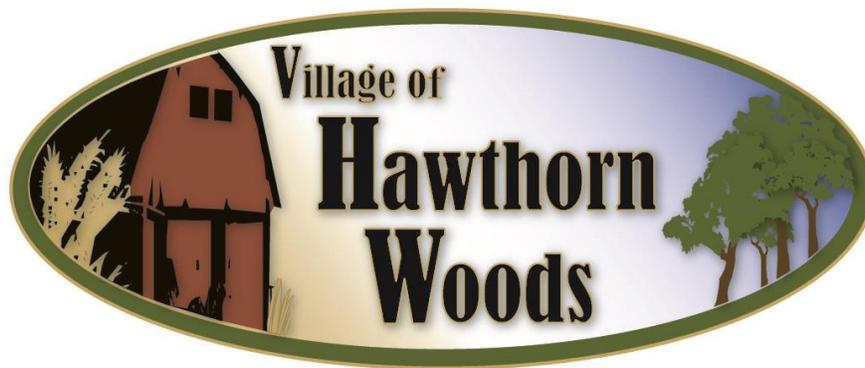


**VILLAGE OF
HAWTHORN WOODS, ILLINOIS**



**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2022**

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
December 31, 2022

Prepared By

The Finance Department

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INTRODUCTORY SECTION

VILLAGE OF HAWTHORN WOODS, ILLINOIS

LIST OF ELECTED AND APPOINTED OFFICIALS

December 31, 2022

VILLAGE OF BOARD TRUSTEES

Dominick DiMaggio, Mayor

Michael David

James Kaiser

Cathy Bayer

Jodi McCarthy

Anne Hurst

Thomas Rychlik

Chief Operating Officer
Pamela O. Newton, MSOL,
ICMA Credentialed Manager

Chief Administrative Officer/Village Clerk
Donna Lobaito, RMC, CMC

Chief Financial Officer
Katreina York, MBA, MSA

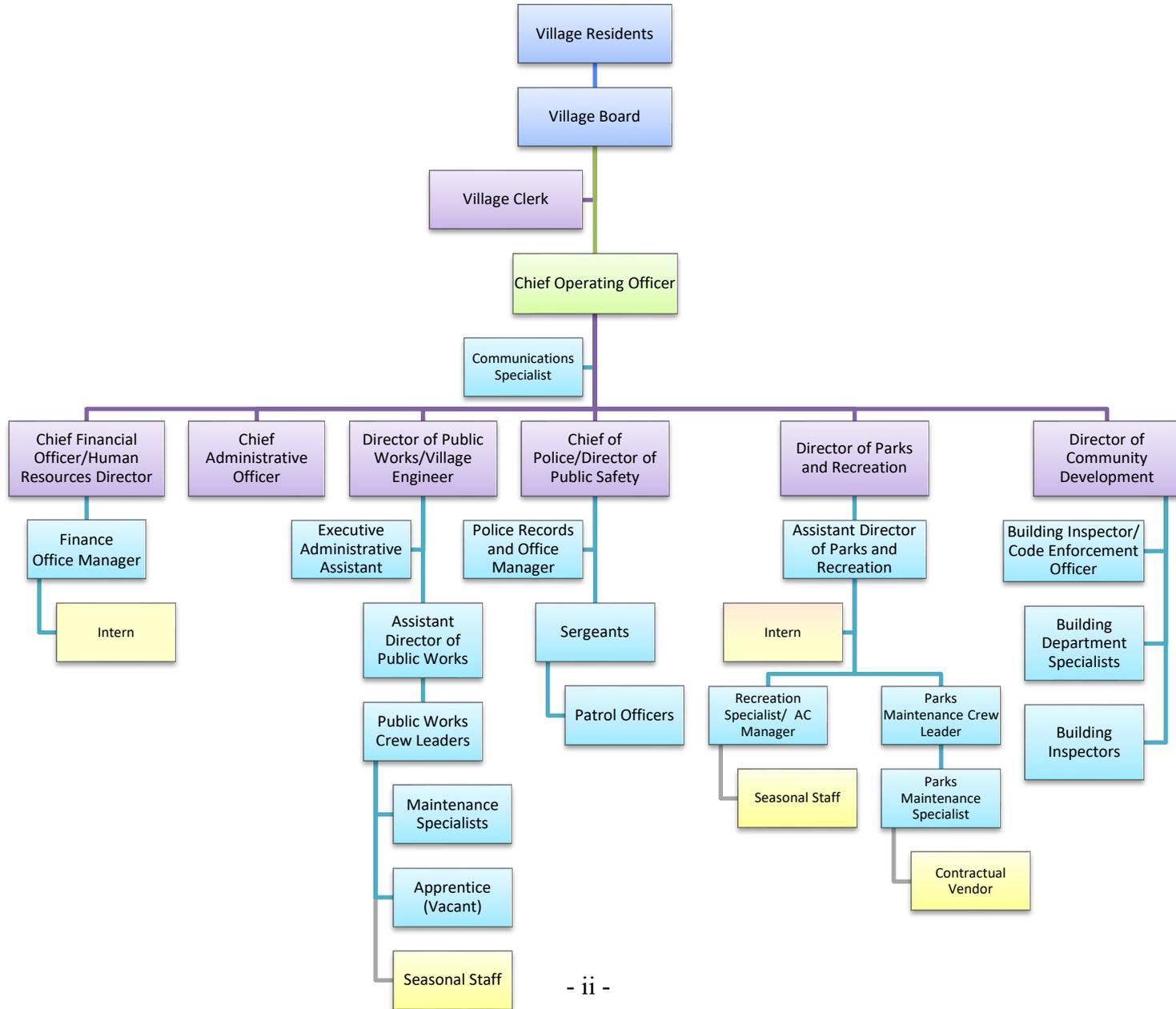
Director of Public Safety/Interim Chief of Police
John Malcolm

Director of Public Works/Village Engineer
Erika Frable, PE

Director of Parks and Recreation
Brian J. Sullivan, CPRP, MPA, CPSI

Director of Community Development
Chris Heinen

Village of Hawthorn Woods – Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

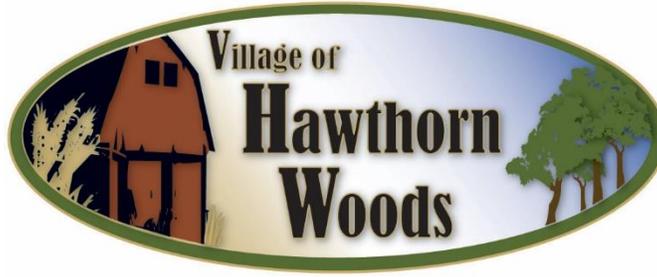
**Village of Hawthorn Woods
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO



2 LAGOON DRIVE - HAWTHORN WOODS, ILLINOIS 60047 - (847) 438-5500 FAX 847-438-1459

May 15, 2023

To the Honorable Mayor, Members of the Village Board, and Citizens of the Village of Hawthorn Woods, Illinois:

The annual report for the Village of Hawthorn Woods, Illinois, for the year ended December 31, 2022 is hereby submitted. The submittal of this report meets the State of Illinois requirement for all general-purpose local governments to publish, within six months of the closing of the fiscal year, a complete set of audited financial statements presented in conformity with generally accepted auditing standards.

Responsibility for the accuracy of the data in this report and completeness of its presentation lies solely with the Village of Hawthorn Woods' management. The Village has established internal controls that are designed to protect the municipality's assets from loss, theft and misuse and to compile total and reliable information. As the cost of internal control should not exceed its benefits, the controls in place have been designed to provide reasonable, rather than absolute assurance, that the financial statements presented are free from material misstatements. To the best of our knowledge, this financial report is accurate and complete in all material aspects and fairly reflects the Village's financial position and changes in financial position of the various funds of the Village and the Village as a whole.

We are pleased to report that independent audit firm Sikich LLP has issued an unmodified opinion on the Village of Hawthorn Woods' financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

Included with the financial statements is a narrative overview and analysis of the financial statements in the form of *Management Discussion and Analysis (MD&A)*. The MD&A complements this transmittal letter and should be read in conjunction with it. The financial statements include a view at the government-wide level, the fund level, and are supplemented by notes to the financial statements.

Profile of the Government

The Village of Hawthorn Woods was incorporated on March 10, 1958 with a population of 141, which has since grown to 9,062 as a result of the census conducted in 2020. The Village covers an area of 8.26 square miles and is located in Lake County, Illinois, approximately 30 miles northwest of Chicago. Hawthorn Woods is an upscale, predominantly residential community that prides itself on the high quality of living it affords its residents. Hawthorn Woods has consistently ranked among the top Chicago area communities in per capita income and median home value. A relatively substantial amount of the 8.26 square miles within the Village's boundaries is still undeveloped. The Village is actively pursuing means to spur development, guided by the Comprehensive Plan. The Village is also in land development discussions that could increase residential housing units.

The Village is governed by a Board consisting of a mayor and six trustees, all of whom are elected at-large on a non-partisan basis. Policy-making and legislative authority are vested in the Village Board. The Board is responsible for, but not limited to, passing ordinances, adopting the budget, appointing committees, and hiring both the Chief Operating Officer and Village Attorney. The Mayor is elected to serve a four-year term and the trustees serve four-year staggered terms, with three Board members elected every other year. The elected officials collectively work as a unified Board, volunteer their time and resources to advance good government, and remain supportive of the professionals who run daily departmental operations of the Village government.

The Chief Operating Officer is responsible for administering Board policy and conducting the day-to-day operations of the Village, which include a wide range of services and departments. Those services include administrative, financial, police protection, public works, planning and zoning, economic development, parks and recreation, code enforcement, and cultural/community events. The Chief Operating Officer serves as the Chief of Staff for the Village. The Chief Operating Officer is also charged with review of the annual budget as prepared by the Chief Financial Officer.

The Village adopts a budget annually in November, but by ordinance no later than December 31st of each year. The zero-based budget serves as the foundation for the Village's financial planning and control followed by a second round of priority assessments ranking. The budget is prepared by each departmental Director and submitted to the Chief Operating Officer for review. It is reflected at a fund, function and activity level. After administrative review and adjustments so that the total budget is balanced, the budget is presented to the Finance Committee and the Village Board for final review. The Village Board holds public hearings and may add to, subtract from, or change budgeted amounts.

Local Economy and Finances

After nearly three years operating in an unprecedented of the global pandemic/endemic, the Village of Hawthorn Woods has been met with both challenges and rewards. Although we experienced certain economic declines in certain departmental revenues during the height of the pandemic, the Village is recovering and continues to grow with a new population of 9,062 residents. In 2021, we re-opened our Aquatic Center with Illinois Department of Health (IDPH) guidelines in place and the 2022 season brought back new users and a new Aquatic Center Manager. The Police Department has increased the number of officers serving the Village that should result in additional revenues for 2022 as the revenues are continuing to grow toward pre-pandemic amounts. In 2021, the Village was pleased to receive its first tranche payment of \$589,046 from the American Rescue Plan Act (ARPA), which assisted the Village in financial recovery from revenue losses, salaries and overtime, and financial shortfalls. The second tranche payment in the same amount was received in late summer of 2022, creating a stronger financial position due to the closure of certain facilities and revenue loss recovery.

The Village's main development revenue stream is based on the choice location of its land in the Chicagoland area and the premier value of its residential property tax base. The Village continues to have a strong new housing market, having issued 36 new housing permits in 2022, 59 new home permits in 2021, 90 new home permits in 2020, 57 new home permits in 2019, 84 new home permits in 2018, 65 new home permits in 2017, and 78 new home permits in 2016.

Due to an intergovernmental tax sharing agreement with the Villages of Lake Zurich and Kildeer, the Village of Hawthorn Woods is receiving shared sales tax revenue generated at Quentin Road and Route 22 from Mariano's (including the Mariano's gas station) and McDonalds. The Village remains vigilant in aggressively monitoring operating and capital expenditures to sustain its financial stability and will reduce expenditures approved in the Budget if revenues take a downward turn. The Village continues to work toward diversifying its sales tax base, and in 2022 several new initiatives took place toward creating shovel ready development sites in Hawthorn Woods.

Long-term Financial Planning

The budget for the twelve months ended December 31, 2022 is balanced. The focus for managing the 2022 budget will involve critically examining each line item searching for opportunities for cost savings and improved efficiencies and increasing revenues through non-property tax initiatives. The Village Board's directive for the past ten years indicated a strong Village commitment to annually increase our fund balances as a priority for long term financial health. The Village is pleased to report that as of December 31, 2022, the fund balance in the general fund is \$4,761,450, which exceeds our 2023 expenditure budget. This balance exceeds the Village's goal of 35% of the following year's annual operating budget. In 2023, the Village will consider upgrading our reserve fund policy from 35% of operating budget to 50% of the following year's annual operating budget.

Over the past five years, two engineering studies have been completed by the Village's consulting engineer. These studies revealed that 90% of Village roadways urgently need either resurfacing or reconstruction. Additionally, corrugated metal pipes under roadways and the Village's aged storm system are failing village-wide.

The Village was successful in passing a referendum question on the June 28, 2022 ballot seeking a sustainable funding source to increase the tax rate levy. This new revenue will fund an annual Village-wide streets and drainage improvement program to repair and replace aging road infrastructure and underground culverts. This fund will also be used to provide ongoing road maintenance on municipal streets, creating the first municipal sustainability program for infrastructure in the Village's history .

Relevant Financial Policies

The Village has several policies in place to clearly set financial parameters and guidelines. Among these include a capitalization policy, investment policy, diversification of assets and purchase order policy. All expenditures go through a multi-tier review with efforts to secure reduced pricing on all purchase orders. Additionally, all approved checks are still hand signed by the Chief Operating Officer and the Chief Administrative Officer facilitating a three-tier review process. All Village transactions are reviewed monthly by the Finance committee, comprised of community professionals, as well as the Mayor and Board of Trustees before fund payments are formally approved for release.

Major Initiatives

The Village is pro-actively working to expand sustainable non-property tax revenue streams and diversify our revenue base. Additionally, land parcel annexations are still anticipated in the future for Village growth expansion opportunities.

Fiscal year 2022 brought a new revenue source to the Village with the passage of a road referendum, bringing a new sustainable tax income for a new road repair and maintenance fund. With an anticipated annual influx of over \$900,000, the Village has increased its financial strength toward infrastructure demands.

In 2022, the Village saw movement forward in growth and expansion of Village services, especially in the Police Department and Public Works Department to keep pace with our population growth. Our Community Development Department was busy issuing permits, plan reviews, and inspections as more people invested in building projects and home improvements to accommodate work from home and learn from home space needs. During the first year of the pandemic, we experienced a 34% increase in permits. In 2021, the trend continued with another 9% increase over the record-breaking 2020 numbers. In 2022, with many families now permanently working from home or in a hybrid remote work location, the Village offices saw a remarkable increase in email and phone communications in every department.

Additionally, in 2021, the Village introduced a new software called APT that allowed our residents to purchase their vehicle stickers online with a credit card, which answered a popular request from our community members. We are pleased to report that 75% of our residents purchased their stickers online in 2022, a trend that saved our residents time in coming to Village Hall to conduct the transaction and postage costs if they had previously mailed a check to purchase their vehicle stickers. At the end of 2022, with the successful passing of the road referendum Hawthorn Woods Still Paving the Way, the Village Board voted to eliminate the vehicle sticker program and fees beginning in 2023.

With the resurgence of activity in 2022, the Village progressed forward with new accolades and accomplishments, grant awards, innovative programs, new special event gatherings, and holiday celebrations, drawing large outdoor crowds. The Village conducted tours of our community several times in 2022 including an on-site visit from America in Bloom judges and the Executive Director, which earned us national designations, including first place in the National Award for Landscape Areas. This was our first win in this category.

Discussions regarding utility expansion services and capacity standards for water and sewer service are underway regarding additional capacity for sewer treatment. In order to comply with a growing demand for potable water, Aqua Illinois completed construction of the Village's first elevated water tower in 2018 that now serves the needs of a growing population and exceeds emergency water supply standards. This 1.8 million-dollar investment into Hawthorn Woods has eliminated concern regarding meeting the water supply and storage requirements of our growing community.

In order to facilitate the expansion of water and sewer to underserved areas of the Village, the Village has undertaken grant proposals to extend utilities along the Gilmer Road right of way to extend utilities toward the uptown area to parcels yet to be developed. The Village was awarded a \$1.5 million dollar grant to begin this major initiative that will spur economic growth in the uptown area.

Hawthorn Woods continues to be a leader in the Lake County area in the starting of new housing construction as a result of our recent home building success. The Village of Hawthorn Woods is actively diversifying our housing stock to attract and retain a vibrant and diverse population.

Active building construction projects currently underway in Hawthorn Woods are numerous.

1. The Village just recently annexed a new 40-acre parcel of land that will be mixed use development, including the construction of an event venue that will serve as a wedding and special events facility with catering service. This will become a destination for additional customers and business opportunities to co-locate on the site. Construction is expected to initiate in the spring of 2023.
2. In the summer of 2022, a new ordinance established a 1% food and beverage tax that will help to offset infrastructure maintenance and municipal services from those visitors and residents frequenting the restaurants located in Hawthorn Woods. This is a pass-through tax directed to the consumer. Collection of this new tax will began in the 3rd quarter of 2022.
3. William Ryan Homes completed construction of a development of 60 new homes known as the **Stonebridge** development located off of Old McHenry Road in 2022. All lots were sold and homes are being constructed in 2022 for another sold out development.
4. At the southern border of the Village at Route 22 and Quentin Road, Icon Homes has escalated construction on a new urban design single family home product in the **Hawthorn Trails Phase 3** subdivision called Hawthorn Place. There are 11 homes are still remaining to be built out of 35 homes approved.
5. Construction of a retail/commercial 5-acre parcel at the corner of Quentin Road and Route 22 is now complete and the business is operational. The Kiddie Academy child care center is currently open for business and has quickly become engaged in the Hawthorn Woods community. A new bank has been permitted in 2022 (Wintrust Bank) on this commercial parcel and construction is anticipated in the spring of 2023.
6. Construction is being completed at the **Villas at the Commons** by K. Hovanian Homes on Midlothian Road. 72 new single-family home lots will be built out as a part of this new subdivision. All lots have been sold and home construction is currently underway on the final few lots.
7. **High Point Estates** was approved in 2018 as a neighborhood of duplexes in the northern part of Hawthorn Woods. Construction has been completed by MI Homes.
8. One of our largest developments, **Hawthorn Hills**, has all residential lots sold out of 220 approved single-family homes. Pulte Homes is the developer and we anticipate this subdivision selling its last 5-acre commercial parcel at the corner of Midlothian and Gilmer roads and received subdivision improvement acceptance this year.
9. This year the Hawthorn Woods Country Club infill development continues with new construction on the remaining 99 single-family home lots in the subdivision. MI Homes is in the process of construction of new homes, with permits beginning in the summer of 2022. The model home is expected to be open to the public in the spring of 2023.

Awards and Acknowledgements

Our municipal staff consistently works in harmony with our legislative team of elected officials, and our collective efforts have been recognized locally, statewide, and nationally. Hawthorn Woods has become a leader in environmental efforts, and we are being awarded for our sustainable work in this effort.

In 2018 and for every subsequent year, the Village of Hawthorn Woods has been awarded a national award by the America in Bloom Foundation. Hawthorn Woods competed with cities and towns throughout the nation and was judged on several criteria that make a community sustainable and an attractive place to live. Hawthorn Woods also received recognition as the 1st place winner of several national categories. Our work to showcase our natural resources and our initiatives underway to conserve and restore our ecosystems were highlighted, along with our Urban Forestry Program.

Also, the Village received the high honor of receiving the Audubon International Green Planning Award and Sustainable Community Award. The Village became the first community in the State of Illinois to achieve the Audubon Community Award in 2022, which recognizes excellence in planning efforts with sustainable principles.

New in 2020 was the Governor's Hometown Award, with Hawthorn Woods selected as the winner in the Environmental Stewardship category. The Village competed and won this distinctive honor by Governor Pritzker of Illinois as selected from the Serve Illinois Commission.

The Village has received several additional acknowledgements including the Safest Cities in the State of Illinois, the Most Desirable Place to Live in the United States in our population category, and in the top five wealthiest cities in Illinois.

The Village has also been awarded the International Dark Sky Community designation and the National Audubon Community Planning designation to showcase our environmental leadership on a national platform. These acknowledgements from independent sources recognize the efforts of the Village Board and staff to keep Hawthorn Woods a highly desirable place to live, work, play, and shop in a natural setting among trees, lakes and parks.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Hawthorn Woods for its annual comprehensive financial report for the year ended December 31, 2021. This was the seventeenth (17th) consecutive year the Village received this prestigious award. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements. We also received our 3rd consecutive award for our Popular Annual Financial Report through GFOA. The Popular Annual Financial Report is an easy-to-read summary of our government financial portfolio.

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

We express our appreciation to Mayor Dominick DiMaggio, the Village Board of Trustees, and the Finance Committee for their support in planning and conducting the financial operations of the Village of Hawthorn Woods in a responsible and innovative manner. We are pleased to present to you the Annual Comprehensive Financial Report as we continue to pursue our goal of increasing cash reserves, controlling expenditures, and operating municipal services with excellence within a balanced budget.

Respectfully Submitted,



Pamela O. Newton, MSOL
Chief Operating Officer



Katreina S. York
Chief Financial Officer

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Village Mayor
Members of the Board of Trustees
Village of Hawthorn Woods, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hawthorn Woods, Hawthorn Woods, Illinois (the Village), as of and for the year ended December 31, 2022, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Village of Hawthorn Woods, Illinois as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules 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.

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2023 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village'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.

Sikich LLP

Naperville, Illinois
May 15, 2023

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

Our discussion and analysis of the Village of Hawthorn Wood's financial performance provides an overview of the Village's financial activities for the year ended December 31, 2022. Please read it in conjunction with the transmittal letter, which begins on page iv and the Village's financial statements, which begin on page 5.

FINANCIAL HIGHLIGHTS

- The Village's total net position was \$16,095,583 as of December 31, 2022. Unrestricted net position (net position used to meet ongoing operations) totaled \$1,476,283. Restricted net position totaled \$1,933,846 and net position invested in capital assets totaled \$12,685,454.
- The Village's net position increased as a result of this year's operations. Net position of business-type activities increased by \$85,405, or 1.7 percent; and net position of the governmental activities increased by \$1,698,459, or 18.4 percent.
- Capital assets net of depreciation totaled \$13,546,454 as of December 31, 2022, a decrease of \$719,017, due primarily to depreciation expense for the year ended December 31, 2022 exceeding capital asset additions.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4-7) provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 9. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 5-8 of this report.

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

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

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

Fund Financial Statements

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

Governmental Funds

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

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

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

The Village maintains eight 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, Motor Fuel Tax Fund, Community Development Fund, Parks and Recreation and the Debt Service Fund, all of which are considered major funds. The Village also reports three non-major governmental fund: the Park Donation, Capital Improvements and Sister Cities Funds.

The Village adopts an annual appropriated budget for all of the governmental funds, (except the Debt Service Fund). A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 9-13 of this report.

Proprietary Funds

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

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 Aquatics Fund and the Sewer Fund; both funds considered to be major funds of the Village.

The basic proprietary fund financial statements can be found on pages 14-16 of this report.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The Village maintains five fiduciary funds: the Police Pension Fund, Special Service Area #1 Fund, Special Service Area #2 Fund, Special Service Area #3 Fund and Special Service Area #4 Fund. The basic fiduciary fund financial statements can be found on pages 17-18 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19-52 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. and police employee pension obligations. Required supplementary information can be found on pages 53-65 of this report. Budgetary comparison schedules for the General Fund, Motor Fuel Tax Fund, Community Development Fund and Parks and Recreation Fund are also presented in the required supplementary information and can be found on pages 53-56. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 66-79 of this report.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Hawthorn Woods, assets and deferred outflows of resources totaling \$28,137,616 exceeded liabilities and deferred inflows of resources totaling \$12,042,033, ultimately resulting in ending net position of \$16,095,583.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021
Current and Other Assets	\$ 10,678,974	\$ 9,825,722	\$ 1,534,952	\$ 1,541,162	\$ 12,213,926	\$ 11,366,884
Capital Assets	8,898,551	9,369,158	4,647,903	4,896,313	13,546,454	14,265,471
Total Assets	19,577,525	19,194,880	6,182,855	6,437,475	25,760,380	25,632,355
Deferred Outflows	2,340,165	964,134	37,071	41,345	2,377,236	1,005,479
Total Assets & Deferred Outflows	21,917,690	20,159,014	6,219,926	6,478,820	28,137,616	26,637,834
Other Liabilities	2,291,257	3,610,144	285,450	346,792	2,576,707	3,956,936
Long-Term Debt	4,541,301	2,983,939	706,887	1,013,390	5,248,188	3,997,329
Total Liabilities	6,832,558	6,594,083	992,337	1,360,182	7,824,895	7,954,265
Deferred Inflows	4,154,065	4,332,323	63,073	39,527	4,217,138	4,371,850
Total Liabilities & Deferred Inflows	10,986,623	10,926,406	1,055,410	1,399,709	12,042,033	12,326,115
Net Position						
Invested in Capital Assets	8,898,551	9,369,158	3,786,903	3,793,313	12,685,454	13,162,471
Restricted	1,840,368	1,466,320	93,478	96,910	1,933,846	1,563,230
Unrestricted (Deficit)	192,148	(1,602,870)	1,284,135	1,188,888	1,476,283	(413,982)
Total Net Position	\$ 10,931,067	\$ 9,232,608	\$ 5,164,516	\$ 5,079,111	\$ 16,095,583	\$ 14,311,719

A large portion of the Village's net position, \$12,685,454 or 78.8 percent, reflects its investment in capital assets (for example, land, buildings and improvements, and equipment and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$1,933,846 or 12 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. As of December 31, 2022, the Village is reporting unrestricted net position of \$1,476,283 or 9.2 percent. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021
Revenues						
Program Revenues						
Charges for Services	\$ 1,487,593	\$ 1,869,252	\$ 1,084,436	\$ 1,405,730	\$ 2,572,029	\$ 3,274,982
Operating Grants/Contrib.	371,829	338,614	-	-	371,829	338,614
Capital Grants/Contrib.	213,062	225,474	-	-	213,062	225,474
General Revenues						
Property Taxes	2,396,971	2,341,843	-	-	2,396,971	2,341,843
Road and Bridge Taxes	16,511	16,111	-	-	16,511	16,111
Sales Taxes	410,139	362,238	-	-	410,139	362,238
Income and Use Taxes	1,846,571	1,447,053	-	-	1,846,571	1,447,053
Replacement Taxes	6,424	3,026	-	-	6,424	3,026
Telecomm./Utility Taxes	592,162	497,863	-	-	592,162	497,863
Other General Revenues	1,401,443	192,260	11,451	1,043	1,412,894	193,303
Total Revenues	8,742,705	7,293,734	1,095,887	1,406,773	9,838,592	8,700,507
Expenses						
General Government	1,813,458	1,806,782	-	-	1,813,458	1,806,782
Building and Zoning	704,662	710,957	-	-	704,662	710,957
Public Safety	2,320,845	1,971,082	-	-	2,320,845	1,971,082
Public Works	854,720	803,989	-	-	854,720	803,989
Parks and Recreation	1,087,862	1,158,876	-	-	1,087,862	1,158,876
Interest on Long-Term Debt	9,809	38,748	-	-	9,809	38,748
Aquatics			660,796	637,107	660,796	637,107
Sewer			602,576	851,616	602,576	851,616
Total Expenses	6,791,356	6,490,434	1,263,372	1,488,723	8,054,728	7,979,157
Change in Net Position Before Transfers	1,951,349	803,300	(167,485)	(81,950)	1,783,864	721,350
Transfers	(252,890)	(255,940)	252,890	255,940	-	-
Change in Net Position	1,698,459	547,360	85,405	173,990	1,783,864	721,350
Net Position-Beginning	9,232,608	8,685,248	5,079,111	4,905,121	14,311,719	13,590,369
Change in Accounting Principle	-	-	-	-	-	-
Net Position-Beginning	9,232,608	8,685,248	5,079,111	4,905,121	14,311,719	13,590,369
Net Position-Ending	\$ 10,931,067	\$ 9,232,608	\$ 5,164,516	\$ 5,079,111	\$ 16,095,583	\$ 14,311,719

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

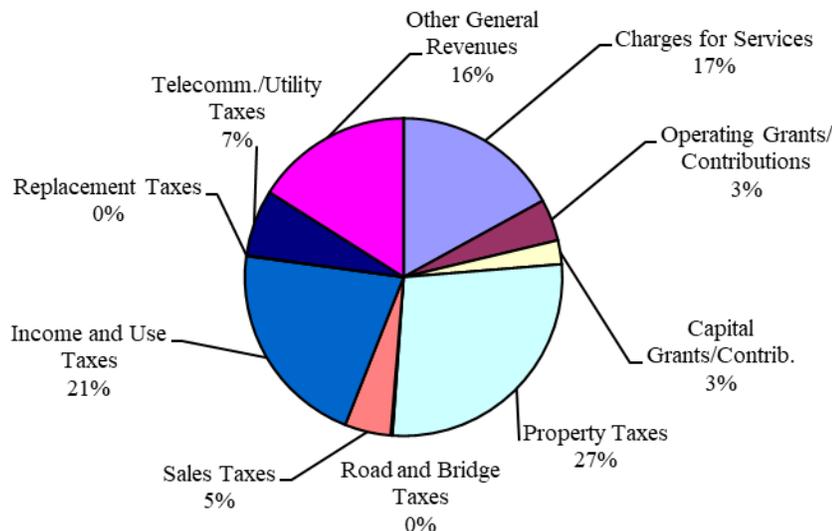
Net position of the Village's governmental activities increased by 18.4 percent (\$10,931,067 as of December 31, 2022 compared to \$9,232,608, as of December 31, 2021). Consistent with the prior year, there was diligent budget monitoring efforts by management, including delaying expenditures until adequate revenues were received, supplemented by new revenue sources.

Net position of business-type activities increased by 1.7 percent (\$5,164,516 as of December 31, 2022 compared to \$5,079,111 as of December 31, 2021). The aquatics net position decreased by \$71,605 as of December 31, 2022 due primarily to fact that the aquatic center operating revenues of \$283,686 were insufficient to cover the operating expenses of the facility, including depreciation expense of \$170,402 and the interest expense on the revenue bonds of \$91,774. The sewer fund net position increased by \$157,010 due to the significant increase in connection fees of \$748,183 from new home development.

Governmental Activities

Revenues for governmental activities totaled \$8,742,705, while the cost of all governmental functions totaled \$6,791,356. This results in an increase in net position before transfers of \$1,951,349. For the year ended December 31, 2021, revenues of \$7,293,734 were less than expenses of \$6,490,434, resulting in a decrease in net position before transfers and change in accounting principle of \$803,300. The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance on property taxes, telecommunications/utility taxes and income/use taxes to fund governmental activities.

**Revenues by Source -
Governmental Activities December 31, 2022**



VILLAGE OF HAWTHORN WOODS, ILLINOIS

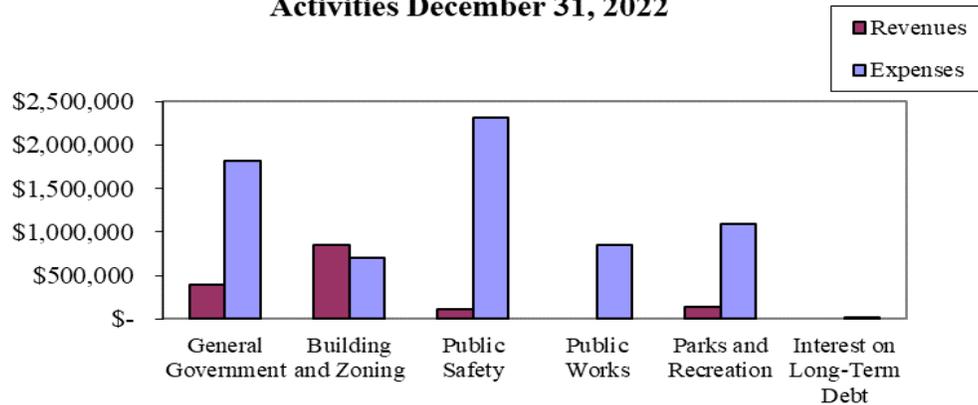
**Management’s Discussion and Analysis
December 31, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Governmental Activities – Continued

The ‘Expenses and Program Revenues – Governmental Activities’ Table identifies those governmental functions where program expenses greatly exceed revenues.

Expenses and Program Revenues - Governmental Activities December 31, 2022

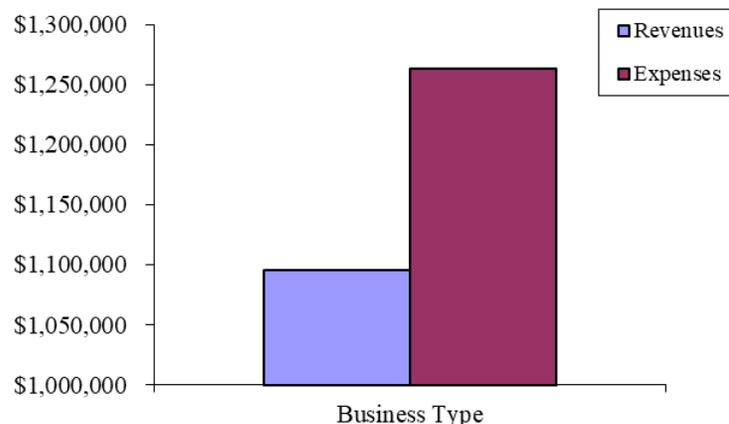


Business-Type Activities

Business-Type activities posted total revenues of \$1,095,887, while the cost of all business-type activities totaled \$1,263,372. This results in a decrease in net position before transfers of \$167,845. The primary reason for this decrease is attributable to the depreciation expense, principal and interest payments and operations of the aquatic center facility and the sewer system. For the year ended December 31, 2021, revenues of \$1,406,773 were less than expenses of \$1,488,723, resulting in a decrease in net position before transfers of \$81,950.

The following graph compares program revenues to expenses for business-type activities.

Expenses and Program Revenues - Business-Type Activities December 31, 2022



VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The Village's governmental funds reported combining ending fund balances of \$5,839,417, which is \$1,232,017 or 26.7 percent, higher than last year's total of \$4,607,400. Of the \$5,839,417 total, \$1,283,669, or 22.0 percent, of the fund balance constitutes nonspendable fund balance; \$1,840,368 or 31.5 percent of the fund balance is restricted for highways and streets, debt service, and special recreation; \$2,161,191, or 37.0 percent of the fund balance is assigned for cash reserves, capital improvements and the sister cities program; and \$554,189 or 9.5 percent is unassigned.

The General Fund reported an increase in fund balance for the year ended December 31, 2022 of \$1,961,788, an increase of 70.1 percent. As of December 31, 2022, the Village achieved its fund balance goal of an ending fund balance at least 35% of the following year's expenditure budget; \$1,637,358 of the ending fund balance in the General Fund is assigned for cash reserves. The increase in the fund balance is primarily due to the intergovernmental revenues which were \$998,038 higher than budgeted.

The Motor Fuel Tax special revenue fund is used to account for state motor fuel tax allotment revenue and expenditures related to road repair and construction. These funds are restricted for road repair and construction. The Motor Fuel Tax Fund reported an increase in fund balance in the current year of \$250,209. Ending fund balance at December 31, 2022 was \$1,028,088. The increase in the Motor Fuel Tax fund balance is primarily due to the allotments received and Rebuild Illinois funds which were \$296,866 higher than budgeted.

The Community Development special revenue fund is used to account for nonrecurring revenue sources such as developer donations, building permits, and contractor licenses. The Community Development Fund reported a decrease in fund balance in the current year of \$194,113. License, permits and fees revenues were \$34,686 higher than budgeted. Expenditures were \$50,766 higher than budgeted. Ending fund balance at December 31, 2022 was \$342,374.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – Continued

The Parks and Recreation Fund is used to account for all activities related to the Village's parks and recreational activities (with the exception of the Aquatic Center activities, which are reported in a separate enterprise fund). These activities are recorded in four departments: Administration, Programs, Park Maintenance and Special Recreation (which accounts for the special recreation restricted tax levy and related expenditures.) The Parks and Recreation Fund reported a decrease in fund balance in the current year of \$145,580 due primarily to operating expenditures exceeding the revenues. Ending fund balance at December 31, 2022 was (\$510,267).

The Debt Service Fund is used to account for the \$6,240,000 2014 debt certificates. In November 2014, the Village purchased special service area number 1, 2 and 3 current refunding bonds, (the "Refunded Bonds"). The refunded bonds were purchased with proceeds generated from the issuance of debt certificates (the "Certificates") issued by the Village. The Certificates will be repaid from the repayment of the Refunded Bonds held by the Village. The Refunded Bonds are payable from the respective special service area bond levies, and are not an obligation of the Village. Ending fund balance at December 31, 2022 was \$12,851.

Proprietary Funds

The Village's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Village reports the two major proprietary funds: the Aquatics Fund and the Sewer Fund.

The Aquatics Fund accounts for the activities of the water park operations. This fund is comprised of four sub funds, which are used to segregate resources for operations and maintenance, capital improvements, and debt service. The decrease in net position in the Aquatics Fund during the current fiscal year was \$71,605. The primary reason for this decrease is attributable to contractual services expense of \$186,574 and depreciation expense of \$170,403. Unrestricted net position in the Aquatics Fund totaled (\$771,231) at December 31, 2022.

Sewer Fund accounts for revenue from connection fees and the related expenditures for operations and maintenance of the sanitary sewer system. The increase in net position in the Sewer Fund during the current fiscal year was \$157,010. The primary reason for the increase is due to the new home construction and connections fees that are paid. Unrestricted net position in the Sewer Fund totaled \$1,995,366 at December 31, 2022.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund actual revenues for the year totaled \$6,532,725 compared to budgeted revenues of \$5,189,238. One of the primary reasons is due to the increase in state income tax revenues, which were \$369,253 higher than the budget. The positive revenue variances were offset by negative variances in licenses and fees (\$8,283 lower than budgeted), intergovernmental revenue (\$998,038 higher than budgeted), and miscellaneous revenues (\$11,787 higher than budgeted), and taxes (\$324,661 higher than budgeted).

The General Fund actual expenditures for the year were \$183,262 lower than budgeted (\$4,268,097 actual compared to a final budget of \$4,451,359). Some significant differences between the actual expenditures and budgeted expenditures are highlighted below:

- The administration function reported actual expenditures of \$454,440 compared to budget of \$430,278, resulting in a negative variance of \$24,162. This negative variance was primarily due to the budget transfers completed to cover estimated legal expenditures for the end of the year.
- The legal function reported actual expenditures of \$256,252 compared to budget of \$231,940, resulting in a negative variance of \$24,312. This variance was primarily due to ongoing litigation.
- The risk management function reported actual expenditures of \$434,137 compared to budgeted expenditures of \$530,077 resulting in a positive variance of \$95,940. This positive variance was primarily premium savings experienced in general liability, workers compensation and unemployment premiums.
- The police function reported actual expenditures of \$2,185,780, compared to budgeted expenditures of \$2,250,610, resulting in a negative variance of \$64,830. This negative variance was primarily due to the reorganization of the police department.
- The public works function reported actual expenditures of \$579,915 compared to budgeted expenditures of \$621,043 resulting in a positive variance of \$41,128. This positive variance was primarily due to the reduction in expenditures within the public works function.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village's investment in capital assets for its governmental and business type activities as of December 31, 2022 was \$13,546,454 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, and equipment and vehicles.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-type Activities		Total	
	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021
Land	\$ 6,557,081	\$ 6,557,081	\$ 417,459	\$ 417,459	\$ 6,974,540	\$ 6,974,540
Construction In Progress		-		-	-	-
Sanitary Sewer System		-	1,676,642	1,743,708	1,676,642	1,743,708
Buildings and Improvements	1,624,713	1,907,237	2,459,349	2,620,401	4,084,062	4,527,638
Equipment and Vehicles	716,757	904,840	94,453	114,745	811,210	1,019,585
Total	\$ 8,898,551	\$ 9,369,158	\$ 4,647,903	\$ 4,896,313	\$ 13,546,454	\$ 14,265,471

Capital additions were as follows:

Governmental Activities	
Equipment and Vehicles	14,000
Total	<u>14,000</u>

Additional information on the Village's capital assets can be found in note 4 on pages 28-29 of this report.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village had total outstanding debt of \$861,000 as compared to \$1,883,000 the previous year. During 2022, the Village issued no new debt, and made the scheduled principal and interest payments on the outstanding revenue bonds and debt certificates. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021	Year Ended 12/31/2022	Year Ended 12/31/2021
Revenue Bonds	\$ -	\$ -	\$ 861,000	\$ 1,103,000	\$ 861,000	\$ 1,103,000
Debt Certificates	-	780,000	-	-	-	780,000
Total	\$ -	\$ 780,000	\$ 861,000	\$ 1,103,000	\$ 861,000	\$ 1,883,000

State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the Village is \$42,754,318.

On December 8, 2021, the Village issued \$1,103,000 Revenue Refunding Bonds (Aquatic Center Project), Series 2021 to refund \$1,360,000 of the Revenue Bonds (Aquatic Center Project), Series 2011. Through the refunding the Village reduced the maturity of the bonds from 2028 to 2026. The debt service was decreased by \$257,000 by utilizing the remaining balance of the Reserve Subfund that is no longer required as part of the Village ordinance. The entire amount of proceeds were used to currently refund the Revenue Bonds (Aquatic Center Project), Series 2011.

On December 30, 2021, the remaining principal of the Revenue Bonds (Aquatic Center Project), Series 2011 was paid off.

On November 12 2014, the Village purchased special service area number 1, 2 and 3 current refunding bonds, (the "Refunded Bonds"). The refunded bonds were purchased with proceeds generated from the issuance of debt certificates (the "Certificates") issued by the Village. The Certificates will be repaid from the repayment of the Refunded Bonds held by the Village. The Refunded Bonds are payable from the respective special service area bond levies.

Additional information on the Village's long-term debt can be found in Note 5 on pages 30 - 33 of this report.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

Management's Discussion and Analysis December 31, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the year ended December 31, 2022 and December 31, 2023 budgets, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Signs of economic recovery such as increased building permits and lower unemployment rates and CPI indices were taken into consideration when setting the budget, rates, and fees for the year ended December 31, 2022 and December 31, 2023.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Pamela O. Newton, Chief Operating Officer, Village of Hawthorn Woods, 2 Lagoon Drive, Hawthorn Woods, Illinois 60047.

BASIC FINANCIAL STATEMENTS

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 6,972,135	\$ 2,142,444	\$ 9,114,579
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	2,557,850	-	2,557,850
Utility tax	60,990	-	60,990
Cannabis taxes	2,073	-	2,073
Accounts	19,649	47,939	67,588
Court fines	7,068	-	7,068
Prepaid expenses	111,651	-	111,651
Due from other governments			
Sales tax	85,425	-	85,425
Sales tax sharing	10,527	-	10,527
Use tax	99,906	-	99,906
Franchise tax	39,645	-	39,645
Telecommunication tax	21,255	-	21,255
Motor fuel tax	35,369	-	35,369
Internal balances	655,432	(655,432)	-
Capital assets not being depreciated	6,557,081	417,459	6,974,540
Capital assets (net of accumulated depreciation)	2,341,470	4,230,444	6,571,914
Total assets	19,577,526	6,182,854	25,760,380
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - Police Pension Plan	2,017,089	-	2,017,089
Pension items - IMRF	323,076	37,071	360,147
Total deferred outflows of resources	2,340,165	37,071	2,377,236
Total assets and deferred outflows of resources	21,917,691	6,219,925	28,137,616
LIABILITIES			
Accounts payable	175,141	31,202	206,343
Wages payable	85,822	7,399	93,221
Unearned revenue	2,126	-	2,126
Deposits payable	2,018,619	-	2,018,619
Long-term liabilities			
Due within one year	9,550	246,848	256,398
Due in more than one year	4,541,301	706,887	5,248,188
Total liabilities	6,832,559	992,336	7,824,895
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension Plan	1,046,534	-	1,046,534
Pension items - IMRF	549,681	63,073	612,754
Deferred revenue - property taxes	2,557,850	-	2,557,850
Total deferred inflows of resources	4,154,065	63,073	4,217,138
Total liabilities and deferred inflows of resources	10,986,624	1,055,409	12,042,033

(This statement is continued on the following page.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 8,898,551	\$ 3,786,903	\$ 12,685,454
Restricted for			
Highways and streets	1,028,088	-	1,028,088
Debt service	12,851	4,000	16,851
Repairs and maintenance	-	89,478	89,478
Special recreation	799,429	-	799,429
Unrestricted	192,148	1,284,135	1,476,283
TOTAL NET POSITION	\$ 10,931,067	\$ 5,164,516	\$ 16,095,583

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 1,813,458	\$ 388,172	\$ 9,572	\$ 37,801
Building and zoning	704,662	848,342	-	-
Public safety	2,320,845	112,850	25,600	-
Public works	854,720	-	336,657	175,261
Parks and recreation	1,087,862	138,229	-	-
Interest	9,809	-	-	-
Total governmental activities	6,791,356	1,487,593	371,829	213,062
Business-Type Activities				
Aquatics	660,796	336,253	-	-
Sewer	602,576	748,183	-	-
Total business-type activities	1,263,372	1,084,436	-	-
TOTAL PRIMARY GOVERNMENT	\$ 8,054,728	\$ 2,572,029	\$ 371,829	\$ 213,062

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (1,377,913)	\$ -	\$ (1,377,913)
	143,680	-	143,680
	(2,182,395)	-	(2,182,395)
	(342,802)	-	(342,802)
	(949,633)	-	(949,633)
	(9,809)	-	(9,809)
	<u>(4,718,872)</u>	<u>-</u>	<u>(4,718,872)</u>
	-	(324,543)	(324,543)
	-	145,607	145,607
	<u>-</u>	<u>(178,936)</u>	<u>(178,936)</u>
	<u>(4,718,872)</u>	<u>(178,936)</u>	<u>(4,897,808)</u>
General Revenues			
Taxes			
Property	2,396,971	-	2,396,971
Road and bridge	16,511	-	16,511
Sales	410,139	-	410,139
Telecommunication and utility	592,162	-	592,162
Amusement	1,559	-	1,559
Cannabis	15,613	-	15,613
Food and beverage	7,428	-	7,428
Intergovernmental			
Income	1,476,629	-	1,476,629
Use	369,942	-	369,942
Replacement	6,424	-	6,424
American Rescue Plan Act	1,179,310	-	1,179,310
Investment income	33,613	11,451	45,064
Miscellaneous	163,920	-	163,920
Transfers in (out)	(252,890)	252,890	-
Total	<u>6,417,331</u>	<u>264,341</u>	<u>6,681,672</u>
CHANGE IN NET POSITION	1,698,459	85,405	1,783,864
NET POSITION, JANUARY 1	<u>9,232,608</u>	<u>5,079,111</u>	<u>14,311,719</u>
NET POSITION, DECEMBER 31	<u>\$ 10,931,067</u>	<u>\$ 5,164,516</u>	<u>\$ 16,095,583</u>

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2022

	General	Special Revenue			Debt Service	Nonmajor Governmental	Total Governmental Funds
		Motor Fuel Tax	Community Development	Parks and Recreation			
ASSETS							
Cash and investments	\$ 3,768,672	\$ 1,017,506	\$ 1,991,419	\$ -	\$ 12,930	\$ 181,608	\$ 6,972,135
Receivables							
Property taxes	2,047,172	-	-	510,678	-	-	2,557,850
Utility taxes	60,990	-	-	-	-	-	60,990
Cannabis taxes	2,073	-	-	-	-	-	2,073
Accounts	11,854	-	4,441	3,354	-	-	19,649
Court fines	7,068	-	-	-	-	-	7,068
Grant	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Prepaid items	69,434	-	-	18,756	-	23,461	111,651
Due from other governments							
Municipal sales tax	85,425	-	-	-	-	-	85,425
Sales tax sharing	10,527	-	-	-	-	-	10,527
Illinois use tax	99,906	-	-	-	-	-	99,906
Franchise tax	39,645	-	-	-	-	-	39,645
Telecommunication tax	21,255	-	-	-	-	-	21,255
Motor fuel tax	-	35,369	-	-	-	-	35,369
Advance to other funds	1,172,018	-	-	-	-	-	1,172,018
Due from other funds	103,937	-	-	-	-	-	103,937
TOTAL ASSETS	\$ 7,499,976	\$ 1,052,875	\$ 1,995,860	\$ 532,788	\$ 12,930	\$ 205,069	\$ 11,299,498

	Special Revenue						Total Governmental Funds
	General	Motor Fuel Tax	Community Development	Parks and Recreation	Debt Service	Nonmajor Governmental	
LIABILITES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 121,274	\$ 20,171	\$ 27,602	\$ 5,866	\$ 79	\$ 149	\$ 175,141
Wages payable	64,591	4,616	10,366	6,249	-	-	85,822
Deposits payable	505,488	-	1,510,431	2,700	-	-	2,018,619
Unearned revenue	-	-	1,150	976	-	-	2,126
Due to other funds	-	-	103,937	-	-	-	103,937
Advances from other funds	-	-	-	516,586	-	-	516,586
Total liabilities	691,353	24,787	1,653,486	532,377	79	149	2,902,231
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	2,047,172	-	-	510,678	-	-	2,557,850
Total deferred inflows of resources	2,047,172	-	-	510,678	-	-	2,557,850
Total liabilities and deferred inflows of resources	2,738,525	24,787	1,653,486	1,043,055	79	149	5,460,081
FUND BALANCES							
Nonspendable							
Prepaid items	69,434	-	-	18,756	-	23,461	111,651
Advance to other funds	1,172,018	-	-	-	-	-	1,172,018
Restricted							
Highways and streets	-	1,028,088	-	-	-	-	1,028,088
Debt service	-	-	-	-	12,851	-	12,851
Special recreation	-	-	-	799,429	-	-	799,429
Assigned							
Cash reserves	1,637,358	-	-	-	-	-	1,637,358
Capital improvements	-	-	342,374	-	-	181,459	523,833
Unassigned (deficit)	1,882,641	-	-	(1,328,452)	-	-	554,189
Total fund balances (deficit)	4,761,451	1,028,088	342,374	(510,267)	12,851	204,920	5,839,417
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
	\$ 7,499,976	\$ 1,052,875	\$ 1,995,860	\$ 532,788	\$ 12,930	\$ 205,069	\$ 11,299,498

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

December 31, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 5,839,417
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 governmental funds	8,898,551
The net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(486,295)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	323,076
Deferred inflows of resources	(549,681)
The net pension liability for the Police Pension Plan is shown as a liability on the statement of net position	(3,780,321)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Police Pension Plan are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,017,089
Deferred inflows of resources	(1,046,534)
The OPEB liability is shown as a liability on the statement of net position	(267,155)
Compensated absences payable are not due and payable in the current period and, therefore, are not reported in the governmental funds	<u>(17,080)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 10,931,067</u></u>

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2022

	Special Revenue				Debt Service	Nonmajor Governmental	Total Governmental Funds
	General	Motor Fuel Tax	Community Development	Parks and Recreation			
REVENUES							
Taxes	\$ 2,886,541	\$ -	\$ -	\$ 490,882	\$ -	\$ -	\$ 3,377,423
Licenses, permits and fees	491,607	-	840,528	142,779	-	-	1,474,914
Intergovernmental	3,120,866	511,918	6,996	2,576	-	37,801	3,680,157
Donations	-	-	-	-	-	47,994	47,994
Investment income	13,674	448	671	58	18,694	68	33,613
Miscellaneous	20,037	-	108,567	-	-	-	128,604
Total revenues	6,532,725	512,366	956,762	636,295	18,694	85,863	8,742,705
EXPENDITURES							
Current							
General government	1,483,447	-	282,933	-	-	-	1,766,380
Building and zoning	18,955	-	680,937	-	-	-	699,892
Public safety	2,185,780	-	-	-	-	-	2,185,780
Public works	579,915	262,157	-	-	-	-	842,072
Parks and recreation	-	-	187,005	690,175	-	-	877,180
Capital outlay	-	-	-	1,700	-	86,027	87,727
Debt service							
Principal	-	-	-	-	780,000	-	780,000
Interest and fiscal charges	-	-	-	-	18,767	-	18,767
Total expenditures	4,268,097	262,157	1,150,875	691,875	798,767	86,027	7,257,798
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,264,628	250,209	(194,113)	(55,580)	(780,073)	(164)	1,484,907
OTHER FINANCING SOURCES (USES)							
Transfers in	100,050	-	-	-	-	150,000	250,050
Transfers (out)	(402,890)	-	-	(90,000)	-	(10,050)	(502,940)
Total other financing sources (uses)	(302,840)	-	-	(90,000)	-	139,950	(252,890)
NET CHANGE IN FUND BALANCES	1,961,788	250,209	(194,113)	(145,580)	(780,073)	139,786	1,232,017
FUND BALANCES (DEFICIT), JANUARY 1	2,799,663	777,879	536,487	(364,687)	792,924	65,134	4,607,400
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 4,761,451	\$ 1,028,088	\$ 342,374	\$ (510,267)	\$ 12,851	\$ 204,920	\$ 5,839,417

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS	\$ 1,232,017
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	14,000
Principal paid on debt certificates is an expenditure in the governmental funds but is a decrease in the principal outstanding on the statement of net position	780,000
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(484,607)
The amortization of premiums on long-term debt is reported as an expense on the statement of activities	8,958
The change in the OPEB liability is shown as an expense on the statement of activities	200,497
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	105,546
The change in the Police Pension Plan net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(166,758)
The change in compensated absences payable is shown as an increase in expense on the statement of activities	<u>8,806</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 1,698,459</u></u>

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

December 31, 2022

	<u>Aquatics</u>	<u>Sewer</u>	<u>Total Enterprise Funds</u>
CURRENT ASSETS			
Cash and investments	\$ 93,478	\$ 2,048,966	\$ 2,142,444
Accounts receivable	3,384	44,555	47,939
Total current assets	<u>96,862</u>	<u>2,093,521</u>	<u>2,190,383</u>
NONCURRENT ASSETS			
Capital assets			
Capital assets not being depreciated	417,459	-	417,459
Capital assets being depreciated, net	2,441,797	1,788,647	4,230,444
Net capital assets	<u>2,859,256</u>	<u>1,788,647</u>	<u>4,647,903</u>
Total noncurrent assets	<u>2,859,256</u>	<u>1,788,647</u>	<u>4,647,903</u>
Total assets	<u>2,956,118</u>	<u>3,882,168</u>	<u>6,838,286</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	<u>16,789</u>	<u>20,282</u>	<u>37,071</u>
Total deferred outflows of resources	<u>16,789</u>	<u>20,282</u>	<u>37,071</u>
Total assets and deferred outflows of resources	<u>2,972,907</u>	<u>3,902,450</u>	<u>6,875,357</u>
CURRENT LIABILITIES			
Accounts payable	2,442	28,760	31,202
Wages payable	1,229	6,170	7,399
Other postemployment benefits	424	424	848
Revenue bonds payable	246,000	-	246,000
Total current liabilities	<u>250,095</u>	<u>35,354</u>	<u>285,449</u>
NONCURRENT LIABILITIES			
Advance from other funds	655,432	-	655,432
IMRF net pension liability	25,270	30,531	55,801
Other postemployment benefits	18,043	18,043	36,086
Net revenue bonds payable	615,000	-	615,000
Total noncurrent liabilities	<u>1,313,745</u>	<u>48,574</u>	<u>1,362,319</u>
Total liabilities	<u>1,563,840</u>	<u>83,928</u>	<u>1,647,768</u>
DEFERRED INFLOWS OF RESOURCES			
Pension items - IMRF	<u>28,564</u>	<u>34,509</u>	<u>63,073</u>
Total deferred inflows of resources	<u>28,564</u>	<u>34,509</u>	<u>63,073</u>
Total liabilities and deferred inflows of resources	<u>1,592,404</u>	<u>118,437</u>	<u>1,710,841</u>
NET POSITION			
Net investment in capital assets	1,998,256	1,788,647	3,786,903
Restricted for debt service	4,000	-	4,000
Restricted for repairs and maintenance	89,478	-	89,478
Unrestricted (deficit)	(711,231)	1,995,366	1,284,135
TOTAL NET POSITION	<u>\$ 1,380,503</u>	<u>\$ 3,784,013</u>	<u>\$ 5,164,516</u>

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	<u>Aquatics</u>	<u>Sewer</u>	<u>Total Enterprise Funds</u>
OPERATING REVENUES			
Charges for service	\$ 336,253	\$ 748,183	\$ 1,084,436
Total operating revenues	<u>336,253</u>	<u>748,183</u>	<u>1,084,436</u>
OPERATING EXPENSES			
Personnel services	246,572	139,854	386,426
Contractual services	186,574	180,350	366,924
Commodities	42,877	2,480	45,357
Maintenance	3,480	-	3,480
Intergovernmental	-	201,885	201,885
Depreciation	170,403	78,007	248,410
Total operating expenses	<u>649,906</u>	<u>602,576</u>	<u>1,252,482</u>
OPERATING INCOME (LOSS)	<u>(313,653)</u>	<u>145,607</u>	<u>(168,046)</u>
NON-OPERATING REVENUES (EXPENSES)			
Investment income	48	11,403	11,451
Interest expense	(10,890)	-	(10,890)
Total non-operating revenues (expenses)	<u>(10,842)</u>	<u>11,403</u>	<u>561</u>
NET INCOME (LOSS) BEFORE TRANSFERS	<u>(324,495)</u>	<u>157,010</u>	<u>(167,485)</u>
TRANSFERS			
Transfers in	252,890	-	252,890
Total transfers	<u>252,890</u>	<u>-</u>	<u>252,890</u>
CHANGE IN NET POSITION	(71,605)	157,010	85,405
NET POSITION, JANUARY 1	<u>1,452,108</u>	<u>3,627,003</u>	<u>5,079,111</u>
NET POSITION, DECEMBER 31	<u><u>\$ 1,380,503</u></u>	<u><u>\$ 3,784,013</u></u>	<u><u>\$ 5,164,516</u></u>

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2022

	<u>Aquatics</u>	<u>Sewer</u>	<u>Total Enterprise Funds</u>
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 334,101	\$ 729,416	\$ 1,063,517
Payments to suppliers	(232,337)	(254,215)	(486,552)
Payments to employees	(258,805)	(154,856)	(413,661)
Payments to other governments	-	(201,885)	(201,885)
	<hr/>		
Net cash from operating activities	(157,041)	118,460	(38,581)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund loan receipts	249,286	-	249,286
Interfund loan payments	-	(13,045)	(13,045)
Transfers in	252,890	-	252,890
	<hr/>		
Net cash from noncapital financing activities	502,176	(13,045)	489,131
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Principal paid on long-term debt	(242,000)	-	(242,000)
Interest paid	(10,890)	-	(10,890)
	<hr/>		
Net cash from capital and related financing activities	(252,890)	-	(252,890)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	48	11,403	11,451
	<hr/>		
Net cash from investing activities	48	11,403	11,451
<hr/>			
NET INCREASE IN CASH AND CASH EQUIVALENTS	92,293	116,818	209,111
<hr/>			
CASH AND CASH EQUIVALENTS, JANUARY 1	1,185	1,932,148	1,933,333
<hr/>			
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 93,478	\$ 2,048,966	\$ 2,142,444
<hr/>			
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	\$ (313,653)	\$ 145,607	\$ (168,046)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation and amortization	170,403	78,007	248,410
Increase (decrease) in			
Pension related items	2,254	(5,456)	(3,202)
OPEB related items	(14,522)	(14,522)	(29,044)
Accounts receivable	(2,152)	(18,767)	(20,919)
Accounts payable	594	(71,385)	(70,791)
Wages payable	35	4,976	5,011
	<hr/>		
NET CASH FROM OPERATING ACTIVITIES	\$ (157,041)	\$ 118,460	\$ (38,581)
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See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

STATEMENT OF NET POSITION
FIDUCIARY FUNDS

December 31, 2022

	Police Pension	Custodial Funds
ASSETS		
Cash and short-term investments	\$ 220,880	\$ 157,345
Investments held in the Illinois Police Officers' Pension Investment Fund	5,734,925	-
Prepaid expense	516	-
	<hr/>	
Total assets	5,956,321	157,345
	<hr/>	
LIABILITIES		
Accounts payable	4,410	-
	<hr/>	
Total liabilities	4,410	-
	<hr/>	
NET POSITION		
Restricted for debt service	-	157,345
Restricted for pensions	5,951,911	-
	<hr/>	
TOTAL NET POSITION	\$ 5,951,911	\$ 157,345
	<hr/> <hr/>	

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS**

For the Year Ended December 31, 2022

	Police Pension	Custodial Funds
ADDITIONS		
Contributions		
Employer	\$ 393,151	\$ -
Employee	117,981	-
Property owner	-	950,687
	511,132	950,687
Investment income		
Net appreciation (depreciation) in fair value of investments	(1,152,440)	-
Interest	140,229	459
	(1,012,211)	459
Less investment expense	(14,216)	-
	(1,026,427)	459
Total additions	(515,295)	951,146
DEDUCTIONS		
Benefits and refunds	262,423	-
Administration	34,269	-
Debt service		
Principal retirement	-	905,088
Interest and fiscal charges	-	18,687
	296,692	923,775
CHANGE IN NET POSITION	(811,987)	27,371
NET POSITION		
January 1	6,763,898	129,974
December 31	\$ 5,951,911	\$ 157,345

See accompanying notes to financial statements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Village is a municipal corporation governed by a Village Mayor and six trustees using the village board administrator form of government. As required by GAAP, these financial statements present the Village (the primary government). The Police Pension Fund has been included as a fiduciary component unit reported as a Pension Trust Fund. The Police Pension Fund functions for the benefit of the Village's sworn police employees and is governed by a five-member pension board. Two members appointed by the Mayor, the Village Treasurer and two elected police officers constitute the pension board. The Village and the Police Pension Fund participants are obligated to fund all the Police Pension Fund costs based upon actuarial valuations, including administrative costs. 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 the contribution levels. Accordingly, the Police Pension Fund is fiscally dependent on the Village. Separate financial statements are not available for the Police Pension Fund.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted, committed or assigned monies (special revenue funds), the funds restricted, committed or assigned for the acquisition or construction of general capital assets (capital projects funds) and funds restricted, committed or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). The Village has no internal service funds.

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties, including other governments). The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity. The Village utilizes custodial funds to account for funds received and restricted for debt service on the special service area (noncommitment) debt.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity are classified as internal balances on the statement of net position. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

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

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Motor Fuel Tax Fund, a special revenue fund, is used to account for state motor fuel tax allotment revenue and expenditures related to road repair and construction.

The Community Development Fund, a special revenue fund, is used to account for nonrecurring revenue sources such as developer donations, building permits and contractor licenses. Reimbursable revenues and expenditures are also recorded in this fund.

The Parks and Recreation Fund, a special revenue fund, is used to account for the revenues received from property taxes (including the special recreation levy), recreation program fees and field lease agreement fees and the related expenditures for recreation programming, special recreation programming and park maintenance.

The Debt Service Fund is used to account for the payment of principal and interest on the 2013 Debt Certificates.

The Village reports the following nonmajor governmental funds:

The Sister Cities Fund, a special revenue fund, is used to account for the revenues received from donations and the related expenditures for the Sister Cities program with the Village of Marineo, Sicily.

The Park Donation Fund, a capital projects fund, is used to account for developer donations to be used for park maintenance or improvements to neighborhood or community parks.

The Capital Improvements Fund, a capital projects fund, is used to account for other financing sources (transfers from other funds) and expenditures for capital improvements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following major proprietary funds:

The Aquatics Fund accounts for the activities of the water park operations. This fund is comprised of four subfunds which are used to segregate resources for operations and maintenance, capital improvements and debt service.

The Sewer Fund is used to account for revenue from connection fees and the related expenditures for the operations and maintenance of the sanitary sewer system.

The Village reports a pension trust fund as a fiduciary fund to account for the Police Pension Fund. Additionally, the Village reports the special service area funds responsible for noncommitment debt repayment as custodial funds.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. The Village recognizes property taxes when they become both measurable and available in the period the tax is intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, court fines, franchise fees, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Local fines, license and permit revenue and miscellaneous revenues are considered to be measurable and available only when cash is received by the Village.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as those related to equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unavailable/deferred and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the government before it has a legal claim to them such as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow of resources for unearned and unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and investments with a maturity date of three months or less from the date acquired by the Village.

f. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

g. Prepaid Items/Expenses

Payments made to vendors for services, if any, that will benefit periods beyond the date of this report are recorded as prepaid items/expenses using the consumption method.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of the following and an estimated useful life in excess of one year.

Asset Class	Capitalization Threshold
Buildings and improvements	\$ 5,000
Equipment and vehicles	5,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	45
Sewer infrastructure	35
Improvements	20
Equipment	10
Vehicles - public safety	3
Vehicles - public works	10
Furniture	7
Office equipment	5

i. Compensated Absences

Vested or accumulated vacation leave is reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations, if any, are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, if any, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures/expenses.

In the fund financial statements, governmental funds 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 expenditures.

k. Net Position/Fund Balance

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or which are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. None of the restricted fund balance results from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's Chief Financial Officer through the approved fund balance policy of the Village. Any residual fund balance of the General Fund and any deficit fund balance in other governmental funds is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

The Village has established fund balance policies for their General Fund. The General Fund targets a reserve fund to fund operations for a period of at least four months of General Fund expenditures (not including transfers to fund capital projects). Unassigned fund balance is transferred to these reserves. These reserves are reported as an assigned fund balance.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Net Position/Fund Balance (Continued)

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

l. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so it will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period these amounts become available.

m. Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

n. Interfund Receivables/Payables

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

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Interfund Receivables/Payables (Continued)

Advances between funds, if any, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

o. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

The Village categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

a. Village

State statutes authorize the Village to make deposits in commercial banks and savings and loan institutions, and to make investments in obligations of the U.S. Treasury and U.S. agencies, investment grade obligations of state, provincial and local governments and public authorities, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds and the Illinois Metropolitan Investment Fund.

In addition, the Village's Board of Trustees has adopted an investment policy which provides further guidance on the investment of Village funds. It is the policy of the Village to invest its funds in a manner which will provide a competitive investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are; safety of principal, liquidity and return on investment. Investment in derivatives is not discussed in the Village's investment policy. The Village allows all investments permitted under Illinois Compiled Statutes (ILCS).

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires all deposits with financial institutions in excess of federal depository insurance be collateralized at 102% of the uninsured bank balance, with collateral held in the Village's name by an independent third party.

Investments

The following table presents the investments and maturities of the Village's debt securities as of December 31, 2022:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1 - 5	6 - 10	More than 10
State and local obligations (Village Bonds)	\$ 861,000	\$ -	\$ 861,000	\$ -	\$ -
TOTAL	\$ 861,000	\$ -	\$ 861,000	\$ -	\$ -

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to meet daily cash flow requirements for ongoing operations in order to maximize yield on longer term investments by avoiding having to sell securities on the open market before maturity and by investing operating funds in shorter term securities, money market mutual funds or external investment pools. The Village's investment policy requires that securities purchased will not have a maturity of more than seven years unless matched to a specific cash flow.

The state and local obligation securities are not rated.

The Village does not have a formal policy regarding credit risk. However, the Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in certificates of deposit.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in the Village's name by a third party custodian approved by the Chief Financial Officer and evidenced by safekeeping receipts.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village (Continued)

Investments (Continued)

Concentration of credit risk is the risk that the Village has too high a percentage of their investments invested in one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk. The Village's investment policy states the Village's portfolio shall be diversified in order to limit the investment holdings of a specific issuer or business sector to avoid over concentration in any one institution or area excluding investments in U.S. Treasury securities and authorized investment pools.

3. RECEIVABLES

Property Taxes

Property taxes are levied in Lake County by the last Tuesday in December, on the assessed valuation as of January 1. The tax levy becomes an enforceable lien against the property on January 1 of the year following the tax levy year. These taxes are collected by the County Collector and are submitted to the County Treasurer, who remits to the Village units their respective shares of the collections. Taxes levied in one year become due and payable in two installments during the following year. The Lake County installments are due June 1 and September 1.

The 2022 property tax levy is recorded as a receivable, net of estimated uncollectibles. Based upon collection histories, the Village has provided at December 31, 2022, an allowance of 1% of the levy for uncollectible real property taxes. All uncollected taxes relating to prior years' levies have been written off. For governmental funds, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year end, if any, are recorded as revenue. The 2022 taxes are intended to finance the 2023 fiscal year and are not considered available for current operations and, therefore, are shown as unavailable/deferred revenue.

4. CAPITAL ASSETS

Capital asset activity for the Village for the year ended December 31, 2022 was as follows:

	January 1	Increases	Decreases	December 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 6,557,081	\$ -	\$ -	\$ 6,557,081
Total capital assets not being depreciated	6,557,081	-	-	6,557,081

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	January 1	Increases	Decreases	December 31
GOVERNMENTAL ACTIVITIES				
(Continued)				
Capital assets being depreciated				
Buildings and improvements	\$ 6,153,376	\$ -	\$ -	\$ 6,153,376
Equipment and vehicles	3,450,510	14,000	-	3,464,510
Total capital assets being depreciated	9,603,886	14,000	-	9,617,886
Less accumulated depreciation for				
Buildings and improvements	4,246,139	282,524	-	4,528,663
Equipment and vehicles	2,545,670	202,083	-	2,747,753
Total accumulated depreciation	6,791,809	484,607	-	7,276,416
Total capital assets being depreciated, net	2,812,077	(470,607)	-	2,341,470
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 9,369,158	\$ (470,607)	\$ -	\$ 8,898,551
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 417,459	\$ -	\$ -	\$ 417,459
Total capital assets not being depreciated	417,459	-	-	417,459
Capital assets being depreciated				
Sanitary sewer system	2,347,301	-	-	2,347,301
Buildings and improvements	4,789,715	-	-	4,789,715
Equipment	290,443	-	-	290,443
Total capital assets being depreciated	7,427,459	-	-	7,427,459
Less accumulated depreciation for				
Sanitary sewer system	603,593	67,066	-	670,659
Buildings and improvements	2,169,314	161,052	-	2,330,366
Equipment	175,698	20,292	-	195,990
Total accumulated depreciation	2,948,605	248,410	-	3,197,015
Total capital assets being depreciated, net	4,478,854	(248,410)	-	4,230,444
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,896,313	\$ (248,410)	\$ -	\$ 4,647,903

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

DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES

General government	\$ 45,065
Building and zoning	55,669
Public safety	61,733
Public works	55,669
Parks and recreation	266,471

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES **\$ 484,607**

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

a. Special Service Area Bonds

As of December 31, 2022, the following Special Service Area (SSA) bonds were outstanding: SSA #1 Refunding Bonds, Series 2013A (which refunded the SSA #1 - 2003A Bonds and SSA #1 - 2004A Bonds), SSA #2 Refunding Bonds, Series 2013B (which refunded the SSA #2 - 2003B Bonds and SSA #2 - 2004B Bonds), SSA #3 Refunding Bonds, Series 2013C (which refunded the SSA #3 - 2003C Bonds and SSA #3 - 2004C Bonds) and SSA #4 - 2006 Bonds.

The SSA bonds outstanding as of December 31, 2022, totaled \$1,075,738. These bonds are not an obligation of the Village and are secured by the levy of real estate taxes on certain property within the special service areas. The Village 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.

b. Changes in Long-Term Liabilities - Governmental Activities

During the fiscal year, the following changes occurred in governmental activities long-term liabilities:

	Fund Debt Retired By	Balance January 1	Additions	Reductions	Balance December 31	Current Portion
GOVERNMENTAL ACTIVITIES						
Debt certificates (direct placement)	Debt Service	\$ 780,000	\$ -	\$ 780,000	\$ -	\$ -
Unamortized premium on debt certificates	Debt Service	8,958	-	8,958	-	-
Compensated absences	General	25,886	80,068	88,874	17,080	3,416
Net pension liability - police pension	General	1,653,652	2,126,669	-	3,780,321	-
Net pension liability - IMRF	General	835,943	-	349,648	486,295	-
Other postemployment benefit liability	General	467,652	-	200,497	267,155	6,134
TOTAL GOVERNMENTAL ACTIVITIES		\$ 3,772,091	\$ 2,206,737	\$ 1,427,977	\$ 4,550,851	\$ 9,550

c. Debt Certificates

The Village issued \$6,240,000 Debt Certificates, Series 2013 for the purchase of the Village's Special Service Area Number One, Two, and Three Refunding Bonds, Series 2013. The certificates were issued directly to a bank, bear interest at rates ranging from 2.00% to 3.25% and were payable in semi-annual installments beginning June 30, 2014, through December 30, 2022.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

c. Debt Certificates (Continued)

Issue	Fund Debt, (Direct Placement) Retired by	Balance January 1	Issuances	Retirements	Balance December 31	Current Portion
\$6,240,000 debt certificates (direct placement) dated November 12, 2013 with principal and interest due June 30 and December 30 including interest at 2.00% to 3.25% due through December 30, 2022.	Debt Service	\$ 780,000	\$ -	\$ 780,000	\$ -	\$ -
TOTAL		\$ 780,000	\$ -	\$ 780,000	\$ -	\$ -

d. Changes in Long-Term Liabilities - Business-Type Activities

During the year ended December 31, 2022, the following changes occurred in business-type activities long-term liabilities:

	Fund Debt Retired By	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES						
Revenue bonds	Aquatics	\$ 1,103,000	\$ -	\$ 242,000	\$ 861,000	\$ 246,000
Net pension liability - IMRF	Aquatics/ Sewer	86,823	-	31,022	55,801	-
Other postemployment benefit liability	Aquatics/ Sewer	65,978	-	29,044	36,934	848
TOTAL BUSINESS-TYPE ACTIVITIES		\$ 1,255,801	\$ -	\$ 302,066	\$ 953,735	\$ 246,848

e. Revenue Bonds

The Village issued \$2,805,000 Revenue Bonds (Aquatic Center Project), Series 2007, dated June 15, 2007, for the purpose of financing the construction of an aquatic center and related improvements, payable in annual installments of \$110,000 to \$645,000 each December 30, beginning December 30, 2009, through December 30, 2017, with interest payable semiannually on June 30 and December 30 at 4.75%. The revenue bonds are payable from park donations pledged to the payment of the bonds and a pledge of revenues derived from the operation of the Aquatic Center to be financed.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Revenue Bonds (Continued)

On March 16, 2011, the Village issued \$3,000,000 Revenue Refunding Bonds (Aquatic Center Project), Series 2011 to refund \$2,570,000 of the Revenue Bonds (Aquatic Center Project), Series 2007. Through the refunding, the Village extended the maturity of the bonds from 2017 to 2028. The debt service was increased by \$1,240,086. Of the proceeds, \$2,595,771 was used to currently refund the Revenue Bonds (Aquatic Center Project), Series 2007. On March 16, 2011, the principal of the Revenue Bonds (Aquatic Center Project), Series 2007 was paid off.

On December 8, 2021, the Village issued \$1,103,000 Revenue Refunding Bonds (Aquatic Center Project), Series 2021 to refund \$1,360,000 of the Revenue Bonds (Aquatic Center Project), Series 2011. Through the refunding the Village reduced the maturity of the bonds from 2028 to 2026. The debt service was decreased by \$257,000 by utilizing the remaining balance of the Reserve Subfund that is no longer required as part of the Village ordinance. The entire amount of proceeds were used to currently refund the Revenue Bonds (Aquatic Center Project), Series 2011. On December 30, 2021, the remaining principal of the Revenue Bonds (Aquatic Center Project), Series 2011 was paid off. As a result of the refunding, the Village achieved cash flow savings of \$230,210 and an economic gain on the refunding of \$229,245.

The ordinance authorizing the issuance of \$3,000,000 Revenue Refunding Bonds (Aquatic Center Project), Series 2011 provided for the continuation of separate subfunds of the Aquatics Fund. The Park Donation Fund is required for all park donation fees received by the Village. This fund had a balance of \$62,221 at December 31, 2022. A Depreciation Subfund is required as corporate authorities deem necessary in order to provide an adequate depreciation fund for the Aquatic Center. This subfund had a balance of \$89,478 at December 31, 2022. A Bond and Interest Subfund is required to fund principal and interest payments. Each month a fractional amount of the principal and interest coming due on the next payment date is to be deposited to this subfund. At December 31, 2022, this subfund had a balance of \$4,000.

Debt service to maturity on these bonds is as follows:

Year Ending December 31,	Revenue Bonds		
	Principal	Interest	Total
2023	\$ 246,000	\$ 7,749	\$ 253,749
2024	249,000	5,535	254,535
2025	251,000	3,294	254,294
2026	115,000	1,035	116,035
TOTAL	\$ 861,000	\$ 17,613	\$ 878,613

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

e. Revenue Bonds (Continued)

Pledged Revenue

The Village has pledged future aquatic center revenue, park donation fees and utility taxes (pledged revenues) to repay the General Obligation (Alternate Revenue Source) Refunding Bonds, Series 2021. The bonds are payable from the pledged revenues and are payable through 2026. The total principal and interest remaining to be paid on the bonds is \$878,613. Total net revenues were \$889,580. There were required principal and interest payments of \$242,000 and \$9,927, respectively, during the fiscal year.

6. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Due from/to other funds at December 31, 2022 consist of the following:

	<u>Due From</u>	<u>Due To</u>
General	\$ 103,937	\$ -
Community Development	-	103,937
TOTAL	<u>\$ 103,937</u>	<u>\$ 103,937</u>

The balances reflected in most significant due from/to other funds above are generally related to routine payroll and vendor payments involving charges to multiple village funds and for eliminating cash deficits. All will be repaid within one year.

b. Interfund Transfers

Interfund transfers during the year ended December 31, 2022, consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 100,050	\$ 402,890
Parks and Recreation	-	90,000
Sister Cities	-	10,050
Capital Improvements	150,000	-
Aquatics Center	252,890	-
TOTAL	<u>\$ 502,940</u>	<u>\$ 502,940</u>

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Interfund Transfers (Continued)

Significant transfers between funds for the year ended December 31, 2022 consist of the following:

- \$90,000 transferred from the Parks and Recreation Fund to the General Fund as approved in the Village’s 2022 budget.
- \$10,050 transferred from the Sister Cities Fund to the General Fund to close out the fund.
- \$252,890 transferred from the General Fund to the Aquatics Center Fund for debt service.
- \$150,000 transferred from the General Fund transferred to the Capital Improvements Fund for capital purposes

None of the transfers will be repaid.

c. Advances

Advance due from/to other funds at December 31, 2022 consist of the following:

	Advance To	Advance From
	<u> </u>	<u> </u>
General	\$ 1,172,018	\$ -
Parks and Recreation	-	516,586
Aquatics Center	-	655,432
	<u> </u>	<u> </u>
TOTAL	<u><u>\$ 1,172,018</u></u>	<u><u>\$ 1,172,018</u></u>

The balances loaned from the General Fund to the Aquatics Center Fund are related to a five-year financial plan the for the Aquatic Center. Repayment options will be determined at the end of the five-year plan.

The balances loaned from the General Fund to the Parks and Recreation Fund will be evaluated as part of the annual budget process and will not be repaid within one year.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INDIVIDUAL FUND DISCLOSURES (Continued)

d. Deficit Fund Balances

The following funds reported deficit fund balances at December 31, 2022:

Fund	Total
Parks and Recreation	\$ 510,267

7. 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 pays for health insurance for employees and general liability insurance through third party indemnity insurance. The Village participates in the Illinois Public Risk Fund for its workers' compensation insurance coverage.

The Village currently reports its risk management expenditures/expenses in the General Fund. There were no significant changes in insurance coverage from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

The Illinois Public Risk Fund (the Fund) is a self-funded workers' compensation pool for public entities. The purpose of the Fund is to provide for the defense and payment when due of all compensation and other benefits under the Illinois Workers' Compensation and Occupational Diseases Laws on behalf of fire protection districts, public entities and agencies and other units of state and local government within the State of Illinois. There are approximately 500 members. A Board of Trustees oversees the operation of the Fund and governs it in accordance with State of Illinois regulations. Members' cost is proportional, based on contributions developed by payroll audits. Rates and any discounts approved by the Board of Trustees are used to determine standard premiums for each member. Each member's experience modifications are used. Members also participate in policyholder dividends based on the Fund's and individual member's experience. Members can also be assessed if the assets of the Fund are less than the reserves required to be maintained. The Village is not aware of any additional amounts due to the Fund at December 31, 2022.

8. CONTINGENT LIABILITIES

Litigation

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

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. 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.

9. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all the plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. IMRF, however, issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from their website at www.imrf.org.

The table below is a summary for all pension plans as of and for the year ended December 31, 2022:

	IMRF	Police Pension	Total
Net pension liability	\$ 542,096	\$ 3,780,321	\$ 4,322,417
Deferred outflows of resources	360,147	2,017,089	2,377,236
Deferred inflows of resources	612,754	1,046,534	1,659,288
Pension expense	146,918	559,909	706,827

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

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

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

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2021 (most recent available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	25
Active employees	<u>23</u>
 TOTAL	 <u><u>60</u></u>

Benefits Provided

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service.

Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2022 was 10.69% of covered payroll.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2021 (most recent available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Asset valuation method	Fair value of assets
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Cost of living adjustments	2.75%

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

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2021 was 7.25%. 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 the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2021	\$ 5,836,072	\$ 4,913,306	\$ 922,766
Changes for the period			
Service cost	198,189	-	198,189
Interest	427,080	-	427,080
Difference between expected and actual experience	50,150	-	50,150
Changes in assumptions	-	-	-
Employer contributions	-	263,890	(263,890)
Employee contributions	-	94,622	(94,622)
Net investment income	-	772,264	(772,264)
Benefit payments and refunds	(88,818)	(88,818)	-
Other (net transfer)	-	(74,687)	74,687
Net changes	586,601	967,271	(380,670)
BALANCES AT DECEMBER 31, 2021	\$ 6,422,673	\$ 5,880,577	\$ 542,096

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the Village recognized pension expense of \$146,918.

At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 94,622	\$ 63,340
Assumption changes	9,859	19,070
Net difference between projected and actual earnings on pension plan investments	-	530,344
Employer contributions after measurement date	255,666	-
TOTAL	\$ 360,147	\$ 612,754

\$255,666 reported as deferred outflows of resources related to pensions resulting from the Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2023	\$ (90,419)
2024	(217,187)
2025	(118,973)
2026	(81,694)
2027	-
TOTAL	\$ (508,273)

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 1,425,827	\$ 542,096	\$ (180,957)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and 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 Police Pension Plan as a pension trust fund.

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

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

Plan Membership

At December 31, 2022, the measurement date, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>12</u>
TOTAL	<u><u>17</u></u>

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 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% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 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% or ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions

Employees are required by ILCS 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

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions (Continued)

by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village is funding 100% of the past service costs by 2040. For the year ended December 31, 2022, the Village's contribution was 29.48% of covered payroll.

Illinois Police Officers' Pension Investment Fund

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

Deposits with Financial Institutions

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

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the plan's deposits may not be returned to it. The plan's investment policy requires pledging of collateral for all bank balances held in the plan's name in excess of federal depository insurance, at amounts ranging from 110% to 115% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2021. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2022.

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$5,734,925 at December 31, 2022. The pooled investments consist of the investments as noted in the target allocation table below. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2022. The Plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

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

Investment Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (12.03%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The Fund's funding policy is to have the Fund reach a funded ratio of 100% by December 31, 2040. Therefore, the Police Pension Plan's projected fiduciary net position can be expected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Police Pension Plan's investments was applied to all periods of projected benefits payments to determine the total pension liability.

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2022	\$ 8,417,550	\$ 6,763,898	\$ 1,653,652
Changes for the period			
Service cost	336,760	-	336,760
Interest	539,242	-	539,242
Difference between expected and actual experience	716,084	-	716,084
Changes in assumptions	-	-	-
Changes in benefit terms	(14,981)	-	(14,981)
Employer contributions	-	393,151	(393,151)
Employee contributions	-	117,981	(117,981)
Contributions - other	-	-	-
Net investment income	-	(1,026,427)	1,026,427
Benefit payments and refunds	(262,423)	(262,423)	-
Administrative expense	-	(34,269)	34,269
Net changes	1,314,682	(811,987)	2,126,669
BALANCES AT DECEMBER 31, 2022	\$ 9,732,232	\$ 5,951,911	\$ 3,780,321

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2022, using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	3.75% to 13.75%
Interest rate	6.50%
Postretirement benefit increases	3.00%
Asset valuation method	Fair value of assets

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2022, the Village recognized police pension expense of \$559,909. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 901,659	\$ 1,021,311
Changes in assumptions	195,725	25,223
Net difference between projected and actual earnings on pension plan investments	919,705	-
TOTAL	\$ 2,017,089	\$ 1,046,534

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	
2023	\$ 152,430
2024	227,608
2025	288,444
2026	267,412
2027	(27,198)
Thereafter	<u>61,859</u>
 TOTAL	 <u><u>\$ 970,555</u></u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.50% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 5,441,204	\$ 3,780,321	\$ 2,452,023

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's governmental activities and business-type activities and enterprise funds.

b. Benefits Provided

The Village provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with ILCS, which creates an implicit subsidy of retiree health insurance. To be eligible for benefits, an employee must qualify for retirement under the Village's retirement plan. Upon a retiree reaching the age of 65, Medicare becomes the primary insurer and the retiree is no longer eligible to participate in the plan, but can purchase a Medicare supplement plan from the Village's insurance provider. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the current members via the insured plan (pay-as-you-go) which results in an implicit subsidy to the Village.

c. Membership

At December 31, 2022 (most recent data available), membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	-
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>37</u>
TOTAL	<u>37</u>

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Total OPEB Liability

The Village's total OPEB liability of \$304,089 was measured as of December 31, 2022 and was determined by an actuarial valuation as of January 1, 2023.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2022, as determined by an actuarial valuation as of January 1, 2023, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Salary increases	2.75%
Discount rate	3.72%
Healthcare cost trend rates	7.00% to 7.70% Initial 5.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond G.O. Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

IMRF Mortality follows the PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020; Age 83 for Male, Age 87 for Females.

Police Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates.

Spousal Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors.

The actuarial assumptions used in the January 1, 2023 valuation assume 30% IMRF and police coverage election, with 50% electing spousal coverage.

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2022	<u>\$ 533,630</u>
Changes for the period	
Service cost	18,835
Interest	10,921
Differences between expected and actual experiences	(226,168)
Assumption changes	(26,147)
Benefit payments	<u>(6,982)</u>
Net changes	<u>(229,541)</u>
BALANCES AT DECEMBER 31, 2022	<u>\$ 304,089</u>

Changes in assumptions related to the discount rate were made since the prior measurement date.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 3.72% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.72%) or 1 percentage point higher (4.72%) than the current rate:

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB liability	\$ 327,227	\$ 304,089	\$ 282,757

VILLAGE OF HAWTHORN WOODS, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 5.00% to 7.70% as well as what the Village’s total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.00% to 6.70%) or 1 percentage point higher (6.00% to 8.70%) than the current rate:

	1% Decrease (4.00% to 6.70%)	Current Healthcare Rate (5.00% to 7.70%)	1% Increase (6.00% to 8.70%)
Total OPEB liability	\$ 273,315	\$ 304,089	\$ 340,114

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

For the year ended December 31, 2022, the Village recognized OPEB expense (income) of \$(222,559). Under GASB Statement No. 75, changes to the OPEB liability are not permitted to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB expense.

11. TAX ABATEMENTS

The Village rebates property taxes to recruit, retain, or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

For the fiscal year ended December 31, 2022, the Village rebated 100% of the Village portion of the property tax levy to all homeowners who owned and resided in the Hawthorn Trails (formerly Kildeer Estates) subdivision as of May 1, 2010. This rebate is available only to these original homeowners as long as they reside in their home, according to the terms of the annexation agreement.

The agreement was entered into pursuant to the Village’s authority under the Illinois Municipal Code, 65 ILCS 5/1-1. The abatement for the year ended December 31, 2022, amounted to \$7,337. There are no recapture provisions as eligibility for property tax abatement is established before disbursement.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	\$ 2,561,880	\$ 2,561,880	\$ 2,886,541	\$ 324,661
Licenses and fees	491,280	491,280	491,607	327
Intergovernmental	2,122,828	2,122,828	3,120,866	998,038
Investment income	5,000	5,000	13,674	8,674
Miscellaneous	8,250	8,250	20,037	11,787
Total revenues	5,189,238	5,189,238	6,532,725	1,343,487
EXPENDITURES				
Current				
General government	1,550,324	1,550,324	1,483,447	(66,877)
Building and zoning	29,382	29,382	18,955	(10,427)
Public safety	2,250,610	2,250,610	2,185,780	(64,830)
Public works	635,043	621,043	579,915	(41,128)
Total expenditures	4,465,359	4,451,359	4,268,097	(183,262)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	723,879	737,879	2,264,628	1,526,749
OTHER FINANCING SOURCES (USES)				
Transfers in	90,000	90,000	100,050	10,050
Transfers (out)	(580,400)	(580,400)	(402,890)	177,510
Total other financing sources (uses)	(490,400)	(490,400)	(302,840)	187,560
NET CHANGE IN FUND BALANCE	\$ 233,479	\$ 247,479	1,961,788	\$ 1,714,309
FUND BALANCE, JANUARY 1			2,799,663	
FUND BALANCE, DECEMBER 31			\$ 4,761,451	

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental			
Allotments earned	\$ 215,200	\$ 336,657	\$ 121,457
Rebuild Illinois funds	-	175,261	175,261
Investment income	300	448	148
	215,500	512,366	296,866
EXPENDITURES			
Public works			
Personnel services	176,505	171,551	(4,954)
Contractual services	126,400	19,181	(107,219)
Commodities	90,000	71,425	(18,575)
	392,905	262,157	(130,748)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(177,405)	250,209	427,614
NET CHANGE IN FUND BALANCE	\$ (177,405)	250,209	\$ 427,614
FUND BALANCE, JANUARY 1		777,879	
FUND BALANCE, DECEMBER 31		\$ 1,028,088	

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT FUND**

For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Licenses, permits and fees	\$ 805,842	\$ 840,528	\$ 34,686
Intergovernmental	-	6,996	6,996
Investment income	300	671	371
Miscellaneous	84,065	108,567	24,502
	<hr/>	<hr/>	<hr/>
Total revenues	890,207	956,762	66,555
EXPENDITURES			
General government			
Economic development			
Personnel services	156,850	172,207	15,357
Contractual services	116,100	110,726	(5,374)
Building and zoning			
Personnel services	431,229	407,139	(24,090)
Contractual services	227,850	271,503	43,653
Commodities	2,010	2,295	285
Parks and recreation			
Community events			
Personnel services	108,220	116,868	8,648
Contractual services	57,850	70,137	12,287
	<hr/>	<hr/>	<hr/>
Total expenditures	1,100,109	1,150,875	50,766
NET CHANGE IN FUND BALANCE	<u>\$ (209,902)</u>	(194,113)	<u>\$ 15,789</u>
FUND BALANCE, JANUARY 1		<u>536,487</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 342,374</u></u>	

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Taxes	\$ 495,041	\$ 490,882	\$ (4,159)
Licenses, permits and fees	219,780	142,779	(77,001)
Intergovernmental	-	2,576	2,576
Investment income	60	58	(2)
Total revenues	714,881	636,295	(78,586)
EXPENDITURES			
Parks and recreation			
Administration			
Personnel services	138,011	135,947	(2,064)
Contractual services	65,262	65,164	(98)
Commodities	2,550	1,462	(1,088)
Recreation			
Commodities	29,600	24,870	(4,730)
Park maintenance			
Personnel services	259,405	263,840	4,435
Contractual services	2,800	2,824	24
Commodities	143,541	135,850	(7,691)
Capital outlay	3,500	3,951	451
Special recreation			
Contractual services	56,267	56,267	-
Capital outlay	123,000	1,700	(121,300)
Total expenditures	823,936	691,875	(132,061)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	(109,055)	(55,580)	53,475
OTHER FINANCING SOURCES (USES)			
Transfers in	180,000	-	(180,000)
Transfers (out)	(90,000)	(90,000)	-
Total other financing sources (uses)	90,000	(90,000)	(180,000)
NET CHANGE IN FUND BALANCE			
	<u>\$ (19,055)</u>	(145,580)	<u>\$ (126,525)</u>
FUND BALANCE (DEFICIT), JANUARY 1			
		<u>(364,687)</u>	
FUND BALANCE (DEFICIT), DECEMBER 31			
		<u>\$ (510,267)</u>	

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Eight Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 197,892	\$ 201,184	\$ 213,615	\$ 210,345	\$ 203,438	\$ 231,759	\$ 264,748	\$ 255,666
Contributions in relation to the actuarially determined contribution	197,892	201,184	213,615	210,345	203,438	231,759	264,748	255,666
CONTRIBUTION DEFICIENCY (Excess)	\$ -							
Covered payroll	\$ 1,668,168	\$ 1,757,066	\$ 1,841,511	\$ 1,865,433	\$ 1,913,809	\$ 2,102,713	\$ 2,109,546	\$ 2,391,637
Contributions as a percentage of covered payroll	11.86%	11.45%	11.60%	11.21%	10.63%	11.72%	12.55%	10.69%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuation as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 22 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually and postretirement benefit increases of 3.00% compounded annually.

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

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 217,155	\$ 234,261	\$ 280,551	\$ 280,223	\$ 308,036	\$ 339,582	\$ 335,081	\$ 349,206	\$ 411,152	\$ 393,151
Contributions in relation to the actuarially determined contributions	217,155	234,261	280,551	280,223	308,036	339,582	335,081	349,206	411,152	393,151
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 692,151	\$ 791,889	\$ 979,799	\$ 1,043,104	\$ 1,072,395	\$ 1,110,705	\$ 1,183,495	\$ 1,317,437	\$ 1,438,959	\$ 1,333,530
Contributions as a percentage of covered payroll	31.37%	29.58%	28.63%	26.86%	28.72%	30.57%	28.31%	26.51%	28.57%	29.48%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation is as follows: the actuarial cost method was entry-age normal; the amortization method was level percentage of pay; the amortization period was 20 years; the asset valuation method was five-year smoothing of asset gains and losses and the significant actuarial assumptions were an investment rate of return of 6.50% annually; inflation at 2.25% annually; and projected salary increases of 3.75% to 13.75% annually.

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

Last Eight Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021
TOTAL PENSION LIABILITY								
Service cost	\$ 156,550	\$ 164,627	\$ 204,579	\$ 196,852	\$ 192,568	\$ 206,649	\$ 207,348	\$ 198,189
Interest	186,930	220,700	262,493	283,287	314,019	351,874	401,343	427,080
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	14,769	201,645	(137,604)	106,937	56,081	198,405	(128,714)	50,150
Changes of assumptions	135,102	10,211	(27,283)	(123,595)	163,167	-	(38,754)	-
Benefit payments, including refunds of member contributions	(30,809)	(53,152)	(43,319)	(45,817)	(57,332)	(75,394)	(74,490)	(88,818)
Net change in total pension liability	462,542	544,031	258,866	417,664	668,503	681,534	366,733	586,601
Total pension liability - beginning	2,436,199	2,898,741	3,442,772	3,701,638	4,119,302	4,787,805	5,469,339	5,836,072
TOTAL PENSION LIABILITY - ENDING	\$ 2,898,741	\$ 3,442,772	\$ 3,701,638	\$ 4,119,302	\$ 4,787,805	\$ 5,469,339	\$ 5,836,072	\$ 6,422,673
PLAN FIDUCIARY NET POSITION								
Contributions - employer	\$ 152,332	\$ 197,892	\$ 201,184	\$ 213,615	\$ 210,345	\$ 203,438	\$ 231,759	\$ 263,890
Contributions - member	61,980	76,967	79,068	82,868	84,439	86,122	88,986	94,622
Net investment income	117,204	11,189	152,663	411,980	(118,010)	567,136	555,432	772,264
Benefit payments, including refunds of member contributions	(30,809)	(53,152)	(43,319)	(45,817)	(57,332)	(75,394)	(74,490)	(88,818)
Other (net transfer)	6,886	(207,005)	(6,617)	(32,187)	25,109	8,442	783	(74,687)
Net change in plan fiduciary net position	307,593	25,891	382,979	630,459	144,551	789,744	802,470	967,271
Plan net position - beginning	1,829,619	2,137,212	2,163,103	2,546,082	3,176,541	3,321,092	4,110,836	4,913,306
PLAN NET POSITION - ENDING	\$ 2,137,212	\$ 2,163,103	\$ 2,546,082	\$ 3,176,541	\$ 3,321,092	\$ 4,110,836	\$ 4,913,306	\$ 5,880,577
EMPLOYER'S NET PENSION LIABILITY	\$ 761,529	\$ 1,279,669	\$ 1,155,556	\$ 942,761	\$ 1,466,713	\$ 1,358,503	\$ 922,766	\$ 542,096

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021
Plan fiduciary net position as a percentage of the total pension liability	73.73%	62.83%	68.78%	77.11%	69.37%	75.16%	84.19%	91.56%
Covered payroll	\$ 1,404,051	\$ 1,668,168	\$ 1,757,066	\$ 1,841,511	\$ 1,865,433	\$ 1,913,809	\$ 1,977,471	\$ 2,102,713
Employer's net pension liability as a percentage of covered payroll	54.24%	76.71%	65.77%	51.19%	78.63%	70.98%	46.66%	25.78%

Notes to Required Supplementary Information

Measurement Date December 31, 2020 - There was a change in assumption related to the price inflation, salary increases, retirement age and mortality since the prior measurement date.

Measurement Date December 31, 2018 - There was a change in assumption related to the discount rate since the prior measurement date.

Measurement Date December 31, 2017 - There was a change in assumption related to the salary rates, inflation rates and mortality since the prior measurement date.

Measurement Date December 31, 2016 - There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2016, is 7.50%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, was 7.45%. Additionally, there was a change in assumptions from the prior year to reflect revised expectations with respect to mortality rates.

Measurement Date December 31, 2015 - There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2015, is 7.45%. The discount rate used in the prior actuarial valuation, dated December 31, 2014, was 7.47%.

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

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Nine Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL PENSION LIABILITY									
Service cost	\$ 269,069	\$ 248,158	\$ 269,141	\$ 252,082	\$ 268,467	\$ 280,277	\$ 331,130	\$ 330,862	\$ 336,760
Interest	256,565	313,030	363,963	384,926	426,091	465,078	500,337	504,370	539,242
Changes of benefit terms	-	-	-	-	-	181,098	-	-	(14,981)
Differences between expected and actual experience	557,497	576,324	(634,081)	121,908	50,158	35,599	(577,627)	(447,049)	716,084
Changes of assumptions	292,739	(96,799)	416,237	-	-	30,066	-	-	-
Benefit payments, including refunds of member contributions	(93,198)	(78,871)	(78,632)	(106,880)	(144,325)	(145,510)	(146,729)	(152,160)	(262,423)
Net change in total pension liability	1,282,672	961,842	336,628	652,036	600,391	846,608	107,111	236,023	1,314,682
Total pension liability - beginning	3,394,239	4,676,911	5,638,753	5,975,381	6,627,417	7,227,808	8,074,416	8,181,527	8,417,550
TOTAL PENSION LIABILITY - ENDING	\$ 4,676,911	\$ 5,638,753	\$ 5,975,381	\$ 6,627,417	\$ 7,227,808	\$ 8,074,416	\$ 8,181,527	\$ 8,417,550	\$ 9,732,232
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 234,261	\$ 280,551	\$ 280,223	\$ 308,036	\$ 339,582	\$ 335,081	\$ 349,206	\$ 411,152	\$ 393,151
Contributions - member	79,573	106,136	106,897	112,506	115,071	117,285	122,802	127,433	117,981
Contributions - other	-	-	-	-	-	10,000	10,500	17,440	-
Net investment income	37,981	10,741	146,635	338,415	(125,626)	644,794	674,354	473,157	(1,026,427)
Benefit payments, including refunds of member contributions	(93,198)	(78,871)	(78,632)	(106,880)	(144,325)	(145,510)	(146,729)	(152,160)	(262,423)
Administrative expense	(13,259)	(16,308)	(13,404)	(23,101)	(22,790)	(28,752)	(23,953)	(25,083)	(34,269)
Net change in plan fiduciary net position	245,358	302,249	441,719	628,976	161,912	932,898	986,180	851,939	(811,987)
Plan net position - beginning	2,212,667	2,458,025	2,760,274	3,201,993	3,830,969	3,992,881	4,925,779	5,911,959	6,763,898
PLAN NET POSITION - ENDING	\$ 2,458,025	\$ 2,760,274	\$ 3,201,993	\$ 3,830,969	\$ 3,992,881	\$ 4,925,779	\$ 5,911,959	\$ 6,763,898	\$ 5,951,911
EMPLOYER'S NET PENSION LIABILITY	\$ 2,218,886	\$ 2,878,479	\$ 2,773,388	\$ 2,796,448	\$ 3,234,927	\$ 3,148,637	\$ 2,269,568	\$ 1,653,652	\$ 3,780,321

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Plan fiduciary net position as a percentage of the total pension liability	52.56%	48.95%	53.59%	57.80%	55.24%	61.00%	72.26%	80.35%	61.16%
Covered payroll	\$ 791,889	\$ 979,799	\$ 1,043,104	\$ 1,072,395	\$ 1,110,705	\$ 1,183,495	\$ 1,317,437	\$ 1,438,959	\$ 1,333,530
Employer's net pension liability as a percentage of covered payroll	280.20%	293.78%	265.88%	260.77%	291.25%	266.05%	172.27%	114.92%	283.48%

Notes to Required Supplementary Information

Year Ended December 31, 2019 - There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to the assumed rate on High Quality 20-Year Tax-Exempt General Obligation (G.O.) Bonds. The rate was changed from 4.10% to 2.74% and the underlying index used is The Bond Buyer 20-Bond G.O. Index.

Year Ended December 31, 2016 - There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, retirement rates, disability rates and termination rates. The following assumptions also changed since the prior year: (1) the discount rate used for the total pension liability was changed from 6.75% to 6.50%; (2) the long-term expected rate of return on plan assets was changed from 6.75% to 6.50%; (3) the High Quality 20-Year Tax Exempt G.O. Bond rate was changed from 3.57% to 3.78%; (4) the projected rate of individual salary increases changed from 4.50% to 14.00% to 4.00% to 14.00%; (5) the projected increase in total payroll was changed from 4.50% to 3.25%; (6) the change in the Consumer Price Index (Urban) was changed from 3.00% to 2.50%; and (7) the rate of inflation was changed from 3.00% to 2.50%.

Year Ended December 31, 2015 - There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates, retirement rates, disability rates and termination rates.

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

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Nine Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return, net of investment expense	3.50%	0.41%	5.06%	10.17%	(3.16%)	15.65%	13.38%	7.90%	(12.03%)

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

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022
TOTAL OPEB LIABILITY					
Service cost	\$ 14,228	\$ 13,764	\$ 4,620	\$ 19,042	\$ 18,835
Interest	10,224	11,781	9,692	11,184	10,921
Differences between expected and actual experience	-	-	113,192	-	(226,168)
Changes of assumptions	(19,370)	53,194	53,246	(22,450)	(26,147)
Benefit payments, including refunds of member contributions	(15,041)	(14,321)	(10,479)	(3,386)	(6,982)
Net change in total OPEB liability	(9,959)	64,418	170,271	4,390	(229,541)
Total OPEB liability - beginning	304,510	294,551	358,969	529,240	533,630
TOTAL OPEB LIABILITY - ENDING	\$ 294,551	\$ 358,969	\$ 529,240	\$ 533,630	\$ 304,089
Covered-employee payroll	\$ 2,987,117	\$ 3,097,304	\$ 3,216,639	\$ 3,464,668	\$ 3,532,242
Employer's total OPEB liability as a percentage of covered-employee payroll	9.86%	11.59%	16.45%	15.40%	8.61%

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

2022: Changes in assumptions related to the discount rate were made since the prior measurement date.

2021: Changes in assumptions related to the discount rate, mortality, mortality improvement, retirement, termination and disability rates were made since the prior measurement date.

2020: Changes in assumptions related to the discount rate, medical cost assumptions and safety rates were made since the prior measurement date.

2018 and 2019: Changes in assumptions related to the discount rate were made since the previous measurement date.

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

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

1. BUDGETS AND BUDGETARY ACCOUNTING

Budgets are adopted on a basis consistent with GAAP. An annual budget was adopted for all funds except the Debt Service Fund and Police Pension Fund. All annual appropriations lapse at fiscal year end. Budget amendments were made in the current fiscal year.

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

- a. During the fourth quarter of the prior fiscal year, the Chief Financial Officer drafts an annual budget ordinance for the subsequent year to be adopted by the Board of Trustees. This ordinance appropriates such sums of money as are deemed necessary to defray all necessary expenses and liabilities of the Village. The ordinance also specifies the objects and purposes for which these appropriations are made and the amount appropriated for each.
- b. Prior to the adoption of the budget ordinance, the Village makes the proposed ordinance conveniently available to public inspection and holds at least one public hearing subsequent to published notice.
- c. Subsequent to the public hearing and before final action is taken on the budget ordinance, the Board of Trustees may revise, alter, increase or decrease the items contained therein.
- d. Final action to adopt the appropriation for the year ended December 31 is typically taken by the Board of Trustees before year end.
- e. The Board of Trustees may subsequently transfer appropriated amounts to other appropriations but not increase the overall appropriation of an individual fund without the passage of a supplemental appropriation.
- f. The legal level of budgetary control is at the fund level.
- g. Budgetary authority lapses at year end.

2. COMPLIANCE

The following fund had expenditures in excess of budget in the current year:

Fund	Actual Expenditures	Final Budget	Excess
Park Donations Fund	\$ 252	\$ -	\$ 252
Community Development Fund	1,150,875	1,100,109	50,766

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

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
TAXES			
Property taxes	\$ 1,903,871	\$ 1,906,088	\$ 2,217
Road and bridge tax	20,697	16,511	(4,186)
Sales tax	135,000	347,179	212,179
Cannabis tax	16,312	15,613	(699)
Utility tax	390,000	506,070	116,070
Telecommunication tax	95,000	86,093	(8,907)
Food and beverage tax	-	7,428	7,428
Amusement tax	1,000	1,559	559
	<hr/>		
Total taxes	2,561,880	2,886,541	324,661
LICENSES, PERMITS AND FEES			
Licenses			
Liquor	7,900	7,950	50
Vehicle	164,900	157,793	(7,107)
Animal	13,000	12,910	(90)
Franchise	172,000	172,939	939
Video gaming liquor	-	-	-
Business	10,000	7,925	(2,075)
	<hr/>		
Total licenses	367,800	359,517	(8,283)
Fees			
Court fines	85,000	91,203	6,203
Village code violations	12,500	20,282	7,782
Administrative impound fees	25,000	17,500	(7,500)
Police protection fees	-	550	550
Adjudication fines	-	-	-
Video game terminal fee	-	-	-
Record requests	800	815	15
	<hr/>		
Total fees	123,300	130,350	7,050
Permits			
Solicitors' permit	180	1,740	1,560
	<hr/>		
Total permits	180	1,740	1,560
	<hr/>		
Total licenses, permits and fees	491,280	491,607	327
INTERGOVERNMENTAL			
Use tax	367,917	369,942	2,025
Income tax	1,107,376	1,476,629	369,253
Personal property replacement tax	2,489	6,424	3,935
Sales tax sharing	56,000	62,961	6,961
Grants	589,046	1,204,910	615,864
	<hr/>		
Total intergovernmental	2,122,828	3,120,866	998,038

(This schedule is continued on the following page.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
INVESTMENT INCOME			
Interest income	\$ 5,000	\$ 13,674	\$ 8,674
Total investment income	5,000	13,674	8,674
MISCELLANEOUS			
Yard stickers	1,000	6,632	5,632
SWALCO fee	3,750	3,719	(31)
Miscellaneous	3,500	9,686	6,186
Total miscellaneous	8,250	20,037	11,787
TOTAL REVENUES	\$ 5,189,238	\$ 6,532,725	\$ 1,343,487

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT				
Administration				
Personnel services	\$ 370,230	\$ 370,230	\$ 385,520	\$ 15,290
Contractual services	89,173	55,233	64,377	9,144
Commodities	6,315	4,815	4,543	(272)
Total administration	465,718	430,278	454,440	24,162
Legal				
Contractual services	195,500	231,940	256,252	24,312
Elected officials				
Personnel services	-	-	-	-
Contractual services	2,085	2,085	912	(1,173)
Total elected officials	2,085	2,085	912	(1,173)
Village clerk				
Personnel services	42,026	42,026	43,055	1,029
Contractual services	8,375	7,375	4,257	(3,118)
Total village clerk	50,401	49,401	47,312	(2,089)
Risk management				
Personnel services	11,975	11,975	11,958	(17)
Contractual services	513,102	513,102	422,179	(90,923)
Capital outlay	5,000	5,000	-	(5,000)
Total risk management	530,077	530,077	434,137	(95,940)
Police commission				
Contractual services	4,375	4,375	6,066	1,691
Commodities	100	100	-	(100)
Total police commission	4,475	4,475	6,066	1,591
Human resources				
Personnel services	40,396	40,396	39,547	(849)
Contractual services	8,975	8,975	1,089	(7,886)
Total human resources	49,371	49,371	40,636	(8,735)
Technology				
Contractual services	100,560	100,560	93,378	(7,182)
Total technology	100,560	100,560	93,378	(7,182)

(This schedule is continued on the following page.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)				
Finance				
Personnel services	\$ 119,745	\$ 119,745	\$ 119,581	\$ (164)
Contractual services	32,332	32,332	30,733	(1,599)
Commodities	60	60	-	(60)
Total finance	152,137	152,137	150,314	(1,823)
Total general government	1,550,324	1,550,324	1,483,447	(66,877)
BUILDING AND ZONING				
Engineering				
Personnel services	17,382	17,382	17,559	177
Contractual services	12,000	12,000	1,396	(10,604)
Total engineering	29,382	29,382	18,955	(10,427)
Total building and zoning	29,382	29,382	18,955	(10,427)
PUBLIC SAFETY				
Police administration/operations				
Personnel services	2,021,863	2,021,863	1,974,822	(47,041)
Contractual services	165,497	165,497	139,391	(26,106)
Commodities	56,250	56,250	66,601	10,351
Capital outlay	7,000	7,000	4,966	(2,034)
Total police administration/operations	2,250,610	2,250,610	2,185,780	(64,830)
Total public safety	2,250,610	2,250,610	2,185,780	(64,830)
PUBLIC WORKS				
Administration				
Personnel services	455,078	455,078	432,799	(22,279)
Contractual services	46,565	39,565	31,189	(8,376)
Commodities	103,200	96,200	87,975	(8,225)
Total administration	604,843	590,843	551,963	(38,880)
Building and grounds				
Contractual services	9,700	9,700	12,530	2,830
Commodities	20,500	20,500	15,422	(5,078)
Total buildings and grounds	30,200	30,200	27,952	(2,248)
Total public works	635,043	621,043	579,915	(41,128)
TOTAL EXPENDITURES	\$ 4,465,359	\$ 4,451,359	\$ 4,268,097	\$ (183,262)

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF HAWTHORN WOODS, ILLINOIS

COMBINING SCHEDULE OF NET POSITION
AQUATIC CENTER ACCOUNTS

December 31, 2022

	Operating	Depreciation	Bond and Interest	2011 Bond Reserve	Eliminations	Total
CURRENT ASSETS						
Cash and investments	\$ -	\$ 89,478	\$ 3,927	\$ 73	\$ -	\$ 93,478
Accounts receivable	3,384	-	-	-	-	3,384
Total current assets	3,384	89,478	3,927	73	-	96,862
NONCURRENT ASSETS						
Capital assets						
Capital assets not being depreciated	417,459	-	-	-	-	417,459
Capital assets being depreciated, net	2,441,797	-	-	-	-	2,441,797
Net capital assets	2,859,256	-	-	-	-	2,859,256
Total assets	2,862,640	89,478	3,927	73	-	2,956,118
DEFERRED OUTFLOWS OF RESOURCES						
Pension item - IMRF	16,789	-	-	-	-	16,789
Total deferred outflows of resources	16,789	-	-	-	-	16,789
Total assets and deferred outflows of resources	2,879,429	89,478	3,927	73	-	2,972,907
CURRENT LIABILITIES						
Accounts payable	2,442	-	-	-	-	2,442
Wages payable	1,229	-	-	-	-	1,229
Other postemployment benefits	424	-	-	-	-	424
Revenue bonds payable	246,000	-	-	-	-	246,000
Total current liabilities	250,095	-	-	-	-	250,095
NONCURRENT LIABILITIES						
Advance from other funds	655,432	-	-	-	-	655,432
IMRF net pension liability	25,270	-	-	-	-	25,270
Other postemployment benefits	18,043	-	-	-	-	18,043
Net revenue bonds payable	615,000	-	-	-	-	615,000
Total noncurrent liabilities	1,313,745	-	-	-	-	1,313,745
Total liabilities	1,563,840	-	-	-	-	1,563,840
DEFERRED INFLOWS OF RESOURCES						
Pension item - IMRF	28,564	-	-	-	-	28,564
Total deferred inflows of resources	28,564	-	-	-	-	28,564
Total liabilities and deferred inflows of resources	1,592,404	-	-	-	-	1,592,404
NET POSITION						
Net investment in capital assets	1,998,256	-	-	-	-	1,998,256
Restricted						
Debt service	-	-	3,927	73	-	4,000
Repairs and maintenance	-	89,478	-	-	-	89,478
Unrestricted (deficit)	(711,231)	-	-	-	-	(711,231)
TOTAL NET POSITION	\$ 1,287,025	\$ 89,478	\$ 3,927	\$ 73	\$ -	\$ 1,380,503

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS
COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
AQUATIC CENTER ACCOUNTS

For the Year Ended December 31, 2022

	Operating	Depreciation	Bond and Interest	2011 Bond Reserve	Total
OPERATING REVENUES					
Charges for service	\$ 336,253	\$ -	\$ -	\$ -	\$ 336,253
Total operating revenues	336,253	-	-	-	336,253
OPERATING EXPENSES					
Personnel services	246,572	-	-	-	246,572
Contractual services	186,574	-	-	-	186,574
Commodities	42,877	-	-	-	42,877
Maintenance	-	3,480	-	-	3,480
Depreciation	170,403	-	-	-	170,403
Total operating expenses	646,426	3,480	-	-	649,906
OPERATING LOSS	(310,173)	(3,480)	-	-	(313,653)
NON-OPERATING REVENUES (EXPENSES)					
Investment income	-	46	2	-	48
Interest expense	(10,890)	-	-	-	(10,890)
Total non-operating revenues (expenses)	(10,890)	46	2	-	(10,842)
NET INCOME (LOSS) BEFORE TRANSFERS	(321,063)	(3,434)	2	-	(324,495)
TRANSFERS					
Transfers in	252,890	-	-	-	252,890
Total transfers	252,890	-	-	-	252,890
CHANGE IN NET POSITION	(68,173)	(3,434)	2	-	(71,605)
NET POSITION, JANUARY 1	1,355,198	92,912	3,925	73	1,452,108
NET POSITION, DECEMBER 31	\$ 1,287,025	\$ 89,478	\$ 3,927	\$ 73	\$ 1,380,503

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

COMBINING SCHEDULE OF CASH FLOWS
AQUATIC CENTER ACCOUNTS

For the Year Ended December 31, 2022

	Operating	Depreciation	Bond and Interest	2011 Bond Reserve	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 334,101	\$ -	\$ -	\$ -	\$ 334,101
Payments to suppliers	(228,857)	(3,480)	-	-	(232,337)
Payments to employees	(258,805)	-	-	-	(258,805)
Net cash from operating activities	(153,561)	(3,480)	-	-	(157,041)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund loan receipts	249,286	-	-	-	249,286
Transfers in	252,890	-	-	-	252,890
Net cash from noncapital financing activities	502,176	-	-	-	502,176
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Principal paid on long-term debt	(242,000)	-	-	-	(242,000)
Interest paid	(10,890)	-	-	-	(10,890)
Net cash from capital and related financing activities	(252,890)	-	-	-	(252,890)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	-	46	2	-	48
Net cash from investing activities	-	46	2	-	48
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	95,725	(3,434)	2	-	92,293
CASH AND CASH EQUIVALENTS, JANUARY 1	(95,725)	92,912	3,925	73	1,185
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ 89,478	\$ 3,927	\$ 73	\$ 93,478
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ (310,173)	\$ (3,480)	\$ -	\$ -	\$ (313,653)
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation and amortization	170,403	-	-	-	170,403
Increase (decrease) in					
Pension related items	2,254	-	-	-	2,254
OPEB related items	(14,522)	-	-	-	(14,522)
Accounts receivable	(2,152)	-	-	-	(2,152)
Accounts payable	594	-	-	-	594
Wages payable	35	-	-	-	35
NET CASH FROM OPERATING ACTIVITIES	\$ (153,561)	\$ (3,480)	\$ -	\$ -	\$ (157,041)

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

Sister Cities Fund - used to account for the revenues received from donations and the related expenditures for the Sister Cities program with the Village of Marineo, Sicily.

Park Donations Fund - used to account for developer donations to be used for park maintenance or improvements to neighborhood or community parks.

Capital Improvements Fund - used to account for other financing sources (transfers from other funds) and expenditures for capital improvements.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2022

	Capital Projects		Special Revenue	
	Park Donations	Capital Improvements	Sister Cities	Total
ASSETS				
Cash and investments	\$ 62,221	\$ 119,387	\$ -	\$ 181,608
Prepays	-	23,461	-	23,461
TOTAL ASSETS	\$ 62,221	\$ 142,848	\$ -	\$ 205,069
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	-	149	-	149
Total liabilities	-	149	-	149
FUND BALANCES				
Nonspendable				
Prepaid items	-	23,461	-	23,461
Assigned				
Capital improvements	62,221	119,238	-	181,459
Total fund balances	62,221	142,699	-	204,920
TOTAL LIABILITIES AND FUND BALANCES	\$ 62,221	\$ 142,848	\$ -	\$ 205,069

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	Capital Projects		Special Revenue	Total
	Park Donations	Capital Improvements	Sister Cities	
REVENUES				
Intergovernmental	\$ -	\$ 37,801	\$ -	\$ 37,801
Donations	47,994	-	-	47,994
Investment income	20	45	3	68
Total revenues	48,014	37,846	3	85,863
EXPENDITURES				
Capital outlay	252	85,775	-	86,027
Total expenditures	252	85,775	-	86,027
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	47,762	(47,929)	3	(164)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	150,000	-	150,000
Transfers (out)	-	-	(10,050)	(10,050)
Total other financing sources (uses)	-	150,000	(10,050)	139,950
NET CHANGE IN FUND BALANCES	47,762	102,071	(10,047)	139,786
FUND BALANCES, JANUARY 1	14,459	40,628	10,047	65,134
FUND BALANCES, DECEMBER 31	\$ 62,221	\$ 142,699	\$ -	\$ 204,920

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SISTER CITIES FUND**

For the Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Investment income	\$ 10	\$ 3	\$ (7)
Total revenues	<u>10</u>	<u>3</u>	<u>(7)</u>
EXPENDITURES			
None	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>10</u>	<u>3</u>	<u>(7)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>-</u>	<u>(10,050)</u>	<u>(10,050)</u>
Total other financing sources (uses)	<u>-</u>	<u>(10,050)</u>	<u>(10,050)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 10</u>	<u>(10,047)</u>	<u>\$ (10,057)</u>
FUND BALANCE, JANUARY 1		<u>10,047</u>	
FUND BALANCE, DECEMBER 31		<u>\$ -</u>	

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
REVENUES			
Donations	\$ 105,405	\$ 47,994	\$ (57,411)
Investment income	20	20	-
Total revenues	<u>105,425</u>	<u>48,014</u>	<u>(57,411)</u>
EXPENDITURES			
Capital outlay	-	252	252
Total expenditures	<u>-</u>	<u>252</u>	<u>252</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>105,425</u>	<u>47,762</u>	<u>(57,663)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(243,330)</u>	-	243,330
Total other financing sources (uses)	<u>(243,330)</u>	-	243,330
NET CHANGE IN FUND BALANCE	<u>\$ (137,905)</u>	47,762	<u>\$ 185,667</u>
FUND BALANCE, JANUARY 1		<u>14,459</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 62,221</u>	

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

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

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 37,801	\$ 37,801
Investment income	1,000	1,000	45	(955)
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>37,846</u>	<u>36,846</u>
EXPENDITURES				
Capital outlay	<u>332,343</u>	<u>346,343</u>	<u>85,775</u>	<u>(260,568)</u>
Total expenditures	<u>332,343</u>	<u>346,343</u>	<u>85,775</u>	<u>(260,568)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(331,343)	<u>(345,343)</u>	<u>(47,929)</u>	297,414
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>330,000</u>	<u>330,000</u>	<u>150,000</u>	<u>(180,000)</u>
Total other financing sources (uses)	<u>330,000</u>	<u>330,000</u>	<u>150,000</u>	<u>(180,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,343)</u>	<u>\$ (15,343)</u>	102,071	<u>\$ 117,414</u>
FUND BALANCE, JANUARY 1			<u>40,628</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 142,699</u>	

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS**

December 31, 2022

	Special Service Area #1	Special Service Area #2	Special Service Area #3	Special Service Area #4	Total
ASSETS					
Cash and cash equivalents	\$ 50,115	\$ 48,903	\$ 53,261	\$ 5,066	\$ 157,345
Total assets	50,115	48,903	53,261	5,066	157,345
LIABILITIES					
None	-	-	-	-	-
Total liabilities	-	-	-	-	-
NET POSITION					
Restricted for debt service	\$ 50,115	\$ 48,903	\$ 53,261	\$ 5,066	\$ 157,345

(See independent auditor's report.)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN NET POSITION
CUSTODIAL FUNDS**

For the Year Ended December 31, 2022

	Special Service Area #1	Special Service Area #2	Special Service Area #3	Special Service Area #4	Total
ADDITIONS					
Contributions					
Property owner	\$ 276,584	\$ 274,531	\$ 274,662	\$ 124,910	\$ 950,687
Total contributions	276,584	274,531	274,662	124,910	950,687
Investment income					
Interest	36	36	38	349	459
Total additions	276,620	274,567	274,700	125,259	951,146
DEDUCTIONS					
Debt service					
Principal retirement	260,000	260,000	260,000	125,088	905,088
Interest and fiscal charges	6,229	6,229	6,229	-	18,687
Total deductions	266,229	266,229	266,229	125,088	923,775
CHANGE IN NET POSITION	10,391	8,338	8,471	171	27,371
NET POSITION					
January 1	39,724	40,565	44,790	4,895	129,974
December 31	\$ 50,115	\$ 48,903	\$ 53,261	\$ 5,066	\$ 157,345

(See independent auditor's report.)

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF HAWTHORN WOODS, ILLINOIS

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR-END FINANCIAL REPORT**

For the Year Ended December 31, 2022

CSFA Number	Program Name	State	Federal	Other	Total
	Other Grant Programs and Activities	\$ -	\$ 1,179,310	\$ 15,158	\$ 1,194,468
	All Other Costs Not Allocated	-	-	6,860,260	6,860,260
	TOTALS	<u>\$ -</u>	<u>\$ 1,179,310</u>	<u>\$ 6,875,418</u>	<u>\$ 8,054,728</u>

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
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.	81-90
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	91-95
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.	96-100
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.	101-102
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.	103-105

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 13,339,396	\$ 13,237,343	\$ 10,667,939	\$ 10,507,396
Restricted	1,190,127	1,463,134	1,336,030	974,040
Unrestricted	2,516,357	3,182,950	823,797	669,550
TOTAL GOVERNMENTAL ACTIVITIES	\$ 17,045,880	\$ 17,883,427	\$ 12,827,766	\$ 12,150,986
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 1,792,569	\$ 1,755,960	\$ 3,872,338	\$ 3,785,525
Restricted	261,253	305,176	319,822	786,825
Unrestricted	162,010	145,230	634,399	852,021
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 2,215,832	\$ 2,206,366	\$ 4,826,559	\$ 5,424,371
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 15,131,965	\$ 14,993,303	\$ 14,540,277	\$ 14,292,921
Restricted	1,451,380	1,768,310	1,655,852	1,760,865
Unrestricted	2,678,367	3,328,180	1,458,196	1,521,571
TOTAL PRIMARY GOVERNMENT	\$ 19,261,712	\$ 20,089,793	\$ 17,654,325	\$ 17,575,357

Data Source

Audited Financial Statements

	2017	2018	2019	2020	2021	2022
\$	10,314,182	\$ 10,034,852	\$ 9,751,786	\$ 9,790,016	\$ 9,369,158	\$ 8,898,551
	934,097	804,036	890,855	1,191,110	1,466,320	1,840,368
	26,468	(645,904)	(1,694,921)	(2,295,878)	(1,602,870)	192,148
\$	11,274,747	\$ 10,192,984	\$ 8,947,720	\$ 8,685,248	\$ 9,232,608	\$ 10,931,067
\$	3,704,720	\$ 3,628,297	\$ 3,617,439	\$ 3,620,957	\$ 3,793,313	\$ 3,786,903
	557,334	386,042	360,288	360,819	96,910	93,478
	1,106,875	1,221,130	1,152,232	923,345	1,188,888	1,284,135
\$	5,368,929	\$ 5,235,469	\$ 5,129,959	\$ 4,905,121	\$ 5,079,111	\$ 5,164,516
\$	14,018,902	\$ 13,663,149	\$ 13,369,225	\$ 13,410,973	\$ 13,162,471	\$ 12,685,454
	1,491,431	1,190,078	1,251,143	1,551,929	1,563,230	1,933,846
	1,133,343	575,226	(542,689)	(1,372,533)	(413,982)	1,476,283
\$	16,643,676	\$ 15,428,453	\$ 14,077,679	\$ 13,590,369	\$ 14,311,719	\$ 16,095,583

VILLAGE OF HAWTHORN WOODS, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
EXPENSES				
Governmental Activities				
General government	\$ 1,547,590	\$ 1,433,958	\$ 1,808,015	\$ 2,027,037
Building and zoning	511,300	865,096	761,186	1,022,469
Public safety	1,287,164	1,405,975	2,386,651	1,914,277
Public works	846,084	1,052,568	1,050,881	1,241,242
Parks and recreation	689,946	807,156	1,031,292	1,025,804
Interest	102,925	183,730	148,062	134,997
Total governmental activities expenses	4,985,009	5,748,483	7,186,087	7,365,826
Business-Type Activities				
Aquatics	610,695	587,821	640,741	660,247
Sewer	-	-	115,912	157,577
Total business-type activities expenses	610,695	587,821	756,653	817,824
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 5,595,704	\$ 6,336,304	\$ 7,942,740	\$ 8,183,650
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 395,253	\$ 391,605	\$ 398,519	\$ 401,282
Building and zoning	528,395	904,290	1,199,716	1,200,388
Public safety	177,440	147,819	153,428	143,872
Public works	44,000	69,012	-	-
Parks and recreation	125,560	60,328	208,708	193,084
Operating grants and contributions	265,617	340,582	201,303	208,033
Capital grants and contributions	344,094	463,240	40,983	107,599
Total governmental activities program revenues	1,880,359	2,376,876	2,202,657	2,254,258
Business-Type Activities				
Charges for services				
Aquatics	290,121	278,611	312,671	423,518
Sewer	-	-	29,567	44,441
Capital grants and contributions	-	-	-	72
Total business-type activities program revenues	290,121	278,611	342,238	468,031
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 2,170,480	\$ 2,655,487	\$ 2,544,895	\$ 2,722,289
NET (EXPENSES) REVENUES				
Governmental activities	\$ (3,104,650)	\$ (3,371,607)	\$ (4,983,430)	\$ (5,111,568)
Business-type activities	(320,574)	(309,210)	(414,415)	(349,793)
TOTAL PRIMARY GOVERNMENT NET (EXPENSES) REVENUES	\$ (3,425,224)	\$ (3,680,817)	\$ (5,397,845)	\$ (5,461,361)

	2017	2018	2019	2020	2021	2022
\$	2,089,637	\$ 1,720,488	\$ 2,324,191	\$ 1,970,667	\$ 1,806,782	\$ 1,813,458
	746,990	755,016	1,177,936	736,740	710,957	704,662
	1,894,294	2,062,104	2,289,091	2,057,899	1,971,082	2,320,845
	979,151	1,202,938	932,058	977,754	803,989	854,720
	1,121,580	1,283,701	1,161,028	1,184,664	1,158,876	1,087,862
	119,899	99,420	78,340	56,660	38,748	9,809
	6,951,551	7,123,667	7,962,644	6,984,384	6,490,434	6,791,356
	696,825	677,370	739,763	447,028	637,107	660,796
	279,716	304,701	446,573	611,333	851,616	602,576
	976,541	982,071	1,186,336	1,058,361	1,488,723	1,263,372
\$	7,928,092	\$ 8,105,738	\$ 9,148,980	\$ 8,042,745	\$ 7,979,157	\$ 8,054,728
\$	416,408	\$ 442,199	\$ 418,092	\$ 373,975	\$ 395,135	\$ 388,172
	905,187	903,415	1,332,549	856,749	1,188,625	848,342
	173,984	192,614	170,480	96,455	122,494	112,850
	-	-	-	-	-	-
	179,774	178,213	116,632	115,230	162,998	138,229
	207,320	213,158	271,689	692,224	338,614	371,829
	196,039	100,058	149,796	219,269	225,474	213,062
	2,078,712	2,029,657	2,459,238	2,353,902	2,433,340	2,072,484
	329,191	348,639	319,027	72	283,686	336,253
	59,213	435,999	499,717	571,675	1,122,044	748,183
	-	-	-	-	-	-
	388,404	784,638	818,744	571,747	1,405,730	1,084,436
\$	2,467,116	\$ 2,814,295	\$ 3,277,982	\$ 2,925,649	\$ 3,839,070	\$ 3,156,920
\$	(4,872,839)	\$ (5,094,010)	\$ (5,503,406)	\$ (4,630,482)	\$ (4,057,094)	\$ (4,718,872)
	(588,137)	(197,433)	(367,592)	(486,614)	(82,993)	(178,936)
\$	(5,460,976)	\$ (5,291,443)	\$ (5,870,998)	\$ (5,117,096)	\$ (4,140,087)	\$ (4,897,808)

VILLAGE OF HAWTHORN WOODS, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 1,852,159	\$ 1,886,580	\$ 1,880,861	\$ 1,926,474
Road and bridge	17,196	18,420	17,361	17,532
Sales	127,735	179,487	177,840	182,942
Amusement	1,312	2,566	6,595	2,217
Cannabis	-	-	-	-
Food and beverage	-	-	-	-
Telecommunications and utility	607,417	600,113	558,460	539,486
Intergovernmental				
Use	130,782	149,254	170,628	182,558
Income	730,133	733,685	815,367	745,947
Replacement	1,725	1,761	1,885	1,662
American Rescue Plan Act	-	-	-	-
Gain on disposal of capital assets	-	-	-	-
Investment income	8,465	201,303	159,208	156,056
Miscellaneous	272,197	535,535	835,773	815,746
Transfers in (out)	(259,849)	(298,256)	(2,778,533)	(560,000)
Total governmental activities	3,489,272	4,010,448	1,845,445	4,010,620
Business-Type Activities				
Investment income	964	887	1,696	2,550
Connection fees	-	-	276,000	368,287
Miscellaneous	41,759	601	156	378
Transfers in	259,849	298,256	2,778,533	560,000
Total business-type activities	302,572	299,744	3,056,385	931,215
TOTAL PRIMARY GOVERNMENT	\$ 3,791,844	\$ 4,310,192	\$ 4,901,830	\$ 4,941,835
CHANGE IN NET POSITION				
Governmental activities	\$ 384,622	\$ 638,841	\$ (3,137,985)	\$ (1,100,948)
Business-type activities	(18,002)	(9,466)	2,641,970	581,422
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 366,620	\$ 629,375	\$ (496,015)	\$ (519,526)

Data Source

Audited Financial Statements

	2017	2018	2019	2020	2021	2022
\$	2,002,924	\$ 2,091,434	\$ 2,175,679	\$ 2,267,045	\$ 2,341,843	\$ 2,396,971
	16,923	17,066	17,092	16,999	16,111	16,511
	188,927	192,156	199,368	211,744	362,238	410,139
	1,972	102	1,322	1,148	383	1,559
	-	-	-	5,768	12,020	15,613
	-	-	-	-	-	7,428
	529,351	549,171	509,656	489,656	497,863	592,162
	201,471	238,969	282,824	362,089	338,898	369,942
	703,840	767,716	888,554	907,169	1,108,155	1,476,629
	1,766	1,502	2,100	1,756	3,026	6,424
	-	-	-	-	-	1,179,310
	-	-	-	-	6,305	-
	156,886	140,977	98,964	31,602	1,088	33,613
	237,540	273,048	337,316	331,299	172,464	163,920
	(45,000)	(100,000)	(254,733)	(258,265)	(255,940)	(252,890)
	3,996,600	4,172,141	4,258,142	4,368,010	4,604,454	6,417,331
	5,548	6,909	6,891	3,511	1,043	11,451
	481,975	-	-	-	-	-
	172	644	458	-	-	-
	45,000	100,000	254,733	258,265	255,940	252,890
	532,695	107,553	262,082	261,776	256,983	264,341
\$	4,529,295	\$ 4,279,694	\$ 4,520,224	\$ 4,629,786	\$ 4,861,437	\$ 6,681,672
\$	(876,239)	\$ (921,869)	\$ (1,245,264)	\$ (262,472)	\$ 547,360	\$ 1,698,459
	(55,442)	(89,880)	(105,510)	(224,838)	173,990	85,405
\$	(931,681)	\$ (1,011,749)	\$ (1,350,774)	\$ (487,310)	\$ 721,350	\$ 1,783,864

VILLAGE OF HAWTHORN WOODS, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
GENERAL FUND				
Nonspendable				
Prepaid items	\$ 35,145	\$ 65,615	\$ 71,296	\$ 42,758
Advance to other funds	-	-	-	-
Assigned				
Cash reserves	1,192,322	1,332,063	1,351,238	1,420,913
Unassigned	528,117	546,020	776,900	10,575
TOTAL GENERAL FUND	\$ 1,755,584	\$ 1,943,698	\$ 2,199,434	\$ 1,474,246
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Prepaid items	\$ 17,332	\$ 17,332	\$ 17,852	\$ 17,852
Restricted				
Highway and streets	498,996	568,544	447,050	368,897
Debt service	6,243,097	5,749,639	5,418,760	4,461,500
Capital improvements	249,360	294,601	-	-
Special recreation	438,674	485,350	460,220	478,643
Assigned				
Capital improvements	1,280,026	1,676,407	2,084,580	2,578,211
Parks and recreation	27,621	-	-	-
Sister Cities	-	2,677	4,294	5,112
Unassigned	-	(89,539)	(179,798)	(133,595)
TOTAL ALL OTHER GOVERNMENT FUNDS	\$ 8,755,106	\$ 8,705,011	\$ 8,252,958	\$ 7,776,620

Data Source

Audited Financial Statements

2017	2018	2019	2020	2021	2022
\$ 83,240	\$ 41,606	\$ 43,096	\$ 31,758	\$ 70,132	\$ 69,434
-	-	26,375	26,375	79,441	1,172,018
1,405,369	1,434,650	1,519,675	1,495,192	1,562,875	1,637,358
81,242	606,775	616,173	931,601	1,087,215	1,882,641
<u>\$ 1,569,851</u>	<u>\$ 2,083,031</u>	<u>\$ 2,205,319</u>	<u>\$ 2,484,926</u>	<u>\$ 2,799,663</u>	<u>\$ 4,761,451</u>
\$ 18,409	\$ 30,565	\$ 21,659	\$ -	\$ 18,756	\$ 42,217
317,374	332,827	277,284	504,412	777,879	1,028,088
3,771,188	3,079,847	2,371,184	1,606,285	807,383	12,851
-	-	-	-	-	-
510,535	366,362	507,387	615,413	661,058	799,429
2,055,927	1,230,920	743,144	333,017	577,115	523,833
-	-	-	-	-	-
6,604	7,437	8,933	9,293	10,047	-
(190,816)	(221,467)	(503,068)	(790,868)	(1,044,501)	(1,328,452)
<u>\$ 6,489,221</u>	<u>\$ 4,826,491</u>	<u>\$ 3,426,523</u>	<u>\$ 2,277,552</u>	<u>\$ 1,807,737</u>	<u>\$ 1,077,966</u>

VILLAGE OF HAWTHORN WOODS, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
REVENUES				
Taxes	\$ 2,605,818	\$ 2,651,562	\$ 2,584,873	\$ 2,612,973
Licenses, permits and fees	1,398,578	1,850,366	2,124,849	2,402,311
Intergovernmental	1,140,233	1,448,439	1,247,627	1,274,643
Donations	-	-	-	-
Investment income	8,465	201,303	159,208	156,056
Contribution from property owners	30,580	114,838	-	-
Miscellaneous	422,806	419,072	710,078	378,895
Total revenues	5,606,480	6,685,580	6,826,635	6,824,878
EXPENDITURES				
General government	1,284,758	1,403,087	1,657,116	1,795,348
Building and zoning	468,692	790,529	683,338	944,272
Public safety	1,275,287	1,419,335	1,552,381	1,659,150
Public works	802,468	947,117	894,609	913,322
Parks and recreation	359,201	574,735	704,703	676,472
Capital outlay	456,632	318,824	164,972	648,821
Debt service				
Principal	46,597	605,000	645,000	655,000
Interest and fiscal charges	102,925	190,678	155,469	142,519
Total expenditures	4,796,560	6,249,305	6,457,588	7,434,904
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	809,920	436,275	369,047	(610,026)
OTHER FINANCING SOURCES (USES)				
Transfers in	216,827	409,940	719,364	1,582,594
Transfers (out)	(476,676)	(708,196)	(1,284,728)	(2,142,594)
Debt certificates issued at par	6,240,000	-	-	-
Premium of debt certificates issued	71,663	-	-	-
Total other financing sources (uses)	6,051,814	(298,256)	(565,364)	(560,000)
NET CHANGE IN FUND BALANCES	\$ 6,861,734	\$ 138,019	\$ (196,317)	\$ (1,170,026)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	3.27%	13.42%	12.55%	11.15%

Data Source

Audited Financial Statements

2017	2018	2019	2020	2021	2022
\$ 2,687,035	\$ 2,794,289	\$ 2,850,485	\$ 2,934,874	\$ 3,170,835	\$ 3,377,423
1,791,997	1,796,373	2,182,666	1,614,571	1,865,445	1,474,914
1,202,765	1,324,217	1,636,553	2,229,587	2,066,630	3,680,157
-	-	-	-	81,969	47,994
156,886	140,977	98,964	31,602	1,088	33,613
-	-	-	-	-	-
281,629	245,942	203,445	169,543	101,462	128,604
6,120,312	6,301,798	6,972,113	6,980,177	7,287,429	8,742,705
1,893,610	1,612,205	2,085,030	1,851,873	1,740,411	1,766,380
685,010	699,092	1,090,224	709,586	671,560	699,892
1,792,619	1,894,357	1,911,305	2,005,546	2,165,998	2,185,780
807,503	825,380	910,522	1,000,567	773,583	842,072
800,923	985,192	796,474	818,597	801,033	877,180
489,847	537,778	405,011	410,063	237,868	87,727
670,000	690,000	710,000	730,000	755,000	780,000
127,594	107,344	86,494	65,044	47,419	18,767
7,267,106	7,351,348	7,995,060	7,591,276	7,192,872	7,257,798
(1,146,794)	(1,049,550)	(1,022,947)	(611,099)	94,557	1,484,907
568,137	190,000	190,000	90,000	215,000	250,050
(613,137)	(290,000)	(444,733)	(348,265)	(470,940)	(502,940)
-	-	-	-	-	-
-	-	-	-	-	-
(45,000)	(100,000)	(254,733)	(258,265)	(255,940)	(252,890)
\$ (1,191,794)	\$ (1,149,550)	\$ (1,277,680)	\$ (869,364)	\$ (161,383)	\$ 1,232,017
11.38%	11.09%	10.23%	11.23%	11.30%	11.03%

VILLAGE OF HAWTHORN WOODS, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Farm Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate (A)	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2012	\$ 392,631,863	\$ 7,087,727	\$ 2,530,103	\$ 35,767	\$ 402,285,460	\$ 0.460	\$ 1,206,856,380	33.333%
2013	377,383,011	6,382,113	2,615,038	79,320	386,459,482	0.489	1,159,378,446	33.333%
2014	376,346,323	6,945,173	2,369,686	92,883	385,754,065	0.489	1,157,262,195	33.333%
2015	392,167,789	6,872,813	1,965,169	112,015	401,117,786	0.481	1,203,353,358	33.333%
2016	424,607,885	7,188,921	2,130,265	123,744	434,050,815	0.462	1,302,152,445	33.333%
2017	447,500,744	7,383,130	2,092,940	102,208	457,079,022	0.458	1,371,237,066	33.333%
2018	463,647,744	7,502,301	2,325,335	107,612	473,582,992	0.461	1,420,748,976	33.333%
2019	478,009,574	8,199,341	1,951,425	108,447	488,268,787	0.465	1,464,806,361	33.333%
2020	477,703,599	8,288,092	1,570,867	107,136	487,669,694	0.482	1,463,009,082	33.333%
2021	485,047,149	8,671,104	1,876,854	107,136	495,702,243	0.482	1,487,106,729	33.333%

(A) Property tax rates are per \$100 of assessed valuation.

Data Source

Office of the Lake County Clerk

VILLAGE OF HAWTHORN WOODS, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
ELA TOWNSHIP

Last Ten Levy Years

Tax Levy Year	2012	2013	2014	2015
Village Direct Rates (A)				
Corporate	0.068	0.124	0.128	0.117
Police protection	0.229	0.239	0.242	0.273
Street and bridge - Ela	0.087	0.047	0.028	0.000
Property tax recapture	0.000	0.000	0.000	0.000
Audit tax	0.005	0.006	0.005	0.006
Liability insurance	0.031	0.033	0.046	0.045
Social security	0.000	0.000	0.000	0.000
Special recreation	0.040	0.040	0.040	0.040
Total direct rate without SSAs	0.460	0.489	0.489	0.481
Special Service Areas				
SSA #1 (B)	0.279	0.267	0.267	0.257
SSA #2	0.166	0.161	0.165	0.160
SSA #3	0.271	0.259	0.261	0.251
Total direct rate with SSAs	1.176	1.176	1.182	1.149
Overlapping Rates				
Lake County	0.608	0.663	0.682	0.663
Lake County Forest Preserve	0.212	0.218	0.210	0.208
Ela Township - Corp.	0.088	0.100	0.100	0.098
Ela Township - R & B	0.010	0.057	0.055	0.055
Ela Township - Gravel	0.030	0.000	0.000	0.000
School District #95	4.914	5.242	5.291	5.191
School District #96	3.756	3.976	4.040	3.870
School District #79	3.267	3.521	3.606	3.514
Consolidated H.S. District #125	2.751	2.989	3.049	3.004
Community College #532	0.272	0.296	0.306	0.299
Ela Area Library	0.386	0.409	0.410	0.398
Countryside Fire District	0.552	0.597	0.613	0.598
Lake Zurich Fire District	0.654	0.695	0.705	0.542
Wauconda Fire District	0.614	0.681	0.709	0.699
Long Grove Fire District	0.766	0.812	0.830	0.798
TOTAL TAX RATE PER \$100 OF ASSESSED VALUATION	20.056	21.432	21.788	21.086
SHARE OF TOTAL TAX RATE LEVIED BY THE VILLAGE OF HAWTHORN WOODS	3.68%	3.53%	3.47%	3.50%

(A) Property tax rates are per \$100 of assessed valuation.

(B) SSA #1 only is included in the share of total tax rate levied by the Village.

Notes: 2022 information not available at the time of printing.

The Village lies in Ela Township and Fremont Township. Only Ela Township is reflected as it represents 81% of the Village's assessed valuation.

Data Source

Office of the County Clerk

2016	2017	2018	2019	2020	2021
0.138	0.108	0.048	0.078	0.059	0.074
0.236	0.245	0.311	0.287	0.315	0.306
0.000	0.000	0.000	0.000	0.000	0.000
0.000	0.000	0.000	0.000	0.000	0.001
0.005	0.005	0.005	0.004	0.005	0.005
0.043	0.039	0.039	0.035	0.039	0.037
0.000	0.021	0.020	0.021	0.024	0.024
0.040	0.040	0.040	0.040	0.040	0.040
0.462	0.458	0.463	0.465	0.482	0.487
0.243	0.237	0.231	0.230	0.230	0.228
0.148	0.138	0.130	0.126	0.125	0.123
0.241	0.233	0.231	0.224	0.232	0.233
1.094	1.066	1.055	1.045	1.069	1.071
0.632	0.622	0.611	0.596	0.598	0.598
0.193	0.187	0.182	0.179	0.182	0.179
0.095	0.093	0.093	0.094	0.096	0.149
0.053	0.010	0.010	0.010	0.010	0.010
0.000	0.042	0.042	0.042	0.043	0.043
5.021	4.960	5.020	4.985	5.091	5.206
3.690	3.655	3.716	3.766	3.936	4.032
3.298	3.209	3.176	3.196	3.237	3.019
2.858	2.862	2.888	2.871	2.983	3.092
0.285	0.281	0.281	0.281	0.290	0.293
0.381	0.371	0.318	0.319	0.322	0.329
0.570	0.559	0.563	0.565	0.593	0.610
0.601	0.488	0.520	0.525	0.543	0.559
0.662	0.652	0.656	0.659	0.666	0.661
0.770	0.750	0.776	0.815	0.842	0.872
20.203	19.807	19.907	19.948	20.501	20.723
3.49%	3.51%	3.49%	3.48%	3.47%	3.45%

VILLAGE OF HAWTHORN WOODS, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2021 Tax Levy			2012 Tax Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Hawthorn Woods Country Club LLC	\$ 1,043,808	1	0.21%	\$ 1,626,843	1	0.40%
Quentin 37 LLC	901,769	2	0.18%			
Aqua Illinois, Inc. Regional Office	855,850	3	0.17%	832,650	3	0.21%
Toll Brothers Inc.	753,144	4	0.15%	876,126	2	0.22%
M/I Homes of Chicago	684,730	5	0.14%			
A L I Holdings LLC	570,025	6	0.11%			
AGP Investments LLC	549,414	7	0.11%	476,338	8	0.12%
Chicago Title Land Trust Co.	543,928	8	0.11%			
Tauke Properties	542,786	9	0.11%	575,027	5	0.14%
Individual	511,975	10	0.10%			
Starzwood Development, Inc.				513,848	6	0.13%
Individual				498,005	7	0.12%
Individual				445,661	9	0.11%
Hawthorn Woods LLC				440,317	10	0.11%
Toll Brothers				595,326	4	0.15%
	<u>\$ 6,957,429</u>		<u>1.40%</u>	<u>\$ 6,880,141</u>		<u>1.71%</u>

Notes: 2021 information is not available.

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

Data Source

Office of the Lake County Clerk

VILLAGE OF HAWTHORN WOODS, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied (B)	Levy Collections	
		Amount	Percentage of Levy
2013	\$ 3,021,539	\$ 2,923,682	96.76%
2014	3,047,059	3,003,311	98.56%
2015	3,089,227	3,021,687	97.81%
2016	3,314,196	3,248,833	98.03%
2017	3,354,194	3,046,660	90.83%
2018	3,520,142	4,140,810	117.63% *
2019	3,393,910	3,146,887	92.72%
2020	3,475,840	3,273,314	94.17%
2021	3,559,307	3,364,169	94.52%
2022 (A)	3,645,535	N/A	N/A

(A) Collections for the 2022 Tax Levy Year will not be received until fiscal year 2023.

(B) Tax levied reflects total amount extended and billed by Lake County.

*Percentage of levy is at 117.63% due to property tax prepayments in SSA#4

Notes: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Collection of property tax in subsequent years is immaterial.

Data Source

Office of the County Clerk

VILLAGE OF HAWTHORN WOODS, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Debt Certificates, Net of Premium	Installment Contracts Payable	General Obligation Bonds	Revenue Bonds Payable	Revenue Bonds Unamortized Premium			
2013	\$ -	\$ 6,311,663	\$ -	\$ -	\$ 2,625,000	\$ 11,774	\$ 8,948,437	2.71%	\$ 1,168
2014	-	5,699,715	-	-	2,485,000	11,146	8,195,861	2.48%	1,070
2015	-	5,047,308	-	-	2,340,000	10,496	7,397,804	2.24%	965
2016	-	4,384,786	-	-	2,190,000	9,823	6,584,609	1.99%	859
2017	-	3,707,091	-	-	2,035,000	9,128	5,751,219	1.74%	751
2018	-	3,009,167	-	-	1,875,000	8,410	4,892,577	1.48%	586
2019	-	2,291,013	-	-	1,710,000	7,670	4,008,683	1.21%	480
2020	-	1,552,629	-	-	1,540,000	6,930	3,099,559	0.94%	371
2021	-	788,958	-	-	1,103,000	-	1,891,958	0.57%	209
2022	-	-	-	-	861,000	-	861,000	0.26%	95

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

*See the schedule of Demographic and Economic Information on page 101 for personal income and population data.

Data Source

Audited Financial Statements

VILLAGE OF HAWTHORN WOODS, ILLINOIS

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

The Village of Hawthorn Woods has had no General Bonded Debt Outstanding in the last ten fiscal years.

VILLAGE OF HAWTHORN WOODS, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2022

Governmental Unit	Gross Debt (A)	Percentage Debt Applicable to the Village (B)	Village's Share of Debt
Village of Hawthorn Woods	\$ -	100.000%	\$ -
Lake County, including Forest Preserve District	292,845,000	1.804%	5,281,529
Mundelein Park District	1,930,000	0.081%	1,561.36
Countryside Fire Protection District	1,340,000	11.900%	159,455.65
Wauconda Fire Protection District	21,605,000	1.429%	308,660
Village of Hawthorn Woods SSA#4	1,300,000	100.000%	1,300,000
School District #79	4,685,000	21.388%	1,002,028
Community Unit School District #95	67,970,000	15.196%	10,328,447.28
High School District #120	53,265,000	5.998%	3,194,599
High School District #125	73,455,000	3.895%	2,860,765
Community College District #532	84,145,000	1.893%	1,592,848
TOTAL OVERLAPPING DEBT	<u><u>\$ 602,540,000</u></u>		<u><u>\$ 26,029,893</u></u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 602,540,000</u></u>		<u><u>\$ 26,029,893</u></u>

(A) Gross debt is calculated as of December 31, 2022.

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

(C) Overlapping percentages are based on 2021 EAV's, the most current available.

Data Source

Office of the Lake County Clerk

VILLAGE OF HAWTHORN WOODS, ILLINOIS

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	Revenues*	Principal	Interest	Coverage
2013	\$ 290,583	\$ 135,000	\$ 117,910	\$ 1.15
2014	279,196	140,000	114,535	1.10
2015	312,954	145,000	111,035	1.22
2016	350,991	150,000	105,960	1.37
2017	337,186	155,000	100,710	1.32
2018	349,152	160,000	95,285	1.37
2019	319,496	165,000	89,365	1.26
2020	72	170,000	82,765	-
2021	283,686	180,000	75,540	1.11
2022	889,580	242,000	9,927	3.53

*As defined in applicable bond indentures and governing laws.

Revenue Bonds were issued June 15, 2007.

Data Source

Village records

VILLAGE OF HAWTHORN WOODS, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2022

Maximum allowable general obligation debt (8.625% of assessed valuation of \$495,702,243)	\$ 42,754,318
General obligation bonds	<u>-</u>
LEGAL DEBT MARGIN	<u><u>\$ 42,754,318</u></u>

Data Source

Village records

VILLAGE OF HAWTHORN WOODS, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	(1) Population	(1) Personal Income	(1) Per Capita Personal Income	(2) Unemployment Rate
2013	7,663	\$ 330,727,417	\$ 43,159	8.20%
2014	7,663	330,727,417	43,159	6.20%
2015	7,663	330,727,417	43,159	6.10%
2016	7,663	330,727,417	43,159	5.20%
2017	7,663	330,727,417	43,159	4.70%
2018	8,348	330,727,417	43,159	4.70%
2019	8,348	330,727,417	43,159	3.50%
2020	8,348	330,727,417	64,754	7.00%
2021	9,062	331,449,281	69,631	5.30%
2022	9,062	331,449,281	71,575	4.60%

Data Sources

(1) U.S. Department of Commerce, Bureau of the Census

(2) Illinois Bureau of Employment Security

VILLAGE OF HAWTHORN WOODS, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2022			2013		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Hawthorn Woods Country Club - Kemper Sports	90.0	1	1.0%	70.0	2	0.9%
Community Unit School District 95	70.0	2	0.8%	90.0	1	1.2%
Village of Hawthorn Woods	39.0	3	0.4%	26.0	5	0.3%
Hawthorn Gardens	23.0	4	0.3%	27.0	4	0.4%
Country Bumpkin	20.0	5	0.2%	20.0	7	0.3%
The Goddard School	20.0	6	0.2%			
St. Matthew Lutheran Church and School	15.0	7	0.2%	17.0	8	0.2%
Oreganos	13.0	8	0.1%			
Kiddie Academy	12.0	9	0.1%			
Inland Bank	10.0	10	0.1%			
RH Insurance				14.0	9	0.2%
Barn Nursery				22.0	6	0.3%
Toddler Tyme				13.0	10	0.2%
Toll Brothers				45.0	3	0.6%
TOTAL	312			344		

Data Source

Village records

VILLAGE OF HAWTHORN WOODS, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT										
Administration	4.0	2.0	3.0	3.0	3.0	2.0	2.0	2.0	3.0	3.0
Finance	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building and zoning	2.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Parks and recreation	1.0	2.0	5.0	4.0	4.0	4.0	4.0	5.0	4.0	5.0
PUBLIC SAFETY										
Administration	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	3.0	2.0
Officers	9.0	10.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	13.0
HIGHWAYS AND STREETS										
Administration	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Street maintenance	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	7.0	7.0
TOTAL	26.0	28.0	36.0	35.0	35.0	34.0	34.0	35.0	38.0	39.0

Data Source

Village records

VILLAGE OF HAWTHORN WOODS, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PUBLIC SAFETY										
Police										
Physical arrests	81	70	79	83	87	107	106	46	96	117
Parking violations	1,426	1,011	662	647	515	454	306	188	265	206
Traffic violations	1,783	743	1,028	1,123	1,550	1,790	1,142	767	1,309	821
PUBLIC WORKS										
Vehicles maintained by department	22.0	24.0	25.0	26.0	27.0	27.0	27.0	27.0	27.0	27.0
Street resurfacing (miles)	-	-	-	-	0.2	1.3	0.2	-	-	-

Data Source

Various village departments

VILLAGE OF HAWTHORN WOODS, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area patrols	2	2	2	2	2	2	2	2	2	2
Patrol units	8	8	8	8	8	8	8	8	8	8
PUBLIC WORKS										
Miles of streets	58.0	58.0	58.0	58.0	58.0	52.0	52.0	53.5	53.5	55.4
Streetlights	38	53	53	53	63	63	63	75	75	75
Traffic signals	2	2	2	2	2	2	2	2	2	2
WASTEWATER										
Miles of storm sewers	24	24	24	24	24.7	24.700	24.700	26.400	26.400	28.000
Miles of sanitary sewers	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Miles of forcemain	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Lift stations	2	2	2	2	2	2	2	2	2	2

Data Source

Various village departments