinois Department of Employment Security

# VILLAGE OF CHATHAM, ILLINOIS

## PRINCIPAL EMPLOYERS

April 30, 2024

---

Employer	# Employees	Rank	Total Population
Ball Chatham CUSD #5	500-999	1	3.5%-6.9%
Henry Technologies	250-499	2	1.7%-3.5%
Memorial Care Urgent Care	100-249	3	0.7%-1.7%
Memorial Physician Services	100-249	3	0.7%-1.7%
McDonalds	50-99	4	0.3%-0.7%
Village of Chatham	50-99	4	0.3%-0.7%
Reflections Memory Care	50-99	4	0.3%-0.7%
Villas of South Park	20-49	5	0.1%-0.3%
United Community Bank	20-49	5	0.1%-0.3%
RP Lumber	20-49	5	0.1%-0.3%

Source: Illinois Virtual Labor Market Data - Illinois Department of Employment Website

Information was not available for nine years ago

**VILLAGE OF CHATHAM, ILLINOIS**

**FULL-TIME EQUIVALENT VILLAGE EMPLOYEES BY FUNCTIONS/PROGRAMS**

Last Ten Fiscal Years

---

Department	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
By Description										
Administration and Finance	11	10	9	9	10	10	10	10	10	11
Police	22	21	22	20	20	21	21	22	22	24
Public Utilities	11	11	13	13	14	13	13	12	13	10
Public Properties and Public Works	9	9	9	9	9	10	8	9	10	10
Total Full-Time Equivalent Employees	53	51	53	51	53	54	52	53	55	55

Source: Village records

VILLAGE OF CHATHAM, ILLINOIS

OPERATING INDICATORS BY FUNCTION

Last Ten Fiscal Years

	2015	2016	2017
<b>Public Works</b>			
Total Building Permits issued	216	226	188
Single Family Homes	79	78	62
Duplexes	8	14	8
Apartments	1	-	4
Commercial	1	9	7
Additions	5	7	2
Remodel, Alteration or Repair	35	27	20
Garages, Sheds, Pool Houses	7	6	5
Fences	65	66	52
Pools	9	6	16
Sprinkler Systems	6	13	12
Solar Power/Generator Install	-	-	1
Other	15	14	13
Number of Cemetery Lots Sold	57	23	28
Number of grave openings	46	29	30
<b>Police - Information presented on Calendar Year Basis</b>			
Calls for Service	7,536	7,786	9,153
Traffic Violations			
Citations Issued	1,402	1,261	1,381
Written Warnings Issued	1,441	1,239	1,398
Index Crimes	*	111	87
Index Crime and Drug Arrests		101	93
<b>Public Utilities</b>			
Electric Customers	5,433	5,496	5,622
Water Customers	5,441	5,522	5,630
Kilowatt hours provided to customers	75,891,180	75,857,545	76,897,052
Gallons of water provided to customers	276,099,100	278,235,000	281,997,700
<b>Administration</b>			
Accounts Payable Checks Processed	**	2,157	2,044
Liquor Licenses Issued		23	25

\* Index Crime includes: Criminal Homicide, Rape, Robbery, Aggravated Assault/Aggregated Battery, Burglary, Theft, Motor Vehicle Theft, Arson, Human Trafficking

\*\* During fiscal year 2013 the Village began processing accounts payable out of one bank account prior to this each fund had a bank account that processed accounts payable checks, this reduced the number of accounts payable checks issued.

Source: Various Village Departments

2018	2019	2020	2021	2022	2023	2024
173	114	139	195	171	145	181
40	29	41	34	36	28	33
3	-	2	4	8	4	-
5	7	6	1	-	3	-
8	3	2	1	1	2	4
6	3	4	11	5	5	3
25	10	22	10	8	11	11
4	6	2	10	4	7	2
59	41	42	55	41	50	55
10	8	5	17	13	11	12
13	7	13	8	7	-	-
9	11	35	25	35	12	38
6	16	18	19	13	12	23
21	18	30	26	23	37	32
35	35	35	27	38	23	22
9,841	9,190	11,072	10,681	10,932	N/A	N/A
					N/A	N/A
1,278	1,180	885	734	1,312	N/A	N/A
1,277	1,241	3,198	1,545	1,646	N/A	N/A
100	96	94	347	N/A	N/A	N/A
17	25	34	74	N/A	N/A	N/A
5,748	5,877	6,005	6,098	6,157	6,265	6,312
5,757	5,894	5,754	5,845	5,897	6,191	6,224
77,091,817	81,460,853	75,859,162	77,705,139	81,044,215	79,455,433	79,052,893
286,688,900	291,726,800	279,122,500	309,180,479	290,979,200	284,915,500	300,245,400
1,979	1,946	1,958	2,097	1,617	1,633	1,628
28	26	28	24	24	21	27

VILLAGE OF CHATHAM, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Village</b>										
Number of Vehicles	52	52	54	56	54	56	57	58	62	63
Number of Buildings	14	14	14	14	14	14	14	14	14	14
<b>Public Works</b>										
Miles of Streets	74.38	74.63	76.17	78.21	79.42	79.42	79.42	79.42	79.42	79.42
Miles of Storm Sewer	54.78	55.07	55.5	56.65	57.37	57.37	57.37	57.37	57.37	57.52
<b>Public Utilities</b>										
Miles of Primary Underground Electric Lines (1)	34.99	35.3	38.5	40.16	42.23	42.23	43.43	43.93	43.94	44.25
Miles of Secondary Underground Electric Lines (1)	30.66	31.14	33.9	35.67	37.43	37.43	38.23	38.24	38.24	38.39
Miles of Primary Overhead Electric Lines (1)	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Miles of Secondary Overhead Electric Lines (1)	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8	18.8
Miles of Water Main	78.75	79.07	82.63	85.19	87.07	87.07	87.07	87.07	87.07	87.33
Miles of Sanitary Sewer	69.32	69.55	70.7	72.36	73.39	73.39	73.39	73.39	73.39	73.65

Source: Various Village Departments

(1) Miles of Primary and Secondary Underground and Primary and Secondary Overhead reflects miles subsequent to completion of GIS mapping

## **OTHER INFORMATION**

**VILLAGE OF CHATHAM, ILLINOIS**

SCHEDULE OF INSURANCE

April 30, 2024

Type of Coverage and Name of Company	Policy Number	Policy Period From	To	Details of Coverage	Liability Limits	Annual Premium
General Liability Illinois Counties Risk Management Trust	P4-1000510- 2324-01	12/1/2023	12/1/2024	General Liability	Coverage Applies to: \$1,000,000 General Aggregate \$3,000,000 Products/Completed Operation Annual Aggregate \$1,000,000	\$ 244,790
Excess Liability Illinois Counties Risk Management Trust	P4-1000510- 2324-01	12/1/2023	12/1/2024	Excess Liability	\$10,000,000 limit	
Automobile Liability & Physical Damage Illinois Counties Risk Management Trust	P4-1000510- 2324-01	12/1/2023	12/1/2024	Automobile Liability Automobile Physical Damage	Each Occurrence \$1,000,000 \$3,388,790 Total Physical Damage Scheduled Value	
Property/Inland Marine/Auto Coverage Physical Damage Illinois Counties Risk Management Trust	P4-1000510- 2324-01	12/1/2023	12/1/2024	Property	\$33,841,602 Total Building and Contents Limit	
Cyber Liability Illinois Counties Risk Management Trust	ESM013981 6071	12/1/2023	12/1/2024	Cyber Liability	\$1,000,000 limit	\$ 14,033
Worker's Compensation Illinois Public Risk Fund	P1387-2024	1/1/2024	1/1/2025	Workers Compensation Employers Liability	Statutory \$3,000,000 per occurrence	\$ 118,340



VILLAGE OF CHATHAM, ILLINOIS

SCHEDULE OF ELECTRIC RATES CHARGED

April 30, 2024

---

The Electric System served an average of 6,293 customers during fiscal year 2024. The Village provided 79,052,893 kilowatt hours to its customers during fiscal year 2024. The electric rates as of April 30, 2024 charged by the Village are as follows (effective October 1<sup>st</sup>, 2021):

Standard Residential Service Rates

- (1) Rate: \$0.1169/kwh
- (2) Facility Charge: \$11.92 per month

Senior Citizen Residential and Village Park Service Rate

- (1) Rate: \$0.1053/kwh
- (2) Facility Charge: \$11.92 per month

Governmental Service

- (1) Rate: \$0.1053/kwh
- (2) Demand Charge: \$6.4620/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month)
- (3) Facility Charge: \$25.62 per month

General Service – Commercial without Demand

- (1) Rate: \$0.1379/kwh
- (2) Facility Charge – Commercial, institutional, and non-residential or for three phase, residential, non-residential, institutional, and commercial use taken through a single meter at the utility standard secondary voltage without Demand metering.
  - a) \$11.92 per month single phase
  - b) \$26.65 per month three phase

General Service – Commercial with Demand

- (1) Rate: \$0.1092/kwh
- (2) Demand Charge: \$6.4620/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month)
- (3) Facility Charge – Commercial, institutional, and non-residential or for three phase, residential, non-residential, institutional, and commercial use taken through a single meter at the utility standard secondary voltage without Demand metering.
  - a) \$11.92 per month single phase
  - b) \$25.62 per month three phase

Industrial Service

- (1) Rate: \$0.0956/kwh
- (2) Demand Charge: \$8.6049/multiplier/demand unit (demand will be the highest average kilowatt demand measured in any 15-minute period during the month, minimum of 70kw. The Village may determine the actual demand either by permanently installed instruments or by tests.)
- (3) Facility Charge
  - a) \$20.50 per month single phase
  - b) \$51.24 per month three phase
- (4) Security Lighting Rate: \$8.70/kwh