

VILLAGE OF LOMBARD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020

VILLAGE OF LOMBARD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Prepared by Accounting and Financial Services Division
Finance Department

Timothy K. Sexton
Director of Finance

Jessica Nawracaj
Accounting Coordinator

VILLAGE OF LOMBARD, ILLINOIS

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Officers and Officials	1
Organization Chart	2
Transmittal Letter	3 - 9
Certificate of Achievement for Excellence in Financial Reporting	10

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	11 - 13
-------------------------------------	---------

MANAGEMENT'S DISCUSSION AND ANALYSIS	14 - 27
---	---------

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements	
Statement of Net Position	28 - 29
Statement of Activities	30 - 31
Fund Financial Statements	
Balance Sheet – Governmental Funds	32
Reconciliation of Total Governmental Fund Balance to the	
Statement of Net Position – Governmental Activities	33
Statement of Revenues, Expenditures and Changes in	
Fund Balances – Governmental Funds	34
Reconciliation of the Statement of Revenues, Expenditures and Changes in	
Fund Balances to the Statement of Activities – Governmental Activities	35
Statement of Net Position – Proprietary Funds	36 - 37
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	38
Statement of Cash Flows – Proprietary Funds	39
Statement of Fiduciary Net Position	40
Statement of Changes in Fiduciary Net Position	41
Notes to Financial Statements	42 - 100

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	101
Police Pension Fund	102
Firefighters' Pension Fund	103

VILLAGE OF LOMBARD, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

REQUIRED SUPPLEMENTARY INFORMATION - Continued

Schedule of Changes in the Employer's Net Pension Liability	
Illinois Municipal Retirement Fund	104 - 105
Police Pension Fund	106 - 107
Firefighters' Pension Fund	108 - 109
Schedule of Investment Returns	
Police Pension Fund	110
Firefighters' Pension Fund	111
Schedule of Changes in the Employer's Total OPEB Liability	
Retiree Benefits Plan	112 - 113
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	114

OTHER SUPPLEMENTARY INFORMATION

Schedule of Revenues – Budget and Actual – General Fund	115 - 118
Schedule of Expenditures – Budget and Actual – General Fund	119 - 120
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Debt Service Fund	121
Capital Projects Fund	122
Schedule of Revenues – Budget and Actual – Capital Projects Fund	123
Schedule of Expenditures – Budget and Actual – Capital Projects Fund	124
Schedule of Revenues, Expenses and Changes in Net Position – by Account	
Waterworks and Sewerage Fund	125
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual	
Waterworks and Sewerage – Operation and Maintenance Account	126
Schedule of Operating Revenues – Budget and Actual	
Waterworks and Sewerage – Operation and Maintenance Account	127
Schedule of Operating Expenses – Budget and Actual	
Waterworks and Sewerage – Operation and Maintenance Account	128 - 130
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual	
Waterworks and Sewerage – Capital Reserve Account	131
Schedule of Operating Expenses – Budget and Actual	
Waterworks and Sewerage – Capital Reserve Account	132
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual	
Parking System	133

VILLAGE OF LOMBARD, ILLINOIS

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION - Continued

OTHER SUPPLEMENTARY INFORMATION - Continued

Schedule of Revenues, Expenses and Changes in Net Position – by Account	
Fleet Services Fund	134
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual	
Fleet Services – Operation and Maintenance Account	135
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual	
Fleet Services – Capital Reserve Account	136
Schedule of Operating Expenses – Budget and Actual	
Fleet Services – Capital Reserve Account	137
Combining Statement of Fiduciary Net Position	138
Combining Statement of Changes in Fiduciary Net Position	139
Schedule of Changes in Fiduciary Net Position –Budget and Actual	
Police Pension	140
Schedule of Changes in Fiduciary Net Position – Budget and Actual	
Firefighters’ Pension	141
Schedule of Changes in Fiduciary Net Position	
Special Assessments Fund - Custodial	142
Consolidated Year-End Financial Report	143

STATISTICAL SECTION (Unaudited)

Net Position by Component – Last Ten Fiscal Years	144
Changes in Net Position – Last Ten Fiscal Years	145 - 146
Fund Balances of Governmental Funds – Last Ten Fiscal Years	147 - 148
General Governmental Revenues by Source – Last Ten Fiscal Years	149 - 150
General Governmental Expenditures by Function – Last Ten Fiscal Years	151 - 152
Changes in Fund Balances for Governmental Funds – Last Ten Fiscal Years	153 - 154
Sales Tax Base and Number of Principal Payers – Taxable Sales by Category	
Last Ten Calendar Years	155 - 156
Direct and Overlapping Sales Tax Rates – Last Ten Fiscal Years	157
Assessed Value and Actual Value of Taxable Property – Last Ten Tax Levy Years	158 - 159
Direct and Overlapping Property Tax Rates – Last Ten Tax Levy Years	160 - 161
Principal Property Tax Payers – Current Fiscal Year and Nine Fiscal Years Ago	162
Property Tax Levies and Collections – Last Ten Fiscal Years	163

VILLAGE OF LOMBARD, ILLINOIS

TABLE OF CONTENTS

PAGE

STATISTICAL SECTION (Unaudited)

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	164 - 165
Schedule of Direct and Overlapping Bonded Debt	166
Schedule of Legal Debt Margin	167
Demographic and Economic Statistics – Last Ten Fiscal Years	168
Principal Employers – Current Fiscal Year and Nine Fiscal Years Ago	169
Full-Time Equivalent Village Government Employees by Function	
Last Ten Fiscal Years	170
Operating Indicators by Function/Program – Last Ten Fiscal Years	171 - 172
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	173 - 174

INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Lombard including: Officers and Officials, Organizational Chart, Letter of Transmittal from Village Manager and Director of Finance, and Certificate of Achievement for Excellence in Financial Reporting.

VILLAGE OF LOMBARD, ILLINOIS

OFFICERS AND OFFICIALS **YEAR ENDED DECEMBER 31, 2020**

LEGISLATIVE

Board of Trustees

Keith Giagnorio, Village President

Dan Whittington

Anthony Puccio

Reid Foltyniewicz

Andrew Honig

Daniel Militello

William Ware

Sharon Kuderna, Village Clerk

EXECUTIVE

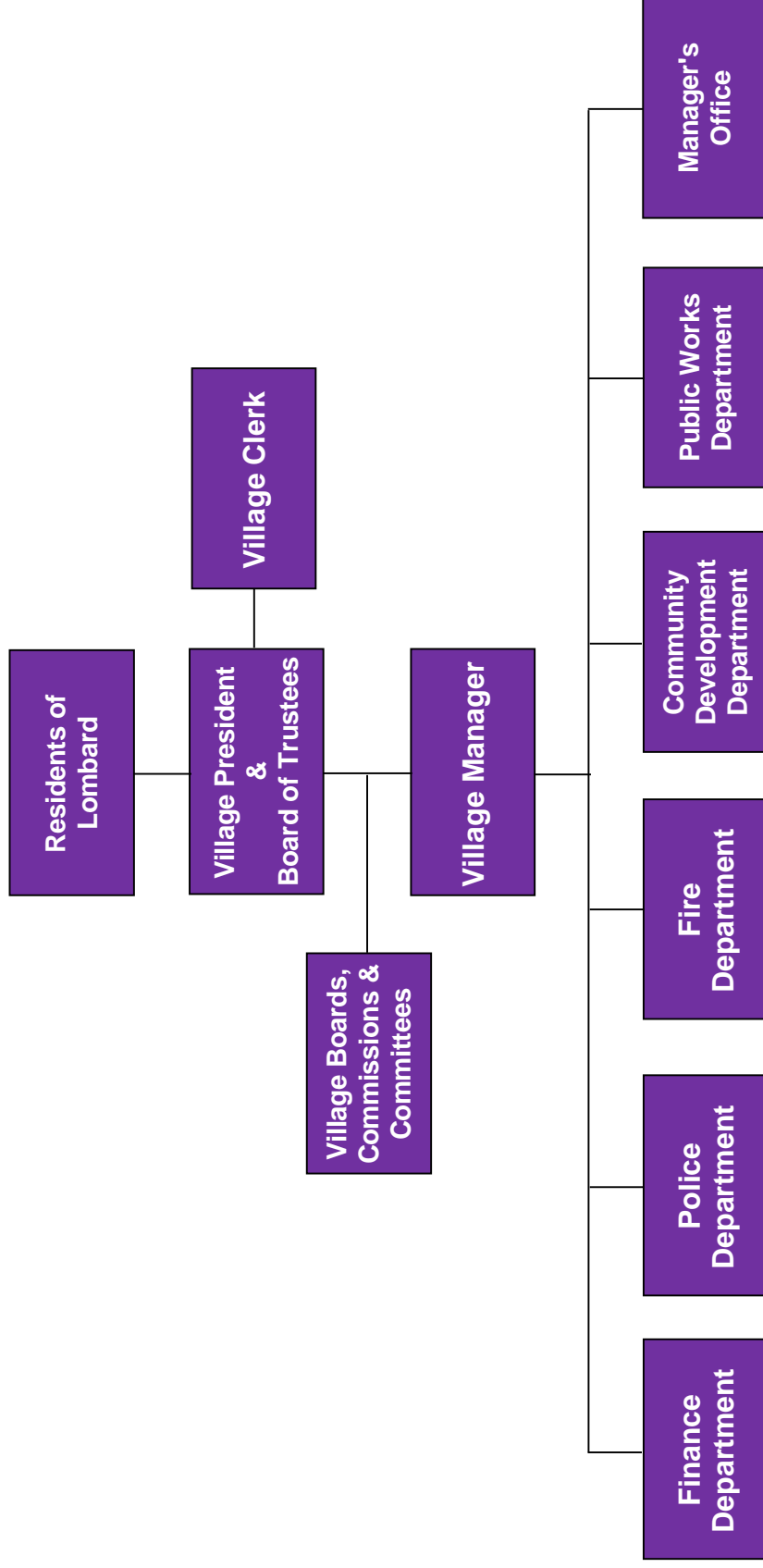
Scott Niehaus, Village Manager

FINANCE

Timothy Sexton, Director of Finance



VILLAGE OF LOMBARD





VILLAGE OF LOMBARD

255 E. Wilson Ave.
Lombard, Illinois 60148-3926
(630) 620-5700 Fax (630) 620-8222
www.villageoflombard.org

Village President
Keith T. Giagnorio

Village Clerk
Sharon Kuderna

Trustees
Dan Whittington, Dist. 1
Anthony Puccio, Dist. 2
Reid Foltyniewicz, Dist. 3
Andrew Honig, Dist. 4
Daniel Militello, Dist. 5
William "Bill" Ware, Dist. 6

Village Manager
Scott R. Niehaus

*"Our shared **Vision** for Lombard is a community of excellence exemplified by its government working together with residents and businesses to create a distinctive sense of spirit and an outstanding quality of life."*

*"The **Mission** of the Village of Lombard is to provide superior and responsive governmental services to the people of Lombard."*

June 29, 2021

To the Citizens of the Village of Lombard:

We submit to you the Comprehensive Annual Financial Report of the Village of Lombard, Illinois for the fiscal year ended December 31, 2020. The responsibility for the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the management of the Village of Lombard. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village of Lombard's financial statements in conformity with generally accepted accounting principal (GAAP). Because the cost of internal controls should not outweigh their benefits, the Village of Lombard's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village of Lombard's financial statements have been audited in accordance with generally accepted auditing standards by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended December 31, 2020, are fairly presented in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

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

COMMUNITY PROFILE

The Village of Lombard is a non-home rule community located in the eastern portion of DuPage County. The Village provides a full range of services including general administration, finance administration and services, emergency medical services, police protection, firefighting and fire prevention services, construction and maintenance of roads, streets and infrastructure, community development and planning, water distribution, wastewater treatment and fleet services.

The United States Census Bureau's 2010 census population decreased by 499 or 1.14% to 43,395 as compared to the 2006 special census figure of 43,894. This decrease in population was reflective of the housing market downturn, and the number of homes that went through the foreclosure process and were waiting to be sold. During 2020, the United States Census Bureau has conducted a new population study and the final results are pending.

Lombard covers an area of 10.93 square miles. The actual value of property in the Village increased by 7.21% in 2019. New construction in 2019 resulted in a 1.82% or \$30,272,140 increase in the Village's EAV. In addition, there were no annexations made during the year.

The Village operates under Council/Manager form of government. Policymaking and legislative authority are vested in the Village Board, which is comprised of the Village President and six trustees. Board members are elected to four-year staggered terms with three Board members elected every two years. Board members are elected by district. The Village President is elected at large to a four-year term. The Village Board hires the Village Manager who is responsible for carrying out the policies and ordinances of the Village Board, overseeing the day-to-day operations of the Village, and for appointing the heads of the Village's Police, Fire, Public Works, Finance and Community Development Departments.

The Village is centrally located in the Chicago metropolitan area just 20 miles west of downtown Chicago, 70 miles south of the Wisconsin border, 40 miles northwest of the Indiana border, and 120 miles east of the Iowa border. Lombard has easy access ground transportation that provides convenient access to anywhere in the Chicago metropolitan area. This includes a METRA Union Pacific commuter depot located in the center of downtown as well as service by PACE bus transportation. Additionally, the North-South (I-355) and East-West (I-88) tollways are located along the Village's west and south borders respectively.

In Lombard, location, access, available land, facilities, and a reliable infrastructure, including sewer and water resources, combine to contribute to a climate where businesses flourish. Lombard is an excellent place for retail businesses to grow. Modern commercial centers, a regional shopping mall, strip malls, small privately-owned commercial establishments and two major auto dealerships can be found throughout the community.

MAJOR INITIATIVES

Strategic Plan: The annual budget of the Village of Lombard is prepared in light of the Strategic Plan of the Village. This plan includes both a mission and vision statement for the Village of Lombard as follows:

VISION STATEMENT: "Our shared vision for Lombard is a community of excellence exemplified by its government working together with residents and businesses to create a distinctive sense of spirit and an outstanding quality of life."

MISSION STATEMENT: "The Mission of the Village of Lombard is to provide superior and responsive governmental services to the people of Lombard."

The strategic planning session priorities for 2016-2018 and updates for 2019-2020 are summarized as follows:

I. Financial Stability:

- a. Resolution of LPFC debt issue and increased bond rating*
- b. Annual review of revenue policy*
- c. CIP refined/updated to reflect major projects*

II. Economic Development:

- a. Develop policy targeting reduction of development costs.*
- b. Develop business retention initiative aimed at key sites.*
- c. Develop incentive policy targeted at specific businesses and key sites.*
- d. Develop statistical reporting document for performance measurement.*
- e. Sale/development of TIF property.*

III. Communication and Community Image:

- a. Village representation at 30% of Village events.*
- b. Conduct a citizen survey.*
- c. Develop analytic reporting for communication goals.*
- d. Implement employee customer service training policy.*
- e. Adopt policy on citizen response.*

IV. Operational Sustainability:

- a. Establish core service levels.*
- b. Develop one internal and one external partnership.*
- c. Establish minimum standards for employee training/education.*

The Village of Lombard engaged in a team building and strategic planning process over three sessions in 2015 and annually each year. The sessions yielded an improved understanding of effective governance and a finalized strategic plan for 2016-2020.

What follows are several major capital projects completed in fiscal year 2020. Funding information for each project is detailed in the fiscal year FY 2020 thru 2029 Capital Improvement Plan.

- Replacement of generator at Police Department
- Lilac Station (101-109 S. Main Street) Water and Sewer Installation
- Civic Center Reservoir Pressure Adjusting Station Repair Improvements
- Kelly Court Water Main Replacement
- Resurfaced Main Street between St. Charles Road and Wilson Avenue

Yorktown is one of Chicagoland's major regional shopping malls; an enclosed mall located on 120 acres of property and home to some approximately 160 individual retailers and is anchored by Von Maur, and J C Penney. Construction was completed in 2007 at The Shops on Butterfield, the lifestyle center, adjacent to Yorktown Center. This addition includes restaurants and specialty shops (Marshalls/HomeGoods, Forever 21, Buckle, and H&M to name a few).

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy: The Village of Lombard continues to maintain a stable financial position. The Village will need to remain watchful and flexible to respond to circumstances beyond the Village's control. These circumstances will include downturn in the general economy as a result of the COVID-19 pandemic and impacts from the State of Illinois as it works to address its financial issues. The Village will continue its work in identifying potential revenue enhancements, economic development, and technology options, and to enhance public safety operations and communications. Options and outcomes in these areas will be considered as we further evaluate impacts on Village finances and future budgets. As the Village moves forward, we will continue to balance services with available resources.

Due to the long-term financial planning discussed below, the Village has reserves to assist in weathering this pandemic, giving it time to make service level changes that may be needed in coming years if there is a long-term impact, as is currently expected

Long-Term Financial Planning: The Village maintains and updates on an ongoing basis throughout the year a multi-year financial forecast for the major funds of the Village. A complete copy is included in the Village's annual budget. In addition, a ten-year capital improvement plan is in place and is updated and maintained throughout the year. The use of these financial planning tools allows the Village of Lombard to keep ahead of potential negative impacts that can occur in a declining or flat economic environment. It therefore provides an opportunity for management to advise the Village Board of negative financial trends before they adversely impact operations or the capital improvement program.

In an effort to be proactive, the Village of Lombard developed a Long-Range Plan in fiscal year 2016, with strategies to address the rising costs of non-discretionary (required) expenses. The Long-Range Plan focuses on fiscal responsibility, prudent

planning, and the implementation of resident recommendations via Village Committees. The challenges faced by the Village are associated with maintaining excellent core service levels to residents and business owners, while expenses continue to increase faster than revenues, due to State mandates beyond the Village's control. The strategy approved in the Long-Range Plan commits the Village to matching dollar for dollar (50/50) revenue increases and expenditure reductions, in order to maintain a balanced General Fund operating budget. This planning effort continues as the Village begins working on the 2021 budget.

Cash Management Policies and Practices: The Village of Lombard operates under a formal investment policy recommended by the Village Finance Committee and approved by the Village Board of Trustees. This policy is reviewed on an annual basis. The policy provides basic guidelines as to diversification and maturity. The Village's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Cash temporarily idle during the year was invested in investment pools including the Illinois Metropolitan Investment Fund (IMET), the Illinois State Treasurer's pool (Illinois Funds), and in a collateralized account at Wheaton Bank. The maturities of the investments in these pools range from 90 days for Illinois Funds (immediately accessible) and the IMET Convenience Fund (immediately accessible) to 1-3 years for the IMET 1-3 year Fund (accessible with 7 days' notice).

Risk Management: The Village seeks to provide a risk management program that continually analyzes losses, manages claims, and provides ongoing training and education to reduce future risks. The Village has active safety committees in the major operating departments and provides Village wide training for all employees through speakers/trainers and computer-based safety training. Various other risk control techniques are used throughout the year to minimize accident-related losses.

The Village purchases excess insurance coverage from private insurers while self-insuring a portion of its overall risk. Currently we anticipate a 20% increase for 2022 due to law enforcement challenges and the cyber market collapse. In order to offset the higher premiums over time, the Village has increased its self-insured retention (SIR) - the amount of losses the Village pays out of pocket before excess coverage takes effect - for both property and casualty, and workers' compensation coverage. The Village's decision to self-insure more of its risk created a need to set aside adequate reserves to pay for losses incurred each year that will be paid out in future years. A bi-annual actuarial assessment is made of the Village's Liability Insurance Program and this data is used to ensure that the program will be able to meet the future demands placed on it.

The Liability Insurance Program remains in a strong financial position. In addition, the Village is in the process of establishing an aggressive and effective loss prevention program that will target areas where accidents or injuries have occurred with some frequency. Controlling losses and managing exposure to risk will remain a priority in the coming years.

Pension and other postemployment benefits: The Village provides pension benefits for its non-public safety employees through a statewide plan managed by the Illinois

Municipal Retirement Fund (IMRF). The Village has no obligations in connection with employee benefits offered through this plan beyond its contractual payments to IMRF.

The Village also sponsors separate single-employer defined benefit pension plans for its police officers and firefighters, as required under state statute. Each year, an independent actuary engaged by the Village calculates the amount of the annual contribution that the Village must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees. As a matter of policy, the Village fully funds each year's annual required contribution to the pension plan as determined by the actuary. The amount required is funded through property taxes.

Additional information on the Village's pension plans can be found in Note #4 in the financial statements.

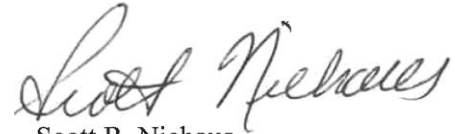
Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Lombard for its comprehensive annual financial report for the fiscal year ended December 31, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements: The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Particular recognition goes to Jessica Nawracaj, Accountant Coordinator, Phuong Uhlir, Accountant, Tim Sexton, Finance Director; and Jamie Cunningham, Assistant Finance Director, for their hard work and dedication in completing this report. In addition, the Village wishes to recognize the staff of the firm of Lauterbach & Amen LLP, the Village auditors, and in particular Tim Gavin, Courtney Clement, Ann Scales, Jamie Wilkey, and Ron Amen. The Village of Lombard continues to benefit from the cooperative working relationship between the Finance Department and the staff of Lauterbach & Amen LLP.

In closing we would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support, preparation of this report would not have been possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Niehaus". The signature is fluid and cursive, with the first name "Scott" and last name "Niehaus" clearly distinguishable.

Scott R. Niehaus
Village Manager

A handwritten signature in black ink, appearing to read "Timothy Sexton". The signature is fluid and cursive, with the first name "Timothy" and last name "Sexton" clearly distinguishable.

Timothy Sexton
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Lombard
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

June 29, 2021

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

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 Lombard, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Lombard Public Facilities Corporation. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lombard Public Facilities Corporation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Lombard, Illinois, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lombard, Illinois' basic financial statements. The introductory section, other supplementary information, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Matters – Continued

Other Information – Continued

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

Our discussion and analysis of the Village of Lombard's financial performance provides an overview of the Village's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the transmittal letter and the Village of Lombard's financial statements. A comparative analysis of government-wide data has been presented. Please note throughout the MD&A, amounts are rounded to nearest 100,000.

FINANCIAL HIGHLIGHTS

- The Village of Lombard's net position totals \$168.9 million. Net position for governmental activities account for \$69.3 million or 41.0% of the total and business-type activities account for \$99.6 million or 59.0%.
- During the year, expenses were \$68.9 million on a government-wide basis as compared to \$79.2 million in revenue. Governmental activities accounted for \$46.3 million or 67.2% of total expenses with business-type activities accounting for \$22.6 million or 32.8%.
- Before transfers, revenues for governmental activities exceeded expenses by \$7.3 million and business-type activities revenues exceeded expenses by \$3.1 million.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements – Continued

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

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

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

The Village of Lombard includes four separate legal entities in its report, the Village of Lombard, the Village of Lombard Police Pension Employees Retirement System, the Firefighters' Pension Employees Retirement System and the Lombard Public Facilities Corporation. The Village of Lombard Police Pension Employees Retirement System and the Firefighters' Pension Employees Retirement System are considered "blended component units". The Lombard Public Facilities Corporation is considered a "discretely presented component unit". Financial information for the component units is reported separately from the financial information presented for the primary government itself.

The Lombard Public Facilities Corporation, an Illinois not-for-profit corporation, was created to, among other things, issue revenue bonds to finance the cost of acquiring, designing, constructing, equipping, operating and financing a Conference Center, Hotel, Restaurants and related improvements adjacent to the Yorktown Center regional shopping mall. Additional information on the Lombard Public Facilities Corporation can be found in Note 1.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements

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

Governmental Funds

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

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

The Village of Lombard maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund and the Capital Projects Fund, all of which are considered major funds.

The Village of Lombard adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

Proprietary Funds

The Village of Lombard maintains two different types of proprietary funds, enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Lombard utilizes enterprise funds to account for its waterworks and sewerage, and parking operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village of Lombard's various functions.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

The Village of Lombard uses internal service funds to account for its fleet of vehicles and equipment. Since this service predominantly benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund and for the Parking System Fund, both of which are considered to be major funds of the Village of Lombard. The internal service fund is aggregated into the presentation in the proprietary fund financial statements. Individual fund data for the Fleet Services internal service fund is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Lombard's Illinois Municipal Retirement Fund (IMRF), police, and firefighters' employee pension obligations and the Village's other postemployment benefit obligation.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The Village of Lombard retains a positive net position for both governmental and business-type activities. The following table reflects the condensed Statement of Net Position compared to the prior year.

	Net Position (in Millions)					
	Governmental Activities		Business-Type Activities		Total	
	Dec-20	Dec-19	Dec-20	Dec-19	Dec-20	Dec-19
Current and Other Assets	\$ 67.2	60.0	40.9	38.5	108.1	98.5
Capital Assets	83.8	87.2	81.2	81.6	165.0	168.8
Total Assets	151.0	147.2	122.1	120.2	273.1	267.3
Deferred Outflows	6.9	7.2	0.3	0.3	7.2	7.6
Total Assets/Deferred Outflows	157.9	154.4	122.4	120.5	280.3	274.9
Long-Term Debt Outstanding	54.3	64.3	17.3	19.6	71.6	83.9
Other Liabilities	3.5	4.5	3.0	3.0	6.5	7.5
Total Liabilities	57.8	68.8	20.3	22.7	78.1	91.4
Deferred Inflows	30.8	24.1	2.5	0.7	33.3	24.8
Total Liabilities/Deferred Inflows	88.6	92.9	22.8	23.4	111.4	116.3
Net Position						
Net Investment in Capital Assets	83.8	87.1	63.8	63.2	147.6	150.3
Restricted	13.1	13.3	-	-	13.1	13.3
Unrestricted	(27.6)	(38.9)	35.8	33.9	8.2	(5.0)
Total Net Position	\$ 69.3	61.5	99.6	97.1	168.9	158.6

Current Year Impacts on Net Position. The Village's total net position increase from \$158.6 million to \$168.9 million. The net position of the governmental and business-type activities increased by \$7.8 million and \$2.5 million, respectively.

Significant changes to the governmental activities net position are primarily because the Village sold 101 S. Main Street for \$1.5 million and received \$2.3 million from the Coronavirus Relief Fund. In addition, the unrestricted net pension liability for the IMRF, Police, and Firefighters' Pension Funds decreased \$12.6 million compared to total additions to long-term liabilities of \$1.7 million for compensated absences, OPEB, and asset retirement obligations. It should also be noted that the Village rebated \$2.7 million to the Lombard Public Facilities Corporation per the amended TIF 4 redevelopment agreement (See Note 4 – Commitments).

A significant change to the business-type activities net position is an increase of \$2.0 million in capital contributions for privately constructed public improvements for projects completed by Greystar Elan, Windsor Place, and Woodmoor Subdivision. Capital projects completed in 2020 for \$331,811 included the Lilac Station water and sewer installation, Civic Center Reservoir pressure adjusting station improvements, and Kelly Court watermain replacement.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

The following table provides a summary of the Statement of Activities.

Changes in Net Position (In Millions)

	Governmental Activities		Business-Type Activities		Total	
	Dec-20	Dec-19	Dec-20	Dec-19	Dec-20	Dec-19
Revenues						
Program Revenues						
Charges for Services	\$ 6.0	6.6	19.5	18.2	25.5	24.8
Operating Grants/Contributions	2.5	0.3	0.0	0.0	2.5	0.3
Capital Grants/Contributions	5.8	4.0	2.0	0.9	7.8	4.9
General Revenues						
Taxes	38.4	41.7	3.8	4.9	42.2	46.6
Interest Income	0.4	0.8	0.1	0.3	0.6	1.1
Miscellaneous	0.5	0.5	0.2	0.3	0.7	0.7
Total Revenues	53.6	53.8	25.6	24.6	79.2	78.4
Expenses						
General Government	4.7	7.6	-	-	4.7	7.6
Public Safety	24.7	33.0	-	-	24.7	33.0
Physical Environment	1.8	1.7	-	-	1.8	1.7
Public Works	15.1	10.2	-	-	15.1	10.2
Interest on Long-Term Debt	0.0	0.0	-	-	0.0	0.0
Waterworks and Sewerage	-	-	22.4	20.7	22.4	20.7
Parking	-	-	0.2	0.2	0.2	0.2
Total Expenses	46.3	52.5	22.6	20.8	68.9	73.3
Increase (Decrease) in Net Position Before Transfers	7.3	1.3	3.1	3.8	10.3	5.1
Transfers	0.5	0.5	(0.5)	(0.5)	-	-
Change in Net Position	7.8	1.8	2.5	3.2	10.3	5.1
Net Position - Beginning	61.5	59.6	97.1	93.9	158.6	153.5
Net Position - Ending	\$ 69.3	61.5	99.6	97.1	168.9	158.6

As shown in the Changes in Net Position table above, total revenues for both governmental and business-type activities in the fiscal year ended December 31, 2020 totaled \$79.2 million compared to fiscal year ended December 31, 2019, revenues of \$78.4 million. The result is a slight increase in total revenues from the prior year. Due to COVID-19, Sales Tax, Non-Home Rule Sales Tax, Places for Eating Tax, and Amusement Tax declined \$4.2 million. However, the COVID Relief Funds and the sale of 101 S. Main helped to keep revenues stable in 2020.

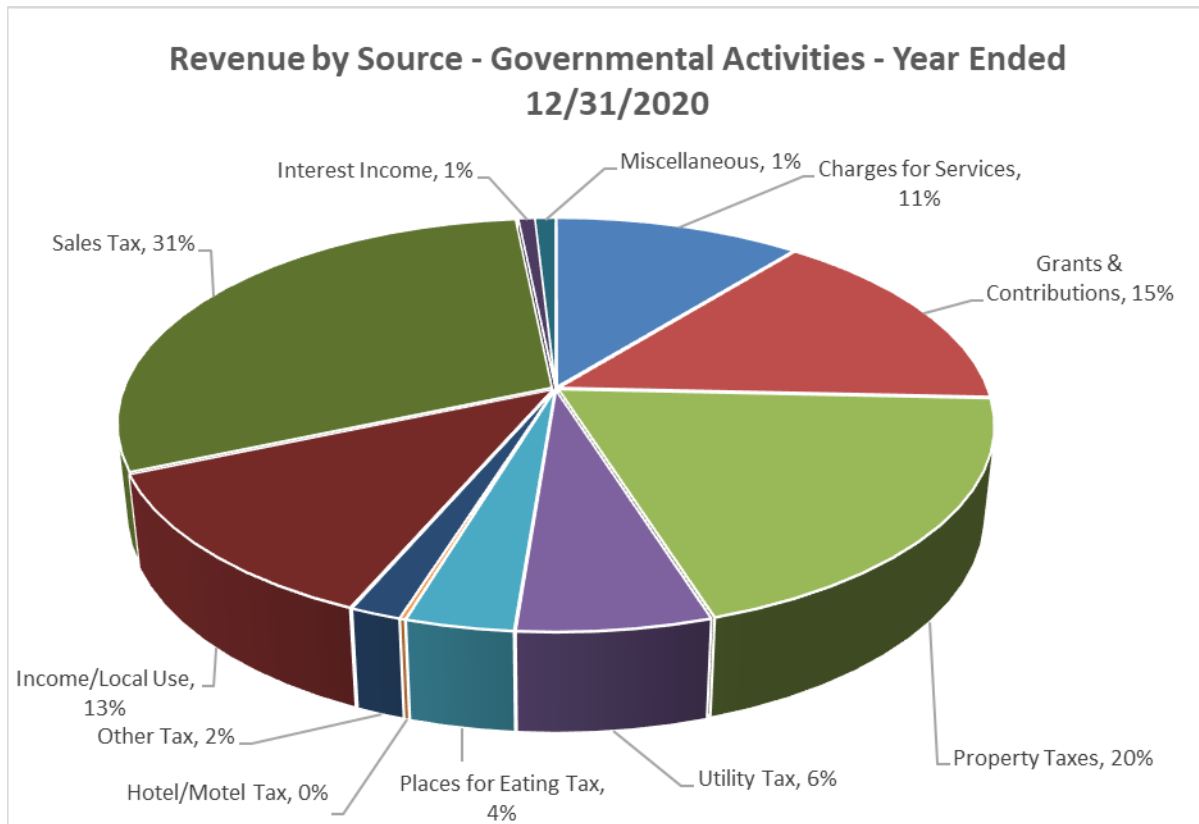
VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities

The following pie chart graphically depicts the major revenue sources of the Village of Lombard. It illustrates very clearly the reliance on sales and property taxes to fund governmental activities.

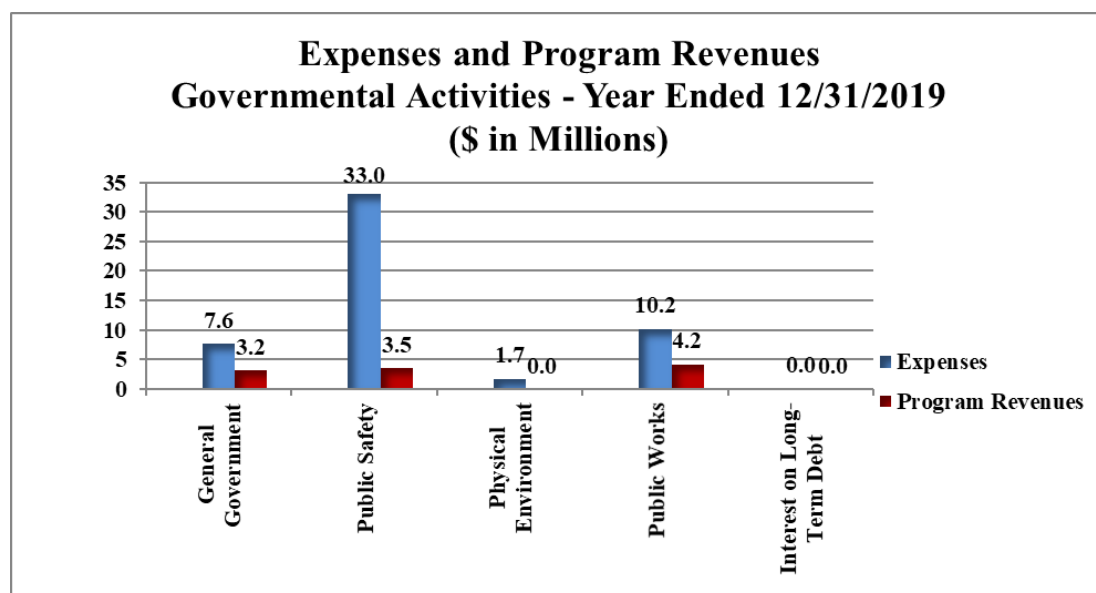
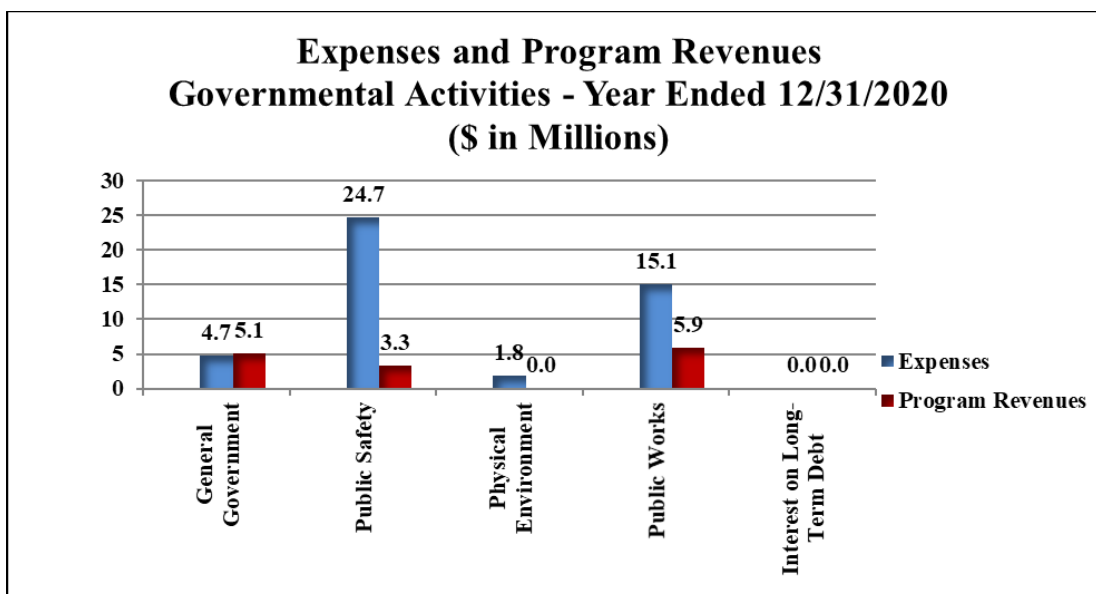


VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued



The Expenses and Program Revenues table identifies those governmental functions where program expenses greatly exceed revenues. Most program expenses are supported by general revenues of the Village and are not specifically allocated to a particular program. Fees for licenses, permits and other expenses for which there is a direct relationship between the cost of providing service and amount charged is reviewed on an annual basis as part of the annual budget process. As discussed earlier, the primary reason for the change in expenses for both General Government and Public Safety, compared to FY 2019, is decreased net pension liability for the IMRF, Police, and Firefighters' Pension Funds. In addition, Public Works had expenses of \$2.7 million for the TIF 4 rebate to the LPFC and depreciation expense of \$2.7 million for traffic signals and street projects.

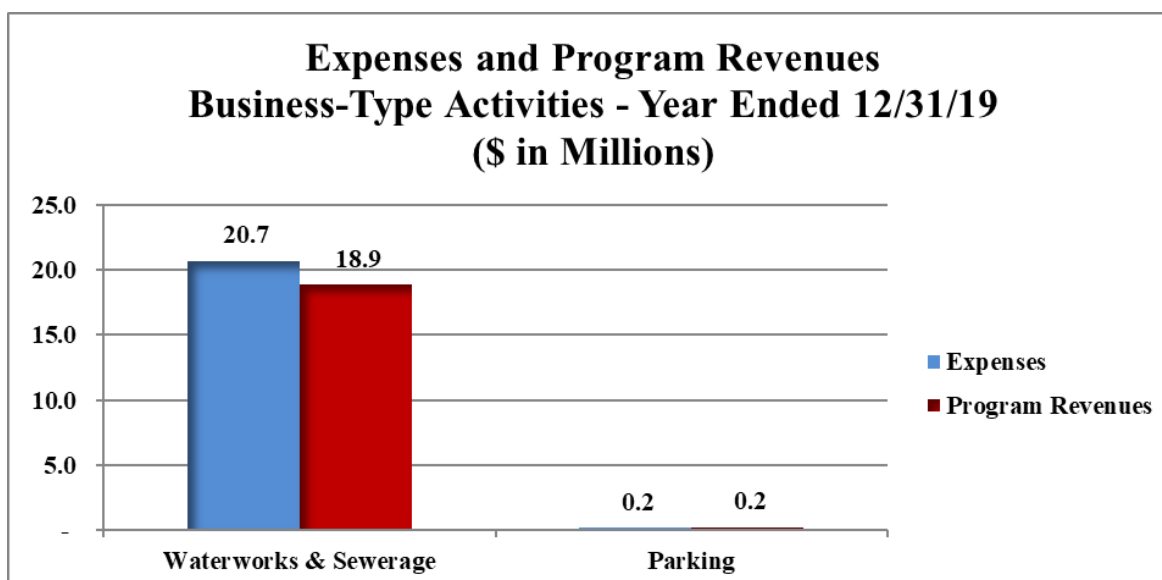
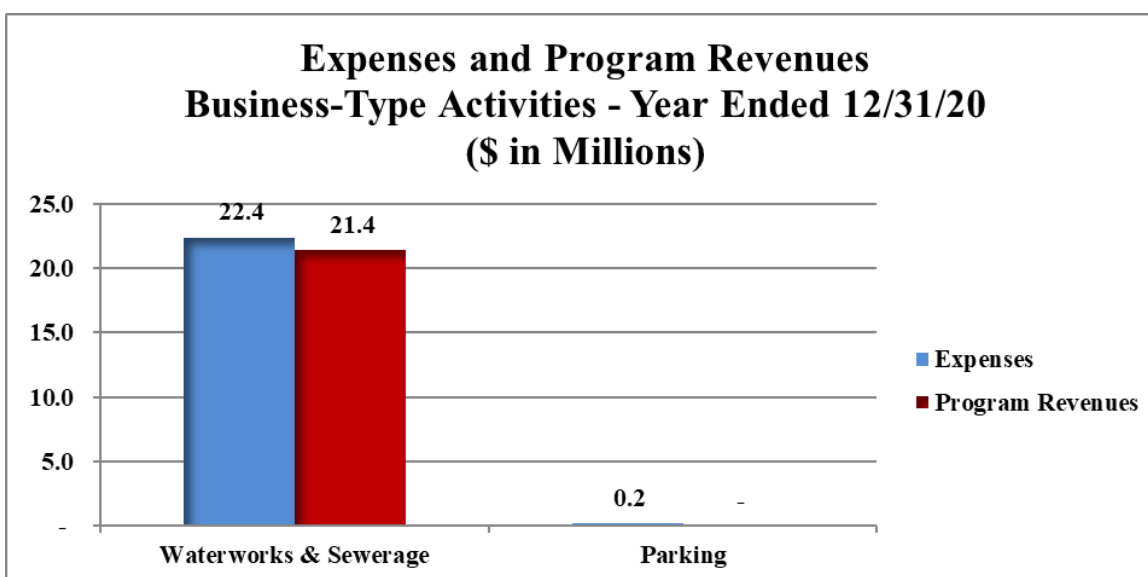
VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Business-Type Activities

The next graphs compare program revenues to expenses for waterworks and sewerage operations, and parking operations for the fiscal year ended December 31, 2020 and the fiscal year ended December 31, 2019. Program revenues of the Village's business-type activities in the fiscal year ended December 31, 2020 totaled \$21.4 million, increasing by \$2.5 million. Expenses totaled \$22.4 million, increasing by \$1.7 million. This increase in expenses is attributed to personnel changes and an increased percentage of wastewater flow charged to the Village of Lombard by Glenbard Wastewater Authority. The reduction in revenue for the parking fund is due to COVID-19. Starting in March 2020 thru July 1, 2021 the Village didn't charge for parking.



VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. As of the end of the current fiscal year, the major governmental funds reported combined ending fund balances of \$43.3 million. The following table provides information on the major funds: General, Capital Projects and Debt Service.

Major Governmental Funds Fund Balance Analysis				
Major Governmental Funds	Current Year	Prior Year	Change	% Chg
Nonspendable Fund Balance:				
General Fund	\$ 4,634,641	1,833,795	2,800,846	152.7%
Restricted Fund Balance:				
General Fund	\$ 5,606,336	5,062,201	544,135	10.7%
Capital Projects Fund	7,032,488	7,811,352	(778,864)	-10.0%
Debt Service Fund	434,275	424,315	9,960	2.3%
Committed Fund Balance:				
General Fund	\$ 8,619,201	8,165,600	453,601	5.6%
Capital Projects Fund	3,904,509	3,931,014	(26,505)	NA
Assigned Fund Balance:				
Capital Projects Fund	\$ 2,714,890	1,680,003	1,034,887	61.6%
Unassigned Fund Balance:				
General Fund	\$ 10,368,294	8,299,339	2,068,955	24.9%
Total	<u>\$ 43,314,634</u>	<u>37,207,619</u>	<u>6,107,015</u>	<u>16.4%</u>

- The Village maintains General Fund Balance restrictions for special revenues totaling \$5.6 million. The largest restriction maintained in the General Fund is for Liability Insurance and totaled \$2.5 million at year-end which increased slightly compared to FYE 2019. The Village also maintains restrictions for Illinois Municipal Retirement Fund, Public Safety, Recycling and Hotel/Motel tax funds and other smaller accounts.
- The Village maintains a committed portion of General Fund balance for the future replacement of computer hardware and software and other technology in the Village.
- The General Fund increased \$5.8 million during the fiscal year. This increase was due the COVID Relief Funds and the sale of 101 S. Main which both occurred during the fiscal year.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – Continued

- The Village Board approved a year-end General Fund Reserve Maintenance Policy in 2016. This policy created four new committed accounts (Emergency Reserve, Revenue Stabilization Reserve, Pension Reserve, and Building Reserve). Note the Building account is in the Capital Projects Fund.
- The Debt Service Fund is also reported as a major fund and is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest for the Village's governmental funds. For the fiscal year ended December 31, 2020, the Village reported an ending fund balance of \$434,275 which is restricted for future debt service costs.
- The Capital Projects Fund, also a major fund of the Village, is used to account for resources used for the acquisition of capital assets by the Village, except those financed by proprietary funds, including general and infrastructure capital assets. For the year ended December 31, 2020, the Capital Projects Fund reported an ending fund balance of \$13.7 million. The assigned Capital Projects fund increased \$1.0 million because very few construction projects were budgeted in 2020.

Proprietary Funds

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

The Village reports the Waterworks and Sewerage Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Water is purchased from the City of Chicago (through the DuPage Water Commission) at a rate of \$4.97 per thousand gallons. Water is sold to all municipal customers at a rate of \$8.04 per thousand gallons. The spread between purchase and sale rates is intended to finance the operations of the waterworks and sewerage system, including labor costs, supplies, and infrastructure maintenance.

The Village intends to run the water and sewage fund and parking fund at breakeven rates. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The change in net position in the Proprietary Funds during the current fiscal year was an increase of \$2.5 million. This money has been designated by the Village for future rate stabilization or capital improvements.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Lombard's investment in capital assets for its governmental and business-type activities as of December 31, 2020, was \$165.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, roads, sidewalks, bridges and utility infrastructure. The total decrease in the Village of Lombard net investment in capital assets for the current fiscal year was \$3.8 million over the prior fiscal year.

Capital Assets - Net of Depreciation (in Millions)

	Governmental Activities		Business-Type Activities		Total	
	Dec-20	Dec-19	Dec-20	Dec-19	Dec-20	Dec-19
Land	\$ 29.2	31.3	2.3	2.3	31.5	33.6
Construction in Progress	1.4	0.3	0.8	0.2	2.2	0.5
Land Improvements	1.0	1.1	0.7	0.9	1.7	1.9
Buildings	3.9	4.2	0.7	0.7	4.6	5.0
Vehicles and Equipment	4.8	4.2	-	-	4.8	4.2
Water and Sewerage Infrastructure	-	-	76.7	77.6	76.7	77.6
Other Infrastructure	43.5	46.0	-	-	43.5	46.0
Total	83.8	87.2	81.2	81.6	165.0	168.8

The December 31, 2020 fiscal capital budget included \$16.2 million for capital projects, maintenance of infrastructure, and debt payments on prior year projects. In FY 2020, \$1.2 million was added to Construction in Progress to reconstruct roadway (including curb and gutter and storm sewer) at Lombard Meadows to Magnolia Circle. Additional information on the Village of Lombard's capital assets can be found in Note 3 of this report. The reduction in Water and Sewer Infrastructure is due to depreciation expense of \$3.3 million compared to \$2.3 million in additions to infrastructure.

Debt Administration

At December 31, 2020, the Village of Lombard had total outstanding debt of \$17.4 million, as compared to \$18.6 million the previous year, a decrease of 6.3%. At the end of fiscal year December 31, 2020, the Village has no outstanding debt certificates. The Village's \$14.2 million in IEPA Loans at December 31, 2019 decreased to \$13.5 million at December 31, 2020.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration – Continued

As a non-home rule community, the Village of Lombard is required by state statute to seek voter approval to issue general obligation bonds. The Village has chosen to use alternative financing methods to fund the capital needs of the Village. Capital needs of the Village's water and sewer system are funded mainly through rates, non-home rule sales tax and water and sewer connection fees.

The Village's legal debt limit is \$149.4 million. The Village has no debt outstanding applicable to the legal debt margin available of \$149.4 million. Specifics on the Village of Lombard long-term debt can be found in Note 3 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village has adhered to prudent financial management practices that have enabled it to maintain and strengthen the Village's overall financial position while staying committed to funding the Village's long-term liabilities and achieving the goals and objectives of the Village Board.

The Village is subject to the property tax extension limitation law which limits the increase in the Village property tax extension to the increase in the consumer price index. For the 2019 levy collected in 2020, the applicable CPI factor is 1.9%. For both 2019 and 2020, the Village has seen an increase in new construction within the Village.

We continue to be cautious as the governor and state legislature continue to threaten cuts to local government revenue sharing. The Village continues to face substantial increases in liability and pension costs. In addition, seven former police officers and firefighters receive free health insurance from the Village under the Public Safety Employee Benefits Act (PSEBA), as mandated by the State of Illinois.

There are various areas that staff is analyzing for potential additional costs to the Village related to COVID. However, the most notable right now is the costs related to long-term illness from COVID for employees. In 2020, legislation was passed in Illinois that made COVID cases for police officers (PO) and firefighters (FF) automatically presumed to arise from their work, unless the employer was able to prove otherwise. The range of potential costs varies widely depending on which benefits they may be eligible for, and their age at the time. But these estimates range from \$275,000 to in excess of \$2 million for each case.

Many Village revenues faced significant losses in 2020 compared to 2019. Most notably impacted were revenues tied to retail, restaurants, amusement activities and hotels. In addition, the Village waived various fees for individuals and businesses, including Liquor License fees for businesses. The current anticipation is that various revenues will be negatively impacted for the first few months of 2021, but that they will pick up as restrictions are loosened throughout the year. Current estimates from the Federal Reserve and various financial institutions are that GDP growth will be up in the 7%-10% range for 2021.

VILLAGE OF LOMBARD, ILLINOIS

Management's Discussion and Analysis December 31, 2020

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES – Continued

The Village continues to invest in the replacement of its roads and related infrastructure using assigned and restricted funds as well as applying for grants and IEPA loans where possible. The Village also replaces when necessary aging watermain in conjunction with the road program. The overall financial health of the Water and Sewer Fund continues to be strong.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Lombard's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Director of Finance, Village of Lombard, 255 E. Wilson Ave., Lombard, IL 60148.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF LOMBARD, ILLINOIS

Statement of Net Position

December 31, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Lombard Public Facilities Corporation
ASSETS				
Current Assets				
Cash and Investments	\$ 48,498,515	11,148,609	59,647,124	1,393,924
Receivables - Net of Allowances	15,133,132	3,855,163	18,988,295	1,636,751
Prepaid/Deposits/Inventories	2,134,641	35,962	2,170,603	371,754
Total Current Assets	65,766,288	15,039,734	80,806,022	3,402,429
Noncurrent Assets				
Capital Assets				
Nondepreciable Capital Assets	30,637,318	3,052,142	33,689,460	7,903,588
Depreciable Capital Assets	138,133,753	130,201,668	268,335,421	139,207,149
Accumulated Depreciation	(84,931,985)	(52,012,405)	(136,944,390)	(53,014,002)
	83,839,086	81,241,405	165,080,491	94,096,735
Other Assets				
Net Pension Asset - IMRF	1,435,360	656,291	2,091,651	-
Equity Interest in Joint Venture	-	25,245,959	25,245,959	-
Advance Payments for Future Debt Service	-	-	-	3,552,858
Other Assets	-	-	-	33,475
	1,435,360	25,902,250	27,337,610	3,586,333
Total Noncurrent Assets	85,274,446	107,143,655	192,418,101	97,683,068
Total Assets	151,040,734	122,183,389	273,224,123	101,085,497
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	31,834	14,556	46,390	-
Deferred Items - Police Pension	3,868,114	-	3,868,114	-
Deferred Items - Firefighters' Pension	1,424,218	-	1,424,218	-
Deferred Items - RBP	1,557,798	227,824	1,785,622	-
Unamortized Asset Retirement Obligation	-	75,000	75,000	-
Total Deferred Outflows of Resources	6,881,964	317,380	7,199,344	-
Total Assets and Deferred Outflows of Resources	157,922,698	122,500,769	280,423,467	101,085,497

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

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Totals	Lombard Public Facilities Corporation
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 1,364,811	744,971	2,109,782	1,891,809
Accrued Payroll	966,071	155,777	1,121,848	-
Deposits Payable	494,964	336,413	831,377	-
Claims Payable	132,394	-	132,394	-
Interest Payable	-	152,907	152,907	1,971,361
Current Portion of Long-Term Debt	551,602	1,644,201	2,195,803	959,463
Total Current Liabilities	3,509,842	3,034,269	6,544,111	4,822,633
Noncurrent Liabilities				
Compensated Absences Payable	2,190,516	259,599	2,450,115	-
Net Pension Liability - Police	29,938,124	-	29,938,124	-
Net Pension Liability - Fire	14,082,219	-	14,082,219	-
Total OPEB Liability - RBP	7,904,887	1,156,070	9,060,957	-
Asset Retirement Obligation	154,888	73,125	228,013	-
General Obligation Bonds Payable	-	2,990,000	2,990,000	-
IEPA Loan Payable	-	12,833,285	12,833,285	-
Notes Payable	-	-	-	145,474,627
Total Noncurrent Liabilities	54,270,634	17,312,079	71,582,713	145,474,627
Total Liabilities	57,780,476	20,346,348	78,126,824	150,297,260
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	5,413,501	2,475,221	7,888,722	-
Deferred Items - Police Pension	7,711,488	-	7,711,488	-
Deferred Items - Firefighters' Pension	7,142,061	-	7,142,061	-
Deferred Items - RBP	240,306	35,144	275,450	-
Property Taxes	10,350,682	-	10,350,682	-
Total Deferred Inflows of Resources	30,858,038	2,510,365	33,368,403	-
Total Liabilities and Deferred Inflows of Resources	88,638,514	22,856,713	111,495,227	150,297,260
NET POSITION				
Net Investment in Capital Assets	83,839,086	63,840,694	147,679,780	94,096,735
Restricted - Liability Insurance	2,542,237	-	2,542,237	-
Restricted - IMRF	108,070	-	108,070	-
Restricted - Social Security	381,535	-	381,535	-
Restricted - Special Service Area	10,108	-	10,108	-
Restricted - Tourism and Conventions Taxes	752,554	-	752,554	-
Restricted - Grants/Donations	10,736	-	10,736	-
Restricted - Cable Equipment	97,644	-	97,644	-
Restricted - Recycling	79,326	-	79,326	-
Restricted - Business District #2	570,150	-	570,150	-
Restricted - Economic Development	500,000	-	500,000	-
Restricted - Public Safety	553,976	-	553,976	-
Restricted - Debt Service	434,275	-	434,275	-
Restricted - Capital Projects	7,032,488	-	7,032,488	-
Unrestricted (Deficit)	(27,628,001)	35,803,362	8,175,361	(143,308,498)
Total Net Position	69,284,184	99,644,056	168,928,240	(49,211,763)

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

VILLAGE OF LOMBARD, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2020

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 4,734,249	2,816,349	2,292,649	-
Public Safety	24,653,543	3,152,317	117,046	-
Physical Environment	1,788,091	-	-	-
Public Works	15,136,916	-	97,923	5,786,887
Interest on Long-Term Debt	545	-	-	-
Total Governmental Activities	46,313,344	5,968,666	2,507,618	5,786,887
Business-Type Activities				
Waterworks and Sewerage	22,381,170	19,412,989	19,387	1,971,429
Parking	160,474	47,700	-	-
Total Business-Type Activities	22,541,644	19,460,689	19,387	1,971,429
Total Primary Government	68,854,988	25,429,355	2,527,005	7,758,316
Component Unit - Lombard Public Facilities Corporation	27,870,902	24,359,820	-	-

General Revenues

Taxes

Property Taxes

Utility Taxes

Places for Eating Taxes

Tourism and Conventions Taxes

Other Taxes

Intergovernmental - Unrestricted

Sales Taxes

State Income and Use Taxes

Personal Property Replacement Taxes

Interest Income

Miscellaneous

Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Totals	Lombard Public Facilities Corporation
374,749	-	374,749	-
(21,384,180)	-	(21,384,180)	-
(1,788,091)	-	(1,788,091)	-
(9,252,106)	-	(9,252,106)	-
(545)	-	(545)	-
(32,050,173)	-	(32,050,173)	-
-	(977,365)	(977,365)	-
-	(112,774)	(112,774)	-
-	(1,090,139)	(1,090,139)	-
(32,050,173)	(1,090,139)	(33,140,312)	-
-	-	-	(3,511,082)
10,742,879	-	10,742,879	-
3,411,865	-	3,411,865	-
1,936,987	-	1,936,987	-
101,637	-	101,637	-
931,324	-	931,324	-
14,562,730	3,802,428	18,365,158	-
6,637,410	-	6,637,410	-
169,956	-	169,956	-
400,500	130,317	530,817	801
478,633	193,878	672,511	(959,339)
500,190	(500,190)	-	-
39,874,111	3,626,433	43,500,544	(958,538)
7,823,938	2,536,294	10,360,232	(4,469,620)
61,460,246	97,107,762	158,568,008	(44,742,143)
69,284,184	99,644,056	168,928,240	(49,211,763)

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

VILLAGE OF LOMBARD, ILLINOIS**Balance Sheet - Governmental Funds****December 31, 2020**

	General	Debt Service	Capital Projects	Totals
ASSETS				
Cash and Investments	\$ 23,102,994	432,930	15,803,391	39,339,315
Receivables - Net of Allowances				
Property Taxes	10,336,123	5,196	-	10,341,319
Other Taxes	3,320,183	-	790,504	4,110,687
Accounts	562,412	-	16,447	578,859
Accrued Interest	37,181	1,345	33,888	72,414
Advances to Other Funds	2,500,000	-	-	2,500,000
Prepays/Deposits	2,134,641	-	-	2,134,641
Total Assets	41,993,534	439,471	16,644,230	59,077,235
LIABILITIES				
Accounts Payable	848,770	-	492,343	1,341,113
Accrued Payroll	943,448	-	-	943,448
Deposits Payable	494,964	-	-	494,964
Claims Payable	132,394	-	-	132,394
Advances from Other funds	-	-	2,500,000	2,500,000
Total Liabilities	2,419,576	-	2,992,343	5,411,919
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	10,345,486	5,196	-	10,350,682
Total Liabilities and Deferred Inflows of Resources	12,765,062	5,196	2,992,343	15,762,601
FUND BALANCE				
Nonspendable	4,634,641	-	-	4,634,641
Restricted	5,606,336	434,275	7,032,488	13,073,099
Committed	8,619,201	-	3,904,509	12,523,710
Assigned	-	-	2,714,890	2,714,890
Unassigned	10,368,294	-	-	10,368,294
Total Fund Balances	29,228,472	434,275	13,651,887	43,314,634
Total Liabilities, Deferred Inflows of Resources and Fund Balances	41,993,534	439,471	16,644,230	59,077,235

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

VILLAGE OF LOMBARD, ILLINOIS

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

December 31, 2020

Total Governmental Fund Balances	\$ 43,314,634
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	79,323,744
Net deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	(5,045,235)
Deferred Items - Police Pension	(3,843,374)
Deferred Items - Firefighters' Pension	(5,717,843)
Deferred Items - RBP	1,281,750
Internal service funds are used by the Village to charge the costs of vehicle and equipment management to individual funds.	
The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	13,151,403
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(2,656,883)
Net Pension (Asset) - IMRF	1,345,629
Net Pension Liability - Police	(29,938,124)
Net Pension Liability - Firefighters' Pension	(14,082,219)
Total OPEB Liability - RBP	(7,690,438)
Asset Retirement Obligation	(158,860)
Net Position of Governmental Activities	69,284,184

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

VILLAGE OF LOMBARD, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended December 31, 2020

	General	Debt Service	Capital Projects	Totals
Revenues				
Taxes	\$ 16,949,111	4,945	170,636	17,124,692
Licenses and Permits	882,777	-	-	882,777
Intergovernmental	19,966,407	-	9,698,194	29,664,601
Charges for Services	4,225,547	-	-	4,225,547
Fines and Forfeits	860,342	-	-	860,342
Interest	148,706	5,015	135,581	289,302
Miscellaneous	420,080	-	58,553	478,633
Total Revenues	43,452,970	9,960	10,062,964	53,525,894
Expenditures				
Current				
General Government	6,255,754	-	-	6,255,754
Public Safety	27,703,298	-	-	27,703,298
Physical Environment	1,788,091	-	-	1,788,091
Public Works	3,889,700	-	-	3,889,700
Capital Outlay	-	-	9,692,760	9,692,760
Debt Service				
Principal Retirement	-	-	88,375	88,375
Interest and Fiscal Charges	-	-	1,091	1,091
Total Expenditures	39,636,843	-	9,782,226	49,419,069
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,816,127	9,960	280,738	4,106,825
Other Financing Sources (Uses)				
Disposal of Capital Assets	1,500,000	-	-	1,500,000
Transfers In	551,410	-	-	551,410
Transfers Out	-	-	(51,220)	(51,220)
	2,051,410	-	(51,220)	2,000,190
Net Change in Fund Balances	5,867,537	9,960	229,518	6,107,015
Fund Balances - Beginning	23,360,935	424,315	13,422,369	37,207,619
Fund Balances - Ending	29,228,472	434,275	13,651,887	43,314,634

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

VILLAGE OF LOMBARD, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities - Governmental Activities

For the Fiscal Year Ended December 31, 2020

Net Change in Fund Balances - Total Governmental Funds	\$ 6,107,015
---	---------------------

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

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	1,334,296
Depreciation Expense	(3,068,044)
Disposals - Cost	(2,137,125)

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

Change in Deferred Items - IMRF	(2,747,038)
Change in Deferred Items - Police Pension	(1,073,951)
Change in Deferred Items - Firefighters' Pension	(3,056,661)
Change in Deferred Items - RBP	299,306

The issuance of long-term debt provides current financial resources to
governmental funds, While the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(486,934)
Change in Net Pension Liability - IMRF	5,306,992
Change in Net Pension Liability - Police Pension	2,904,990
Change in Net Pension Liability - Firefighters' Pension	4,143,271
Change in Total OPEB Liability - RBP	(550,605)
Change in Asset Retirement Obligation	(158,860)
Retirement of Debt	88,375

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

546

Internal service funds are used by the Village to charge the costs of liability
insurance and vehicle and equipment management to individual funds.
The net revenue of certain activities of internal service funds is
reported with governmental activities.

918,365

Changes in Net Position of Governmental Activities

7,823,938

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

VILLAGE OF LOMBARD, ILLINOIS

Statement of Net Position - Proprietary Funds

December 31, 2020

	Business-Type Activities - Enterprise			Governmental Activities
	Waterworks and Sewerage	Nonmajor Parking System	Totals	Internal Service Fleet Services
ASSETS				
Current Assets				
Cash and Investments	\$ 10,286,502	862,107	11,148,609	9,159,200
Receivables - Net of Allowances				
Accounts	3,105,007	-	3,105,007	2,675
Other Taxes	717,465	-	717,465	-
Accrued Interest	29,940	2,751	32,691	27,178
Prepays	35,962	-	35,962	-
Total Current Assets	14,174,876	864,858	15,039,734	9,189,053
Noncurrent Assets				
Capital Assets				
Nondepreciable Capital Assets	2,488,099	564,043	3,052,142	602,691
Depreciable Capital Assets	128,681,550	1,520,118	130,201,668	10,366,204
Accumulated Depreciation	(51,278,060)	(734,345)	(52,012,405)	(6,453,553)
	79,891,589	1,349,816	81,241,405	4,515,342
Other Assets				
Net Pension Asset - IMRF	656,291	-	656,291	89,731
Equity Interest in Joint Venture	25,245,959	-	25,245,959	-
	25,902,250	-	25,902,250	89,731
Total Noncurrent Assets	105,793,839	1,349,816	107,143,655	4,605,073
Total Assets	119,968,715	2,214,674	122,183,389	13,794,126
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	14,556	-	14,556	1,990
Deferred Items - RBP	227,824	-	227,824	42,261
Unamortized Asset Retirement Obligation	75,000	-	75,000	-
Total Deferred Outflows of Resources	317,380	-	317,380	44,251
Total Assets and Deferred Outflows of Resources	120,286,095	2,214,674	122,500,769	13,838,377

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

	Business-Type Activities - Enterprise			Governmental Activities
	Waterworks and Sewerage	Nonmajor Parking System	Totals	Internal Service Fleet Services
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 744,291	680	744,971	23,698
Accrued Payroll	155,519	258	155,777	22,623
Deposits Payable	335,958	455	336,413	-
Interest Payable	152,907	-	152,907	-
Compensated Absences	64,318	582	64,900	16,253
Asset Retirement Obligation	1,875	-	1,875	-
General Obligation Bonds Payable	910,000	-	910,000	-
IEPA Loan Payable	667,426	-	667,426	-
Total Current Liabilities	3,032,294	1,975	3,034,269	62,574
Noncurrent Liabilities				
Compensated Absences	257,272	2,327	259,599	65,010
Total OPEB Liability - RBP	1,156,070	-	1,156,070	214,449
Asset Retirement Obligation	73,125	-	73,125	-
General Obligation Bonds Payable	2,990,000	-	2,990,000	-
IEPA Loan Payable	12,833,285	-	12,833,285	-
Total Noncurrent Liabilities	17,309,752	2,327	17,312,079	279,459
Total Liabilities	20,342,046	4,302	20,346,348	342,033
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	2,475,221	-	2,475,221	338,422
Deferred Items - RBP	35,144	-	35,144	6,519
Total Deferred Inflows of Resources	2,510,365	-	2,510,365	344,941
Total Liabilities and Deferred Inflows of Resources	22,852,411	4,302	22,856,713	686,974
NET POSITION				
Net Investment in Capital Assets	62,490,878	1,349,816	63,840,694	4,515,342
Unrestricted	34,942,806	860,556	35,803,362	8,636,061
Total Net Position	97,433,684	2,210,372	99,644,056	13,151,403

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

VILLAGE OF LOMBARD, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended December 31, 2020

	Business-Type Activities - Enterprise			Governmental Activities
	Waterworks and Sewerage	Nonmajor Parking System	Totals	Internal Service Fleet Services
Operating Revenues				
Charges for Services	\$ 19,412,989	47,700	19,460,689	2,372,938
Operating Expenses				
Administration	1,590,593	-	1,590,593	-
Operations	12,406,098	89,040	12,495,138	1,461,588
Sewerage Treatment	5,128,737	-	5,128,737	-
Depreciation	3,255,742	71,434	3,327,176	741,147
Total Operating Expenses	22,381,170	160,474	22,541,644	2,202,735
Operating Income (Loss)	(2,968,181)	(112,774)	(3,080,955)	170,203
Nonoperating Revenues				
Sales Tax	3,802,428	-	3,802,428	-
Interest Income	118,607	11,710	130,317	111,198
Connection Fees	163,271	-	163,271	-
Grant	19,387	-	19,387	-
Other Income	-	30,607	30,607	33,796
Disposal of Capital Assets	-	-	-	603,168
	4,103,693	42,317	4,146,010	748,162
Income (Loss) Before Contributions and Transfers	1,135,512	(70,457)	1,065,055	918,365
Capital Contributions	1,971,429	-	1,971,429	-
Transfers Out	(496,470)	(3,720)	(500,190)	-
	1,474,959	(3,720)	1,471,239	-
Change in Net Position	2,610,471	(74,177)	2,536,294	918,365
Net Position - Beginning	94,823,213	2,284,549	97,107,762	12,233,038
Net Position - Ending	97,433,684	2,210,372	99,644,056	13,151,403

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

VILLAGE OF LOMBARD, ILLINOIS

Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Waterworks and Sewerage	Nonmajor Parking System	Totals	Internal Service Fleet Services
Cash Flows from Operating Activities				
Interfund Services Provided	\$ -	-	-	2,420,424
Receipts from Customers and Users	19,709,613	79,566	19,789,179	-
Payments to Employees	(3,856,882)	(27,551)	(3,884,433)	(551,177)
Payments to Suppliers	(15,246,851)	(61,675)	(15,308,526)	(829,054)
	605,880	(9,660)	596,220	1,040,193
Cash Flows from Noncapital Financing Activities				
Transfers Out	(496,470)	(3,720)	(500,190)	-
Sales Tax	3,802,428	-	3,802,428	-
Connection Fees	163,271	-	163,271	-
	3,469,229	(3,720)	3,465,509	-
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(948,497)	-	(948,497)	(1,269,562)
Principal Payments	(1,071,960)	-	(1,071,960)	-
Disposal of Capital Assets	-	-	-	603,168
	(2,020,457)	-	(2,020,457)	(666,394)
Cash Flows from Investing Activities				
Interest Income	118,607	11,710	130,317	111,198
Net Change in Cash and Cash Equivalents	2,173,259	(1,670)	2,171,589	484,997
Cash and Cash Equivalents - Beginning	8,113,243	863,777	8,977,020	8,674,203
Cash and Cash Equivalents - Ending	10,286,502	862,107	11,148,609	9,159,200
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(2,968,181)	(112,774)	(3,080,955)	170,203
Adjustments to Reconcile Operating Income to Net Income to Net Cash				
Provided by (Used in) Operating Activities:				
Depreciation Expense	3,255,742	71,434	3,327,176	741,147
Other Income (Loss)	19,387	30,607	49,994	33,796
Other Expense - IMRF/OPEB	364,018	-	364,018	61,134
(Increase) Decrease in Current Assets	277,237	1,259	278,496	13,690
Increase (Decrease) in Current Liabilities	(342,323)	(186)	(342,509)	20,223
Net Cash Provided by Operating Activities	605,880	(9,660)	596,220	1,040,193
Noncash Investing and Financing Activities				
Capital Contributions	1,971,429	-	1,971,429	-

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

VILLAGE OF LOMBARD, ILLINOIS**Statement of Fiduciary Net Position****December 31, 2020**

	Pension Trust	Custodial Special Assessments
ASSETS		
Cash and Cash Equivalents	\$ 2,431,612	917,054
Investments		
U.S. Treasuries	3,999,801	-
U.S. Agencies	32,906,755	-
Local Government Obligations	5,582,233	-
Corporate Bonds	23,666,900	-
Mutual Funds	80,767,974	-
Stock Equities	6,830,001	-
Illinois Funds	82,920	-
Illinois Metropolitan Investment Funds	594,517	-
Receivables		
Accounts	-	2,839
Accrued Interest	417,685	-
Prepays	795	15,975
Total Assets	157,281,193	935,868
LIABILITIES		
Accounts Payable	77,713	84
NET POSITION		
Net Position Restricted	157,203,480	935,784

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

VILLAGE OF LOMBARD, ILLINOIS

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended December 31, 2020

	Pension Trust	Custodial Special Assessments
Additions		
Contributions - Employer	\$ 5,510,508	-
Contributions - Plan Members	1,277,411	-
Rebates	-	(13,692)
Total Contributions	6,787,919	(13,692)
Other Income	502	-
Investment Income		
Interest Earned	18,413,024	14,727
Net Change in Fair Value	(42,316)	-
	18,370,708	14,727
Less Investment Expenses	(252,109)	-
Net Investment Income	18,118,599	14,727
Total Additions	24,907,020	1,035
Deductions		
Administration	88,228	5,749
Benefits and Refunds	9,696,623	-
Total Deductions	9,784,851	5,749
Change in Fiduciary Net Position	15,122,169	(4,714)
Net Position Restricted		
Beginning	142,081,311	940,498
Ending	157,203,480	935,784

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Lombard (Village), Illinois, incorporated in 1869, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include police and fire safety, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, waterworks and sewerage services, parking system services, and general administrative services.

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

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Lombard
Discretely Presented Component Unit:	Lombard Public Facilities Corporation

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village.

Police Pension Employees Retirement System

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Firefighters' Pension Employees Retirement System

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

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 but do not meet the criteria for blending.

Lombard Public Facilities Corporation

The Lombard Public Facilities Corporation (the "LPFC") is an Illinois not-for-profit corporation, created to, among other things, issue revenue bonds to finance the cost of acquiring, designing, constructing, equipping, operating and financing a Conference Center, Hotel, Restaurants and related improvements (the "Conference Center") adjacent to the Yorktown Center regional shopping mall. The Village appointed a majority of LPFC's governing body in previous years but had no responsibility for the operations of the LPFC. The Village Board approved debt issuances by the LPFC, but the repayment of debt was not made with Village resources nor did the Village guarantee repayment of any such debt. The Village was a party to a Restructuring Support Agreement for the LPFC's debt, dated July 25, 2017. The LPFC filed for restructuring of debt in the U.S. Bankruptcy Court on July 28, 2017. The Judge ruled in December 2017 that the LPFC is eligible to file Chapter 11 Restructuring and ruled that the LPFC is not an instrumentality of the Village. The Judge confirmed the LPFC's restructuring plan on March 6, 2018 and the restructuring plan was made effective on March 15, 2018. For the year ended December 31, 2018 the Village paid the Lombard Public Facilities Corporation \$3 million per terms of the agreement. In addition, each year the Village and will remit 40% of taxes generated by TIF IV through fiscal year 2027 for an additional maximum reimbursement of \$3.7 million. Separate audited financial statements for the LPFC as of December 31, 2015, are available from the Village of Lombard's finance department at 255 E. Wilson Ave., Lombard, Illinois 60148. As of the date of this report, the December 31, 2018 audit for the LPFC is the most recent audited financial statements on file with the Village.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and fire safety, highway and street maintenance and reconstruction, forestry, building, code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services and parking system services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village does not currently utilize special revenue funds.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Debt service funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and records all of the Village's general obligation debt activity.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Capital Projects Fund is a major fund and accounts for revenues and expenditures relative to the construction of capital improvements.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Waterworks and Sewerage Fund, a major fund, accounts for the provision of water and sewer services to the residents and businesses of the Village. The Parking System Fund, a nonmajor fund, accounts for revenues and expenses related to public parking.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund. The Fleet Services Fund accounts for the costs of operating a maintenance facility for vehicular equipment used by other Village departments as well as accounts for the accumulation of resources to finance projects associated with the replacement of the vehicular equipment. The Village's internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal services are the Village's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Fiduciary Funds

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

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

Custodial funds are used to account for assets held by the Village in a purely custodial capacity. The Special Assessments Fund accounts for the collection of special assessments from property owners and payments of related special assessment debt.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

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

Custodial funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

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

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

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

All proprietary, pension trust and custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds, and of the Village's internal service funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Prepays/Deposits

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$50,000 to \$200,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets and traffic signals are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, acquisition value based on entry price.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

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

Land Improvement	10 - 20 Years
Buildings	30 - 50 Years
Vehicles and Equipment	3 - 15 Years
Water and Sewerage Infrastructure	20 - 50 Years
Other Infrastructure	20 - 50 Years

Deferred Outflows/Inflows of Resources

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

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. All departments of the Village submit requests for budgets to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested budgets for the next fiscal year.

The proposed budget is presented to the Village Board for review. The Village Board holds public hearings and may add to, subtract from, or change budgeted amounts, but may not change the form of the budget.

Prior to January 1, the budget, which by State law also serves as the appropriation ordinance, is adopted by the Board of Trustees and constitutes the legal budget of the Village. The Village Manager is authorized to transfer budgeted amounts within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund. State statutes establish that expenditures may not legally exceed budgeted appropriations at the fund level. Appropriations lapse at the end of the fiscal year. During the year, no supplementary appropriations were necessary.

DEFICIT FUND EQUITY

The Lombard Public Facilities Corporation, a discretely presented component unit, has deficit fund equity of \$49,211,763.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

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

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer's Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, Pension Funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$16,024,024 and the bank balances totaled \$17,063,117.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
Illinois Funds	\$ 9,387,171	9,387,171	-	-	-
Illinois Metropolitan Investment Fund	33,666,826	33,666,826	-	-	-
Local Government Obligations	569,103	569,103	-	-	-
	<u>43,623,100</u>	<u>43,623,100</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Village has the following recurring fair value measurements as of December 31, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
Local Government Obligations	\$ 569,103	-	569,103	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	9,387,171			
IMET	33,666,826			
Total Investments at the (NAV)	<u>43,053,997</u>			
Total Investments Measured at Fair Value	<u>43,623,100</u>			

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy states that the investment portfolio shall remain sufficiently liquid to enable the Village to meet all operating requirements which may be reasonably anticipated in any Village fund. Investment maturities in all funds shall be limited to a maximum maturity of sixty (60) months from the date of purchase. Investments in other funds may be purchased with maturities to match future project or liability requirements. However, any investment purchased with a maturity longer than sixty (60) months must be supported by written documentation explaining the reason for the purchase and must be specifically pre-authorized by the Finance Committee.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under State Statute, the Village's investment policy further states that safety of principal is the foremost objective of the Village. At year-end, the Village's investments in the local government obligations are all rated BBB+ by Fitch, and the Village's investment in the Illinois Funds was rated AAAM by Standard & Poor's. The Illinois Metropolitan Investment Trust Convenience Fund is not rated.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that funds on deposit in excess of FDIC or FSLIC limits be secured by some form of collateral. The Village will accept any of the following assets as collateral:

U.S. Government Securities	Obligations of the State of Illinois
Obligations of Federal Agencies	Obligations of the Village of Lombard
Obligations of Federal Instrumentalities	General Obligation Municipal Bonds Rated "A" or better

The amount of collateral provided will not be less than one-hundred-ten percent (110%) of the fair market value of the net amount of public funds secured. Pledged collateral will be held by the Village or in safekeeping and evidenced by a safekeeping agreement. If collateral is held in safekeeping, it may be held by a third party or by an escrow agent of the pledging institution.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not mitigate custodial credit risk for investments. At year-end, the Village's investment in the Illinois Fund is noncategorizable. The IMET Convenience Fund is a depository vehicle that is 110 percent collateralized with obligations of the United States Treasury and its agencies. All collateral securities are held in the name of IMET at the Federal Reserve Bank of New York.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that the Village shall diversify its investments to avoid incurring unreasonable risks regarding specific security types and/or individual institutions. Furthermore, no financial institution shall hold more than twenty percent (20%) of the Village's investment portfolio, exclusive of U.S. Treasury securities and collateralized investments held in safekeeping. Commercial paper shall not exceed ten percent (10%) of the Village's investment portfolio and the Illinois Public Treasurer's Investment Pool shall not exceed twenty-five percent (25%) of the investment portfolio. At year-end, the Village does not have any investments over 5 percent of cash and investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$1,583,028 and the bank balances totaled \$1,593,166.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasuries	\$ 3,999,801	607,969	1,674,629	1,717,203	-
U.S. Agencies	24,239,695	150,640	6,694,746	17,394,309	-
Local Government Obligations	4,565,284	252,592	2,032,392	1,773,745	506,555
Corporate Bonds	5,960,136	201,214	1,770,606	3,988,316	-
Illinois Funds	79,617	79,617	-	-	-
Illinois Metropolitan Investment Fund	90,346	90,346	-	-	-
	38,934,879	1,382,378	12,172,373	24,873,573	506,555

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund has the following recurring fair value measurements as of December 31, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasuries	\$ 3,999,801	3,999,801	-	-
U.S. Agencies	24,239,695	-	24,239,695	-
Local Government Obligations	4,565,284	-	4,565,284	-
Corporate Bonds	5,960,136	-	5,960,136	-
Equity Securities				
Mutual Funds	40,992,897	40,992,897	-	-
Total Investments by Fair Value Level	79,757,813	44,992,698	34,765,115	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	79,617			
IMET	90,346			
Total Investments at the (NAV)	169,963			
Total Investments Measured at Fair Value	79,927,776			

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

Interest Rate Risk. The Fund's investment policy states assets shall be sufficiently liquid to meet the Fund's disbursement requirements for the payment of operating expenses and benefits. Under most circumstances, the maturity of the portfolio will be maintained at approximately 5 years and will range from 2 to 7 years.

Credit Risk. The Fund's investment policy permits investments in any type of investment instrument permitted by Illinois law as described in Chapter 40 of the Illinois Compiled Statutes, 40 ILCS 5/1-113.2 through 113.4a.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk – Continued. At year-end, the Fund's investments in U.S. Agencies were rated Aaa to AA+ by Moody's or Standard and Poor's. The local government obligations were rated A3 to AAA by Moody's or Standard and Poor's. The Fund's investment in corporate bonds were rated A2 to Aaa by Moody's. The Fund's investment in the Illinois Funds was rated AAAm by Standard & Poor's. The Illinois Metropolitan Investment Trust Convenience Fund is not rated.

Custodial Credit Risk. In the case of deposits, the Fund's investment policy states that assets may be invested in savings accounts or certificates of deposit of a national or state bank, even if fund assets on deposit in such institution will exceed federal deposit insurance or guarantee limits for invested principal and accrued interest, but only if the amount by which the fund's investment exceeds such insurance or guarantee limits is collateralized by the fund which shall be maintained and credited to the fund on the records of the custodial bank. The Fund shall have a perfected security interest in such securities which shall be free of any claims to the rights to these securities other than any claims by the custodian which are subordinate to the Fund's claims to rights to these securities.

In the case of investments, the Fund's investment policy requires third party safekeeping for all securities owned by the Fund. Custody arrangements shall be documented by an approved written agreement. The agreement may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.

At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as local government obligations are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investment in the Illinois Funds and the Illinois Metropolitan Investment Funds are not subject to custodial credit risk.

Concentration Risk. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	49.0%	1.4%
Equity	50.0%	5.8% - 7.6%
Cash and Cash Equivalents	1.0%	0.0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund's investment policy states that the allocation guidelines, by asset class, for the fixed income investments are as follows:

Fixed Income Allocation	Target
Bank Certificates of Deposit	0% - 10%
U.S. Treasury Securities	5% - 40%
U.S. Government Agency Securities - non-MBS	20% - 70%
U.S. Government Agency Securities - Callable	0% - 20%
U.S. Government Agency Securities - MBS	0% - 10%
Taxable Municipal Securities	5% - 20%
Investment Grade Corporate Bonds	5% - 20%

Once the Fund reaches the equity allocation approved by the Board and permitted by law, normal asset allocation range for equity portfolio allocation weightings should be as follows:

Equity Diversification	Target
US Large Cap Stocks	40% - 100%
US Small Cap Stocks	0% - 40%
Foreign Securities	0% - 20%

At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values previously listed, the Fund also has \$40,992,897 invested in mutual funds. At year-end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in January 2021 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are listed in the table above.

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.48%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Fund's deposits totaled \$848,584 and the bank balances totaled \$849,584.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agencies	\$ 8,667,060	1,175,514	3,554,552	3,936,994	-
Local Government Obligations	1,016,949	-	454,940	356,907	205,102
Corporate Bonds	17,706,764	2,913,858	10,113,416	4,679,490	-
Illinois Funds	3,303	3,303	-	-	-
Illinois Metropolitan Investment Fund	504,171	504,171	-	-	-
	27,898,247	4,596,846	14,122,908	8,973,391	205,102

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

The Fund has the following recurring fair value measurements as of December 31, 2020:

Investments by Fair Value Level	Totals	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Agencies	\$ 8,667,060	-	8,667,060	-
Local Government Obligations	1,016,949	-	1,016,949	-
Corporate Bonds	17,706,764	-	17,706,764	-
Equity Securities				
Mutual Funds	39,775,077	39,775,077	-	-
Stock	6,830,001	6,830,001	-	-
Total Investments by Fair Value Level	73,995,851	46,605,078	27,390,773	-
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	3,303			
IMET	504,171			
Total Investments at the (NAV)	507,474			
Total Investments Measured at Fair Value	74,503,325			

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

Interest Rate Risk. The Fund's investment policy states assets shall be sufficiently liquid to meet the Fund's disbursement requirements for the payment of operating expenses and benefits.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. The Fund's investment policy helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. Furthermore, the Fund's investment policy states that safety of principal is the foremost objective of the Fund. Each investment transaction shall seek to first ensure that large capital losses are avoided whether they be from securities defaults or erosion of market value. At year-end, the Fund's investments in U.S. Agencies were not rate. The Fund's investment in the local government obligations were rated A2 to Aa1 by Moody's. The Fund's investment in corporate bonds were rated Baa2 to Aa2 by Moody's or Standard and Poor's. The Fund's investment in the Illinois Funds was rated AAAM by Standard & Poor's. The Illinois Metropolitan Investment Trust Convenience Fund is not rated.

Custodial Credit Risk. In the case of deposits, the Fund's investment policy states that all deposits in excess of FDIC insurable limits (applies to bank Certificates of Deposit) be secured by collateral in order to protect deposits from default. Eligible collateral instruments and collateral ratios (market value divided by deposit) are as follows:

U.S. Government Securities	110%
Obligations of Federal Agencies	115%
Obligations of the State of Illinois	115%
Local and Municipal Bonds rated "A" or better by Moody's	115%

In the case of investments, third party safekeeping is required for all collateral. To accomplish this, the securities can be held at the following locations:

- A Federal Reserve Bank or branch office
- At another custodial facility – generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved. If physical securities are involved, at a third-party depository in a suitable vault and insured against loss by fire, theft and similar causes.

At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance. Furthermore, the Fund's investment in U.S. Treasury and Agency securities as well as local government obligations are categorized as insured, registered, or held by the Fund or its agent in the Fund's name. The Fund's investments in the Illinois Funds and the Illinois Metropolitan Investment Funds are not subject to custodial credit risk.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk. The Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real
		Rate of Return
Fixed Income	7.5% - 40%	4.3% - 10.2%
Domestic Equities	10% - 55%	7.5% - 12.3%
International Equities	15%	6.6% - 8.6%
Cash and Cash Equivalents	0%	0%

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in January 2021 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are listed in the table above.

The Fund's investment policy states that the allocation guidelines, by asset class, for the fixed income investments are as follows:

Fixed Income Allocation	Target
Cash, Money Market, IL Funds Accounts	0% - 10%
Bank Certificates of Deposit	0% - 10%
U.S. Treasury Securities	0% - 40%
U.S. Government Agency Securities - non-MBS	0% - 75%
U.S. Government Agency Securities - MBS	0% - 20%
Taxable Municipal Securities	0% - 30%
Corporate Bonds	0% - 50%
High-Yield Fixed Income Funds	0% - 10%
International Fixed Income Funds	0% - 10%

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Firefighters' Pension Fund Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Once the Fund reaches the equity allocation approved by the Board and permitted by law, normal asset allocation range for equity portfolio allocation weightings should be as follows:

Equity Diversification	Target
US Large Cap Stocks	15% - 75%
US Mid-Sized Company Stocks	0% - 20%
US Small Cap Stocks	0% - 20%
International Stock Funds	0% - 40%
Alternative Investment Funds	0% - 20%

At year-end, the Fund is in compliance with the guideline outlined above. In addition to the securities and fair values previously listed, the Fund also has \$39,775,077 invested in mutual funds and \$6,830,001 invested in stock equities. At year-end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Rate of Return

For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.96%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2019 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 31,310,306	-	2,100,000	29,210,306
Construction in Progress	315,549	1,310,356	198,893	1,427,012
	<u>31,625,855</u>	<u>1,310,356</u>	<u>2,298,893</u>	<u>30,637,318</u>
Depreciable Capital Assets				
Land Improvements	1,476,703	-	37,125	1,439,578
Buildings	9,348,286	-	-	9,348,286
Vehicles and Equipment	12,476,938	1,492,395	625,589	13,343,744
Other Infrastructure	114,002,145	-	-	114,002,145
	<u>137,304,072</u>	<u>1,492,395</u>	<u>662,714</u>	<u>138,133,753</u>
Less Accumulated Depreciation				
Land Improvements	417,962	-	-	417,962
Buildings	5,129,779	308,214	-	5,437,993
Vehicles and Equipment	8,237,563	941,480	625,589	8,553,454
Other Infrastructure	67,963,078	2,559,498	-	70,522,576
	<u>81,748,382</u>	<u>3,809,192</u>	<u>625,589</u>	<u>84,931,985</u>
Total Net Depreciable Capital Assets	<u>55,555,690</u>	<u>(2,316,797)</u>	<u>37,125</u>	<u>53,201,768</u>
Total Net Capital Assets	<u>87,181,545</u>	<u>(1,006,441)</u>	<u>2,336,018</u>	<u>83,839,086</u>
			Governmental Funds	79,323,744
			Internal Service Funds	<u>4,515,342</u>
				<u>83,839,086</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 311,398
Public Safety	90,727
Public Works	<u>2,665,919</u>
	3,068,044
Internal Services	<u>741,148</u>
	<u>3,809,192</u>

Depreciation of capital assets held by the Village's internal service funds are charged to various functions based on their usage of the assets.

VILLAGE OF LOMBARD, ILLINOIS**Notes to the Financial Statements
December 31, 2020****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****CAPITAL ASSETS – Continued****Business-Type Activities**

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 2,281,009	-	-	2,281,009
Construction in Progress	154,447	616,686	-	771,133
	<u>2,435,456</u>	<u>616,686</u>	<u>-</u>	<u>3,052,142</u>
Depreciable Capital Assets				
Land Improvements	1,520,118	-	-	1,520,118
Buildings	2,506,025	-	-	2,506,025
Vehicles and Equipment	188,039	-	-	188,039
Water and Sewerage Infrastructure	123,684,246	2,303,240	-	125,987,486
	<u>127,898,428</u>	<u>2,303,240</u>	<u>-</u>	<u>130,201,668</u>
Less Accumulated Depreciation				
Land Improvements	662,911	71,434	-	734,345
Buildings	1,757,819	45,438	-	1,803,257
Vehicles and Equipment	188,039	-	-	188,039
Water and Sewerage Infrastructure	46,076,460	3,210,304	-	49,286,764
	<u>48,685,229</u>	<u>3,327,176</u>	<u>-</u>	<u>52,012,405</u>
Total Net Depreciable Capital Assets	<u>79,213,199</u>	<u>(1,023,936)</u>	<u>-</u>	<u>78,189,263</u>
Total Net Capital Assets	<u>81,648,655</u>	<u>(407,250)</u>	<u>-</u>	<u>81,241,405</u>

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

Waterworks and Sewerage	\$ 3,255,742
Parking	<u>71,434</u>
	<u>3,327,176</u>

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND ADVANCES

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

Receivable Fund	Payable Fund	Amount
General	Capital Projects	<u>\$ 2,500,000</u>

Interfund advances represent payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
General	Capital Projects	\$ 51,220
General	Waterworks Sewerage - Operations and Maintenance Account	496,470
General	Parking System	<u>3,720</u>
		<u>551,410</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

LONG-TERM DEBT

ASSET RETIREMENT OBLIGATION

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources as governmental activities and business-type activities in connection with its obligation to seal and abandon various water wells and demolition of the Village's fuel storage tanks at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells and fuel storage tanks are 40 years.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Alternate Revenue Source Bonds

The Village issues bonds to provide funds for the acquisition and construction of major capital facilities. Alternate revenue source bonds provide for the collection, segregation and distribution of certain income taxes received by the Village for the payment of principal and interest on the alternate revenue source bonds. Alternate revenue source bonds outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation (Alternate Revenue Source) Bonds of 2018, due in annual installments of \$910,000 to \$1,040,000 through January 1, 2024, plus interest at 4.00% to 5.00%.	Waterworks and Sewerage	\$ 3,900,000	-	-	3,900,000

Limited Tax Debt Certificates Payable

The government enters into limited tax debt certificates to provide funds for the acquisition of capital assets. Limited tax debt certificates payable have been issued for both general government and proprietary activities. Any proprietary liabilities therefore are reported in the proprietary funds. Limited tax debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited Tax Debt Certificates of 2013, due in annual installments of \$505,000 to \$848,000 through April 2, 2020, plus interest at 1.48% to 2.47%.	Waterworks and Sewerage Cap.Projects/ Debt Service	\$ 416,625	-	416,625	-
		88,375	-	88,375	-
		505,000	-	505,000	-

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

IEPA Loans Payable

The Village has entered into a loan agreement with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Environmental Protection Agency (IEPA) Loan Payable of 2016, due in semi-annual installments of \$22,059 to \$123,970 through December 29, 2036, plus interest at 1.86%.	Waterworks and Sewerage	\$ 10,647,822	-	503,086	10,144,736
Illinois Environmental Protection Agency (IEPA) Loan Payable of 2017, due in semi-annual installments through May 23, 2039, plus interest at 1.76%.	Waterworks and Sewerage	3,508,224	-	152,249	3,355,975
		<u>14,156,046</u>	<u>-</u>	<u>655,335</u>	<u>13,500,711</u>

Long-Term Liability Activity

For the governmental activities payments on the net pension liabilities/(asset), the compensated absences, the total OPEB liability, and the asset retirement obligation are made by the General Fund. The Debt Service Fund and Capital Projects Fund make payments on the debt certificates payable.

Additionally, for the business-type activities, the compensated absences, the net pension liability/(asset), the total OPEB liability, the asset retirement obligation, the general obligation bonds, the debt certificates payable, and the IEPA loan payable are liquidated by the Waterworks and Sewerage Fund.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences					
General	\$ 2,169,949	973,868	486,934	2,656,883	531,377
Internal Service	77,056	8,414	4,207	81,263	16,253
Net Pension Liability/(Asset) - IMRF					
General	3,961,363	-	5,306,992	(1,345,629)	-
Internal Service	125,447	-	215,178	(89,731)	-
Net Pension Liability					
Police Pension	32,843,114	-	2,904,990	29,938,124	-
Firefighters' Pension	18,225,490	-	4,143,271	14,082,219	-
Total OPEB Liability - RBP					
General	7,139,833	550,605	-	7,690,438	-
Internal Service	192,542	21,907	-	214,449	-
Asset Retirement Obligation	-	158,860	-	158,860	3,972
Debt Certificates Payable	88,375	-	88,375	-	-
	<u>64,823,169</u>	<u>1,713,654</u>	<u>13,149,947</u>	<u>53,386,876</u>	<u>551,602</u>
Business-Type Activities					
Compensated Absences	289,472	70,054	35,027	324,499	64,900
Net Pension Liability/(Asset) - IMRF	950,865	-	1,607,156	(656,291)	-
Total OPEB Liability - RBP	1,045,031	111,039	-	1,156,070	-
Asset Retirement Obligation	-	75,000	-	75,000	1,875
General Obligation Bonds	3,900,000	-	-	3,900,000	910,000
Debt Certificates Payable	416,625	-	416,625	-	-
IEPA Loan Payable	14,156,046	-	655,335	13,500,711	667,426
	<u>20,758,039</u>	<u>256,093</u>	<u>2,714,143</u>	<u>18,299,989</u>	<u>1,644,201</u>

VILLAGE OF LOMBARD, ILLINOIS**Notes to the Financial Statements
December 31, 2020****NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued****LONG-TERM DEBT – Continued****Debt Service Requirements to Maturity**

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

Fiscal Year	Business-Type Activities			
	General Obligation		IEPA	
	Bonds		Loans	
	Principal	Interest	Principal	Interest
2021	\$ 910,000	167,700	667,426	244,707
2022	950,000	125,750	679,742	232,391
2023	1,000,000	77,000	692,286	219,849
2024	1,040,000	26,000	705,060	207,073
2025	-	-	718,070	194,062
2026	-	-	731,319	180,813
2027	-	-	744,817	167,319
2028	-	-	758,560	153,574
2029	-	-	772,558	139,576
2030	-	-	786,815	125,319
2031	-	-	801,335	110,799
2032	-	-	816,121	96,011
2033	-	-	831,183	80,950
2034	-	-	846,522	65,612
2035	-	-	862,145	49,990
2036	-	-	878,055	34,078
2037	-	-	894,259	17,875
2038	-	-	208,706	4,620
2039	-	-	105,732	931
Totals	3,900,000	396,450	13,500,711	2,325,549

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Non-Commitment Debt

Special Assessment Debt

Special assessment bonds were paid in full as of the date of this report. These bonds are not an obligation of the government and are secured by the levy of special assessments on the real property within the special assessment area. The government is in no way liable for repayment but is only acting as agent for the property owners in levying and collecting the assessments, and forwarding the collections to bondholders.

Industrial Development Revenue Bonds

The Village has issued Industrial Development Revenue Bonds (IDRB) to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial facilities deemed to be in the public interest and to provide financing for low interest mortgages to qualified applicants. The bonds are secured solely by the property or mortgages financed and are payable solely from the payments received on the underlying mortgage loans on the property. The Village is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not recorded as a liability in these financial statements. As of December 31, 2020, there was one IDRB outstanding. The aggregate principal amount payable for the bond series is \$4,386,684.

Legal Debt Margin

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

Assessed Valuation - 2020	<u>\$ 1,731,924,132</u>
Legal Debt Limit - 8.625% of Assessed Value	149,378,456
Amount of Debt Applicable to Limit	
None	<u>-</u>
Legal Debt Margin	<u>149,378,456</u>

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

In the governmental fund financial statements, the Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

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

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

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

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

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

Minimum Fund Balance Policy. The Village's policy manual states that the General Fund should maintain a minimum unrestricted fund balance equal to three months of budgeted operating expenditures. Fund balances in excess of said levels may be transferred to other funds or to capital projects at the discretion of the Board.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

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

	General	Debt Service	Capital Projects	Totals
Fund Balances				
Nonspendable				
Advances	\$ 2,500,000	-	-	2,500,000
Prepays	522,248	-	-	522,248
Deposits - IPBC	1,612,393	-	-	1,612,393
	<u>4,634,641</u>	<u>-</u>	<u>-</u>	<u>4,634,641</u>
Restricted				
Liability Insurance	2,542,237	-	-	2,542,237
IMRF	108,070	-	-	108,070
Social Security	381,535	-	-	381,535
Special Service Areas	10,108	-	-	10,108
Tourism and Conventions Taxes	752,554	-	-	752,554
Grants/Donations	10,736	-	-	10,736
Cable Equipment	97,644	-	-	97,644
Recycling	79,326	-	-	79,326
Business District #2	570,150	-	-	570,150
Economic Development	500,000	-	-	500,000
Public Safety	553,976	-	-	553,976
Debt Service	-	434,275	-	434,275
Capital Projects	-	-	7,032,488	7,032,488
	<u>5,606,336</u>	<u>434,275</u>	<u>7,032,488</u>	<u>13,073,099</u>
Committed				
Technology Reserve	4,503,032	-	-	4,503,032
Emergency Reserve	1,833,041	-	-	1,833,041
Revenue Reserve	1,283,128	-	-	1,283,128
Pension Reserve	1,000,000	-	-	1,000,000
Building Reserve	-	-	3,904,509	3,904,509
	<u>8,619,201</u>	<u>-</u>	<u>3,904,509</u>	<u>12,523,710</u>
Assigned				
Capital Projects	-	-	2,714,890	2,714,890
Unassigned	<u>10,368,294</u>	<u>-</u>	<u>-</u>	<u>10,368,294</u>
Total Fund Balances	<u>29,228,472</u>	<u>434,275</u>	<u>13,651,887</u>	<u>43,314,634</u>

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	<u>\$ 83,839,086</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	81,241,405
Less Capital Related Debt	
General Obligation Bonds	(3,900,000)
IEPA Loans Outstanding	<u>(13,500,711)</u>
Net Investment in Capital Assets	<u>63,840,694</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village is self-insured for the first \$500,000 of workers' compensation benefits (\$600,000 for police and fire) and has purchased specific excess coverage for the next \$2,000,000. The Village is also self-insured for the first \$100,000 per occurrence for liability coverage. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount of claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors and are recorded in the General Fund.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

Changes in the balances of claims liabilities are as follows:

	12/31/2020	12/31/2019
Claims Payable - Beginning	\$ 168,461	117,947
Incurred Claims	(1,153,657)	(847,309)
Claims Paid	1,117,590	897,823
Claims Payable - Ending	132,394	168,461

CONTINGENT LIABILITIES

Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Village employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan are held in trust on behalf of the employees. Accordingly, the assets are not reported in these financial statements.

DuPage Water Commission

The government is a customer of the DuPage Water Commission, and has executed a Water Supply Contract with the Commission for a term ending in 2024. The Village stopped paying “fixed costs” (debt service and capital costs) portion starting May 1, 2015. All future costs are based on actual gallons.

The Village’s agreement with the DuPage Water Commission provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

Litigation

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

Grants

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

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the Village's operations and financial position cannot be determined.

COMMITMENTS

Tax Abatements

The Village of Lombard has entered into various tax rebate agreements with local corporations under Village code. Under these agreements, the Village rebates a portion of sales, hotel, and places for eating taxes. For the fiscal year ended December 31, 2020, the Village rebated a total of \$295,928 in taxes under these agreements.

During the fiscal year ended December 31, 2020, the Village and Lombard Public Facilities Corporation entered into an agreement to remit 40% of Tax Increment Fund IV property taxes for a maximum of \$3.7 million. For the fiscal year ended December 31, 2020, the Village rebated \$2,653,525 to be paid in fiscal year 2020 under the amended agreement.

JOINT VENTURES

Glenbard Wastewater Authority

The Glenbard Wastewater Authority (Authority) was created and established by an agreement dated November 28, 1977 between the Villages of Lombard and Glen Ellyn for the purpose of jointly treating and processing wastewater. The wastewater is treated in two plants, known as the Glenbard Wastewater Plant and the Lombard Treatment Facility. Construction of the facilities was financed by monies appropriated by the Villages and by grants from the U.S. Environmental Protection Agency. The Village accounts for its investment in the Authority on the equity method.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Glenbard Wastewater Authority – Continued

In accordance with the 1977 agreement, the Village of Glen Ellyn is responsible for the operation of the wastewater treatment facilities. The Village purchases the supplies and materials and furnishes personnel necessary for the operations of the wastewater treatment facilities. The Village is reimbursed for such expenses and receives a service charge (overhead fee) pursuant to the agreement.

The two members of the Authority and their percentage shares as of December 31, 2020 are as follows:

Village of Lombard	59.28%
Village of Glen Ellyn	<u>40.72%</u>
	<u>100.00%</u>

The Authority is governed by the Village President and six trustees from each municipality. The Board of the Authority makes all decisions relevant to the operations of the system.

The Village's share of the capital assets is \$31,120,785. The Village has allocated its share of operating expenses based upon metered wastewater flows, which approximated 59.28% for the year ended December 31, 2020. Separate financial statements for the Authority may be obtained at 21W551 Bemis Road, Glen Ellyn, Illinois 60137.

Summary Financial Information of Joint Venture

Summary of Financial Position as of December 31, 2020:

Assets/Deferred Outflows		Liabilities/Deferred Inflows and Net Position	
Current Assets	\$ 867,768	Current Liabilities	\$ 2,576,779
Restricted Assets	9,181,717	Long-Term Liabilities	18,450,374
Capital Assets - Net	52,497,950	Deferred Inflows	<u>818,225</u>
Deferred Outflows	<u>82,533</u>	Total Liabilities and Deferred Inflows	<u>21,845,378</u>
Total Assets and Deferred Outflows	<u>62,629,968</u>	Net Position	<u>40,784,590</u>
		Total Liabilities, Deferred Inflows and Net Position	<u>62,629,968</u>

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Glenbard Wastewater Authority – Continued

Summary Financial Information of Joint Venture – Continued

Summary of Results of Operations as of December 31, 2020:

Operating Revenues	
Charges to the Villages	<u>\$ 7,889,975</u>
Operating Expenses	
Personnel Services	1,738,147
IMRF Pension Expense	(228,113)
Contractual Services	1,999,130
Commodities and Maintenance	948,374
Depreciation	<u>2,453,593</u>
Total Operating Expenses	<u>6,911,131</u>
Operating Income	978,844
Nonoperating Revenues (Expenses)	<u>481</u>
Change in Net Position	979,325
Net Position	
Beginning	<u>39,805,265</u>
Ending	<u><u>40,784,590</u></u>

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan, which is also a single-employer pension plan. Separate reports are issued for the Police and Firefighters' Pension Plans and may be obtained by writing to the Village at 255 E. Wilson Avenue, Lombard, Illinois 60148. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

The aggregate amount of pension expense recognized for the three pension plans is:

	Net Pension Liabilities/ (Asset)	Deferred Outflows	Deferred Inflows	Pension Expenses/ (Revenues)
IMRF	\$ (2,091,651)	46,390	7,888,722	(962,169)
Police Pension	29,938,124	3,868,114	7,711,488	1,190,423
Firefighters' Pension	14,082,219	1,424,218	7,142,061	1,402,436
	41,928,692	5,338,722	22,742,271	1,630,690

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

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

Plan Membership. As of December 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	278
Inactive Plan Members Entitled to but not yet Receiving Benefits	130
Active Plan Members	<u>104</u>
Total	<u><u>512</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2020, the Village's contribution was 15.61% of covered payroll.

Net Pension (Asset). The Village's net pension (asset) was measured as of December 31, 2020. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

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

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

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Actuarial Assumptions – Continued.

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.25%
Domestic Equities	37.00%	5.75%
International Equities	18.00%	6.50%
Real Estate	9.00%	5.20%
Blended	7.00%	3.60% - 7.60%
Cash and Cash Equivalents	1.00%	1.85%

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 7,705,676	(2,091,651)	(9,943,565)

VILLAGE OF LOMBARD, ILLINOIS**Notes to the Financial Statements
December 31, 2020****NOTE 4 – OTHER INFORMATION – Continued****EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued****Illinois Municipal Retirement Fund (IMRF) – Continued****Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2019	\$ 85,034,253	79,996,578	5,037,675
Changes for the Year:			
Service Cost	789,185	-	789,185
Interest on the Total Pension Liability	6,011,282	-	6,011,282
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(198,500)	-	(198,500)
Changes of Assumptions	(666,183)	-	(666,183)
Contributions - Employer	-	1,247,448	(1,247,448)
Contributions - Employees	-	359,612	(359,612)
Net Investment Income	-	11,723,121	(11,723,121)
Benefit Payments, including Refunds of Employee Contributions	(5,029,232)	(5,029,232)	-
Other (Net Transfer)	-	(265,071)	265,071
Net Changes	906,552	8,035,878	(7,129,326)
Balances at December 31, 2020	85,940,805	88,032,456	(2,091,651)

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended December 31, 2020, the Village recognized pension revenue of \$962,169. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 46,390	(111,458)	(65,068)
Change in Assumptions	-	(374,062)	(374,062)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(7,403,202)	(7,403,202)
Total Deferred Amounts Related to IMRF	46,390	(7,888,722)	(7,842,332)

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

Fiscal Year	Net Deferred (Inflows) of Resources
2021	\$ (2,703,259)
2022	(1,019,166)
2023	(2,908,499)
2024	(1,211,408)
2025	-
Thereafter	-
Total	(7,842,332)

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

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

Plan Membership. At December 31, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	77
Inactive Plan Members Entitled to but not yet Receiving Benefits	10
Active Plan Members	<u>62</u>
Total	<u><u>149</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

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

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2020, the Village's contribution was 47.43% of covered payroll.

Concentrations. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	3.50% - 11.00%
Cost of Living Adjustments	3.00%
Inflation	3.00%

Mortality rates were based on the RP-2014 Mortality Table with a blue collar adjustment, using generational improvement scale MP-2020 (base year 2013).

Discount Rate

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 45,132,923	29,938,124	17,509,338

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 106,681,753	73,838,639	32,843,114
Changes for the Year:			
Service Cost	1,293,057	-	1,293,057
Interest on the Total Pension Liability	7,362,031	-	7,362,031
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	2,372,054	-	2,372,054
Changes of Assumptions	(503,031)	-	(503,031)
Contributions - Employer	-	3,021,462	(3,021,462)
Contributions - Employees	-	634,362	(634,362)
Net Investment Income	-	9,824,438	(9,824,438)
Benefit Payments, including Refunds of Employee Contributions	(5,605,851)	(5,605,851)	-
Administrative Expense	-	(51,161)	51,161
Net Changes	4,918,260	7,823,250	(2,904,990)
Balances at December 31, 2020	111,600,013	81,661,889	29,938,124

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended December 31, 2020, the Village recognized pension expense of \$1,190,423. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 3,391,252	(1,416,137)	1,975,115
Change in Assumptions	476,862	(1,135,472)	(658,610)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(5,159,879)	(5,159,879)
Total Deferred Amounts Related to Police Pension	3,868,114	(7,711,488)	(3,843,374)

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

Fiscal Year	Net Deferred (Inflows) of Resources
2021	\$ (1,471,688)
2022	(422,774)
2023	(1,377,559)
2024	(571,353)
2025	-
Thereafter	-
Total	(3,843,374)

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan

Plan Descriptions

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

Plan Membership. At December 31, 2020, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	56
Inactive Plan Members Entitled to but not yet Receiving Benefits	5
Active Plan Members	<u>65</u>
Total	<u><u>126</u></u>

Benefits Provided. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Plan Descriptions – Continued

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

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2020, the Village's contribution was 35.89% of covered payroll.

Significant Investments. At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2020, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	3.50% - 12.50%
Cost of Living Adjustments	3.00%
Inflation	2.50%

Mortality rates were based on the RP-2014 Mortality Table with a blue collar adjustment, using generational improvement scale MP-2020 (base year 2013).

Discount Rate

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

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 26,457,623	14,082,219	3,937,604

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2019	\$ 86,468,162	68,242,672	18,225,490
Changes for the Year:			
Service Cost	1,663,113	-	1,663,113
Interest on the Total Pension Liability	6,026,533	-	6,026,533
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(39,551)	-	(39,551)
Changes of Assumptions	(403,675)	-	(403,675)
Contributions - Employer	-	2,489,046	(2,489,046)
Contributions - Employees	-	643,049	(643,049)
Net Investment Income	-	8,294,663	(8,294,663)
Benefit Payments, including Refunds of Employee Contributions	(4,090,772)	(4,090,772)	-
Administrative Expense	-	(37,067)	37,067
Net Changes	3,155,648	7,298,919	(4,143,271)
Balances at December 31, 2020	89,623,810	75,541,591	14,082,219

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Firefighters' Pension Plan – Continued

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

For the year ended December 31, 2020, the Village recognized pension expense of \$1,402,436. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 298,631	(955,543)	(656,912)
Change in Assumptions	1,125,587	(1,796,359)	(670,772)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(4,390,159)	(4,390,159)
Total Deferred Amounts Related to Firefighters' Pension	1,424,218	(7,142,061)	(5,717,843)

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

Fiscal Year	Net Deferred (Inflows) of Resources
2021	\$ (1,297,419)
2022	(1,084,604)
2023	(2,280,371)
2024	(874,140)
2025	(117,991)
Thereafter	(63,318)
Total	(5,717,843)

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides medical benefits for full-time IMRF retirees and their dependent/spouse. Retirees pay the full cost of health insurance continuation at the employer rate until they reach age 65. Dependent/spousal coverage may continue should retiree coverage end due to coverage termination, death, or Medicare eligibility with dependent/spouse using COBRA for up to 18 months after the event. There is no coverage offered to retirees once Medicare eligible, except through COBRA. Retirees are not eligible for vision or life insurance in retirement. There is no dental coverage offered to Retirees once Medicare eligible, except through COBRA.

Plan Membership. As of December 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	65
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>204</u>
Total	<u><u>269</u></u>

Total OPEB Liability

The Village's total OPEB liability was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Total OPEB Liability – Continued

Inflation	3.00%
Salary Increases	4.00%
Discount Rate	2.00%
Healthcare Cost Trend Rates	7.50% in fiscal year 2020, decreasing to an ultimate rate of 5.00% in 2025 and after.
Retirees' Share of Benefit-Related Costs	100%

Mortality rates were based on the RP-2014 blue collar base rates projected to 2019 using scale MP2019 for Police and Fire. For all others, the RP2014 base rates projected to 2019 using scale MP2019 was used.

Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2019	<u>\$ 8,377,406</u>
Changes for the Year:	
Service Cost	443,760
Interest on the Total Pension Liability	223,291
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	531,988
Benefit Payments	<u>(515,488)</u>
Net Changes	<u>683,551</u>
Balance at December 31, 2020	<u><u>9,060,957</u></u>

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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

The discount rate used to measure the total pension liability was 2.00%, while the prior valuation used 2.75%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.00%)	Current Discount Rate (2.00%)	1% Increase (3.00%)
Total OPEB Liability	\$ 9,775,687	9,060,957	8,399,228

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

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

	(6.50% decreasing to 4.00%)	Healthcare Cost Trend Rates (7.50% decreasing to 5.00%)	(8.50% decreasing to 6.00%)
Total OPEB Liability	\$ 8,149,925	9,060,957	10,122,735

VILLAGE OF LOMBARD, ILLINOIS

Notes to the Financial Statements December 31, 2020

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

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

For the year ended December 31, 2020, the Village recognized OPEB expense of \$841,602. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(56,421)	(56,421)
Change in Assumptions	1,785,622	(219,029)	1,566,593
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	1,785,622	(275,450)	1,510,172

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

Fiscal Year	Net Deferred Outflows of Resources
2021	\$ 174,551
2022	174,551
2023	174,551
2024	174,551
2025	174,551
Thereafter	637,417
Total	1,510,172

REQUIRED SUPPLEMENTARY INFORMATION

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

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

Notes to the Required Supplementary Information

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

VILLAGE OF LOMBARD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

December 31, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,199,444	\$ 1,245,964	\$ 46,520	\$ 7,615,518	16.36%
2016	1,392,045	1,392,045	-	7,577,819	18.37%
2017	1,229,613	1,253,498	23,885	7,718,851	16.24%
2018	1,263,824	2,073,703	809,879	7,938,590	26.12%
2019	1,042,898	1,707,893	664,995	7,948,918	21.49%
2020	1,247,448	1,247,448	-	7,991,347	15.61%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	23 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015)

Note:

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

VILLAGE OF LOMBARD, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Employer Contributions

December 31, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 2,537,087	\$ 2,537,579	\$ 492	\$ 6,331,082	40.08%
2016	2,940,772	2,936,167	(4,605)	6,589,512	44.56%
2017	3,038,332	3,080,872	42,540	6,423,894	47.96%
2018	2,979,197	3,611,517	632,320	6,388,679	56.53%
2019	2,840,563	3,368,745	528,182	6,285,289	53.60%
2020	3,049,764	3,021,462	(28,302)	6,370,403	47.43%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	3.50% - 11.00%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2014 mortality table with a blue collar adjustment, with generational improvement scale MP-2018 (base year 2013)

Note:

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

VILLAGE OF LOMBARD, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information Schedule of Employer Contributions December 31, 2020

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 2,007,514	\$ 2,008,243	\$ 729	\$ 5,725,023	35.08%
2016	2,035,216	2,034,905	(311)	6,357,452	32.01%
2017	2,190,707	2,237,228	46,521	6,449,094	34.69%
2018	2,232,003	2,863,927	631,924	6,592,100	43.44%
2019	2,147,099	2,677,848	530,749	6,821,353	39.26%
2020	2,509,600	2,489,046	(20,554)	6,936,127	35.89%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	3.50% - 12.50%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2014 mortality table with a blue collar adjustment, with generational improvement scale MP-2018 (base year 2013)

Note:

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

VILLAGE OF LOMBARD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

December 31, 2020

	12/31/2015
Total Pension Liability	
Service Cost	\$ 791,529
Interest	5,347,448
Differences Between Expected and Actual Experience	1,033,943
Change of Assumptions	89,660
Benefit Payments, Including Refunds of Member Contributions	<u>(4,210,801)</u>
Net Change in Total Pension Liability	3,051,779
Total Pension Liability - Beginning	<u>73,295,286</u>
Total Pension Liability - Ending	<u><u>76,347,065</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 1,245,964
Contributions - Members	347,456
Net Investment Income	309,847
Benefit Payments, Including Refunds of Member Contributions	(4,210,801)
Other (Net Transfer)	<u>2,810,809</u>
Net Change in Plan Fiduciary Net Position	503,275
Plan Net Position - Beginning	<u>63,278,002</u>
Plan Net Position - Ending	<u><u>63,781,277</u></u>
Employer's Net Pension Liability	<u><u>\$ 12,565,788</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.54%
Covered Payroll	\$ 7,615,518
Employer's Net Pension Liability as a Percentage of Covered Payroll	165.00%

Note:

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
830,041	819,812	763,832	814,805	789,185
5,565,299	5,698,024	5,690,435	5,864,157	6,011,282
(237,225)	233,077	1,095,844	302,268	(198,500)
(361,558)	(2,226,914)	2,199,136	-	(666,183)
(4,320,449)	(4,518,863)	(4,675,525)	(4,849,008)	(5,029,232)
1,476,108	5,136	5,073,722	2,132,222	906,552
76,347,065	77,823,173	77,828,309	82,902,031	85,034,253
77,823,173	77,828,309	82,902,031	85,034,253	85,940,805
1,392,045	1,253,498	2,073,703	1,707,893	1,247,448
352,751	369,970	357,237	372,942	359,612
4,423,634	12,084,849	(4,450,515)	13,403,257	11,723,121
(4,320,449)	(4,518,863)	(4,675,525)	(4,849,008)	(5,029,232)
469,833	(1,396,871)	1,873,103	291,817	(265,071)
2,317,814	7,792,583	(4,821,997)	10,926,901	8,035,878
63,781,277	66,099,091	73,891,674	69,069,677	79,996,578
66,099,091	73,891,674	69,069,677	79,996,578	88,032,456
11,724,082	3,936,635	13,832,354	5,037,675	(2,091,651)
84.93%	94.94%	83.31%	94.08%	102.43%
7,577,819	7,718,851	7,938,590	7,948,918	7,991,347
154.72%	51.00%	174.24%	63.38%	(26.17%)

VILLAGE OF LOMBARD, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

December 31, 2020

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 1,455,364
Interest	5,957,834
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(542,772)
Change of Assumptions	7,281,562
Benefit Payments, Including Refunds of Member Contributions	<u>(3,556,531)</u>
Net Change in Total Pension Liability	10,595,457
Total Pension Liability - Beginning	<u>86,890,181</u>
Total Pension Liability - Ending	<u><u>97,485,638</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,537,579
Contributions - Members	653,110
Net Investment Income	792,942
Benefit Payments, Including Refunds of Member Contributions	(3,556,531)
Administrative Expense	<u>(44,419)</u>
Net Change in Plan Fiduciary Net Position	382,681
Plan Net Position - Beginning	<u>57,989,465</u>
Plan Net Position - Ending	<u><u>58,372,146</u></u>
Employer's Net Pension Liability	<u><u>\$ 39,113,492</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.88%
Covered Payroll	\$ 6,331,082
Employer's Net Pension Liability as a Percentage of Covered Payroll	617.80%

Note:

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
1,531,546	1,531,174	1,164,524	1,261,440	1,293,057
6,688,180	6,796,831	6,924,280	7,001,898	7,362,031
-	-	-	199,333	-
622,457	(659,841)	(3,184,547)	2,489,349	2,372,054
(3,244,715)	(2,555,004)	1,192,158	(303,277)	(503,031)
(3,880,431)	(4,210,233)	(4,703,671)	(5,465,336)	(5,605,851)
1,717,037	902,927	1,392,744	5,183,407	4,918,260
97,485,638	99,202,675	100,105,602	101,498,346	106,681,753
99,202,675	100,105,602	101,498,346	106,681,753	111,600,013
2,936,167	3,080,872	3,611,517	3,368,745	3,021,462
695,084	699,450	663,899	723,314	634,362
3,223,224	6,681,876	(2,375,274)	10,688,295	9,824,438
(3,880,431)	(4,210,233)	(4,703,671)	(5,465,336)	(5,605,851)
(42,302)	(66,007)	(88,257)	(74,439)	(51,161)
2,931,742	6,185,958	(2,891,786)	9,240,579	7,823,250
58,372,146	61,303,888	67,489,846	64,598,060	73,838,639
61,303,888	67,489,846	64,598,060	73,838,639	81,661,889
37,898,787	32,615,756	36,900,286	32,843,114	29,938,124
61.80%	67.42%	63.64%	69.21%	73.17%
6,589,512	6,423,894	6,388,679	6,285,289	6,370,403
575.14%	507.73%	577.59%	522.54%	469.96%

VILLAGE OF LOMBARD, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

December 31, 2020

	<u>12/31/2015</u>
Total Pension Liability	
Service Cost	\$ 1,513,082
Interest	4,614,739
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	(596,117)
Change of Assumptions	5,332,533
Benefit Payments, Including Refunds of Member Contributions	<u>(2,822,892)</u>
Net Change in Total Pension Liability	8,041,345
Total Pension Liability - Beginning	<u>67,336,293</u>
Total Pension Liability - Ending	<u><u>75,377,638</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,008,243
Contributions - Members	564,175
Net Investment Income	25,474
Benefit Payments, Including Refunds of Member Contributions	(2,822,892)
Administrative Expense	<u>(43,309)</u>
Net Change in Plan Fiduciary Net Position	(268,309)
Plan Net Position - Beginning	<u>52,418,876</u>
Plan Net Position - Ending	<u><u>52,150,567</u></u>
Employer's Net Pension Liability	<u><u>\$ 23,227,071</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.19%
Covered Payroll	\$ 5,725,023
Employer's Net Pension Liability as a Percentage of Covered Payroll	405.71%

Note:

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

12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
1,562,481	1,643,565	1,363,890	1,597,161	1,663,113
5,171,731	5,329,656	5,566,493	5,787,235	6,026,533
-	-	-	267,333	-
1,174,979	1,170	(1,297,838)	(162,980)	(39,551)
(2,512,331)	(1,530,549)	974,066	(219,725)	(403,675)
(2,991,521)	(3,290,005)	(3,558,750)	(3,785,537)	(4,090,772)
2,405,339	2,153,837	3,047,861	3,483,487	3,155,648
75,377,638	77,782,977	79,936,814	82,984,675	86,468,162
77,782,977	79,936,814	82,984,675	86,468,162	89,623,810
2,034,905	2,237,228	2,863,927	2,677,848	2,489,046
583,561	658,618	623,352	641,828	643,049
2,827,910	7,095,084	(2,396,242)	10,031,073	8,294,663
(2,991,521)	(3,290,005)	(3,558,750)	(3,785,537)	(4,090,772)
(50,476)	(42,572)	(34,536)	(33,590)	(37,067)
2,404,379	6,658,353	(2,502,249)	9,531,622	7,298,919
52,150,567	54,554,946	61,213,299	58,711,050	68,242,672
54,554,946	61,213,299	58,711,050	68,242,672	75,541,591
23,228,031	18,723,515	24,273,625	18,225,490	14,082,219
70.14%	76.58%	70.75%	78.92%	84.29%
6,357,452	6,449,094	6,592,100	6,821,353	6,936,127
365.37%	290.33%	368.22%	267.18%	203.03%

VILLAGE OF LOMBARD, ILLINOIS

Police Pension Fund

Required Supplementary Information Schedule of Investment Returns December 31, 2020

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	1.38%
2016	5.66%
2017	10.99%
2018	4.10%
2019	16.79%
2020	13.48%

Note:

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

VILLAGE OF LOMBARD, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information

Schedule of Investment Returns

December 31, 2020

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	0.11%
2016	5.72%
2017	6.85%
2018	3.45%
2019	2.48%
2020	1.96%

Note:

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

VILLAGE OF LOMBARD, ILLINOIS

Retiree Benefits Plan

Required Supplementary Information

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2020

	<u>2017</u>
Total OPEB Liability	
Service Cost	\$ 250,008
Interest	263,184
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	289,583
Benefit Payments	<u>(429,209)</u>
Net Change in Total OPEB Liability	373,566
Total OPEB Liability - Beginning	<u>6,867,533</u>
 Total OPEB Liability - Ending	 <u><u>7,241,099</u></u>
 Covered Payroll	 \$ 17,601,304
 Total OPEB Liability as a Percentage of Covered Payroll	 41.14%

Notes:

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

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

2018	2019	2020
286,476	252,168	443,760
241,269	277,240	223,291
-	-	-
-	(69,685)	-
(312,173)	1,395,488	531,988
(454,951)	(479,525)	(515,488)
(239,379)	1,375,686	683,551
7,241,099	7,001,720	8,377,406
7,001,720	8,377,406	9,060,957
17,601,304	18,048,586	18,770,529
39.78%	46.42%	48.27%

VILLAGE OF LOMBARD, ILLINOIS**General Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 19,616,540	19,616,540	16,949,111
Licenses and Permits	1,115,590	1,115,590	882,777
Intergovernmental	17,994,860	17,994,860	19,966,407
Charges for Services	4,530,330	4,530,330	4,225,547
Fines and Forfeits	984,030	984,030	860,342
Interest	171,050	171,050	148,706
Miscellaneous	27,350	27,350	420,080
Total Revenues	44,439,750	44,439,750	43,452,970
Expenditures			
General Government	8,362,751	8,362,751	6,255,754
Public Safety	29,151,131	29,151,131	27,703,298
Physical Environment	1,705,760	1,705,760	1,788,091
Public Works	4,313,130	4,313,130	3,889,700
Total Expenditures	43,532,772	43,532,772	39,636,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	906,978	906,978	3,816,127
Other Financing Sources			
Disposal of Capital Assets	-	-	1,500,000
Transfers In	551,410	551,410	551,410
	551,410	551,410	2,051,410
Net Change in Fund Balance	1,458,388	1,458,388	5,867,537
Fund Balance - Beginning			23,360,935
Fund Balance - Ending			29,228,472

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Enterprise Funds – By Accounts
- Budgetary Comparison Schedules – Enterprise Funds – By Accounts
- Combining Statements – Internal Service Fund – By Accounts
- Budgetary Comparison Schedules – Internal Service Fund – By Accounts
- Combining Statements – Pension Trust Funds
- Budgetary Comparison Schedules – Pension Trust Funds
- Schedule of Changes in Fiduciary Net Position - Custodial Fund
- Consolidated Year-End Financial Report

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

DEBT SERVICE FUND

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for all resources used for the acquisition of capital assets by the Village, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Waterworks and Sewerage Fund

The Waterworks and Sewerage Fund is used to account for the provision of potable water and wastewater treatment services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations and maintenance, financing and related debt service, billing and collection.

Parking System Fund

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

INDIVIDUAL FUND SCHEDULES

INTERNAL SERVICE FUND

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

Fleet Services Fund

The Fleet Services Fund is used to account for the costs of operating a maintenance facility for automotive equipment used by other Village departments. Such costs are billed to other departments at actual cost plus a fixed overhead factor. Where capital replacements are necessary, user charges include an amount necessary to replace capital assets. Substantially all excess funds are committed under the Village's vehicle replacement program.

TRUST AND CUSTODIAL FUNDS

PENSION TRUST FUNDS

Police Pension Fund

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

Firefighters' Pension Fund

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

CUSTODIAL FUND

Special Assessments Fund

The Special Assessments Fund is used to account for payments made by property owners on related special assessments and special service area debt. This custodial fund is administered, but not backed by the Village. The Village collects the payments and subsequently pays the related debt.

VILLAGE OF LOMBARD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes	\$ 10,064,760	10,064,760	10,662,689
Road and Bridge Taxes	75,800	75,800	75,245
Amusement Tax	386,080	386,080	125,815
Places for Eating Tax	3,307,290	3,307,290	1,936,987
Utility Tax	3,650,180	3,650,180	3,241,229
Hotel/Motel Tax	2,041,830	2,041,830	732,223
Foreign Fire Insurance Tax	69,000	69,000	101,637
Auto Rental Tax	18,000	18,000	14,138
Pull Tabs/Jar Games	3,600	3,600	2,949
Video Gaming Tax	-	-	31,014
Cannabis Use Tax	-	-	25,185
	19,616,540	19,616,540	16,949,111
Licenses and Permits			
Liquor Licenses	219,970	219,970	27,872
Cigarette Licenses	7,300	7,300	5,550
Restaurant/Food Handler Permits	12,100	12,100	1,075
Coin Operated Device Licenses	20,400	20,400	2,475
Amusement Licenses	6,730	6,730	6,460
Commercial Recyclers Licenses	100	100	175
Alarm User Licenses	38,100	38,100	34,070
Going Out of Business Licenses	80	80	-
Other Business Licenses	17,800	17,800	8,140
Oversized Vehicle Permits	24,000	24,000	23,690
Building Permits	310,000	310,000	427,789
Occupancy Permits	45,000	45,000	18,415
Residential Driveway Permits	18,000	18,000	18,085
Electrical Permits	124,000	124,000	73,761
Plumbing Permits	62,400	62,400	55,015
Water Permits	4,300	4,300	1,820
Sewer Permits	7,100	7,100	2,810
HVAC Permits	44,600	44,600	38,025

VILLAGE OF LOMBARD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Licenses and Permits - Continued			
Hazardous Materials Permits	\$ 3,700	3,700	5,469
Sign Permits	9,100	9,100	6,353
Fire Suppression System Permits	24,000	24,000	11,844
Fire Alarm System Permits	18,000	18,000	16,008
Wrecking Permits	6,400	6,400	3,489
Contractor Registration	89,480	89,480	92,138
Renewal Permits	2,200	2,200	1,694
Community Development Permits	600	600	-
P.E.S. Fill and Grading Permits	130	130	555
	1,115,590	1,115,590	882,777
Intergovernmental			
Sales Tax	11,099,620	11,099,620	10,121,107
Business District #1 Tax	789,450	789,450	530,316
Local Use Tax	1,437,580	1,437,580	1,858,836
State Income Tax	4,227,980	4,227,980	4,778,574
Personal Property Replacement Taxes	153,030	153,030	169,956
District 87 Reimbursements	53,000	53,000	48,836
DUMEG Reimbursements	24,900	24,900	16,875
Miscellaneous Grants	185,000	185,000	97,923
Police Training	1,100	1,100	-
Fire Training	8,200	8,200	-
Grants	15,000	15,000	2,343,984
	17,994,860	17,994,860	19,966,407
Charges for Services			
Tree Planting Fees	13,000	13,000	4,229
Weed Cutting/Debris Fees	2,100	2,100	1,505
Miscellaneous Public Works Fees	700	700	1,306
Administrative Fees	3,000	3,000	610
Community Development Plan Review	1,500	1,500	4,186
P.E.S. Site Plan Review	32,000	32,000	59,282
After Hours Site Inspection Fees	3,000	3,000	-
Public Hearing Fees	32,000	32,000	43,645

VILLAGE OF LOMBARD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Charges for Services - Continued			
Public Hearing Sign Fees	\$ 2,100	2,100	1,207
Fingerprinting	3,200	3,200	3,420
Child Safety Seat Class	1,400	1,400	235
Police Records Copy	7,250	7,250	6,352
Impounding Fees	1,200	1,200	1,070
False Alarm Fees	28,000	28,000	17,950
Fire Tollway Repsonse	12,000	12,000	7,300
Emergency Medical Services	1,980,000	1,980,000	1,860,226
Glenbard Fire Protection	360,000	360,000	340,000
Elevator Inspections	82,500	82,500	55,422
Building Plan Review	82,000	82,000	73,168
Franchise Fees/Cable TV	745,000	745,000	724,122
Telecommunications/IMF	246,000	246,000	204,886
Refuse Surcharge	208,150	208,150	127,518
COBRA Reimbursements	684,230	684,230	687,908
	4,530,330	4,530,330	4,225,547
Fines and Forfeits			
Circuit Court Fines	490,000	490,000	513,356
E-Ticket Fines	4,040	4,040	7,155
Administrative Towing	214,740	214,740	145,350
Overweight/Overdimension Vehicles	6,000	6,000	79
Pre-Trial Diversion	11,700	11,700	3,500
Liquor Violations	100	100	500
Tobacco Violations	1,500	1,500	-
Parking Fines	108,000	108,000	95,203
Community Development Violations	700	700	3,125
DUI User Fees	37,000	37,000	39,929
Narcotic Fines	250	250	810
State Forfeits	10,000	10,000	10,240
Federal Forfeits	100,000	100,000	41,095
	984,030	984,030	860,342

VILLAGE OF LOMBARD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Interest			
Investment Income	\$ 171,050	171,050	148,706
Miscellaneous			
NSF Charges	200	200	25
Police Donations	1,000	1,000	1,860
Damage to Village Property	15,000	15,000	71,662
Reimbursements for Scrap Metal	2,400	2,400	405
Change in Terminal Reserve	-	-	328,769
Discounts Available	50	50	30
Miscellaneous Fire Donation	200	200	-
Miscellaneous Hotel/Motel	1,500	1,500	1,900
Miscellaneous Liability Insurance	2,000	2,000	-
Miscellaneous Technology Reserve	5,000	5,000	14,954
Miscellaneous Foreign Fire Insurance	-	-	475
	27,350	27,350	420,080
Total Revenues	44,439,750	44,439,750	43,452,970

VILLAGE OF LOMBARD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
General Government			
Legislative Department			
Personnel	\$ 1,615,130	1,615,130	856,395
Commodities	236,140	236,140	154,805
Contractual	1,877,580	1,877,580	912,718
	<u>3,728,850</u>	<u>3,728,850</u>	<u>1,923,918</u>
Executive Department			
Personnel	1,304,710	1,304,710	1,302,166
Commodities	133,301	133,301	108,177
Contractual	1,214,750	1,214,750	1,059,207
Miscellaneous	42,630	42,630	4,839
	<u>2,695,391</u>	<u>2,695,391</u>	<u>2,474,389</u>
Finance Department			
Personnel	1,004,240	1,004,240	1,016,397
Commodities	30,700	30,700	37,138
Contractual	701,930	701,930	656,699
Miscellaneous	201,640	201,640	147,213
	<u>1,938,510</u>	<u>1,938,510</u>	<u>1,857,447</u>
Total General Government	<u>8,362,751</u>	<u>8,362,751</u>	<u>6,255,754</u>
Public Safety			
Police Department			
Personnel	9,110,770	9,110,770	8,852,521
Commodities	240,430	240,430	308,429
Contractual	2,595,731	2,595,731	1,719,456
Police Pension Contributions	3,049,770	3,049,770	3,021,462
Miscellaneous	502,490	502,490	478,290
	<u>15,499,191</u>	<u>15,499,191</u>	<u>14,380,158</u>

VILLAGE OF LOMBARD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Public Safety - Continued			
Fire Department			
Personnel	\$ 8,700,080	8,700,080	8,647,908
Commodities	260,080	260,080	268,031
Contractual	1,511,680	1,511,680	1,252,535
Firefighters' Pension Contributions	2,509,600	2,509,600	2,489,046
Miscellaneous	670,500	670,500	665,620
	13,651,940	13,651,940	13,323,140
Total Public Safety	29,151,131	29,151,131	27,703,298
Physical Environment			
Community Development Department			
Personnel	1,445,980	1,445,980	1,325,425
Commodities	24,420	24,420	15,894
Contractual	210,510	210,510	423,750
Miscellaneous	24,850	24,850	23,022
Total Physical Environment	1,705,760	1,705,760	1,788,091
Public Works			
Public Works Department			
Personnel	2,329,910	2,329,910	2,395,538
Commodities	538,350	538,350	309,130
Contractual	706,020	706,020	482,208
Miscellaneous	738,850	738,850	702,824
Total Public Works	4,313,130	4,313,130	3,889,700
Total Expenditures	43,532,772	43,532,772	39,636,843

VILLAGE OF LOMBARD, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 4,620	4,620	4,945
Interest			
Investment Income	-	-	5,015
Total Revenues	4,620	4,620	9,960
Expenditures			
Debt Service			
Interest and Fiscal Charges	5,000	5,000	-
Net Change in Fund Balance	(380)	(380)	9,960
Fund Balance - Beginning			424,315
Fund Balance - Ending			434,275

VILLAGE OF LOMBARD, ILLINOIS

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 192,110	192,110	170,636
Intergovernmental	8,510,420	8,510,420	9,698,194
Interest	70,000	70,000	135,581
Miscellaneous	13,400	13,400	58,553
Total Revenues	8,785,930	8,785,930	10,062,964
Expenditures			
Capital Outlay	9,013,740	9,693,542	9,692,760
Debt Service			
Principal Retirement	88,375	88,375	88,375
Interest and Fiscal Charges	1,125	1,125	1,091
Total Expenditures	9,103,240	9,783,042	9,782,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(317,310)	(997,112)	280,738
Other Financing (Uses)			
Transfers Out	(48,500)	(48,500)	(51,220)
Net Change in Fund Balance	(365,810)	(1,045,612)	229,518
Fund Balance - Beginning			13,422,369
Fund Balance - Ending			13,651,887

VILLAGE OF LOMBARD, ILLINOIS

Capital Projects Fund

Schedule of Revenues - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Taxes			
Utility Tax	\$ 192,110	192,110	170,636
Intergovernmental			
Sales Tax	4,526,110	4,526,110	3,911,307
Motor Fuel Tax Allotments	1,500,000	1,500,000	1,579,201
TIF Revenue	1,990,960	1,990,960	2,415,836
TIF1 West of Grace	65,070	65,070	146,092
TIF2 East of Grace	293,280	293,280	319,168
TIF4 Butterfield/Yorktown	135,000	135,000	373,290
Grants	-	-	953,300
	8,510,420	8,510,420	9,698,194
Interest			
Investment Income	70,000	70,000	135,581
Miscellaneous			
Contributions from Property Owners	12,000	12,000	4,029
Other	1,400	1,400	54,524
	13,400	13,400	58,553
Total Revenues	8,785,930	8,785,930	10,062,964

VILLAGE OF LOMBARD, ILLINOIS

Capital Projects Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Capital Outlay			
General Capital Projects	\$ 3,587,500	3,587,500	2,987,640
Grant Capital Projects	-	-	29,839
Facilities Capital Projects	176,000	176,000	47,487
Building Reserve Capital Projects	36,560	36,560	26,505
Motor Fuel Tax Capital Projects	2,933,100	2,933,100	1,624,767
TIF Downtown Capital Projects	1,930,810	1,930,810	2,139,922
TIF1 West of Grace Capital Projects	1,490	1,490	90,963
TIF2 East of Grace Capital Projects	900	900	944
TIF4 Butterfield/Yorktown Capital Projects	347,380	1,027,182	2,744,693
Total Capital Outlay	9,013,740	9,693,542	9,692,760
Debt Service			
Principal Retirement	88,375	88,375	88,375
Interest and Fiscal Charges	1,125	1,125	1,091
Total Debt Service	89,500	89,500	89,466
Total Expenditures	9,103,240	9,783,042	9,782,226

VILLAGE OF LOMBARD, ILLINOIS**Waterworks and Sewerage Fund****Schedule of Revenues, Expenses and Changes in Net Position - By Account
For the Fiscal Year Ended December 31, 2020**

	Operation and Maintenance	Capital Reserve	Total
Operating Revenues			
Charges for Services	\$ 17,208,655	2,204,334	19,412,989
Operating Expenses			
Administration	1,590,593	-	1,590,593
Operations	10,353,102	2,052,996	12,406,098
Sewerage Treatment	5,128,737	-	5,128,737
Depreciation	922,704	2,333,038	3,255,742
Total Operating Expenses	17,995,136	4,386,034	22,381,170
Operating (Loss)	(786,481)	(2,181,700)	(2,968,181)
Nonoperating Revenues			
Sales Tax	-	3,802,428	3,802,428
Interest Income	40,224	78,383	118,607
Connection Fees	-	163,271	163,271
Grant	-	19,387	19,387
	40,224	4,063,469	4,103,693
Income Before Contributions and Transfers	(746,257)	1,881,769	1,135,512
Capital Contributions	1,971,429	-	1,971,429
Transfers Out	(496,470)	-	(496,470)
	1,474,959	-	1,474,959
Change in Net Position	728,702	1,881,769	2,610,471
Net Position - Beginning	35,658,480	59,164,733	94,823,213
Net Position - Ending	36,387,182	61,046,502	97,433,684

VILLAGE OF LOMBARD, ILLINOIS

Waterworks and Sewerage Fund - Operation and Maintenance Account

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 17,264,070	17,264,070	17,208,655
Operating Expenses			
Administration	1,594,000	1,643,945	1,590,593
Operations	10,299,750	10,299,750	10,353,102
Sewerage Treatment	4,761,000	5,128,737	5,128,737
Depreciation	-	-	922,704
Total Operating Expenses	16,654,750	17,072,432	17,995,136
Operating Income (Loss)	609,320	191,638	(786,481)
Nonoperating Revenues			
Interest Income	50,000	50,000	40,224
Income Before Contributions and Transfers	659,320	241,638	(746,257)
Capital Contributions	-	-	1,971,429
Transfers Out	(496,470)	(496,470)	(496,470)
	(496,470)	(496,470)	1,474,959
Change in Net Position	162,850	(254,832)	728,702
Net Position - Beginning			35,658,480
Net Position - Ending			36,387,182

VILLAGE OF LOMBARD, ILLINOIS**Waterworks and Sewerage Fund - Operation and Maintenance Account****Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Charges for Services			
Water Sales-Metered			
Operating	\$ 9,463,720	9,463,720	8,961,576
Hydrant	18,000	18,000	2,131
Water Sales - Unmetered	3,030	3,030	4,968
Fill Station Sales	950	950	239
Transmission Fees - Illinois American Water	11,500	11,500	11,066
Water Turn-on Fees	16,000	16,000	490
Service Charge	785,620	785,620	779,770
Cross Connection Service Charge	62,010	62,010	60,746
Sewer Charges - Metered	6,698,950	6,698,950	6,354,393
Sewer Charges - Unmetered	34,200	34,200	28,918
Penalty Charge	134,280	134,280	44,246
Meter Sales	16,500	16,500	21,240
Illinois American Water Readings	1,960	1,960	3,862
Villa Park Sewer Charges	4,600	4,600	1,726
Hydrant Meter Rental Fees	4,200	4,200	785
NSF Charges	1,050	1,050	1,425
Lien Filing Fees	1,500	1,500	100
Gain/Loss on JV-GWWA	-	-	930,554
Miscellaneous Fees	6,000	6,000	420
Total Operating Revenues	17,264,070	17,264,070	17,208,655

VILLAGE OF LOMBARD, ILLINOIS**Waterworks and Sewerage Fund - Operation and Maintenance Account****Schedule of Operating Expenses - Budget and Actual****For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Administration			
Water and Sewer Administration			
Personnel	\$ 785,150	785,150	781,684
Commodities	5,630	5,630	5,431
Contractual	170,320	207,454	208,343
	961,100	998,234	995,458
Utility Billing and Account Maintenance			
Personnel	279,470	279,470	299,571
Commodities	84,500	84,500	57,693
Contractual	161,250	174,061	172,385
	525,220	538,031	529,649
General Services			
Personnel	90,400	90,400	46,303
Commodities	17,280	17,280	19,183
	107,680	107,680	65,486
Total Administration	1,594,000	1,643,945	1,590,593
Operations			
Water Pumping and Treatment			
Personnel	335,000	335,000	335,525
Commodities	214,780	214,780	164,846
Contractual	48,800	48,800	47,027
Miscellaneous	54,530	54,530	52,530
	653,110	653,110	599,928

VILLAGE OF LOMBARD, ILLINOIS**Waterworks and Sewerage Fund - Operation and Maintenance Account****Schedule of Operating Expenses - Budget and Actual - Continued****For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Operations - Continued			
Lake Michigan Water			
Lake Water - Purchased Water	\$ 6,744,080	6,744,080	6,541,544
Water Distribution			
Personnel	671,060	671,060	650,278
Commodities	122,330	122,330	96,832
Contractual	58,380	58,380	32,278
Miscellaneous	127,650	127,650	127,949
	979,420	979,420	907,337
Water Meter Reading and Maintenance			
Personnel	155,020	155,020	153,895
Commodities	23,680	23,680	44,460
Contractual	60,500	60,500	51,085
Miscellaneous	7,040	7,040	10,459
	246,240	246,240	259,899
Sanitary Sewer Maintenance			
Personnel	599,610	599,610	617,865
Commodities	52,580	52,580	29,462
Contractual	59,180	59,180	46,725
Miscellaneous	302,030	302,030	295,198
	1,013,400	1,013,400	989,250
Lift/Pump Station Maintenance			
Personnel	321,000	321,000	324,742
Commodities	21,100	21,100	35,796
Contractual	22,040	22,040	19,103
Miscellaneous	16,480	16,480	14,017
	380,620	380,620	393,658

Waterworks and Sewerage Fund - Operation and Maintenance Account

	Budget		
	Original	Final	Actual
Operations - Continued			
Storm Sewer System Maintenance			
Personnel	\$ 264,030	264,030	647,019
Commodities	17,100	17,100	9,654
Contractual	1,750	1,750	4,813
	<u>282,880</u>	<u>282,880</u>	<u>661,486</u>
Total Operations	<u>10,299,750</u>	<u>10,299,750</u>	<u>10,353,102</u>
Sewage Treatment			
Contract Services - GWWA	4,761,000	5,128,737	5,128,737

VILLAGE OF LOMBARD, ILLINOIS**Waterworks and Sewerage Fund - Capital Reserve Account****Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 2,327,000	2,327,000	2,204,334
Operating Expenses			
Operations	9,661,160	9,661,160	2,052,996
Depreciation	-	-	2,333,038
Total Operating Expenses	9,661,160	9,661,160	4,386,034
Operating (Loss)	(7,334,160)	(7,334,160)	(2,181,700)
Nonoperating Revenues			
Debt Issuance	4,088,000	4,088,000	-
Sales Tax	4,100,000	4,100,000	3,802,428
Interest Income	50,000	50,000	78,383
Connection Fees	100,000	100,000	163,271
Grant	-	-	19,387
	8,338,000	8,338,000	4,063,469
Change in Net Position	1,003,840	1,003,840	1,881,769
Net Position - Beginning			59,164,733
Net Position - Ending			61,046,502

VILLAGE OF LOMBARD, ILLINOIS

Waterworks and Sewerage Fund - Capital Reserve Account

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Operations			
Capital Improvements	\$ 10,609,657	10,609,657	3,001,493
Less Nonoperating Items			
Capital Assets Capitalized	(948,497)	(948,497)	(948,497)
Total Operations	9,661,160	9,661,160	2,052,996

VILLAGE OF LOMBARD, ILLINOIS

Parking System Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services			
Special A Parking Permit	\$ 4,720	4,720	1,827
Commuter Parking Permits	-	-	6,900
Daily Fee Parking	326,840	326,840	28,372
Bicycle Locker Rental Fees	450	450	390
Parking Fines	33,570	33,570	10,211
Immobilization Fees	200	200	-
Total Operating Revenues	365,780	365,780	47,700
Operating Expenses			
Operations			
Personnel	27,470	27,470	27,551
Commodities	3,550	3,550	-
Contractual	578,580	578,580	61,489
Depreciation	-	-	71,434
Total Operating Expenses	609,600	609,600	160,474
Operating (Loss)	(243,820)	(243,820)	(112,774)
Nonoperating Revenues			
Interest Income	17,800	17,800	11,710
Other Income	-	-	30,607
	17,800	17,800	42,317
(Loss) Before Transfers	(226,020)	(226,020)	(70,457)
Transfers Out	(3,720)	(3,720)	(3,720)
Change in Net Position	(229,740)	(229,740)	(74,177)
Net Position - Beginning			2,284,549
Net Position - Ending			2,210,372

VILLAGE OF LOMBARD, ILLINOIS

Fleet Services Fund

Schedule of Revenues, Expenses and Changes in Net Position - By Accounts For the Fiscal Year Ended December 31, 2020

	Operation and Maintenance	Capital Reserve	Totals
Operating Revenues			
Charges for Services	\$ 1,002,502	1,370,436	2,372,938
Operating Expenses			
Operations	1,078,330	383,258	1,461,588
Depreciation	-	741,147	741,147
Total Operating Expenses	1,078,330	1,124,405	2,202,735
Operating Income (Loss)	(75,828)	246,031	170,203
Nonoperating Revenues			
Interest Income	2,612	108,586	111,198
Other Income	31,600	2,196	33,796
Disposal of Capital Assets	-	603,168	603,168
	34,212	713,950	748,162
Change in Net Position	(41,616)	959,981	918,365
Net Position - Beginning	369,250	11,863,788	12,233,038
Net Position - Ending	327,634	12,823,769	13,151,403

VILLAGE OF LOMBARD, ILLINOIS

Fleet Services Fund - Operation and Maintenance Account

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,116,580	1,116,580	1,002,502
Operating Expenses			
Operations			
Personnel	478,420	478,420	551,177
Commodities	577,500	577,500	434,041
Contractual	110,600	110,600	93,112
Total Operating Expenses	1,166,520	1,166,520	1,078,330
Operating (Loss)	(49,940)	(49,940)	(75,828)
Nonoperating Revenues			
Interest Income	-	-	2,612
Other Income	48,720	48,720	31,600
	48,720	48,720	34,212
Change in Net Position	(1,220)	(1,220)	(41,616)
Net Position - Beginning			369,250
Net Position - Ending			327,634

VILLAGE OF LOMBARD, ILLINOIS

Fleet Services Fund - Capital Reserve Account

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 1,370,470	1,370,470	1,370,436
Operating Expenses			
Operations	1,857,000	1,857,000	383,258
Depreciation	-	-	741,147
Total Operating Expenses	1,857,000	1,857,000	1,124,405
Operating Income (Loss)	(486,530)	(486,530)	246,031
Nonoperating Revenues			
Interest Income	-	-	108,586
Other Income	-	-	2,196
Disposal of Capital Assets	-	-	603,168
	-	-	713,950
Change in Net Position	(486,530)	(486,530)	959,981
Net Position - Beginning			11,863,788
Net Position - Ending			12,823,769

VILLAGE OF LOMBARD, ILLINOIS

Fleet Services Fund - Capital Reserve Account

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budget		Actual
	Original	Final	
Operations			
Automotive Equipment	\$ 3,126,562	3,126,562	1,652,820
Less Nonoperating Items			
Capital Assets Capitalized	(1,269,562)	(1,269,562)	(1,269,562)
Total Operations	1,857,000	1,857,000	383,258

VILLAGE OF LOMBARD, ILLINOIS**Combining Statement of Fiduciary Net Position - Pension Trust
December 31, 2020**

	Police Pension	Firefighters' Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,583,028	848,584	2,431,612
Investments			
U.S. Treasuries	3,999,801	-	3,999,801
U.S. Agencies	24,239,695	8,667,060	32,906,755
Local Government Obligations	4,565,284	1,016,949	5,582,233
Corporate Bonds	5,960,136	17,706,764	23,666,900
Mutual Funds	40,992,897	39,775,077	80,767,974
Stock Equities	-	6,830,001	6,830,001
Illinois Funds	79,617	3,303	82,920
Illinois Metropolitan Investment Funds	90,346	504,171	594,517
Receivables			
Accrued Interest	198,700	218,985	417,685
Prepays	-	795	795
Total Assets	81,709,504	75,571,689	157,281,193
LIABILITIES			
Accounts Payable	47,615	30,098	77,713
NET POSITION			
Net Position Restricted for Pensions	81,661,889	75,541,591	157,203,480

VILLAGE OF LOMBARD, ILLINOIS

Combining Statement of Changes in Fiduciary Net Position - Pension Trust For the Fiscal Year Ended December 31, 2020

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 3,021,462	2,489,046	5,510,508
Contributions - Plan Members	634,362	643,049	1,277,411
Total Contributions	3,655,824	3,132,095	6,787,919
Other Income	276	226	502
Investment Income			
Interest Earned	9,985,355	8,427,669	18,413,024
Net Change in Fair Value	(13,123)	(29,193)	(42,316)
	9,972,232	8,398,476	18,370,708
Less Investment Expenses	(148,070)	(104,039)	(252,109)
Net Investment Income	9,824,162	8,294,437	18,118,599
Total Additions	13,480,262	11,426,758	24,907,020
Deductions			
Administration	51,161	37,067	88,228
Benefits	5,605,851	4,090,772	9,696,623
Total Deductions	5,657,012	4,127,839	9,784,851
Change in Fiduciary Net Position	7,823,250	7,298,919	15,122,169
Net Position Restricted			
Beginning	73,838,639	68,242,672	142,081,311
Ending	81,661,889	75,541,591	157,203,480

VILLAGE OF LOMBARD, ILLINOIS

Police Pension Fund - Pension Trust

Schedule of Changes in Fiduciary Net Position - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 3,049,760	3,049,760	3,021,462
Contributions - Plan Members	680,000	680,000	634,362
Total Contributions	3,729,760	3,729,760	3,655,824
Other Income	-	-	276
Investment Income			
Interest Earned	4,900,000	4,900,000	9,985,355
Net Change in Fair Value	-	-	(13,123)
	4,900,000	4,900,000	9,972,232
Less Investment Expenses	-	-	(148,070)
Net Investment Income	4,900,000	4,900,000	9,824,162
Total Additions	8,629,760	8,629,760	13,480,262
Deductions			
Administration	6,210,520	6,210,520	51,161
Benefits	306,500	306,500	5,605,851
Total Deductions	6,517,020	6,517,020	5,657,012
Change in Fiduciary Net Position	2,112,740	2,112,740	7,823,250
Net Position Restricted			
Beginning			73,838,639
Ending			81,661,889

VILLAGE OF LOMBARD, ILLINOIS

Firefighters' Pension Fund - Pension Trust

Schedule of Changes in Fiduciary Net Position - Budget and Actual For the Fiscal Year Ended December 31, 2020

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 2,509,000	2,509,000	2,489,046
Contributions - Plan Members	650,000	650,000	643,049
Total Contributions	3,159,000	3,159,000	3,132,095
Other Income	-	-	226
Investment Income			
Interest Earned	4,410,000	4,410,000	8,427,669
Net Change in Fair Value	-	-	(29,193)
	4,410,000	4,410,000	8,398,476
Less Investment Expenses	-	-	(104,039)
Net Investment Income	4,410,000	4,410,000	8,294,437
Total Additions	7,569,000	7,569,000	11,426,758
Deductions			
Administration	4,610,120	4,610,120	37,067
Benefits	206,500	206,500	4,090,772
Total Deductions	4,816,620	4,816,620	4,127,839
Change in Fiduciary Net Position	2,752,380	2,752,380	7,298,919
Net Position Restricted			
Beginning			68,242,672
Ending			75,541,591

VILLAGE OF LOMBARD, ILLINOIS

Special Assesements Fund - Custodial

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended December 31, 2020

<hr/> <hr/>	
Additions	
Rebates	\$ (13,692)
Interest Earned	14,727
Total Additions	<u>1,035</u>
Deductions	
Contractual	<u>5,749</u>
Change in Net Position	(4,714)
Net Position - Beginning	<u>940,498</u>
Net Postion - Ending	<u><u>935,784</u></u>

VILLAGE OF LOMBARD, ILLINOIS**Consolidated Year-End Financial Report****December 31, 2020**

CSFA #	Program Name	State	Federal	Other	Total
420-00-2437	Rebuild Illinois for Economic Distressed Areas	\$ 29,839	-	-	29,839
420-22-2452	Business Interruption Grant Program	-	43,257	-	43,257
444-00-2174	2020 Census Grant Program	18,628	-	-	18,628
444-26-1565	Tobacco Enforcement Program	-	1,485	-	1,485
478-00-2484	Coronavirus Relief Fund (CFDA 21.019)	-	2,296,668	-	2,296,668
494-00-1488	Motor Fuel Tax Program	1,624,766	-	-	1,624,766
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	-	79,455	-	79,455
	Other Grant Programs and Activities	-	5,743	13,166	18,909
	All Other Costs Not Allocated	-	-	64,741,981	64,741,981
	Totals	1,673,233	2,426,608	64,755,147	68,854,988

STATISTICAL SECTION

(Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF LOMBARD, ILLINOIS

**Net Position by Component - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014	Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
Governmental Activities										
Net Investment in Capital Assets	\$ 84,533,294	88,172,217	88,985,049	89,079,482	91,631,301	95,126,395	95,368,627	88,165,070	87,093,170	83,839,086
Restricted	7,522,946	8,678,133	8,470,057	8,708,131	7,925,287	8,782,371	9,912,080	11,173,164	13,297,322	13,073,099
Unrestricted	21,646,376	17,997,708	17,200,029	18,260,845	(33,630,621)	(46,498,842)	(45,531,098)	(39,708,763)	(38,930,246)	(27,628,001)
Total Governmental Activities Net Position	113,702,616	114,848,058	114,655,135	116,048,458	65,925,967	57,409,924	59,749,609	59,629,471	61,460,246	69,284,184
Business-Type Activities										
Net Investment in Capital Assets	44,080,283	45,485,179	48,108,389	48,339,710	50,519,132	55,170,413	61,488,657	59,966,039	63,175,984	63,840,694
Unrestricted	30,701,570	32,610,492	31,789,271	33,172,256	29,332,987	29,461,493	30,326,744	33,896,659	33,931,778	35,803,362
Total Business-Type Activities Net Position	74,781,853	78,095,671	79,897,660	81,511,966	79,852,119	84,631,906	91,815,401	93,862,698	97,107,762	99,644,056
Primary Government										
Net Investment in Capital Assets	128,613,577	133,657,396	137,093,438	137,419,192	142,150,433	150,296,808	156,857,284	148,131,109	150,269,154	147,679,780
Restricted	7,522,946	8,678,133	8,470,057	8,708,131	7,925,287	8,782,371	9,912,080	11,173,164	13,297,322	13,073,099
Unrestricted	52,347,946	50,608,200	48,989,300	51,433,101	(4,297,634)	(17,037,349)	(15,204,354)	(5,812,104)	(4,998,468)	8,175,361
Total Primary Government Net Position	188,484,469	192,943,729	194,552,795	197,560,424	145,778,086	142,041,830	151,565,010	153,492,169	158,568,008	168,928,240

Data Source: Village Records

The Village implemented GASB Statement 68 in Fiscal Year 2015.

VILLAGE OF LOMBARD, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
December 31, 2020 (Unaudited)

	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014	Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
Expenses										
Governmental Activities										
General Government	\$ 9,328,731	4,131,738	10,618,566	11,061,834	9,954,809	7,714,255	8,364,526	7,830,805	7,633,490	4,734,249
Public Safety	22,978,172	15,408,311	24,910,856	26,028,142	33,846,421	43,002,575	22,251,838	29,757,920	33,030,431	24,653,543
Physical Environment	1,642,693	921,050	1,447,328	1,513,731	1,538,966	1,629,603	1,651,411	1,742,984	1,697,548	1,788,091
Public Works	12,491,561	11,772,540	14,176,035	12,483,872	11,461,604	12,103,052	12,176,367	10,751,043	10,182,668	15,136,916
Interest on Long-Term Debt	322,932	166,539	244,159	183,751	120,882	86,322	50,903	27,270	8,014	545
Total Governmental Activities Expenses	46,764,089	32,400,178	51,396,944	51,271,330	56,922,682	64,535,807	44,495,045	50,110,022	52,552,151	46,313,344
Business-Type Activities										
Waterworks and Sewerage	16,397,317	10,218,545	16,959,526	16,907,384	23,120,131	17,150,317	18,914,412	21,957,393	20,664,873	22,381,170
Parking	117,847	52,609	91,534	51,754	125,721	87,494	152,930	216,010	161,289	160,474
Total Business-Type Activities Expenses	16,515,164	10,271,154	17,051,060	16,959,138	23,245,852	17,237,811	19,067,342	22,173,403	20,826,162	22,541,644
Total Primary Government Expenses	63,279,253	42,671,332	68,448,004	68,230,468	80,168,534	81,773,618	63,562,387	72,283,425	73,378,313	68,854,988
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	3,645,459	2,204,963	3,301,022	3,627,609	3,728,640	3,368,010	4,403,260	3,190,860	3,158,243	2,816,349
Public Safety	2,655,212	1,535,287	2,722,478	2,864,881	2,369,503	2,647,107	2,884,513	3,502,029	3,449,272	3,152,317
Operating Grants/Contributions	1,231,404	841,056	179,303	251,040	232,866	232,736	240,648	588,378	252,749	2,507,618
Capital Grants/Contributions	4,516,688	3,227,305	3,392,405	3,447,663	3,042,778	7,629,033	3,205,407	3,447,145	4,003,624	5,786,887
Total Governmental Activities Program Revenues	12,048,763	7,808,611	9,595,208	10,191,193	9,373,787	13,876,886	10,733,828	10,728,412	10,863,888	14,263,171
Business-Type Activities										
Charges for Services										
Waterworks and Sewerage	13,666,637	9,625,045	14,284,278	14,350,288	14,845,277	16,254,939	16,492,569	17,453,749	17,979,876	19,412,989
Parking	195,755	115,846	193,885	175,093	186,835	221,529	224,759	220,241	235,570	47,700
Operating Grants/Contributions	-	-	414,180	-	-	-	341,381	37,294	18,300	19,387
Capital Grants/Contributions	1,436,538	166,889	-	827,973	189,232	58,292	252,866	1,911,707	907,210	1,971,429
Total Business-Type Activities Program Revenues	15,298,930	9,907,780	14,892,343	15,353,354	15,221,344	16,534,760	17,311,575	19,622,991	19,140,956	21,451,505
Total Primary Government Program Revenues	27,347,693	17,716,391	24,487,551	25,544,547	24,595,131	30,411,646	28,045,403	30,351,403	30,004,844	35,714,676

	Fiscal Year Ended	Seven Months Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended
	5/31/2012	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
Net (Expenses) Revenues										
Governmental Activities	\$ (24,591,567)	(41,801,736)	(41,080,137)	(41,080,137)	(47,548,895)	(50,658,921)	(33,761,217)	(39,381,610)	(41,688,263)	(32,050,173)
Business-Type Activities	(363,374)	(2,158,717)	(1,605,784)	(1,605,784)	(8,024,508)	(703,051)	(1,755,767)	(2,550,412)	(1,685,206)	(1,090,139)
Total Primary Government										
Net Revenues (Expenses)	(24,954,941)	(43,960,453)	(42,685,921)	(42,685,921)	(55,573,403)	(51,361,972)	(35,516,984)	(41,932,022)	(43,373,469)	(33,140,312)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	8,394,681	8,571,427	8,851,990	8,807,994	8,963,744	9,033,526	9,146,994	9,407,488	9,670,086	10,742,879
Utility	4,816,683	2,697,489	4,647,765	4,729,429	4,227,330	4,148,253	3,969,776	3,989,921	3,759,230	3,411,865
Places for Eating	1,533,839	931,591	1,550,672	1,575,624	1,687,638	1,678,787	3,230,111	3,264,805	3,322,889	1,936,987
Tourism and Conventions	1,754,103	1,124,695	1,867,534	1,939,853	2,009,401	1,962,433	2,042,521	1,980,377	1,967,358	101,637
Other	660,507	422,654	660,615	573,757	642,755	642,963	565,734	504,963	475,624	931,324
Intergovernmental - Unrestricted										
Sales	16,842,804	7,583,455	17,711,202	18,535,018	16,366,591	17,216,410	14,079,367	16,943,151	16,263,676	14,562,730
State Income and Use Taxes	4,331,205	2,433,235	4,932,421	4,953,509	5,668,814	5,204,594	5,063,514	5,442,835	6,097,787	6,637,410
Personal Property Replacement Taxes	151,265	62,032	162,553	165,968	175,798	157,406	167,261	149,760	187,461	169,956
Interest Income	114,233	89,579	79,631	(23,122)	324,455	214,042	293,212	682,210	799,894	400,500
Miscellaneous	468,412	172,906	594,625	724,920	355,529	1,342,640	608,017	386,468	465,153	478,633
Transfers - Internal Activities	526,330	354,840	549,805	490,510	575,832	541,824	525,850	530,750	509,880	500,190
Total Governmental Activities	39,594,062	24,443,903	41,608,813	42,473,460	40,997,887	42,142,878	39,692,357	43,282,728	43,519,038	39,874,111
Business-Type Activities										
Intergovernmental - Unrestricted										
Sales	3,301,320	3,921,901	2,792,960	2,019,659	5,062,424	4,446,536	7,849,684	5,189,994	4,865,737	3,802,428
Interest Income	8,261	21,781	13,245	41,100	146,984	101,869	83,639	202,643	297,191	130,317
Miscellaneous	261,158	88,350	1,704,306	1,649,841	1,731,085	1,476,257	1,531,789	633,454	277,222	193,878
Transfers - Internal Activities	(526,330)	(354,840)	(549,805)	(490,510)	(575,832)	(541,824)	(525,850)	(530,750)	(509,880)	(500,190)
Total Business-Type Activities	3,044,409	3,677,192	3,960,706	3,220,090	6,364,661	5,482,838	8,939,262	5,495,341	4,930,270	3,626,433
Total Primary Government	42,638,471	28,121,095	45,569,519	45,693,550	47,362,548	47,625,716	48,631,619	48,778,069	48,449,308	43,500,544
Changes in Net Position										
Governmental Activities	15,002,495	(17,357,833)	528,676	1,393,323	(6,551,008)	(8,516,043)	5,931,140	3,901,118	1,830,775	7,823,938
Business-Type Activities	2,681,035	1,518,475	2,354,922	1,614,306	(1,659,847)	4,779,787	7,183,495	2,944,929	3,245,064	2,536,294
Total Primary Government	17,683,530	(15,839,358)	2,883,598	3,007,629	(8,210,855)	(3,736,256)	13,114,635	6,846,047	5,075,839	10,360,232

Data Source: Village Records

VILLAGE OF LOMBARD, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years December 31, 2020 (Unaudited)

	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014
General Fund				
Nonspendable	\$ 268,971	301,944	339,072	588,720
Restricted	4,806,203	5,900,173	5,355,457	4,585,568
Committed	5,677,588	6,467,312	4,652,500	6,900,547
Unassigned	7,382,548	7,152,026	9,315,747	6,718,345
Total General Fund	18,135,310	19,821,455	19,662,776	18,793,180
All Other Governmental Funds				
Restricted	2,716,743	2,912,227	3,224,579	4,197,575
Committed	-	-	-	-
Assigned	6,485,958	1,261,407	2,026,548	2,045,276
Unassigned	(60,707)	-	-	-
Total All Other Governmental Funds	9,141,994	4,173,634	5,251,127	6,242,851
Total All Governmental Funds	27,277,304	23,995,089	24,913,903	25,036,031

Data Source: Village Records

Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
857,860	1,565,759	1,745,588	1,851,003	1,833,795	4,634,641
3,972,654	3,806,465	3,807,634	4,610,742	5,062,201	5,606,336
7,811,170	7,337,681	8,432,807	7,853,817	8,165,600	8,619,201
6,387,092	6,508,942	8,550,874	7,589,075	8,299,339	10,368,294
19,028,776	19,218,847	22,536,903	21,904,637	23,360,935	29,228,472
4,000,625	5,009,343	6,120,803	6,570,986	8,235,667	7,466,763
-	1,119,423	1,119,423	2,641,651	3,931,014	3,904,509
3,059,395	4,859,378	1,058,027	2,553,979	1,680,003	2,714,890
-	-	-	-	-	-
7,060,020	10,988,144	8,298,253	11,766,616	13,846,684	14,086,162
26,088,796	30,206,991	30,835,156	33,671,253	37,207,619	43,314,634

VILLAGE OF LOMBARD, ILLINOIS

General Governmental Revenues By Source - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Source	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014
Taxes	\$ 22,679,765	14,857,162	23,856,270	24,937,522
Licenses and Permits	1,643,974	784,380	1,140,082	1,199,891
Intergovernmental	21,003,206	13,011,247	20,100,190	20,042,333
Charges for Services	3,688,442	2,440,906	4,040,224	4,406,641
Fines and Forfeits	968,255	514,964	843,194	885,958
Interest	86,442	74,744	68,630	(29,353)
Miscellaneous	468,412	172,906	594,625	724,920
Totals	50,538,496	31,856,309	50,643,215	52,167,912

Data Source: Village Records

Note: Includes General, Debt Service and Capital Projects Funds for the primary government.

Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
22,021,814	17,623,368	19,122,397	19,297,314	19,382,648	17,124,692
1,286,559	1,121,197	1,455,518	1,041,619	1,150,651	882,777
20,995,901	25,748,881	22,588,936	26,421,509	26,617,836	29,664,601
3,960,748	4,017,724	4,806,728	4,456,110	4,459,687	4,225,547
850,836	876,196	1,025,527	1,195,160	997,177	860,342
231,760	143,285	217,348	502,182	573,967	289,302
355,529	1,342,640	608,017	386,468	465,153	478,633
49,703,147	50,873,291	49,824,471	53,300,362	53,647,119	53,525,894

VILLAGE OF LOMBARD, ILLINOIS

General Governmental Expenditures By Function - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Function	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014
General Government	\$ 9,412,734	4,754,465	9,893,544	10,107,819
Public Safety	22,880,848	15,366,469	24,771,528	25,825,972
Physical Environment	1,642,693	921,050	1,447,328	1,513,731
Public Works	4,683,711	3,231,974	4,054,885	4,146,281
Capital Outlay	5,536,645	10,045,487	9,518,569	8,496,713
Debt Service				
Principal Retirement	2,230,970	1,020,885	2,056,400	2,227,060
Interest and Fiscal Charges	385,477	153,034	281,952	218,718
Totals	46,773,078	35,493,364	52,024,206	52,536,294

Data Source: Village Records

Note: Includes General, Debt Service and Capital Projects Funds for the primary government.

Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
7,661,812	7,924,067	8,067,440	8,013,157	7,767,276	6,255,754
25,444,257	26,853,707	27,030,606	29,754,052	29,136,905	27,703,298
1,538,966	1,629,603	1,651,411	1,742,984	1,697,548	1,788,091
4,044,581	4,146,747	4,174,088	4,177,623	4,030,471	3,889,700
8,487,921	5,291,519	7,380,053	6,687,886	7,407,976	9,692,760
1,900,775	1,350,400	1,350,575	584,250	564,425	88,375
147,902	100,877	67,983	35,063	16,032	1,091
49,226,214	47,296,920	49,722,156	50,995,015	50,620,633	49,419,069

VILLAGE OF LOMBARD, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years December 31, 2020 (Unaudited)

	Fiscal Year Ended 5/31/2012**	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014
Revenues				
Taxes	\$ 22,679,765	14,857,162	23,856,270	24,937,522
Licenses and Permits	1,643,974	784,380	1,140,082	1,199,891
Intergovernmental	21,003,206	13,011,247	20,100,190	20,042,333
Charges for Services	3,688,442	2,440,906	4,040,224	4,406,641
Fines and Forfeits	968,255	514,964	843,194	885,958
Interest	86,442	74,744	68,630	(29,353)
Miscellaneous	468,412	172,906	594,625	724,920
Total Revenues	50,538,496	31,856,309	50,643,215	52,167,912
Expenditures				
General Government	9,412,734	4,754,465	9,893,544	10,107,819
Public Safety	22,880,848	15,366,469	24,771,528	25,825,972
Physical Environment	1,642,693	921,050	1,447,328	1,513,731
Public Works	4,683,711	3,231,974	4,054,885	4,146,281
Capital Outlay	5,536,645	10,045,487	9,518,569	8,496,713
Debt Service				
Principal	2,230,970	1,020,885	2,056,400	2,227,060
Interest and Fiscal Charges	385,477	153,034	281,952	218,718
Total Expenditures	46,773,078	35,493,364	52,024,206	52,536,294
Excess of Revenues Over (Under) Expenditures	3,765,418	(3,637,055)	(1,380,991)	(368,382)
Other Financing Sources (Uses)				
Issuance of Debt	-	-	1,750,000	490,510
Disposal of Capital Assets	-	-	-	-
Transfers In	526,330	354,840	549,805	-
Transfers Out	-	-	-	-
	526,330	354,840	2,299,805	490,510
Net Change in Fund Balances	4,291,748	(3,282,215)	918,814	122,128
Debt Service as a Percentage of Noncapital Expenditures	5.70%	3.63%	4.71%	4.93%

Data Source: Village Records

** In 2012, sales taxes, income taxes and use taxes were reclassified from Taxes to Intergovernmental.

Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
22,021,814	17,623,368	19,122,397	19,297,314	19,382,648	17,124,692
1,286,559	1,121,197	1,455,518	1,041,619	1,150,651	882,777
20,995,901	25,748,881	22,588,936	26,421,509	26,617,836	29,664,601
3,960,748	4,017,724	4,806,728	4,456,110	4,459,687	4,225,547
850,836	876,196	1,025,527	1,195,160	997,177	860,342
231,760	143,285	217,348	502,182	573,967	289,302
355,529	1,342,640	608,017	386,468	465,153	478,633
49,703,147	50,873,291	49,824,471	53,300,362	53,647,119	53,525,894
7,661,812	7,924,067	8,067,440	8,013,157	7,767,276	6,255,754
25,444,257	26,853,707	27,030,606	29,754,052	29,136,905	27,703,298
1,538,966	1,629,603	1,651,411	1,742,984	1,697,548	1,788,091
4,044,581	4,146,747	4,174,088	4,177,623	4,030,471	3,889,700
8,487,921	5,291,519	7,380,053	6,687,886	7,407,976	9,692,760
1,900,775	1,350,400	1,350,575	584,250	564,425	88,375
147,902	100,877	67,983	35,063	16,032	1,091
49,226,214	47,296,920	49,722,156	50,995,015	50,620,633	49,419,069
476,933	3,576,371	102,315	2,305,347	3,026,486	4,106,825
-	-	-	-	-	-
-	-	-	-	-	1,500,000
575,832	1,707,349	525,850	2,172,118	1,881,950	551,410
-	(1,165,525)	-	(1,641,368)	(1,372,070)	(51,220)
575,832	541,824	525,850	530,750	509,880	2,000,190
1,052,765	4,118,195	628,165	2,836,097	3,536,366	6,107,015
4.51%	3.09%	3.00%	1.22%	1.18%	0.19%

VILLAGE OF LOMBARD, ILLINOIS

Sales Tax Base and Number of Principal Payers - Taxable Sales by Category - Last Ten Calendar Years December 31, 2020 (Unaudited)

	2011	2012	2013	2014
General Merchandise	\$ 2,093,390	2,063,495	1,879,633	1,835,831
Food	831,723	784,138	789,686	777,661
Drinking and Eating Places	1,319,069	1,401,705	1,381,278	1,410,990
Apparel	515,269	520,252	522,665	491,891
Furniture & H.H. & Radio	686,490	816,820	1,075,702	1,200,192
Lumber, Building, Hardware	242,502	255,213	288,171	202,593
Automobile and Filling Stations	1,515,675	1,636,324	1,692,416	1,703,973
Drugs and Miscellaneous Retail	1,780,790	1,888,398	1,829,114	1,802,817
Agriculture and All Others	1,565,438	1,107,902	1,195,219	1,480,694
Manufacturers	272,207	299,178	298,918	337,756
Totals	10,822,553	10,773,425	10,952,802	11,244,398
Total Number of Payers	1,741	1,226	1,217	1,230
Village Direct Sales Tax Rate	2.00%	2.00%	2.00%	2.00%

Data Source: Illinois Department of Revenue

Note: Blank categories have less than 4 individual taxpayers, therefore no data is shown to protect the confidentiality of individual taxpayers; totals include censored data.

2015	2016	2017	2018	2019	2020
1,864,064	1,834,716	1,771,392	1,644,742	1,360,547	982,921
882,930	789,328	868,701	1,131,528	1,118,468	1,103,638
1,485,984	1,553,358	1,509,367	1,501,610	1,533,517	1,044,900
489,318	541,685	623,537	580,022	561,213	349,769
1,233,931	1,407,719	1,476,905	1,518,113	1,456,464	1,474,808
200,601	205,604	215,289	214,036	418,710	607,304
1,612,979	1,679,340	1,661,078	1,718,754	1,832,283	1,616,731
1,554,013	2,000,563	1,913,736	1,673,635	1,871,623	1,699,969
2,133,961	1,579,555	1,597,305	1,764,161	1,358,968	1,015,870
234,324	274,800	249,877	256,261	240,576	200,242
11,692,105	11,866,668	11,887,187	12,002,862	11,752,369	10,096,152
1,272	1,261	1,275	1,264	1,287	1,205
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

VILLAGE OF LOMBARD, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year Ended	Village Direct Rate	State Rate
5/31/2012	2.00%	6.25%
12/31/2012*	2.00%	6.25%
12/31/2013	2.00%	6.25%
12/31/2014	2.00%	6.25%
12/31/2015	2.00%	6.25%
12/31/2016	2.00%	6.00%
12/31/2017	2.00%	6.00%
12/31/2018	2.00%	6.00%
12/31/2019	2.00%	6.00%
12/31/2020	2.00%	6.25%

Data Source: Village and County Records

* For the seven months ended December 31, 2012.

VILLAGE OF LOMBARD, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years December 31, 2020 (Unaudited)

Tax Levy Year	Residential Property	Farm	Commercial Property
2011	\$ 1,043,358,360	\$ 23	\$ 380,587,701
2012	946,060,870	-	358,952,872
2013	881,175,298	-	338,283,194
2014	870,626,683	-	329,667,597
2015	882,424,333	-	362,080,187
2016	931,670,039	-	383,249,331
2017	992,795,708	-	400,597,255
2018	1,044,399,138	-	411,636,899
2019	1,130,588,743	-	443,388,967
2020	1,185,051,683	-	452,577,502

Data Source: Office of the DuPage County Clerk

Industrial Property	Totals	Railroad	Total Assessed Value	Estimated Actual Value	Total Direct Tax Rates
\$ 76,579,705	\$ 1,500,525,789	\$ 562,578	\$ 1,501,088,367	\$ 4,503,265,101	0.5595
68,591,270	1,373,605,012	632,992	1,374,238,004	4,122,714,012	0.6307
65,424,010	1,284,882,502	776,655	1,285,659,157	3,856,977,471	0.6742
67,025,110	1,267,319,390	808,262	1,268,127,652	3,804,382,956	0.6917
68,736,210	1,313,240,730	966,159	1,314,206,889	3,942,620,667	0.6747
73,714,620	1,388,633,990	982,368	1,389,616,358	4,168,849,074	0.6453
79,245,500	1,472,638,463	1,001,928	1,473,640,391	4,420,921,173	0.6250
83,219,140	1,539,255,177	1,075,366	1,540,330,543	4,620,991,629	0.6151
89,820,740	1,663,798,450	1,172,489	1,664,970,939	4,994,912,817	0.5839
93,073,250	1,730,702,435	1,221,697	1,731,924,132	5,195,772,396	0.5971

VILLAGE OF LOMBARD, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years December 31, 2020 (Unaudited)

	2011	2012	2013	2014
Village of Lombard:				
General Corporate	0.1380	0.0904	0.0898	0.1010
Police Pension	0.1422	0.1763	0.2042	0.2004
Public Benefit	0.0499	0.0493	0.0500	0.0496
Firefighters' Pension	0.1011	0.1278	0.1512	0.1586
IMRF	0.0299	0.0549	0.0603	0.0609
Liability Insurance	0.0766	0.0878	0.0700	0.0720
Social Security	0.0218	0.0442	0.0487	0.0492
Total Direct Tax Rates	0.5595	0.6307	0.6742	0.6917
Library	0.2228	0.2513	0.2743	0.2832
DuPage County	0.1773	0.1929	0.2040	0.2057
DuPage County Forest Preserve	0.1414	0.1542	0.1657	0.1691
York Township	0.0810	0.0928	0.1017	0.1049
Lombard Park District	0.3760	0.4195	0.4543	0.4664
Community College No. 502	0.2495	0.2681	0.2956	0.2975
High School District No. 87	2.0199	2.2868	2.4877	2.5824
School District No. 44	3.5118	3.9416	4.2995	4.4326
DuPage County Airport Authority	0.0169	0.0168	0.0178	0.0196
Total Direct and Overlapping Tax Rates	7.3561	8.2547	8.9748	9.2531

Data Source: Office of the DuPage County Clerk

2015	2016	2017	2018	2019	2020
0.0077	0.0000	0.0000	0.0707	0.0738	0.0816
0.2227	0.2174	0.2033	0.1823	0.1833	0.1826
0.0470	0.0492	0.0498	0.0004	0.0003	0.0003
0.1543	0.1569	0.1525	0.1381	0.1306	0.1451
0.0676	0.0635	0.0603	0.0571	0.0499	0.0476
0.1284	0.1141	0.1172	0.1249	0.1075	0.1033
0.0470	0.0442	0.0419	0.0416	0.0385	0.0366
0.6747	0.6453	0.6250	0.6151	0.5839	0.5971
0.2763	0.4908	0.4754	0.4683	0.4455	0.4409
0.1971	0.1848	0.1749	0.1673	0.1655	0.1609
0.1622	0.1514	0.1306	0.1278	0.1242	0.1205
0.1002	0.0952	0.0924	0.0909	0.0894	0.0448
0.4546	0.4374	0.4249	0.4175	0.3971	0.3933
0.2786	0.2626	0.2431	0.2317	0.2112	0.2114
2.5173	2.4030	2.3402	2.2834	2.2296	2.2255
4.3039	4.1201	3.9701	3.8832	3.6969	3.7052
0.0188	0.0176	0.1660	0.0146	0.0141	0.0148
8.9837	8.8082	8.6426	8.2998	7.9574	7.9144

VILLAGE OF LOMBARD, ILLINOIS

Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2020 (Unaudited)

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
CH VII Marquette MF Chicago	\$ 21,971,570	1	1.27%			
F&F Realty (1)	21,476,390	2	1.24%	\$ 14,704,800	2	0.84%
Clover Creek Apartment (2)	20,840,440	3	1.20%			
Chicago Industrial LLC	17,609,340	4	1.02%			
Yorktown Apt Owner	16,399,100	5	0.95%			
Highland Pointe LLC (3)	15,213,950	6	0.88%			
Three Galleria Towers (4)	13,292,010	7	0.77%			
YTC Mall Owner LLC	12,992,710	8	0.75%	9,424,280	6	0.54%
CRP Greg Overture Yorktown	12,577,770	9	0.73%			
SLK Global Solution	12,183,660	10	0.70%			
Oak Creek Center LL LLC				17,501,870	1	1.00%
TA Associate Realty				13,927,440	3	0.79%
Red Mortgage Capital				13,775,410	4	0.79%
Butterfield Road Assoc.				13,308,460	5	0.76%
UBS Realty Investors LLC				9,414,480	7	0.54%
AIMCO				8,464,000	8	0.48%
St. Paul Insurance Co.				7,641,660	9	0.44%
Royal Management Corp				7,414,460	10	0.42%
	<u>164,556,940</u>		<u>9.51%</u>	<u>115,576,860</u>		<u>6.60%</u>

Data Source: DuPage County Clerk

Note: Ten Largest Taxpayers as percent of Village's 2020 EAV (\$1,731,924,132).

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2020 EAV is the most current available

- (1) Previously Villages 11 LLC
- (2) Previously Flanagan/Bilton EPT
- (3) Previously Carramerica IL Holdings
- (4) Previously AIMCO

VILLAGE OF LOMBARD, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year Ended	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
5/31/2012	2011	\$ 8,398,591	\$ -	0.00%	\$ -	\$ -	0.00%
12/31/2012*	2011	8,398,591	8,362,665	99.57%	-	8,362,665	99.57%
12/31/2013	2012	8,667,319	8,655,270	99.86%	-	8,655,270	99.86%
12/31/2014	2013	8,667,914	8,629,546	99.56%	-	8,629,546	99.56%
12/31/2015	2014	8,845,190	8,756,121	98.99%	-	8,756,121	98.99%
12/31/2016	2015	8,866,954	8,851,327	99.82%	-	8,851,327	99.82%
12/31/2017	2016	8,967,194	8,952,364	99.83%	-	8,952,364	99.83%
12/31/2018	2017	9,210,252	9,190,506	99.79%	-	9,190,506	99.79%
12/31/2019	2018	9,474,573	9,450,346	99.74%	-	9,450,346	99.74%
12/31/2020	2019	10,061,420	9,960,702	99.00%	-	9,960,702	99.00%

Data Source: Village Records

* For the seven months ended December 31, 2012.

VILLAGE OF LOMBARD, ILLINOIS

Ratios of Outstanding Debt By Type - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year Ended	Governmental Activities
	Debt Certificates
5/31/2012	\$ 9,393,145
12/31/2012*	8,372,260
12/31/2013	8,065,860
12/31/2014	5,838,800
12/31/2015	3,938,025
12/31/2016	2,587,625
12/31/2017	1,237,050
12/31/2018	652,800
12/31/2019	88,375
12/31/2020	-

Data Source: Village's Records

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

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

N/A - Not Available

* For the seven months ended December 31, 2012.

		Business-Type Activities					
General Obligation (ARS) Bonds		Waterworks and Sewerage Debt Certificates	Waterworks and Sewerage IEPA Loan	Total Primary Government		Percentage of Personal Income (1)	Per Capita (1)
\$	-	\$ 6,061,855	\$ -	\$	15,455,000	N/A	\$ 356.15
	-	5,137,740	-		13,510,000	N/A	311.33
	-	11,181,140	-		19,247,000	N/A	443.53
	-	8,902,200	-		14,741,000	N/A	339.69
	-	6,929,975	-		10,868,000	N/A	250.44
	-	4,857,375	4,069,322		11,514,322	N/A	265.34
	-	2,918,950	10,393,075		14,549,075	N/A	335.27
3,900,000		1,498,200	13,745,639		19,796,639	N/A	456.20
3,900,000		416,625	14,156,046		18,561,046	N/A	422.76
3,900,000		-	13,500,711		17,400,711	N/A	396.34

VILLAGE OF LOMBARD, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt December 31, 2020 (Unaudited)

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (2)	Village's Share of Debt
Village of Lombard (1)	\$ -	100.00%	\$ -
School Districts:			
School District No. 4	-	5.47%	-
School District No. 15	35,456,000	0.96%	340,378
School District No. 41	21,170,000	1.69%	357,773
School District No. 44	16,530,000	83.44%	13,792,632
School District No. 45	58,210,000	31.43%	18,295,403
School District No. 58	11,948,492	1.06%	126,654
School District No. 89	5,430,000	8.58%	465,894
High School District No. 87	51,145,000	19.96%	10,208,542
High School District No. 88	65,640,000	13.94%	9,150,216
High School District No. 99	15,884,077	0.65%	103,247
Community College District No. 502	153,185,000	3.60%	5,514,660
Total School Districts	434,598,569		58,355,398
Other Agencies:			
DuPage County	111,750,000	4.02%	4,492,350
DuPage County Forest Preserve	81,645,000	4.02%	3,282,129
Lombard Park District	11,551,630	97.66%	11,281,322
Butterfield Park District	3,483,000	22.72%	791,338
Glen Ellyn Park District	2,391,000	1.43%	34,191
Oak Brook Park District	17,408,204	0.20%	34,816
York Center Park District	25,000	38.88%	9,720
Total Other Agencies	228,253,834		19,925,866
Total Overlapping Debt	662,852,403		78,281,264
Total Direct and Overlapping Debt	662,852,403		78,281,264

Data Source: County Clerk's Office, Illinois Tax Extension Division.

(1) Includes Special Service Areas

(2) Determined by ratio of assessed value of property subject to taxation in Village of Lombard to value of property subject to taxation in overlapping unit.

VILLAGE OF LOMBARD, ILLINOIS

Schedule of Legal Debt Margin December 31, 2020 (Unaudited)

Assessed Valuation - 2020	<u>\$ 1,731,924,132</u>
Legal Debt Limit - 8.625% of Assessed Valuation	149,378,456
Amount of Debt Applicable to Debt Limit	
None	<u>-</u>
Legal Debt Margin	<u>149,378,456</u>

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

VILLAGE OF LOMBARD, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Fiscal Year Ended	Population	Personal Income (in Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
5/31/2012	43,395	\$ N/A	\$ N/A	39.1	6,443	8.5%
12/31/2012*	43,395	N/A	N/A	39.1	6,730	7.5%
12/31/2013	43,395	N/A	N/A	39.1	7,009	7.4%
12/31/2014	43,395	N/A	N/A	39.1	6,895	5.8%
12/31/2015	43,395	N/A	N/A	40.5	6,883	4.7%
12/31/2016	43,395	N/A	N/A	40.5	6,610	4.6%
12/31/2017	43,395	N/A	N/A	40.5	6,455	4.0%
12/31/2018	43,395	N/A	N/A	40.5	5,422	3.1%
12/31/2019	43,904	N/A	N/A	37.9	6,060	2.8%
12/31/2020	43,904	N/A	N/A	37.9	6,397	8.3%

Data Sources

- (1) U.S. Department of Commerce, Bureau of the Census
- (2) Illinois Department of Employment Security (using annual averages)

N/A - Not Available

* For the seven months ended December 31, 2012.

VILLAGE OF LOMBARD, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2020 (Unaudited)

Employer	2020			2011		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
J.C. Penney Co. Inc.	400	1	3.66%			
School District 87	300	2	2.74%			
Westin Lombard Yorktown	275	3	2.52%			
Adjustable Forms, Inc.	250	4	2.29%			
Vitas Healthcare Corporation	250	5	2.29%			
Acosta Sales & Marketing Company				500	1	2.24%
Hillcrest Property Management Co.				400	2	1.79%
Adjustable Forms, Inc.				350	3	1.57%
Dial America Marketing, Inc.				310	4	1.39%
Carson Pirie Scott & Co.				300	5	1.34%
Imperial Service Systems				300	6	1.34%
West Suburban Bank				300	7	1.34%
J.C. Penney Co. Inc.				275	8	1.23%
1st Advantage Mortgage				200	9	0.90%
Valdes Engineering				200	10	0.90%
	<u>1,475</u>		<u>13.49%</u>	<u>3,135</u>		<u>14.05%</u>

Data Sources: Illinois Manufacturers Directory, Illinois Services Directory and selective telephone surveys.

All available data for 2020 and 2011 has been included.

VILLAGE OF LOMBARD, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Function	5/31/2012	12/31/2012	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
	Fiscal Year Ended	Seven Months Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended	Fiscal Year Ended
Village Manager's Office	7	7	12	11	10	9	9	9	9	9
Finance	16	16	14	13	13	13	12	12	13	13
Public Works	32	32	33	37	39	38	38	35	35	35
Police	90	88	90	89	89	89	85	83	83	78
Fire	71	71	71	71	71	71	71	71	71	70
Community Development	19	19	16	17	18	18	19	17	17	16
Water and Sewer	23	23	24	23	22	21	21	20	20	20
Totals	258	256	260	261	262	259	255	247	248	241

Data Source: Village Records

VILLAGE OF LOMBARD, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Function/Program	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014
Public Works				
Forestry				
Number of Parkway Trees Planted	241	355	382	409
Number of Parkway Trees Trimmed	2,997	241	2,414	2,462
Number of Parkway Trees Removed	253	496	481	1,186
Wood Chips Produced (Cubic Yards)	902	560	799	2,262
Fleet Services				
Number of Repair Work Orders	2,134	1,112	1,777	2,978
Amount of Repair Costs (Parts & Labor)	\$624,524	\$354,959	\$721,320	\$712,814
Gallons of Fuel Pumped	118,750	72,752	122,685	123,966
Fuel Cost	\$380,153	\$228,664	\$389,142	\$375,736
Public Safety				
Fire				
Number of Fire Calls	3,131	1,990	3,124	3,384
Number of EMS Calls	4,593	2,911	4,801	5,091
ISO Rating	3	3	3	3
Police				
Number of Incidents	47,382	26,555	43,809	44,781
Number of Crimes	1,126	1,281	1,761	1,014
Crimes/1,000 Residents	26.1	27.9	40.6	23.7
Community Development				
Number of Building Permits Issued	2,993	2,125	2,487	2,463
Number of Building Inspections	5,047	3,449	5,732	5,122
Number of Code Enforcement Cases	932	441	814	653
Number of Tickets Issued	18	6	16	6
Finance				
Number of Utility Bills Issued	76,717	42,433	79,137	75,191
Number of Utility Accounts Shut Off	910	500	567	401
Ambulance Billing	\$1,997,685	\$1,339,896	\$2,086,897	\$2,508,610
Number of Accounts Payable Checks	3,868	2,501	3,538	3,325
Highways and Streets				
Contract Asphalt Patching/Grinding/Overlay	\$1,169,513	\$1,264,669	\$1,403,705	\$1,033,911
Concrete Street Rehabilitation	\$898,867	\$957,467	\$873,183	\$973,007
In-House Grind/Overlay	\$260,952	\$261,278	\$126,270	\$321,512
Water and Sewer				
Total Distribution Pumpage (1,000 Gallons)	1,536,368	934,701	1,452,666	1,482,604
% Unaccounted for Water	3.96%	6.05%	11.92%	6.24%
Sanitary Sewer Overflows	2	1	6	5

Data Source: Village Records

Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
478	871	827	643	275	217
3,343	3,093	3,954	3,438	3,102	4,582
1,450	293	438	550	528	700
636	408	540	552	576	924
1,737	2,700	1,670	1,828	3,229	3,011
\$760,819	\$738,756	\$712,161	\$749,924	\$791,933	\$786,412
114,997	125,039	124,748	131,679	133,329	125,855
\$230,240	\$183,266	\$222,169	\$292,878	\$275,213	\$214,429
1,631	1,695	1,695	2,013	5,291	1,611
4,778	5,004	4,969	5,412	2,064	5,292
3	3	3	3	2	2
45,846	52,360	61,110	57,271	57,917	61,288
1,329	1,120	1,080	1,187	1,235	778
30.9	25.9	25.1	27.5	27.7	17.7
2,511	2,584	2,645	2,582	2,864	2,900
4,674	4,986	5,247	5,641	5,180	4,507
989	1,035	1,209	2,123	1,635	1,192
11	11	11	6	14	129
74,725	75,479	77,058	87,624	77,850	155,600
449	470	299	278	187	9
\$2,317,300	\$2,294,400	\$2,355,400	\$6,701,410	\$6,463,715	\$5,635,823
2,978	2,589	2,538	2,583	2,094	2,126
\$934,323	\$772,081	\$1,193,540	\$1,104,465	\$1,417,565	\$924,962
\$580,283	\$605,994	\$535,983	\$694,605	\$867,682	\$720,385
\$227,927	\$219,222	\$139,757	\$101,556	\$219,420	\$153,380
1,342,976	1,367,284	1,349,096	1,333,467	1,315,575	1,316,926
10.30%	10.10%	10.00%	11.00%	6.40%	9.60%
3	1	-	6	1	3

VILLAGE OF LOMBARD, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years December 31, 2020 (Unaudited)

Function/Program	Fiscal Year Ended 5/31/2012	Seven Months Ended 12/31/2012	Fiscal Year Ended 12/31/2013	Fiscal Year Ended 12/31/2014
Police				
Stations	1	1	1	1
Department Vehicles	37	37	37	36
Fire Stations	2	2	2	2
Public Works				
Streets (Miles)	155	155	155	155
Streetlights	3,113	3,094	3,113	3,105
Traffic Signals (Village Owned)	38	38	38	37
Water and Sewer				
Water Mains (Miles)	181.8	181.8	186.0	186.0
Fire Hydrants	2,698	2,475	2,770	2,797

Data Source: Village Records

Fiscal Year Ended 12/31/2015	Fiscal Year Ended 12/31/2016	Fiscal Year Ended 12/31/2017	Fiscal Year Ended 12/31/2018	Fiscal Year Ended 12/31/2019	Fiscal Year Ended 12/31/2020
1 36	1 36	1 36	1 34	1 34	1 33
2	2	2	2	2	2
150 3,132	147 3,389	148 3,376	148 3,728	155 3,705	155 3,392
37	36	36	38	38	35
186.0 2,798	180.0 2,786	181.8 2,766	184.0 2,765	184.0 2,953	184.0 2,884