

**Administrative-Finance Committee**  
**September 7, 2021**  
**6:00 p.m. – City Hall Conference Room**

- 1. Call to Order**
- 2. Public Comment**
- 3. New Business**
  - a. Presentation - Draft FYE 21 Annual Financial Report**
  - b. FYE 21 Audit to Budget Comparison**
  - c. Approval of Minutes – June 7, 2021**  
**Approval of Minutes – August 2, 2021**
- 4. Other Business**
- 5. Next Meeting – October 4, 2021**
- 6. Adjournment**

# **CITY OF DARIEN**

## **M E M O**

**TO: Administrative/Finance Committee Members**  
**FROM: Bryon D. Vana, City Administrator**  
**DATE: September 7, 2021**  
**SUBJECT: Draft Audit review - FYE 4-30-2021**

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Attached are the draft audit documents for the fiscal year ending 4-30-2021. The City's independent auditing firm, SIKICH, will present the draft audit and answer any questions.

The Honorable Mayor  
Members of the City Council  
City of Darien, Illinois

Ladies and Gentlemen:

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Darien, Illinois (the City) as of and for the year ended April 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis.

This communication is intended solely for the information and use of the Mayor, City Council and management and is not intended to be and should not be used by anyone other than these specified parties.

Naperville, Illinois  
DATE, 2021

## **CITY OF DARIEN, ILLINOIS**

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### **AUDITOR'S COMMUNICATION TO THE HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL**

For the Year Ended April 30, 2021

We are submitting to you the following draft of the board communication to expedite your review. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no modifications are expected before this board communication is submitted as final.

**SIKICH.COM**



**CITY OF DARIEN, ILLINOIS**  
**AUDITOR'S COMMUNICATION TO THE HONORABLE MAYOR**  
**AND MEMBERS OF THE CITY COUNCIL**  
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**For Discussion Purposes Only**

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DATE, 2021

The Honorable Mayor  
Members of the City Council  
City of Darien  
1702 Plainfield Road  
Darien, Illinois 60561

Ladies and Gentlemen:

As part of our audit process we are required to have certain communications with those charged with governance at the beginning of our audit process and at the conclusion of the audit. Those communications include information related to the planned scope and timing of our audit, as well as other information required by auditing standards. Our communication at the beginning of our audit process along with our questionnaire regarding consideration of fraud in a financial statement audit was sent to you April 26, 2021.

In addition, auditing standards require the communication of internal control related matters to those charged with governance. Our communication of these matters is enclosed within this document.

This information is intended solely for the use of the Mayor, City Council and management of the City of Darien and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Sikich LLP  
By: James R. Savio, CPA, MAS  
Partner

DATE, 2021

The Honorable Mayor  
Members of the City Council  
City of Darien, Illinois

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the City of Darien, Illinois (the City) for the fiscal year ended April 30, 2021 and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated DATE, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 11, 2021. Professional standards also require that we communicate to you the following information related to our audit.

#### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended April 30, 2021, except for the adoption of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative*. We noted no transactions entered into by the City during the year for which there is lack of authoritative guidance or consensus.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We noted no particularly sensitive estimates made by management during our audit of the financial statements except for the actuarial valuation and assumptions for the pension and OPEB plans.

Management's estimate of the City's net pension liabilities, and total other postemployment benefit liability are based on various actuarially determined amounts, including estimated investment returns, dates of employee retirement, discount rates, healthcare trend rates, and mortality rates. We evaluated key factors and assumptions used to develop the management's estimates of the City's net pension liabilities and total other postemployment benefit liability in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.



### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole except for adjusting journal entries #1, #3, #7, and #13.

### **Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated DATE, 2021.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those financial statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings or Issues**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## Other Matters

We applied certain limited procedures to the required supplementary information as listed in the table of contents, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual fund financial statements and schedules and supplemental data as listed in the table of contents, which accompany the basic financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

We were not engaged to report on the introductory section as listed in the table of contents, which accompany the basic financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

## Restriction in Use

This information is intended solely for the use of the Mayor, City Council and management of the City of Darien, and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the courtesies extended to us by the City. If you have any questions regarding the purpose of this letter or the requirement mentioned, please contact us.

Sincerely,

Sikich LLP  
By: James R. Savio, CPA, MAS  
Partner



**City of Darien**

**Year End: April 30, 2021**

**Adjusting Journal Entries**

**Date: 5/1/2020 To 4/30/2021**

**Account No: AJE#01 To AJE#13**

**Preliminary and Tentative  
For Discussion Purposes Only**

<b>Number</b>	<b>Date</b>	<b>Name</b>	<b>Account No</b>	<b>Amount</b>
AJE#01	4/30/2021	Deferred Revenue	03-2180 03-MFT	727,777.14
AJE#01	4/30/2021	Grants	03-00-3560 03-MFT	(727,777.14)
To reverse Rebuild Illinois Revenue from deferred revenue to revenue				
AJE#02	4/30/2021	Deferred Outflow - OPEB	02-1180 02-WF	33,036.00
AJE#02	4/30/2021	Total OPEB Liability	02-2008 02-WF	(27,643.00)
AJE#02	4/30/2021	Deferred Inflow - OPEB	02-2009 02-WF	(177.00)
AJE#02	4/30/2021	Deferred Outflow - OPEB	98-1180 98-G	219,151.00
AJE#02	4/30/2021	Total OPEB Liability	98-2008 98-G	(183,376.00)
AJE#02	4/30/2021	Deferred Inflow - OPEB	98-2009 98-G	(1,174.00)
AJE#02	4/30/2021	Pension Exp - Change in OPEB	02-50-4117 02-WF	(5,216.00)
AJE#02	4/30/2021	Change in OPEB - GG	98-50-5604 98-G	(6,291.00)
AJE#02	4/30/2021	Change in OPEB - PW	98-50-5605 98-G	(6,291.00)
AJE#02	4/30/2021	Change in OPEB - PS	98-50-5606 98-G	(22,019.00)
To record OPEB Activity				
AJE#03	4/30/2021	Deferred Outflow - IMRF	02-1178 02-WF	(79,919.00)
AJE#03	4/30/2021	Net Pension Liability	02-2003 02-WF	369,319.00
AJE#03	4/30/2021	Deferred inflow - IMRF	02-2005 02-WF	(225,631.00)
AJE#03	4/30/2021	Deferred Outflow - IMRF	98-1178 98-G	(300,646.00)
AJE#03	4/30/2021	Net Pension Liabilities - IMRF	98-2004 98-G	1,389,345.00
AJE#03	4/30/2021	Deferred inflow - IMRF	98-2005 98-G	(848,801.00)
AJE#03	4/30/2021	Pension Expense - Change in IMRF Pension Items	02-50-411X 02-WF	(63,769.00)
AJE#03	4/30/2021	Pension Expense - GG	98-50-6506 98-G	(91,100.00)
AJE#03	4/30/2021	Pension Expense - HS	98-50-6507 98-G	(103,247.00)
AJE#03	4/30/2021	Pension Expense - PS	98-50-6508 98-G	(45,551.00)
To record IMRF activity				
AJE#04	4/30/2021	Operating - Republic Bank	01-1000 01-GF	13,845.55
AJE#04	4/30/2021	Operating - Republic Bank	25-1000 25-CI	(13,845.55)
AJE#04	4/30/2021	Real Estate Taxes - Current	01-00-3110 01-GF	(13,845.55)
AJE#04	4/30/2021	Real Estate Taxes - Current	25-00-3110 25-CI	13,845.55
To adjust property tax allocation based on the 2019 levy instead of the 2020 levy				

**City of Darien**

Year End: April 30, 2021

**Adjusting Journal Entries**

Date: 5/1/2020 To 4/30/2021

Account No: AJE#01 To AJE#13

Preliminary and Tentative  
For Discussion Purposes Only

Number	Date	Name	Account No	Amount
AJE#05	4/30/2021	Telecom Tax Receivable	01-1206 01-GF	6,415.48
AJE#05	4/30/2021	Local Use Tax Receivable	01-1208 01-GF	72,040.33
AJE#05	4/30/2021	Telecommunication Taxes	01-00-3242 01-GF	(6,415.48)
AJE#05	4/30/2021	Local Use Tax	01-00-3420 01-GF	(72,040.33)
To correctly record the change in estimate.				
AJE#06	4/30/2021	Accounts Receivable	01-1201 01-GF	45,520.74
AJE#06	4/30/2021	Reimbursement-Rear Yard Drain	01-00-3541 01-GF	(45,520.74)
To correct rear yard drainage projects				
AJE#07	4/30/2021	Accounts Payable	25-2150 25-CI	40,480.00
AJE#07	4/30/2021	Ditch Projects	25-35-4376 25-CI	(40,480.00)
To correct AP improperly included.				
AJE#08	4/30/2021	IPBC Terminal Reserve	01-1176 01-GF	153,396.18
AJE#08	4/30/2021	IPBC Terminal Reserve	02-1176 02-WF	21,205.82
AJE#08	4/30/2021	Medical/Life Insurance	01-10-4120 01-GF	(16,413.39)
AJE#08	4/30/2021	Medical/Life Insurance	01-20-4120 01-GF	(6,135.85)
AJE#08	4/30/2021	Medical/Life Insurance	01-30-4120 01-GF	(102,008.46)
AJE#08	4/30/2021	Medical/Life Insurance	01-40-4120 01-GF	(28,838.48)
AJE#08	4/30/2021	Medical/Life Insurance	02-50-4120 02-WF	(21,205.82)
to adjust IPBC terminal reserve				
AJE#09	4/30/2021	Investments in IRMA	01-1175 01-GF	116,736.11
AJE#09	4/30/2021	IRMA Excess Surplus	01-2999 01-GF	(116,736.11)
AJE#09	4/30/2021	Investments in IRMA	02-1175 02-WF	57,496.89
AJE#09	4/30/2021	Miscellaneous Revenue	02-00-3580 02-WF	(57,496.89)
To adjust IRMA Excess Surplus at 04/30/2021				
AJE#10	4/30/2021	A/D - Machinery & Equipment	02-1990 02-WF	(22,759.00)
AJE#10	4/30/2021	A/D - Machinery & Equipment	02-1990 02-WF	(15,255.00)
AJE#10	4/30/2021	A/D - Machinery & Equipment	99-1990 99-G	(63,230.99)
AJE#10	4/30/2021	Transfers from other fund	02-00-3610 02-WF	(71,539.00)
AJE#10	4/30/2021	Depreciation	02-10-4620 02-WF	22,759.00
AJE#10	4/30/2021	Purchases - PW	02-50-6502 02-WF	15,255.00
AJE#10	4/30/2021	Purchases - PW	02-50-6502 02-WF	71,539.00
AJE#10	4/30/2021	Depreciation - Public Works	99-90-6002 99-G	63,230.99
To correct water capital asset transfer				

**City of Darien**

Year End: April 30, 2021

**Adjusting Journal Entries**

Date: 5/1/2020 To 4/30/2021

Account No: AJE#01 To AJE#13

Preliminary and Tentative  
For Discussion Purposes Only

Number	Date	Name	Account No	Amount
AJE#11	4/30/2021	Fund Balance - Current	01-2190 01-GF	250.00
AJE#11	4/30/2021	Miscellaneous Expenditures	01-10-4232 01-GF	(250.00)
To adjust for fund balance difference				
AJE#12	4/30/2021	Fund Balance - Current	99-2190 99-G	(71,964.00)
AJE#12	4/30/2021	Fund Balance - Current	99-2190 99-G	(71,539.00)
AJE#12	4/30/2021	Loss on Disposal	99-4000 99-G	71,964.00
AJE#12	4/30/2021	Contribution from Water Fund	99-4001 99-G	71,539.00
To record transfer and loss on disposal in GFAAG				
AJE#13	4/30/2021	Deferred Outflow - Police Pen	98-1179 98-G	(1,255,809.00)
AJE#13	4/30/2021	Net Pension Liab - Police Pen	98-2006 98-G	4,252,494.00
AJE#13	4/30/2021	Deferred Inflow - Police Pen	98-2007 98-G	(2,750,635.00)
AJE#13	4/30/2021	Change in Pension Expense - Police Pension	98-50-6510 98-G	(246,050.00)
To record change in Police Pension NPL, DO and DI.				

**City of Darien**  
(CLIENT)

**GOVERNMENTAL ACTIVITIES**  
(OPINION UNIT)

For the Year Ended 4/30/2021

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets/ Deferred Outflows	(Liabilities)/ (Deferred Inflows)	(Net Position/Fund Balance)	Change in Net Position/Fund Balance
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period Record allowance for receivables older than one year		\$ -	\$ -	\$ -	\$ -
Asset incorrectly capitalized in prior year		-		88,500	(88,500)
Correct rear yard projects refunded related to 2020			-	34,000	(34,000)
Totals		\$ -	\$ -	\$ 122,500	\$ (122,500)

**City of Darien**  
(CLIENT)

GENERAL  
(OPINION UNIT)

For the Year Ended 4/30/2021

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets/ Deferred Outflows	(Liabilities)/ (Deferred Inflows)	(Net Position/Fund Balance)	Change in Net Position/Fund Balance
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period		\$ -	\$ -	\$ -	\$ -
Correct rear yard projects refunded related to 2020			-	34,000	(34,000)
Totals		\$ -	\$ -	\$ 34,000	\$ (34,000)



**City of Darien**  
(CLIENT)

BUSINESS-TYPE ACTIVITIES  
(OPINION UNIT)

For the Year Ended 4/30/2021

All entries posted as Debit (Credit)

Description	Workpaper Reference	Assets/ Deferred Outflows	(Liabilities)/ (Deferred Inflows)	(Net Position/Fund Balance)	Change in Net Position/Fund Balance
Current Effect of Prior Period Passed AJE's that have carried forward to Current Period		\$ -	\$ -	\$ -	\$ -
Prior year assets capitalized in current year				(42,128)	42,128
Totals		\$ -	\$ -	(42,128)	42,128

**CITY OF DARIEN, ILLINOIS**  
**COMMUNICATION OF DEFICIENCIES**  
**IN INTERNAL CONTROL AND**  
**OTHER COMMENTS TO MANAGEMENT**

April 30, 2021

The Honorable Mayor  
Members of Management  
City of Darien, Illinois

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

During our audit, we also identify certain matters which we communicate only to management. While many of these matters are operational in nature, they may include internal control deficiencies that do not meet the definition of a significant deficiency or material weakness. We have chosen to communicate these matters in this communication. As discussed on the following pages, we identified certain deficiencies in internal control. In addition, we reviewed the status of the deficiencies from April 30, 2020. The status of these is included in Appendix A.

This memorandum is intended solely for the information and use of management and the City Council and is not intended and should not be used by anyone other than these specified parties.

I encourage you to contact me at (630) 566-8516 should you have any questions.

Naperville, Illinois  
DATE, 2021



## DEFICIENCY

### Rear yard drainage projects

During our testing of revenue we noted the City had recorded several entries as result of rear yard drainage projects throughout the course of the year. Per discussion with Julie, the City has invoiced the residents before the work is completed or any cash is received. The residents can choose not to participate in the project. Therefore the City had recorded revenue and a receivable before the work was performed in several instances. We recommend the City only invoice customers for these projects when the customer chooses to participate after the work is performed, as this is the point in time the revenue should be recognized. Any cash received in advance of the work being performed should be recorded as deferred revenue.

## OTHER INFORMATION

### Future Accounting Pronouncements

The Governmental Accounting Standards Board has issued a number of pronouncements that may impact the City in the future.

GASB Statement No. 87, *Leases*, establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset and aims to enhance comparability of financial statements among governments. This statement also requires additional notes to the financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The requirements of this statement are effective for the fiscal year ending April 30, 2023.

GASB Statement No. 91, *Conduit Debt Obligations*, was issued in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improved required note disclosures. This statement is effective for fiscal year ending April 30, 2023.

GASB Statement No. 92, *Omnibus 2020*, addresses a variety of topics including: The effective date of Statement No. 87 for interim financial reports; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; the applicability of Statements No. 73 to Certain Provisions of GASB Statement Nos. 67 and 68, as amended, and No. 74, as amended, to reporting assets accumulated for postemployment benefits; the applicability of certain requirements of Statement No. 84, to postemployment benefit arrangements; measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. The requirements of this Statement are effective for the fiscal years ending April 30, 2023 and thereafter, except for the requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.



## OTHER INFORMATION (Continued)

### Future Accounting Pronouncements (Continued)

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, was issued to address the financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR). The statement clarifies the existing guidance under Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended and Statement No. 87, *Leases*. The statement preserves the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. This statement is effective for the fiscal year ending April 30, 2022.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* was issued to address issues related to accounting and reporting for public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which is defined in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement is effective for fiscal year ending April 30, 2024.

GASB Statement No. 96, *Solution-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. This Statement establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This Statement is effective for fiscal year ending April 30, 2024. Earlier application is encouraged.

We will advise the City of any progress made by GASB in developing this and other future pronouncements that may have an impact on the financial position and results of operation of the City.



APPENDIX A  
STATUS OF COMMENTS FROM APRIL 30, 2020

**DEFICIENCIES**

We consider the following to be deficiencies in the City's internal controls.

**1. Proposed Audit Adjustments**

During our audit, we proposed several audit adjustments. Such audit adjustments were reviewed, approved, and recorded by management and included material adjustments to accounts receivable in the Water Operations Fund and capital assets of the City's governmental activities. Other proposed adjustments were immaterial individually but material in the aggregate which included adjustments to unearned revenues, prepaid expenses, and contribution revenues. We believe that year-end closing could be improved by performing a final review of adjusted trial balances to determine that all transactions have been recorded and posted. Management could review the transactions for completeness by scanning the ending balances and the transactions posted to each general ledger account to detect unusual entries or unexpected ending balances

**Status** - Comment still applicable as of April 30, 2021. Audit adjustments in prior years were proposed to record revenue in the proper period, to record expenditures in the proper period, to adjust capital asset and to long-term debt accounts to proper balances. Audit adjustments as of April 30, 2021 were proposed to adjust capital assets, certain accrual balances and to record pension activity at year end.

**2. Segregation of Duties**

During our review of internal controls, we noted that journal entries can be entered into the general ledger without being approved by a separate individual. We recommend that all general journal entries be reviewed and approved by someone other than the person entering and/or creating the journal entry to maintain an audit trail that documents both the preparer and reviewer of the original entry.

If a secondary review of the general journal entries is not practical, the City Council serves as a compensating control for the lack of segregation of duties in this area. Accordingly, it is important for the City Council to continue to review and approve monthly budget versus actual statements by fund. Additionally, the Council should continue to review and approve all significant financial transactions including purchases, payments to vendors/employees, and investments and to document the dollar amount of those approvals in the minutes.

**Status** - Comment still applicable as of April 30, 2021.

# FIRM PROFILE

Preliminary and Tentative  
For Discussion Purposes Only

## ORGANIZATION

Sikich LLP, a leading professional services firm specializing in accounting, technology, investment banking\* and advisory services\*\*, has 1,000+ professionals throughout the country. Founded in 1982, Sikich now ranks within the country's top 30 largest Certified Public Accounting firms and is among the top one percent of all enterprise resource planning solution partners in the world. From corporations and not-for-profits to state and local governments, Sikich clients can use a broad spectrum of services and products that help them reach long-term, strategic goals.

## INDUSTRIES

Sikich provides services and solutions to a wide range of industries. We have devoted substantial resources to develop a significant base of expertise and experience in:

AGRICULTURE	AUTOMOTIVE	CONSTRUCTION & REAL ESTATE
DISTRIBUTION & SUPPLY CHAIN	GOVERNMENT	HIGH-TECH
LIFE SCIENCES	MANUFACTURING	NOT-FOR-PROFIT
PRIVATE EQUITY	PROFESSIONAL SERVICES	

## STATISTICS

2020 Revenue .....	\$184.2M
Total Partners .....	100+
Total Personnel .....	1,000+

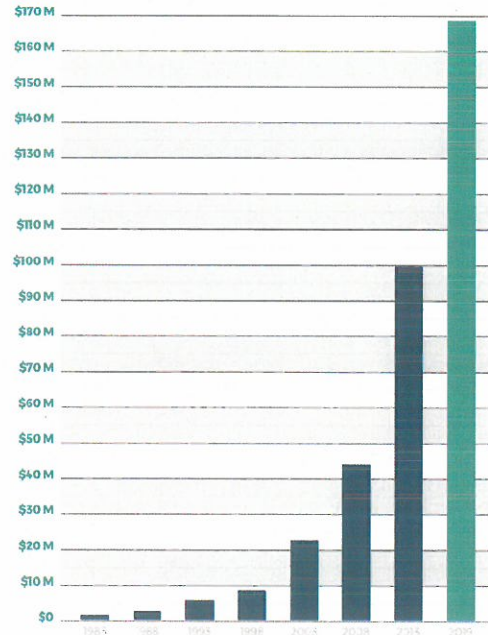
*Personnel count as of 2020*



● SIKICH LOCATIONS

<b>Akron, OH</b> (330) 864-6661	<b>Crofton, MD</b> (410) 451-5150	<b>Milwaukee, WI</b> (262) 754-9400	<b>Princeton, NJ</b> (609) 285-5000	<b>Washington, MO</b> (636) 239-4785
<b>Alexandria, VA</b> (703) 836-1350	<b>Decatur, IL</b> (217) 423-6000	<b>Minneapolis, MN</b> (311) 229-5235	<b>Springfield, IL</b> (217) 793-3363	
<b>Boston, MA</b> (508) 485-5588	<b>Indianapolis, IN</b> (317) 842-4466	<b>Naperville, IL</b> (630) 566-8400	<b>St. Louis, MO</b> (314) 275-7277	
<b>Chicago, IL</b> (312) 648-6666	<b>Los Angeles, CA</b> (877) 279-1900	<b>Peoria, IL</b> (309) 694-4251	<b>St. Louis, MO</b> (636) 532-9525	

## SIKICH TOTAL REVENUE



## SERVICES

### ACCOUNTING, TAX & ASSURANCE

### TECHNOLOGY

- Business Application
- Cloud & Infrastructure
- Consulting & Implementation
- Security and Compliance
- Digital Transformation Consulting

### ADVISORY

- Business Succession Planning
- Insurance Services
- Forensic and Valuation Services
- Human Capital Management & Payroll Consulting
- Investment Banking
- Marketing & Communications
- Retirement Plan Services
- Supply Chain
- Transaction Advisory Services
- Wealth Management

\* Securities offered through Sikich Corporate Finance LLC, member FINRA/SIPC.

\*\* Investment advisory services offered through Sikich Financial, an SEC Registered Investment Advisor.



## CERTIFICATIONS

All professional accounting staff with more than one year of experience have earned or are working toward earning the Certified Public Accountant designation. Sikich is a member of the American Institute of Certified Public Accountants' Governmental Audit Quality Center and the Employee Benefit Plan Audit Quality

Center. We adhere to the strict requirements of membership, which assure we meet the highest standards of audit quality. In 2020, Sikich received its 11th consecutive unmodified ("pass") peer review report, the highest level of recognition conferred upon a public accounting firm for its quality control systems.

## AWARDS

### 2018-2021

- 2021, 2020 Great Place to Work®
- 2020, 2019 Oracle® NetSuite 5 Star Award
- 2019/2020, 2018/2019 Inner Circle for Microsoft Dynamics
- *Accounting Today* Top 100 Firms - ranked top 30 nationally
- *Accounting Today* Top 100 Value Added Reseller Stars (VARs) 2020 - ranked #5
- Best Places to Work in Illinois
- Best Places to Work in Indiana
- Milwaukee's Best and Brightest Companies to Work For®
- Chicago's Best and Brightest Companies to Work For®
- Boston's Best and Brightest Companies to Work For®
- Bob Scott's Top 100 VARs 2020 - ranked #5

### 2017

- Bob Scott's Top 100 (VARs) - ranked #7
- *Accounting Today* Top 100 VARs - ranked #6
- Vault Accounting Top Ranked
- When Work Works Award
- WorldatWork Work-Life Seal of Distinction
- Microsoft Dynamics Inner Circle and President's Club
- Best Places to Work in Illinois
- Milwaukee's 101 Best and Brightest Companies to Work For®
- Best Places to Work in Indiana
- Chicago's 101 Best and Brightest Companies to Work For®
- *Milwaukee Journal Sentinel* Top Workplaces in Milwaukee
- *Chicago Tribune's* Top Workplaces
- *Crain's List* Chicago's Largest Privately Held Companies - ranked #234
- Boston's 101 Best and Brightest Companies to Work For®
- National Best and Brightest in Wellness
- National Best and Brightest Companies to Work For



## SIKICH IS PROUD TO BE PART OF:

### PRIMEGLOBAL

PrimeGlobal is one of the top five largest associations of independent accounting firms in the world, providing a wide range of tools and resources to help member firms furnish superior accounting, auditing, and management services to clients around the globe.



**CITY OF DARIEN, ILLINOIS**

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## SINGLE AUDIT

For the Year Ended April 30, 2021

We are submitting to you the following draft of your financial statements to expedite your review. As stated in our engagement letter with you, the fair presentation of the financial statements is your responsibility. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no material adjustments or material disclosure modifications are expected before these statements are submitted as final.

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

The Honorable Mayor  
Members of the City Council  
City of Darien, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Darien, Illinois (the City), as of and for the year ended April 30, 2021, and the related notes to financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated **DATE**, 2021.

**Internal Control over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

Naperville, Illinois  
DATE, 2021

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH  
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor  
Members of the City Council  
City of Darien, Illinois

**Report on Compliance for Each Major Federal Program**

We have audited the City of Darien, Illinois’ (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended April 30, 2021. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

**Management’s Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for each of the City’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the City of Darien, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended April 30, 2021.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform  
Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated **DATE**, 2021 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Naperville, Illinois  
**DATE**, 2021

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended April 30, 2021

<b>Federal Grantor</b>	<b>Pass-Through Grantor</b>	<b>Program Title</b>	<b>Federal CFDA Number</b>	<b>Program/Grant Number</b>	<b>Expenditures</b>
Department of Justice	N/A	Bulletproof Vest Partnership Program	16.607	N/A	\$ 2,854
		Bulletproof Vest Partnership Program			
		Total Bulletproof Vest Partnership Program			<u>2,854</u>
		Equitable Sharing Program			
	N/A	Equitable Sharing Program	16.922	Federal Seizure - N/A	<u>177,570</u>
		Total Equitable Sharing Program			<u>177,570</u>
		Total Department of Justice			<u>180,424</u>
Department of the Treasury	DuPage County, Illinois	Coronavirus Relief Fund			
		COVID-19 - Coronavirus Relief Fund	21.019*	N/A	<u>1,121,196</u>
		Total Coronavirus Relief Fund			<u>1,121,196</u>
		Total Department of the Treasury			<u>1,121,196</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>					<u><u>\$ 1,301,620</u></u>

\* denotes major program



**CITY OF DARIEN, ILLINOIS**

**NOTES TO SCHEDULE OF EXPENDITURES**

For the Year Ended April 30, 2021

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**Note A - Basis of Accounting**

The accompanying schedule of expenditures of federal awards is a summary of the activity of the City's federal award programs presented on the modified accrual basis of accounting in accordance with generally accepted accounting principles. Accordingly, revenues are recognized when the qualifying expenditure has been incurred and expenditures have been recognized when the fund liability has been incurred.

**Note B - Subrecipients**

There were no subrecipients for the fiscal year ending April 30, 2021.

**Note C - Other Information**

The City did not receive any federal insurance, free rent, or noncash assistance and had no federal loans or loan guarantees outstanding with continuing compliance requirements during the year ended April 30, 2021.

**Note D - 10% De Minimis Indirect Cost Rate**

The City has elected to use the 10% de minimis indirect cost rate as permitted by 2 CFR Section 200.414.

**CITY OF DARIEN, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended April 30, 2021

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes  X  no

Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes  X  no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? \_\_\_\_\_ yes  X  no

Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Type of auditor's report issued on compliance for major federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes  X  no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	COVID-19 - Coronavirus Relief Fund Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes  X  no

**CITY OF DARIEN, ILLINOIS**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For the Year Ended April 30, 2021

---

**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

**Section IV - Prior Year Award Findings and Questioned Costs**

Not applicable



**CITY OF DARIEN  
DARIEN, ILLINOIS**

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

For the Year Ended April 30, 2021

We are submitting to you the following draft of your financial statements to expedite your review. As stated in our engagement letter with you, the fair presentation of the financial statements is your responsibility. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no material adjustments or material disclosure modifications are expected before these statements are submitted as final.

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**CITY OF DARIEN  
DARIEN, ILLINOIS  
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For Discussion Purposes Only

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**INDEPENDENT AUDITOR'S REPORT  
ON SUPPLEMENTARY INFORMATION**

The Honorable Mayor  
Members of the City Council  
City of Darien, Illinois

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Darien, Illinois (the City) as of and for the year ended April 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated **DATE**, 2021, which expressed unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Consolidated Year-End Financial Report is presented for purposes of additional analysis, as required by the Illinois Grant Accountability and Transparency Act, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Naperville, Illinois  
**DATE, 2021**



**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

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

For the Year Ended April 30, 2021

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<b>CSFA Number</b>	<b>Program Name</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
494-00-1488	Motor Fuel Tax Program	\$ 714,307	\$ -	\$ -	\$ 714,307
	Other grant programs and activities	-	1,301,620	58,337	1,359,957
	All Other Costs not Allocated	-	-	17,671,067	17,671,067
	<b>TOTALS</b>	<u>\$ 714,307</u>	<u>\$ 1,301,620</u>	<u>\$ 17,729,404</u>	<u>\$ 19,745,331</u>

**CITY OF DARIEN, ILLINOIS**

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## ANNUAL FINANCIAL REPORT

For the Year Ended April 30, 2021

We are submitting to you the following draft of your financial statements to expedite your review. As stated in our engagement letter with you, the fair presentation of the financial statements is your responsibility. This draft, or elements within should not be shared with any external parties, nor should any inference be made to any parties that no material adjustments or material disclosure modifications are expected before these statements are submitted as final.

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Prepared by the General Administration Department

Michael J. Coren  
City Treasurer

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## **INTRODUCTORY SECTION**

**CITY OF DARIEN, ILLINOIS**

PRINCIPAL OFFICIALS

April 30, 2021

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MAYOR

Joseph A. Marchese

CITY COUNCIL

Ted V. Schauer  
Lester Vaughan  
Joseph A. Kenny  
Thomas M. Chlystek  
Mary Coyle Sullivan  
Eric K. Gustafson  
Thomas J. Belczak

CITY TREASURER

Michael J. Coren

CITY CLERK

JoAnne Ragona

CITY ATTORNEY

John B. Murphey



**FINANCIAL SECTION**

**INDEPENDENT AUDITOR'S REPORT**

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the City Council  
City of Darien, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Darien, Illinois (the City) as of and for the year ended April 30, 2021, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Darien, Illinois, as of April 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

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



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

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended April 30, 2020, which are not presented with the accompanying financial statements. In our report dated August 13, 2020, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statement as a whole. The 2020 comparative data included on certain individual fund schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2020 comparative information included on certain individual fund schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated DATE, 2020, on our consideration of the City'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 City'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 City's internal control over financial reporting and compliance.

Naperville, Illinois  
DATE, 2020

**GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS**

**CITY OF DARIEN, ILLINOIS**  
**STATEMENT OF NET POSITION**

**Preliminary and Tentative  
For Discussion Purposes Only**

April 30, 2021

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 12,428,539	\$ 6,698,330	\$ 19,126,869
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	2,473,210	-	2,473,210
Accounts	-	1,471,384	1,471,384
Intergovernmental	1,713,314	-	1,713,314
Other	2,163,134	454,494	2,617,628
Inventories	83,710	-	83,710
Net pension asset	376,005	112,900	488,905
Capital assets not being depreciated	819,529	100,000	919,529
Capital assets being depreciated	5,657,683	5,799,772	11,457,455
	<b>25,715,124</b>	<b>14,636,880</b>	<b>40,352,004</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on refunding	-	101,583	101,583
Pension items - police	1,832,160	-	1,832,160
Pension items - IMRF	216,465	48,448	264,913
Pension items - OPEB	330,189	49,775	379,964
	<b>2,378,814</b>	<b>199,806</b>	<b>2,578,620</b>
Total deferred outflows of resources	<b>2,378,814</b>	<b>199,806</b>	<b>2,578,620</b>
Total assets and deferred outflows of resources	<b>28,093,938</b>	<b>14,836,686</b>	<b>42,930,624</b>
<b>LIABILITIES</b>			
Accounts payable	748,327	375,910	1,124,237
Accrued payroll	215,686	22,285	237,971
Accrued interest payable	3,632	47,505	51,137
Deposits payable	59,126	-	59,126
Noncurrent liabilities			
Due within one year	437,611	587,552	1,025,163
Due in more than one year	21,624,488	4,226,003	25,850,491
	<b>23,088,870</b>	<b>5,259,255</b>	<b>28,348,125</b>
Total liabilities	<b>23,088,870</b>	<b>5,259,255</b>	<b>28,348,125</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property taxes	2,473,210	-	2,473,210
Pension items - police	3,592,015	-	3,592,015
Pension items - IMRF	1,576,048	418,126	1,994,174
Pension items - OPEB	1,174	177	1,351
	<b>7,642,447</b>	<b>418,303</b>	<b>8,060,750</b>
Total deferred inflows of resources	<b>7,642,447</b>	<b>418,303</b>	<b>8,060,750</b>
Total liabilities and deferred inflows of resources	<b>30,731,317</b>	<b>5,677,558</b>	<b>36,408,875</b>
<b>NET POSITION</b>			
Net investment in capital assets	5,997,212	2,525,379	8,522,591
Restricted for			
Special service area	21,185	-	21,185
Storm sewer	80,869	-	80,869
Public safety	249,850	-	249,850
Highways and streets	1,366,323	-	1,366,323
Unrestricted (deficit)	<b>(10,352,818)</b>	<b>6,633,749</b>	<b>(3,719,069)</b>
<b>TOTAL NET POSITION (DEFICIT)</b>	<b>\$ (2,637,379)</b>	<b>\$ 9,159,128</b>	<b>\$ 6,521,749</b>

See accompanying notes to financial statements.

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 1,871,362	\$ 1,095,957	\$ -	\$ -
Highways and streets	3,350,478	304,852	1,518,546	45,837
Public safety	7,551,827	136,689	1,138,804	-
Interest and fiscal charges on long-term debt	13,367	-	-	-
Total governmental activities	12,787,034	1,537,498	2,657,350	45,837
Business-Type Activities				
Water operations	6,958,297	8,138,618	-	-
Total business-type activities	6,958,297	8,138,618	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 19,745,331</b>	<b>\$ 9,676,116</b>	<b>\$ 2,657,350</b>	<b>\$ 45,837</b>



	<b>Net (Expense) Revenue and Change in Net Position</b>		
	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (775,405)	\$ -	\$ (775,405)
	(1,481,243)	-	(1,481,243)
	(6,276,334)	-	(6,276,334)
	(13,367)	-	(13,367)
	(8,546,349)	-	(8,546,349)
	-	1,180,321	1,180,321
	-	1,180,321	1,180,321
	(8,546,349)	1,180,321	(7,366,028)
<b>General Revenues</b>			
<b>Taxes</b>			
Property	2,472,034	-	2,472,034
Replacement	7,985	-	7,985
Telecommunications	378,073	-	378,073
Utility	1,017,993	-	1,017,993
Amusement	88,100	-	88,100
Hotel/motel	57,844	-	57,844
Road and bridge	226,981	-	226,981
Video gaming	136,559	-	136,559
Cannabis	18,052	-	18,052
Local gas	236,816	-	236,816
Food and beverage	531,396	-	531,396
<b>Intergovernmental</b>			
Income tax	2,531,880	-	2,531,880
Sales	5,395,514	-	5,395,514
Local use	1,087,297	-	1,087,297
Investment income	33,249	20,918	54,167
Miscellaneous	220,200	57,497	277,697
Transfers in (out)	(71,539)	71,539	-
<b>Total</b>	<b>14,368,434</b>	<b>149,954</b>	<b>14,518,388</b>
<b>CHANGE IN NET POSITION</b>	<b>5,822,085</b>	<b>1,330,275</b>	<b>7,152,360</b>
<b>NET POSITION (DEFICIT), MAY 1</b>	<b>(8,459,464)</b>	<b>7,828,853</b>	<b>(630,611)</b>
<b>NET POSITION (DEFICIT), APRIL 30</b>	<b>\$ (2,637,379)</b>	<b>\$ 9,159,128</b>	<b>\$ 6,521,749</b>

See accompanying notes to financial statements.

## CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes OnlyBALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2021

	General	Capital Improvements	Nonmajor	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 4,488,851	\$ 6,334,715	\$ 1,604,973	\$ 12,428,539
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	2,277,350	195,860	-	2,473,210
Intergovernmental	1,640,556	-	72,758	1,713,314
Other	1,797,137	365,997	-	2,163,134
Inventory	83,710	-	-	83,710
<b>TOTAL ASSETS</b>	<b>\$ 10,287,604</b>	<b>\$ 6,896,572</b>	<b>\$ 1,677,731</b>	<b>\$ 18,861,907</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 527,550	\$ 220,329	\$ 448	\$ 748,327
Accrued payroll	215,686	-	-	215,686
Deposits payable	59,126	-	-	59,126
Total liabilities	802,362	220,329	448	1,023,139
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable property taxes	2,277,350	195,860	-	2,473,210
Other unavailable revenue	746,431	365,997	-	1,112,428
Total deferred inflows of resources	3,023,781	561,857	-	3,585,638
Total liabilities and deferred inflows of resources	3,826,143	782,186	448	4,608,777
<b>FUND BALANCES</b>				
Nonspendable				
Inventory	83,710	-	-	83,710
Restricted				
Special service area	-	-	21,185	21,185
Storm sewer	-	-	80,869	80,869
Public safety	40,944	-	208,906	249,850
Highways and streets	-	-	1,366,323	1,366,323
Unrestricted				
Assigned				
Capital Improvements	-	6,114,386	-	6,114,386
Unassigned				
General Fund	6,336,807	-	-	6,336,807
Total fund balances	6,461,461	6,114,386	1,677,283	14,253,130
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 10,287,604</b>	<b>\$ 6,896,572</b>	<b>\$ 1,677,731</b>	<b>\$ 18,861,907</b>

See accompanying notes to financial statements.

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 14,253,130
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	6,477,212
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(480,000)
Compensated absences payable	(632,401)
Other long-term receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds	1,112,428
Net pension asset for the Illinois Municipal Retirement Fund is shown as an asset on the statement of net position	376,005
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 and inflows of resources on the statement of net position	(1,359,583)
Net pension liability for the Police Pension Fund is shown as a liability on the statement of net position	(19,126,824)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(1,759,855)
Total other postemployment benefit plan liability is shown as a liability on the statement of net position	(1,822,874)
Differences between expected and actual experiences and assumption changes for the other postemployment benefit plan are recognized as deferred outflows and inflows of resources on the statement of net position	329,015
Accrued interest payable is not recorded in governmental funds but is recorded on the statement of net position	(3,632)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u>\$ (2,637,379)</u>

See accompanying notes to financial statements.

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021

	<b>General</b>	<b>Capital Improvements</b>	<b>Nonmajor</b>	<b>Total</b>
<b>REVENUES</b>				
Taxes	\$ 4,971,008	\$ 195,749	\$ 5,075	\$ 5,171,832
Licenses and permits	1,022,666	-	-	1,022,666
Intergovernmental	10,153,495	45,837	1,518,546	11,717,878
Charges for services	517,219	-	-	517,219
Investment income	8,332	20,760	4,157	33,249
Miscellaneous	81,727	-	-	81,727
<b>Total revenues</b>	<b>16,754,447</b>	<b>262,346</b>	<b>1,527,778</b>	<b>18,544,571</b>
<b>EXPENDITURES</b>				
Current				
General government	1,910,299	-	-	1,910,299
Highways and streets	1,653,527	6,425	686,664	2,346,616
Public safety	7,689,895	-	138,372	7,828,267
Capital outlay	-	589,872	70,605	660,477
Debt service				
Principal	-	180,000	-	180,000
Interest and fiscal charges	-	14,190	-	14,190
<b>Total expenditures</b>	<b>11,253,721</b>	<b>790,487</b>	<b>895,641</b>	<b>12,939,849</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>5,500,726</b>	<b>(528,141)</b>	<b>632,137</b>	<b>5,604,722</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	3,600,000	4,801	3,604,801
Transfers (out)	(3,604,801)	-	-	(3,604,801)
<b>Total other financing sources (uses)</b>	<b>(3,604,801)</b>	<b>3,600,000</b>	<b>4,801</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1,895,925</b>	<b>3,071,859</b>	<b>636,938</b>	<b>5,604,722</b>
<b>FUND BALANCES, MAY 1</b>	<b>4,565,536</b>	<b>3,042,527</b>	<b>1,040,345</b>	<b>8,648,408</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 6,461,461</b>	<b>\$ 6,114,386</b>	<b>\$ 1,677,283</b>	<b>\$ 14,253,130</b>

See accompanying notes to financial statements.

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021

<b>NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 5,604,722</b>
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	81,789
Gain (loss) on capital asset disposals are only reported in the statement of activities	(71,964)
Transfers of capital assets are only report in the statement of activities	(71,539)
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	(661,550)
Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received	208,051
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	180,000
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	823
The change in compensated absences payable is shown as an expense on the statement of activities	31,204
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	1,694,895
The change in deferred outflows and inflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(1,454,997)
The change in the net pension liability for the Police Pension Fund is reported only in the statement of activities	4,252,494
The change in deferred outflows and inflows of resources for the Police Pension Fund is reported only in the statement of activities	(4,006,444)
The change in the total other postemployment benefit liability is reported only in the statement of activities	(183,376)
The change in deferred outflows and inflows of resources for the other postemployment benefit plan is reported only in the statement of activities	<u>217,977</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 5,822,085</u></b>

See accompanying notes to financial statements.



**CITY OF DARIEN, ILLINOIS**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**

**Preliminary and Tentative**  
**For Discussion Purposes Only**

April 30, 2021

	<b>Business-Type Activities</b>
	<b>Water Operations</b>
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 6,698,330
Receivables (net, where applicable, of allowances for uncollectibles)	
Water - unbilled	1,471,384
Other	454,494
Total current assets	8,624,208
<b>NONCURRENT ASSETS</b>	
Capital assets	
Assets not being depreciated	100,000
Assets being depreciated	
Cost	16,850,760
Accumulated depreciation	(11,050,988)
Net capital assets being depreciated	5,799,772
Net pension asset	112,900
Total noncurrent assets	6,012,672
Total assets	14,636,880
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Unamortized loss on refunding	101,583
Pension items - IMRF	48,448
Pension items - OPEB	49,775
Total deferred outflows of resources	199,806
Total assets and deferred outflows of resources	14,836,686
<b>CURRENT LIABILITIES</b>	
Accounts payable	375,910
Accrued payroll	22,285
Accrued interest payable	47,505
Bonds payable	555,000
Compensated absences payable	8,771
Total OPEB liability	23,781
Total current liabilities	1,033,252
<b>LONG-TERM LIABILITIES</b>	
Bonds payable	3,925,286
Compensated absences payable	49,703
Total OPEB liability	251,014
Total long-term liabilities	4,226,003
Total liabilities	5,259,255
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension items - IMRF	418,126
Pension items - OPEB	177
Total deferred inflows of resources	418,303
Total liabilities and deferred inflows of resources	5,677,558
<b>NET POSITION</b>	
Net investment in capital assets	2,525,379
Unrestricted	6,633,749
<b>TOTAL NET POSITION</b>	<b>\$ 9,159,128</b>

See accompanying notes to financial statements.

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021

	<b>Business-Type Activities Water Operations</b>
<b>OPERATING REVENUES</b>	
Water sales	\$ 8,116,705
Inspections/tap on/permits	16,769
Sale of meters	4,060
Other water sales	1,084
	<hr/>
Total operating revenues	8,138,618
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>	
Personnel services	764,359
Materials and supplies	651,120
Contractual services	5,005,631
	<hr/>
Total operating expenses excluding depreciation	6,421,110
<b>OPERATING INCOME BEFORE DEPRECIATION</b>	1,717,508
Depreciation	385,651
	<hr/>
<b>OPERATING INCOME</b>	1,331,857
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Investment income	20,918
Miscellaneous income	57,497
Interest expense	(151,536)
	<hr/>
Total non-operating revenues (expenses)	(73,121)
<b>INCOME BEFORE CAPITAL GRANTS AND CONTRIBUTIONS</b>	1,258,736
<b>CAPITAL GRANTS AND CONTRIBUTIONS</b>	71,539
	<hr/>
<b>CHANGE IN NET POSITION</b>	1,330,275
<b>NET POSITION, MAY 1</b>	7,828,853
	<hr/>
<b>NET POSITION, APRIL 30</b>	\$ 9,159,128
	<hr/> <hr/>

See accompanying notes to financial statements.

## CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes OnlySTATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2021

	<b>Business-Type Activities Water Operations</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	\$ 8,048,688
Payments to suppliers	(5,689,213)
Payments to employees	(812,539)
Net cash from operating activities	<u>1,546,936</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
None	<u>-</u>
Net cash from noncapital financing activities	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Payments for purchase of capital assets	(84,256)
Principal payments	(530,000)
Interest and fiscal charges	(153,786)
Net cash from capital and related financing activities	<u>(768,042)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	<u>20,918</u>
Net cash from investing activities	<u>20,918</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	799,812
CASH AND CASH EQUIVALENTS, MAY 1	<u>5,898,518</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u>\$ 6,698,330</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating income	\$ 1,331,857
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	385,651
Miscellaneous income	57,497
Changes in assets and liabilities	
Accounts receivable	(147,427)
Accounts payable	(32,462)
Accrued payroll	8,107
Compensated absences payable	12,698
Net pension liability - IMRF	(63,592)
Net pension liability - OPEB	(5,393)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<u>\$ 1,546,936</u>
<b>NONCASH TRANSACTIONS</b>	
Capital assets contributed from other funds	<u>\$ 71,539</u>

See accompanying notes to financial statements.

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

April 30, 2021

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	<b><u>Pension Trust Fund</u></b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 248,067
Investments	
U.S. Treasury obligations	1,157,011
U.S. agency obligations	7,490,739
Municipal bonds	1,920,087
Corporate bonds	2,194,883
Equity mutual funds	22,156,783
Negotiable certificates of deposit	901,721
Receivables	
Accrued interest	<u>73,364</u>
 Total assets	 <u>36,142,655</u>
<b>LIABILITIES</b>	
Benefits payable	<u>8,132</u>
 Total liabilities	 <u>8,132</u>
 <b>NET POSITION RESTRICTED FOR PENSION BENEFITS</b>	 <b><u><u>\$ 36,134,523</u></u></b>

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021

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**ADDITIONS**

Contributions	
Employer	\$ 1,920,922
Employee	<u>327,973</u>
Total contributions	<u>2,248,895</u>
Investment income	
Net appreciation in fair value of investments	6,645,529
Interest	<u>758,556</u>
Total investment income	7,404,085
Less investment expense	<u>(87,007)</u>
Net investment income	<u>7,317,078</u>
Total additions	<u>9,565,973</u>

**DEDUCTIONS**

Pension benefits	2,533,355
Contractual services	21,040
Administrative expenses	<u>17,417</u>
Total deductions	<u>2,571,812</u>

NET INCREASE 6,994,161

**NET POSITION RESTRICTED  
FOR PENSION BENEFITS**

May 1	<u>29,140,362</u>
April 30	<u><u>\$ 36,134,523</u></u>



NOTES TO FINANCIAL STATEMENTS

April 30, 2021

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

a. Reporting Entity

The City is a municipal corporation governed by a seven-member council consisting of seven aldermen and the mayor. As required by GAAP, these financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government.

The City's financial statements include one fiduciary component unit.

Police Pension Employees Retirement System

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, one elected pension beneficiary, and two elected police employees constitute the pension board. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the PPERS is fiscally dependent on the City. Separate financial statements are not available for the PPERS. PPERS is reported as a pension trust fund.

b. Fund Accounting

The City 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 city functions or activities.

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

b. Fund Accounting (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts.

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

Governmental funds are used to account for all or most of the City's general activities. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. 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 to 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 City (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The City utilizes pension trust funds which are generally used to account for assets that the City holds in fiduciary capacity or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

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

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

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

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

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

The City reports the following major governmental funds:

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

The Capital Improvements Fund is used to account for all restricted, committed, or assigned resources used for the acquisition of general capital assets including infrastructure capital assets.

The City reports the following major proprietary fund:

The Water Operations Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, financing and related debt service, and billing and collections.

The City reports the following fiduciary funds:

The Police Pension Fund accounts for the activities of the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the City which uses the annual property tax levy to fund the employer contribution.

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

d. Measurement Focus, Basis of Accounting, and Basis of 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 pension trust fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City 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 telecommunications taxes which use a 90-day period. The City recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end; franchise taxes, licenses, 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. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the City are also recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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 guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

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

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

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

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

City investments with a maturity of one year or less when purchased are stated at cost or amortized cost. City investments with a maturity greater than one year when purchased and all pension fund investments 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.

f. Interfund Receivables/Payables

Activity 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."

g. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories, if any, are recorded as expenditures when purchased.



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

h. Prepaid Items/Expenses

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

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and storm sewers), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$50,000 for machinery, equipment, and vehicles, \$100,000 for building improvements, \$100,000 for buildings, \$200,000 for infrastructure and an estimated useful life in excess of one year, and any amount for land. 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 that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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

Assets	Years
Buildings	25-50
Building improvements	8-25
Land improvements	15-35
Machinery, vehicles, and equipment	5-20
Infrastructure - streets	25-50
Waterworks and sewage system	25

j. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacations must be taken in the year following the one in which it was earned. Unused vacation time is not allowed to be carried over to the subsequent year without approval. Sick leave may be accumulated for future use.

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

j. Compensated Absences (Continued)

City employees may accrue up to 120 or 150 hours depending on the employment classification. The City's policy allows for a bonus to be paid for those employees who have not used sick days in the given year. Accumulated amounts are paid out at retirement at a rate of 50% of the employee's current hourly salary rate.

Vested or accumulated vacation leave are 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 and sick leave of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as expense during the current period.

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.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City Administrator. Any residual fund balance of the General Fund or any deficit fund balance in other governmental funds are reported as unassigned.

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

l. Fund Balances/Net Position (Continued)

The City has not adopted a flow of funds policy and, therefore, applies the flow of funds from GASB Statement No. 54, which 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 City considers committed funds to be expended first followed by assigned and then unassigned funds. For net position, restricted funds are spent first then unrestricted funds.

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 City's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the City.

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. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

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

o. Deferred Outflows/Inflows of Resources

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

p. Adoption of Accounting Standards

The City has elected to implement GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, which was issued to provide temporary relief to governments and other stakeholders due to the COVID-19 pandemic. This provides for the postponement of the implementation of GASB Statement No. 87, *Leases*.

**2. DEPOSITS AND INVESTMENTS**

The City and pension fund categorize the 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 City has the following recurring fair value measurements as of April 30, 2021. The IMET 1 to 3-Year Fund, a mutual fund, is measured based on the net asset value of the shares in IMET, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

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

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## 2. DEPOSITS AND INVESTMENTS (Continued)

### a. City Deposits and Investments

The City's investment policy authorizes the City to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members.

IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The City's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City 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 are, in order of priority, safety of principal, liquidity, and yield.



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

a. City Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance. The investment policy does not address how collateral is held. The City's deposits are insured through a letter of credit in the City's name.

Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Unless matched to a specific cash flow, the City does not directly invest in securities maturing more than five years from the date of purchase.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The City limits its exposure to credit risk by limiting investments to the types of securities listed above; pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business in accordance with the City's investment policy; diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

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

Concentration of credit risk is the risk that the City has a high percentage of its investments invested in one type of investment. The City's investment policy requires diversification of investments to avoid unreasonable risk.

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

a. City Deposits and Investments (Continued)

Investments (Continued)

The investments shall be diversified by:

- Limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities);
- Limiting investment in securities that have higher credit risks;
- Investing in securities with varying maturities; and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

**3. RECEIVABLES**

a. Property Taxes

Property taxes for 2020 attached as an enforceable lien on January 1, 2020, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2021, and are payable in two installments, on or about June 1, 2021 and September 1, 2021. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience. As the 2020 tax levy is intended to fund expenditures for the 2021-2022 fiscal year, these taxes are unavailable/deferred as of April 30, 2021.

The 2021 tax levy, which attached as an enforceable lien on property as of January 1, 2021, has not been recorded as a receivable as of April 30, 2021 as the tax has not yet been levied by the City and will not be levied until December 2021 and, therefore, the levy is not measurable at April 30, 2021.

**3. RECEIVABLES (Continued)**

b. Due from Other Governments and Other Receivables

	General	Capital Improvements	Nonmajor Governmental	Total
<b>GOVERNMENTAL ACTIVITIES</b>				
Intergovernmental				
Sales tax	\$ 1,304,054	\$ -	\$ -	\$ 1,304,054
Local use tax	226,476	-	-	226,476
Motor fuel tax	-	-	72,758	72,758
Telecommunications tax	87,623	-	-	87,623
Video gaming tax	22,403	-	-	22,403
<b>Total intergovernmental</b>	<b>1,640,556</b>	<b>-</b>	<b>72,758</b>	<b>1,713,314</b>
Other receivables				
Franchise fees	4,314	-	-	4,314
Hotel/motel tax	7,060	-	-	7,060
Amusement tax	11,627	-	-	11,627
Utility tax	77,937	-	-	77,937
Food/beverage tax	49,147	-	-	49,147
Local gas tax	10,036	-	-	10,036
Rent receivable	46,080	-	-	46,080
IRMA	700,351	-	-	700,351
IPBC	803,332	-	-	803,332
Economic incentives	-	365,997	-	365,997
Accounts	74,933	-	-	74,933
Other	12,320	-	-	12,320
<b>Total other receivables</b>	<b>1,797,137</b>	<b>365,997</b>	<b>-</b>	<b>2,163,134</b>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 3,437,693</b>	<b>\$ 365,997</b>	<b>\$ 72,758</b>	<b>\$ 3,876,448</b>

**4. CAPITAL ASSETS**

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

	Balances May 1	Increases	Decreases/ Transfers	Balances April 30
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 819,529	\$ -	\$ -	\$ 819,529
Total capital assets not being depreciated	819,529	-	-	819,529
Capital assets being depreciated				
Buildings and improvements	5,700,539	-	-	5,700,539
Machinery, vehicles and equipment	4,203,478	59,975	386,277	3,877,176
Infrastructure	12,768,226	21,814	-	12,790,040
Total capital assets being depreciated	22,672,243	81,789	386,277	22,367,755
Less accumulated depreciation for				
Buildings and improvements	3,355,989	130,347	-	3,486,336
Machinery, vehicles and equipment	1,833,566	293,281	242,774	1,884,073
Infrastructure	11,101,741	237,922	-	11,339,663
Total accumulated depreciation	16,291,296	661,550	242,774	16,710,072
Total capital assets being depreciated, net	6,380,947	(579,761)	143,503	5,657,683
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 7,200,476</b>	<b>\$ (579,761)</b>	<b>\$ 143,503</b>	<b>\$ 6,477,212</b>

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

<b>GOVERNMENTAL ACTIVITIES</b>	
General government	\$ 55,653
Public safety	158,153
Highways and streets	447,744
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<b>\$ 661,550</b>

**4. CAPITAL ASSETS (Continued)**

	Balances May 1	Increases/ Transfers	Decreases	Balances April 30
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Total capital assets not being depreciated	100,000	-	-	100,000
Capital assets being depreciated				
Buildings and improvements	6,989,234	-	-	6,989,234
Machinery and equipment	952,556	155,795	832,615	275,736
Infrastructure	9,585,790	-	-	9,585,790
Total capital assets being depreciated	17,527,580	155,795	832,615	16,850,760
Less accumulated depreciation for				
Buildings and improvements	4,277,498	159,937	-	4,437,435
Machinery and equipment	892,585	58,008	832,615	117,978
Infrastructure	6,327,869	167,706	-	6,495,575
Total accumulated depreciation	11,497,952	385,651	832,615	11,050,988
Total capital assets being depreciated, net	6,029,628	(229,856)	-	5,799,772
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b>\$ 6,129,628</b>	<b>\$ (229,856)</b>	<b>\$ -</b>	<b>\$ 5,899,772</b>

**5. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health; natural disasters; illnesses of employees; and injuries to the City's employees.

**Intergovernmental Risk Management Agency**

The City participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperations Statute to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extension risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

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**5. RISK MANAGEMENT (Continued)**

Intergovernmental Risk Management Agency (Continued)

The City's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The City does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The City is aware of no additional contributions due to IRMA as of April 30, 2021.

Intergovernmental Personnel Benefit Cooperative

The City participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental, and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain governmental, quasi governmental, and nonprofit public service entities.

The IPBC receives, processes, and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers; a Benefit Administrator and a Treasurer. The City does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

**6. LONG-TERM DEBT**

a. General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities. In addition, general obligation bonds have been issued to refund general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the City.



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

a. **General Obligation Bonds (Continued)**

A summary of changes in long-term debt reported in the governmental activities of the City for the year ended April 30, 2021 is as follows:

**Governmental Activities**

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
\$1,360,000 General Obligation Refunding Bonds, Series 2015 are due in annual installments (beginning January 1, 2017) ranging from \$110,000 to \$185,000 with interest from 1.25% to 2.20%. The last payment due is January 1, 2024.	Capital Improvement	\$ 660,000	\$ -	\$ 180,000	\$ 480,000	\$ 185,000
<b>TOTAL GOVERNMENTAL BONDED DEBT</b>		<b>\$ 660,000</b>	<b>\$ -</b>	<b>\$ 180,000</b>	<b>\$ 480,000</b>	<b>\$ 185,000</b>

**Business-Type Activities**

Issue	Fund Debt Retired by	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
\$2,810,000 General Obligation Refunding Bonds, Series 2012 are due in annual installments (beginning December 15, 2012) ranging from \$20,000 to \$290,000 with interest from 2.00% to 3.50%. The last payment is due on December 15, 2025.	Water	\$ 1,620,000	\$ -	\$ 245,000	\$ 1,375,000	\$ 260,000
\$3,500,000 General Obligation Bonds, Series 2018 are due in annual installments (beginning January 1, 2020) ranging from \$210,000 to \$375,000 with interest of 3%. The last payment is due on January 1, 2030.	Water	3,290,000	-	285,000	3,005,000	295,000
<b>TOTAL BUSINESS-TYPE BONDED DEBT</b>		<b>\$ 4,910,000</b>	<b>\$ -</b>	<b>\$ 530,000</b>	<b>\$ 4,380,000</b>	<b>\$ 555,000</b>

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

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities General Obligation Bonds			Business-Type Activities General Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 185,000	\$ 10,560	\$ 195,560	\$ 555,000	\$ 136,975	\$ 691,975
2023	185,000	6,490	191,490	570,000	120,325	690,325
2024	110,000	2,420	112,420	590,000	101,900	691,900
2025	-	-	-	610,000	82,825	692,825
2026	-	-	-	620,000	63,100	683,100
2027	-	-	-	340,000	43,050	383,050
2028	-	-	-	355,000	32,850	387,850
2029	-	-	-	365,000	22,200	387,200
2030	-	-	-	375,000	11,250	386,250
<b>TOTAL</b>	<b>\$ 480,000</b>	<b>\$ 19,470</b>	<b>\$ 499,470</b>	<b>\$ 4,380,000</b>	<b>\$ 614,475</b>	<b>\$ 4,994,475</b>

c. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities during fiscal year 2021:

	Balances May 1,	Additions	Reductions	Balances April 30	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds	\$ 660,000	\$ -	\$ 180,000	\$ 480,000	\$ 185,000
Compensated absences payable*	663,605	68,337	99,541	632,401	94,860
Total OPEB liability*	1,639,498	183,376	-	1,822,874	157,751
Net pension liability*	24,392,658	-	5,265,834	19,126,824	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 27,355,761</b>	<b>\$ 251,713</b>	<b>\$ 5,545,375</b>	<b>\$ 22,062,099</b>	<b>\$ 437,611</b>
<b>BUSINESS-TYPE ACTIVITIES</b>					
General obligation bonds	\$ 4,910,000	\$ -	\$ 530,000	\$ 4,380,000	\$ 555,000
Unamortized bond premium	117,383	-	17,097	100,286	-
Compensated absences payable	45,776	19,564	6,866	58,474	8,771
Total OPEB liability	247,152	27,643	-	274,795	23,781
Net pension liability	256,419	-	256,419	-	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 5,576,730</b>	<b>\$ 47,207</b>	<b>\$ 810,382</b>	<b>\$ 4,813,555</b>	<b>\$ 587,552</b>

\*The General Fund has typically been used to liquidate the compensated absences payable, the net pension liability, and the total OPEB liability.

**7. INDIVIDUAL FUND DISCLOSURES**

Transfers between funds at April 30, 2021 consist of the following:

Fund	Transfers In	Transfers Out
General	\$ -	\$ 3,604,801
Capital Improvements	3,600,000	-
Federal Equitable Sharing	4,801	-
<b>TOTAL</b>	<b>\$ 3,604,801</b>	<b>\$ 3,604,801</b>

The purpose of significant transfers in/out is as follows:

- \$3,600,000 transferred from the General Fund to the Capital Improvements Fund for capital projects. This transfer will not be repaid.

The City additionally transferred capital assets with a net book value of \$71,539 from government-wide activities to the Water Operations Fund.

**8. CONTINGENT LIABILITIES**

- a. Litigation

The City is not aware of any pending or threatening litigation.

- b. DuPage Water Commission

The City’s water supply agreement with the DuPage Water Commission (the Commission) provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

**9. DEFINED BENEFIT PENSION PLANS**

The City 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 both plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF 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 IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at IMRF.org. The Police Pension Plan does not issue a separate report.

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

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.

*Plan Membership*

At December 31, 2020, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	59
Inactive employees entitled to but not yet receiving benefits	64
Active employees	<u>36</u>
 TOTAL	 <u><u>159</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.

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Benefits Provided (Continued)*

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating 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 City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended April 30, 2021 was 12.93% of covered payroll.

*Actuarial Assumptions*

The City's net pension liability was measured as of December 31, 2020 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, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Investment rate of return	7.25%
Asset valuation method	Fair value

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Actuarial Assumptions (Continued)*

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 was 7.25% at December 31, 2020. 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 City 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. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



9. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

*Changes in the Net Pension Liability (Asset)*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2020	\$ 22,984,675	\$ 21,714,916	\$ 1,269,759
Changes for the period			
Service cost	259,033	-	259,033
Interest	1,638,949	-	1,638,949
Difference between expected and actual experience	95,759	-	95,759
Changes in assumptions	(209,317)	-	(209,317)
Employer contributions	-	346,481	(346,481)
Employee contributions	-	136,129	(136,129)
Net investment income	-	3,079,354	(3,079,354)
Benefit payments and refunds	(1,016,000)	(1,016,000)	-
Other (net transfer)	-	(18,876)	18,876
Net changes	768,424	2,527,088	(1,758,664)
BALANCES AT DECEMBER 31, 2020	\$ 23,753,099	\$ 24,242,004	\$ (488,905)

Changes in assumptions related to salary rates, price inflation, retirement age, and mortality rates were made in 2020.

**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 April 30, 2021, the City recognized pension expense of \$45,354.

At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 151,282	\$ -
Changes in assumption	-	122,098
Contributions made after measurement date	113,631	-
Net difference between projected and actual earnings on pension plan investments	-	1,872,076
<b>TOTAL</b>	<b>\$ 264,913</b>	<b>\$ 1,994,174</b>

\$113,631 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending April 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending April 30,	
2022	\$ (539,836)
2023	(264,523)
2024	(733,523)
2025	(305,010)
2026	-
Thereafter	-
<b>TOTAL</b>	<b>\$ (1,842,892)</b>

**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 (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) 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 (asset)	\$ 2,263,982	\$ (488,905)	\$ (2,639,884)

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 City accounts for the 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 City'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.

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Plan Membership*

At April 30, 2021, membership consisted of:

Inactive plan members currently receiving benefits	30
Inactive plan members entitled to but not yet receiving benefits	13
Active plan members	<u>34</u>
 TOTAL	 <u><u>77</u></u>

*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 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police 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

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Benefits Provided* (Continued)

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 1<sup>st</sup> 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 City is required to contribute the remaining amounts necessary to finance the plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the City has decided to fund 100% of the past service cost by 2040. For the year ended April 30, 2021, the City's contribution was 55.32% of covered payroll.

*Investment Policy*

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund can invest in the same securities as the City, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political divisions (rated Aa or better), Illinois insurance company general and separate accounts, equity mutual funds, equity securities and corporate bonds managed through an investment advisor (rated Aa or better). During the fiscal year ended April 30, 2021, changes to the investment policy related to performance benchmarks and adding language related to the Illinois Sustainable Investing Act.

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Investment Policy* (Continued)

The Fund's investment policy, in accordance with ILCS, establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	42.00%	5.80%
Small Cap Domestic Equity	12.00%	7.60%
International Equity	6.00%	7.10%
Fixed Income	40.00%	1.30%

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

*Fair Value Measurement*

All investments in the plan are stated at fair value and are recorded as of the trade date. 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.



**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Fair Value Measurement (Continued)*

Additionally, the Fund categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure 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 Fund has the following recurring fair value measurements as of April 30, 2021: the U.S. Treasury obligations and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations, Municipal bonds, corporate bonds and negotiable certificates of deposits are valued using quoted matrix pricing models (Level 2 inputs).

*Investment Rate of Return*

For the year ended April 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 24.83%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the police pension funds deposits with financial institutions.

*Interest Rate Risk*

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 1,157,011	\$ 101,531	\$ 803,503	\$ 251,977	\$ -
U.S. agency obligations	7,490,739	325,279	2,613,687	4,526,542	17,231
Municipal bonds	1,920,087	101,094	667,208	1,151,785	-
Corporate bonds	2,194,883	251,975	1,591,313	351,595	-
Negotiable CDs	901,721	-	455,524	446,197	-
<b>TOTAL</b>	<b>\$ 13,664,441</b>	<b>\$ 779,879</b>	<b>\$ 6,139,235</b>	<b>\$ 6,728,096</b>	<b>\$ 17,231</b>

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**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Interest Rate Risk* (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

*Credit Risk*

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in state and local obligations and obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The corporate bonds are required to be investment grade rated at or above BBB- by Standard and Poor's or Baa3 by Moody's. The municipal bonds are required to be rated A or better by Moody's. The U.S. agency obligations are rated AA+ or not rated. The municipal bonds are rated from AA to AAA. The corporate bonds are rated from BBB+ to AAA. The negotiable certificate deposits are not rated.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The mutual funds and money market mutual funds are not subject to custodial credit risk.

*Concentration of Credit Risk*

Concentration of credit risk is the risk that the Fund has a high percentage of its investments invested in one type of investment. The Fund's investment policy requires diversification of investments to avoid unreasonable risk.

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

*Concentration of Credit Risk (Continued)*

There are no significant investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represent 5% or more of the Fund's investments.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2020	\$ 52,519,680	\$ 29,140,362	\$ 23,379,318
Changes for the period			
Service cost	789,351	-	789,351
Interest	3,642,965	-	3,642,965
Difference between expected and actual experience	842,706	-	842,706
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Employer contributions	-	1,920,922	(1,920,922)
Employee contributions	-	327,973	(327,973)
Net investment income	-	7,317,078	(7,317,078)
Benefit payments and refunds	(2,533,355)	(2,533,355)	-
Administrative expense	-	(38,457)	38,457
Net changes	2,741,667	6,994,161	(4,252,494)
BALANCES AT APRIL 30, 2021	\$ 55,261,347	\$ 36,134,523	\$ 19,126,824

**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 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2021
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	Service-based
Interest rate	7.00%
Asset valuation method	Fair value

Mortality rates were based on PubS-2010 Employee mortality, projected five years past the valuation date with Scale MP-2018. 10% of active deaths are assumed to be in the line of duty for active lives. PubS-2010 Healthy Retiree mortality, projected five years past the valuation date with Scale MP-2018 for inactive lives. PubS-2010 Survivor mortality, projected five years past the valuation date with Scale MP-2018 for beneficiaries. PubS-2010 Disabled mortality, projected five years past the valuation date with Scale MP-2018 for disabled lives.

*Discount Rate*

The discount rate used to measure the total pension liability was 7%. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**9. DEFINED BENEFIT PENSION PLANS (Continued)**

a. Plan Descriptions (Continued)

Police Pension Plan (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 net pension liability of the City calculated using the discount rate of 7% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 26,902,043	\$ 19,126,824	\$ 12,760,616

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

For the year ended April 30, 2021, the City recognized police pension expense of \$1,674,872. At April 30, 2021, the City 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	\$ 957,195	\$ 236,784
Changes in assumption	874,965	192,166
Net difference between projected and actual earnings on pension plan investments	-	3,163,065
<b>TOTAL</b>	<b>\$ 1,832,160</b>	<b>\$ 3,592,015</b>

**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:

Fiscal Year Ending April 30,	
2022	\$ (343,293)
2023	(347,600)
2024	(333,004)
2025	(876,409)
2026	140,451
Thereafter	<u>-</u>
<b>TOTAL</b>	<b><u>\$ (1,759,855)</u></b>

**10. TAX ABATEMENTS**

The City rebates sales 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. These agreements are authorized through formal approval by the City Council. There are no recapture provisions in the agreements.

The City entered into an agreement in April 2012 with a local business wherein the City will rebate up to a net present value of \$4,000,000 of incremental sales tax revenue, discounted at 8.15%. As of and for the year ended April 30, 2021, a liability of \$291,362 has been accrued and cumulative payments of \$1,321,877 have been made under this agreement.

The City entered into an agreement in February 2013 with a local business wherein the City will rebate up to \$750,000 of sales tax revenue over 11 years. As of and for the year ended April 30, 2021, a liability of \$68,000 has been accrued and cumulative payments of \$408,000 have been made under this agreement.



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**10. TAX ABATEMENTS (Continued)**

The City entered into an agreement in September 2019 with a local business wherein the City has agreed to support capital improvements up to \$366,000. Upon completion of the projects of the local business, the City will record a lien against the subject property in the amount of \$366,000. The loan is to be repaid through annual installments based on increased project revenues with any remaining balance, if any, to be paid in full at the end of ten years. Enhanced project revenues are defined as 50% of the gross revenue generated by the virtual golf facility being installed as part of the project improvements, sales tax, amusement tax, food and beverage tax and video gaming tax generated by the local business. As of and for the year ended April 30, 2021, the projects of the local business have been completed, the City has paid \$365,997 related to the agreement and has recorded a receivable and deferred inflow for this amount.

**11. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a separate report. The activity of the Plan is reported in the City's governmental and business-type activities.

b. Benefits Provided

The City provides the opportunity for retirees, their spouses and dependents (enrolled at time of employee's retirement) to participate in the City's health insurance plan for pre and post-Medicare postretirement health insurance. To be eligible for benefits, the employee must qualify for retirement under one of the City's three retirement plans. An implicit benefit is provided due to the retirees paying 100% of the actuarially determined premium to the plan. Pursuant to the Illinois Public Safety Employee Benefits Act, the City provides health insurance to any sworn police employee (their spouses and dependents) who suffers a catastrophic injury or is killed in the line of duty. The City is responsible for paying the entire actuarially determined contribution to the plan. Upon a retiree becoming eligible for Medicare, the amount payable under the City's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

c. Membership

At April 30, 2021, membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	15
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>66</u>
<b>TOTAL</b>	<b><u>81</u></b>

d. Total OPEB Liability

The City's total OPEB liability of \$2,097,669 was measured as of April 30, 2021 and was determined by an actuarial valuation as of that date.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at April 30, 2021, as determined by an actuarial valuation as of May 1, 2021 actuarial valuation, 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	N/A
Inflation	3.00%
Salary Increases	4.00%
Discount rate	1.83%
Healthcare cost trend rates	5.50% Initial to 4.50% Ultimate

The discount rate was based the S&P Municipal Bond 20-Year High-Grade Rate Index as of April 30, 2021.

**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

f. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT MAY 1, 2020	\$ 1,886,650
Changes for the period	
Service cost	35,796
Interest	51,183
Difference between expected and actual experience	112,718
Changes of assumption	192,854
Benefit payments	(181,532)
Other changes	-
Net changes	211,019
BALANCES AT APRIL 30, 2021	\$ 2,097,669

Changes in assumptions related to the discount rate and mortality rates were made in 2021.

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 City calculated using the discount rate of 1.83% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (0.83%) or 1 percentage point higher (2.83%) than the current rate:

	1% Decrease (0.83%)	Current Discount Rate (1.83%)	1% Increase (2.83%)
Total OPEB liability	\$ 2,258,701	\$ 2,097,669	\$ 1,953,586

**11. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 5.50% to 4.50% as well as what the City’s total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.50% to 3.50%) or 1 percentage point higher (6.50% to 5.50%) than the current rate:

	1% Decrease (4.50% to 3.50%)	Current Healthcare Rate (5.50% to 4.50%)	1% Increase (6.50% to 5.50%)
Total OPEB liability	\$ 1,932,804	\$ 2,097,669	\$ 2,286,803

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

For the year ended April 30, 2021, the City recognized OPEB expense of \$(39,817). At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 99,297	\$ -
Changes in assumptions	280,667	1,351
<b>TOTAL</b>	<b>\$ 379,964</b>	<b>\$ 1,351</b>

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

Year Ending April 30	
2022	\$ 54,735
2023	54,735
2024	54,735
2025	54,735
2026	54,735
Thereafter	104,938
<b>TOTAL</b>	<b>\$ 378,613</b>

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021

	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance Over (Under)</b>
<b>REVENUES</b>			
Taxes	\$ 5,177,782	\$ 4,971,008	\$ (206,774)
Licenses, permits, and fees	935,397	1,022,666	87,269
Intergovernmental	8,340,347	10,153,495	1,813,148
Charges for services	432,447	517,219	84,772
Investment income	65,000	8,332	(56,668)
Miscellaneous	55,000	81,727	26,727
	<hr/>		
Total revenues	15,005,973	16,754,447	1,748,474
<b>EXPENDITURES</b>			
Current			
General government	2,005,283	1,910,299	(94,984)
Highways and streets	1,987,516	1,653,527	(333,989)
Public safety	8,296,121	7,689,895	(606,226)
	<hr/>		
Total expenditures	12,288,920	11,253,721	(1,035,199)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	2,717,053	5,500,726	2,783,673
<hr/>			
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	-	(3,604,801)	(3,604,801)
	<hr/>		
Total other financing sources (uses)	-	(3,604,801)	(3,604,801)
<hr/>			
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 2,717,053</b>	<b>1,895,925</b>	<b>\$ (821,128)</b>
<hr/>			
<b>FUND BALANCE, MAY 1</b>		<u>4,565,536</u>	
<hr/>			
<b>FUND BALANCE, APRIL 30</b>		<u>\$ 6,461,461</u>	

(See independent auditor's report.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Six Fiscal Years

<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Actuarially determined contribution	\$ 349,021	\$ 263,481	\$ 278,630	\$ 403,827	\$ 329,704	\$ 335,289
Contributions in relation to the actuarially determined contribution	349,021	263,481	278,630	403,827	329,704	335,289
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 2,698,612	\$ 2,553,725	\$ 2,411,693	\$ 2,594,734	\$ 2,517,936	\$ 2,525,245
Contributions as a percentage of covered payroll	12.93%	10.32%	11.55%	15.56%	13.09%	13.28%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar 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 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.35% to 14.25% compounded annually, and inflation of 2.50%.

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.



CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

Last Seven Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,905,149	\$ 1,714,350	\$ 1,618,878	\$ 1,456,052	\$ 1,412,529	\$ 1,200,005	\$ 1,196,027
Contributions in relation to the actuarially determined contribution	1,920,922	1,728,465	1,634,019	1,468,691	1,421,243	1,209,939	1,205,560
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (15,773)</b>	<b>\$ (14,115)</b>	<b>\$ (15,141)</b>	<b>\$ (12,639)</b>	<b>\$ (8,714)</b>	<b>\$ (9,934)</b>	<b>\$ (9,533)</b>
Covered payroll	\$ 3,472,348	\$ 3,407,217	\$ 3,319,478	\$ 3,163,883	\$ 3,159,697	\$ 3,054,195	\$ 2,916,963
Contributions as a percentage of covered payroll	55.32%	50.73%	49.23%	46.42%	44.98%	39.62%	41.33%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information from the actuarial valuation used to determine the current year contributions is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, 100% closed basis and the amortization period was 21 years; the asset valuation method was five-year smoothed market value; and the significant actuarial assumptions were an investment rate of return at 7.00% annually, projected salary increases assumption of 3.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually (Tier 1) and an annual increase equal to the lesser of 3.00% per year or 1/2 the annual unadjusted percentage increase in the CPI-U.

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.

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

Last Six Calendar Years

MEASUREMENT DATE DECEMBER 31,	2020	2019	2018
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 259,033	\$ 252,736	\$ 245,279
Interest	1,638,949	1,542,957	1,425,656
Changes of benefit terms	-	-	-
Differences between expected and actual experience	95,759	522,376	931,248
Changes of assumptions	(209,317)	-	597,080
Benefit payments, including refunds of member contributions	(1,016,000)	(978,377)	(880,787)
Net change in total pension liability	768,424	1,339,692	2,318,476
Total pension liability - beginning	22,984,675	21,644,983	19,326,507
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 23,753,099</b>	<b>\$ 22,984,675</b>	<b>\$ 21,644,983</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 346,481	\$ 229,398	\$ 397,939
Contributions - member	136,129	114,445	112,439
Net investment income	3,079,354	3,478,060	(978,275)
Benefit payments, including refunds of member contributions	(1,016,000)	(978,377)	(880,787)
Other	(18,876)	267,292	566,121
Net change in plan fiduciary net position	2,527,088	3,110,818	(782,563)
Plan fiduciary net position - beginning	21,714,916	18,604,098	19,386,661
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 24,242,004</b>	<b>\$ 21,714,916</b>	<b>\$ 18,604,098</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ (488,905)</b>	<b>\$ 1,269,759</b>	<b>\$ 3,040,885</b>
Plan fiduciary net position as a percentage of the total pension liability	102.06%	94.48%	85.95%
Covered payroll	\$ 2,696,354	\$ 2,543,208	\$ 2,498,644
Employer's net pension liability as a percentage of covered payroll	(18.13%)	49.93%	121.70%

Notes to Required Supplementary Information

Changes in assumptions for the discount rate were made in 2015 and 2016.

Changes in assumptions related to price inflation, salary increases, retirement age, and mortality rates were made in 2017.

Changes in assumptions related to the discount rate were made in 2018.

Changes in assumptions related to salary rates, price inflation, retirement age, and mortality rates were made in 2020.

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.

2017	2016	2015
\$ 263,857	\$ 278,904	\$ 286,420
1,428,582	1,382,894	1,327,546
-	-	-
(372,485)	(320,532)	(169,723)
(543,970)	(48,542)	24,074
(730,617)	(720,046)	(681,770)
45,367	572,678	786,547
19,281,140	18,708,462	17,921,915
<u>\$ 19,326,507</u>	<u>\$ 19,281,140</u>	<u>\$ 18,708,462</u>
\$ 314,655	\$ 353,272	\$ 335,354
111,740	115,595	114,576
2,968,029	1,126,831	80,704
(730,617)	(720,046)	(681,770)
(360,471)	84,073	18,009
2,303,336	959,725	(133,127)
17,083,325	16,123,600	16,256,727
<u>\$ 19,386,661</u>	<u>\$ 17,083,325</u>	<u>\$ 16,123,600</u>
<u>\$ (60,154)</u>	<u>\$ 2,197,815</u>	<u>\$ 2,584,862</u>
100.31%	88.60%	86.18%
\$ 2,483,111	\$ 2,568,770	\$ 2,525,245
(2.42%)	85.56%	102.36%

(See independent auditor's report.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

Last Seven Fiscal Years

MEASUREMENT DATE APRIL 30,	2021	2020	2019
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 789,351	\$ 730,885	\$ 685,980
Interest	3,642,965	3,486,465	3,270,691
Changes of benefit terms	-	114,024	-
Differences between expected and actual experience	842,706	245,106	(473,570)
Changes of assumptions	-	-	1,749,927
Contributions - buy back	-	-	-
Benefit payments, including refunds of member contributions	(2,533,355)	(2,265,113)	(2,125,790)
Net change in total pension liability	2,741,667	2,311,367	3,107,238
Total pension liability - beginning	52,519,680	50,208,313	47,101,075
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 55,261,347</b>	<b>\$ 52,519,680</b>	<b>\$ 50,208,313</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 1,920,922	\$ 1,728,465	\$ 1,634,019
Contributions - member	327,973	329,449	319,775
Contributions - buy back	-	-	-
Net investment income	7,317,078	369,394	1,738,762
Benefit payments, including refunds of member contributions	(2,533,355)	(2,265,113)	(2,125,790)
Administrative expense	(38,457)	(44,663)	(41,538)
Net change in plan fiduciary net position	6,994,161	117,532	1,525,228
Plan fiduciary net position - beginning	29,140,362	29,022,830	27,497,602
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 36,134,523</b>	<b>\$ 29,140,362</b>	<b>\$ 29,022,830</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 19,126,824</b>	<b>\$ 23,379,318</b>	<b>\$ 21,185,483</b>
Plan fiduciary net position as a percentage of the total pension liability	65.39%	55.48%	57.80%
Covered payroll	\$ 3,472,348	\$ 3,407,217	\$ 3,319,478
Employer's net pension liability as a percentage of covered payroll	550.83%	686.17%	638.22%

Notes to Required Supplementary Information

There was a change to actuarial assumptions in 2015 to reflect revised expectations with respect to mortality rates, disability rates, turnover rates, and retirement rates.

There was a change to actuarial assumptions in 2017 to reflect updated mortality assumptions to include a projection to the valuation date using Scale BB and the salary scale assumption was updated from a flat 5.50% to a service-graded schedule.

There were changes in assumptions in 2018 for retirement, termination, and disability rate tables, salary increase rates, percentage of disabilities and deaths assumed to be in the line of duty.

There were changes in assumptions in 2019 to update the mortality rates to reflect the PubS-2010 tables.

There were changes in benefits in 2020 as required by PA-101-0610 (SB 1300).

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.

2018	2017	2016	2015
\$ 730,502	\$ 797,055	\$ 754,785	\$ 688,515
3,168,022	2,970,623	2,938,342	2,599,067
-	-	-	-
274,605	202,447	(1,424,513)	(388,710)
(576,498)	798,335	-	2,888,856
-	106,677	-	-
(2,045,013)	(1,932,191)	(1,767,269)	(1,624,179)
1,551,618	2,942,946	501,345	4,163,549
45,549,457	42,606,511	42,105,166	37,941,617
<u>\$ 47,101,075</u>	<u>\$ 45,549,457</u>	<u>\$ 42,606,511</u>	<u>\$ 42,105,166</u>
\$ 1,468,691	\$ 1,421,243	\$ 1,209,939	\$ 1,205,560
295,483	313,126	308,852	302,058
-	106,677	-	-
1,789,255	1,982,144	(21,989)	1,604,934
(2,045,013)	(1,932,191)	(1,767,269)	(1,624,179)
(39,377)	(41,720)	(34,650)	(39,881)
1,469,039	1,849,279	(305,117)	1,448,492
26,028,563	24,179,284	24,484,401	23,035,909
<u>\$ 27,497,602</u>	<u>\$ 26,028,563</u>	<u>\$ 24,179,284</u>	<u>\$ 24,484,401</u>
<u>\$ 19,603,473</u>	<u>\$ 19,520,894</u>	<u>\$ 18,427,227</u>	<u>\$ 17,620,765</u>
58.38%	57.14%	56.75%	58.15%
\$ 3,163,883	\$ 3,159,697	\$ 3,054,195	\$ 2,916,963
619.60%	617.81%	603.34%	604.08%

**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

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

Last Three Fiscal Years

<b>MEASUREMENT DATE APRIL 30,</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>TOTAL OPEB LIABILITY</b>			
Service cost	\$ 35,796	\$ 34,033	\$ 31,356
Interest	51,183	57,927	64,349
Changes of benefit terms	-	-	-
Differences between expected and actual experience	112,718	-	-
Changes of assumptions	192,854	64,557	91,892
Benefit payments	(181,532)	(149,437)	(162,002)
Other changes	-	284	-
Net change in total OPEB liability	211,019	7,364	25,595
Total OPEB liability - beginning	1,886,650	1,879,286	1,853,691
<b>TOTAL OPEB LIABILITY - ENDING</b>	<b>\$ 2,097,669</b>	<b>\$ 1,886,650</b>	<b>\$ 1,879,286</b>
Covered payroll	\$ 5,827,503	\$ 4,910,475	\$ 5,460,822
Employer's total OPEB liability as a percentage of covered payroll	36.00%	38.42%	34.41%

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

Changes in assumptions related to the discount rate and mortality rates were made in 2021.

Changes in assumptions related to the discount rate were made in 2019 and 2020.

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.

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

**SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND**

Last Seven Fiscal Years

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<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Annual money-weighted rate of return, net of investment expense	24.83%	1.26%	6.41%	6.99%	8.30%	(0.09%)	6.90%

Notes to Required Supplementary Information

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.)



NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2021

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**BUDGETS**

Annual budgets are adopted on a basis consistent with GAAP for all governmental funds except as noted below. Budget amounts are as originally adopted by the City Council. All annual appropriations lapse at fiscal year end. As the City does not budget for its Storm Sewer or Federal Equitable Sharing Funds (it is not legally required to do so), budget to actual schedules are not presented.

Prior to April 30, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Formal budgetary integration is employed as a management control device during the year of the General Fund and budgeted Special Revenue Funds.

The City is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the City Council. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

The appropriated budget is prepared by fund, function, and department. The City Administrator is authorized to transfer budget amounts between departments within any fund; however, the City Council must approve revisions that alter the total expenditures of any fund.

Expenditures exceeded budget in the Motor Fuel Tax Fund by \$38,202 and the Capital Improvement Fund by \$508,572 for the period ending April 30, 2021.

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

## **MAJOR GOVERNMENTAL FUNDS**

General Fund - The General Fund was established to account for all revenues and expenditures which are not accounted for in other funds. This is the largest fund of the City, providing for the majority of the City's revenues, expenditures, and services. The General Fund is supported predominately with taxes, licenses, and fees. It funds the operations of the City's Police Department, Community Development Department, Mayor/City Council, Street Department, and Administration.

Capital Improvements Fund - The Capital Improvement Fund was established to account for the proceeds of the Taxable General Obligation Bonds, Series 2007A and the expenditures for the related capital projects.

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>TAXES</b>				
Property taxes - current	\$ 2,252,782	\$ 2,271,209	\$ 18,427	\$ 2,247,964
Road and bridge tax	210,000	226,981	16,981	219,532
Municipal utility tax	1,015,000	1,017,993	2,993	978,940
Telecommunication tax	444,000	378,073	(65,927)	417,249
Amusement tax	82,000	88,100	6,100	93,915
Hotel/motel tax	68,000	57,844	(10,156)	67,593
Local gas tax	310,000	236,816	(73,184)	291,234
Food and beverage tax	580,000	531,396	(48,604)	577,109
Replacement tax	6,000	7,985	1,985	8,468
Auto rental tax	2,000	-	(2,000)	423
Cannabis use tax	-	18,052	18,052	3,614
Video gaming tax	208,000	136,559	(71,441)	218,914
Total taxes	5,177,782	4,971,008	(206,774)	5,124,955
<b>LICENSES, PERMITS, AND FEES</b>				
Business licenses	38,000	45,363	7,363	30,593
Liquor licenses	66,500	70,475	3,975	71,325
Contractors licenses	18,000	20,220	2,220	18,030
Court fines	100,000	158,531	58,531	131,690
Ordinance fines	20,000	31,058	11,058	48,645
Building permits and fees	35,000	122,917	87,917	160,577
Cable TV franchise fees	452,800	417,443	(35,357)	433,978
PEG fees AT&T	-	8,792	8,792	9,644
NICOR franchise fees	25,000	28,720	3,720	31,108
Public hearing fees	2,000	3,885	1,885	2,510
Elevator inspections	4,500	6,025	1,525	3,580
NSF check fee	-	70	70	70
Engineering fee reimbursements	74,000	50,710	(23,290)	77,483
DUI technology fines	-	11,469	11,469	16,249
Police special service	99,597	46,988	(52,609)	121,330
Stormwater management fees	-	-	-	4,307
Total licenses, permits, and fees	935,397	1,022,666	87,269	1,161,119
<b>INTERGOVERNMENTAL</b>				
State income taxes	2,048,170	2,531,880	483,710	2,393,776
Local use tax	682,845	1,087,297	404,452	718,742
Sales tax	5,609,332	5,395,514	(213,818)	5,547,921
Drug forfeiture receipts	-	1,104	1,104	1,621
Grants	-	1,137,700	1,137,700	1,962
Total intergovernmental	8,340,347	10,153,495	1,813,148	8,664,022

(This schedule is continued on the following page.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>CHARGES FOR SERVICES</b>				
Towing fees	\$ 55,000	\$ 70,500	\$ 15,500	\$ 56,000
E-Citation fees	-	2,737	2,737	1,714
Police report/prints	5,000	4,996	(4)	6,028
Rents	324,447	346,414	21,967	353,303
Other reimbursements	45,000	71,823	26,823	89,773
Residential concrete reimbursement	-	-	-	27,045
Reimbursement - rear yard drain	-	15,494	15,494	82,015
Mail box reimbursement	-	2,315	2,315	4,617
Sales of wood chips	3,000	2,940	(60)	3,930
Total charges for services	432,447	517,219	84,772	624,425
<b>INVESTMENT INCOME</b>				
Investment income	65,000	8,332	(56,668)	93,125
Total investment income	65,000	8,332	(56,668)	93,125
<b>MISCELLANEOUS</b>				
Reimbursement - workers' compensation	-	-	-	861
Impact fees	-	125	125	375
Miscellaneous	55,000	81,602	26,602	147,401
Total miscellaneous	55,000	81,727	26,727	148,637
<b>TOTAL REVENUES</b>	<b>\$ 15,005,973</b>	<b>\$ 16,754,447</b>	<b>\$ 1,748,474</b>	<b>\$ 15,816,283</b>

(See independent auditor's report.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>GENERAL GOVERNMENT</b>				
Administration				
Personnel services				
Salaries	\$ 338,032	\$ 340,603	\$ 2,571	\$ 327,314
Overtime	-	890	890	2,602
Social Security	22,774	19,815	(2,959)	18,920
Medicare	4,901	4,634	(267)	4,425
IMRF	43,437	43,877	440	33,011
Medical/life insurance	74,534	62,306	(12,228)	68,500
Supplemental pensions	4,800	4,615	(185)	4,800
Total personnel services	488,478	476,740	(11,738)	459,572
Materials and supplies				
Dues and subscriptions	1,190	1,131	(59)	539
Liability insurance	35,000	6,963	(28,037)	270,345
Legal notices	2,000	2,123	123	2,133
Maintenance - equipment	8,100	8,144	44	7,460
Maintenance - equipment	-	-	-	170
Postage/mailings	3,350	2,067	(1,283)	2,684
Printing and forms	4,500	3,223	(1,277)	5,850
Public relations	58,500	50,498	(8,002)	56,285
Rent - equipment	2,500	1,500	(1,000)	1,500
Supplies - office	8,000	4,527	(3,473)	7,154
Supplies - other	500	854	354	385
Training and education	1,500	-	(1,500)	-
Travel/meetings	550	193	(357)	111
Telephone	48,400	35,422	(12,978)	34,824
Utilities	2,500	2,511	11	2,470
Gas and oil	1,150	804	(346)	872
Other	-	(224)	(224)	-
Total materials and supplies	177,740	119,736	(58,004)	392,782
Contractual services				
Audit	14,000	18,437	4,437	15,537
Consulting/professional	363,233	367,964	4,731	316,153
Contingency	10,000	5,024	(4,976)	11,137
Janitorial services	20,500	19,890	(610)	18,558
Total contractual services	407,733	411,315	3,582	361,385
Capital outlay				
Equipment	5,000	1,843	(3,157)	261
Total capital outlay	5,000	1,843	(3,157)	261
Total administration	1,078,951	1,009,634	(69,317)	1,214,000

(This schedule is continued on the following pages.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>GENERAL GOVERNMENT (Continued)</b>				
City Council				
Personnel services				
Salaries	\$ 42,750	\$ 42,750	\$ -	\$ 42,750
Social Security	2,651	2,651	-	2,651
Medicare	620	620	-	620
Total personnel services	46,021	46,021	-	46,021
Materials and supplies				
Board and commissions	2,000	141	(1,859)	866
Cable operations	6,000	2,375	(3,625)	3,825
Dues and subscriptions	26,440	12,556	(13,884)	13,134
Public relations	1,300	150	(1,150)	10,500
Training and education	1,000	-	(1,000)	250
Travel/meetings	50	-	(50)	-
Total materials and supplies	36,790	15,222	(21,568)	28,575
Contractual services				
Consulting/professional	3,000	1,848	(1,152)	5,855
Tolley contracts	600	-	(600)	233
Total contractual services	3,600	1,848	(1,752)	6,088
Total city council	86,411	63,091	(23,320)	80,684
Community development				
Personnel services				
Salaries	316,900	310,465	(6,435)	296,690
Overtime	1,000	1,447	447	2,630
Social Security	17,668	17,562	(106)	17,072
Medicare	4,610	4,390	(220)	4,174
IMRF	37,989	39,589	1,600	30,094
Medical/life insurance	55,899	23,320	(32,579)	29,052
Supplemental pensions	2,400	1,892	(508)	2,354
Total personnel services	436,466	398,665	(37,801)	382,066
Materials and supplies				
Boards and commissions	1,200	1,370	170	1,770
Dues and subscriptions	500	-	(500)	533
Liabilities insurance	23,000	27,598	4,598	33,669
Maintenance - vehicles	500	-	(500)	-
Miscellaneous expenditures	-	-	-	150
Printing and forms	1,565	806	(759)	1,880
Supplies - office	900	313	(587)	798
Training and educational	600	127	(473)	-
Travel/meetings	200	-	(200)	-
Gas and oil	1,350	902	(448)	1,282
Total materials and supplies	29,815	31,116	1,301	40,082

(This schedule is continued on the following pages.)



CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>GENERAL GOVERNMENT (Continued)</b>				
Community development (Continued)				
Contractual services				
Economic development	\$ 518,000	\$ 531,721	\$ 13,721	\$ 354,547
Consulting/professional	37,640	56,355	18,715	60,267
Consulting/professional reimbursable	68,000	69,717	1,717	99,641
Total contractual services	623,640	657,793	34,153	514,455
Capital outlay				
None	-	-	-	-
Total capital outlay	-	-	-	-
Total community development	1,089,921	1,087,574	(2,347)	936,603
Subtotal general government	2,255,283	2,160,299	(94,984)	2,231,287
Less reimbursements from Water Fund	(250,000)	(250,000)	-	(250,000)
Total general government	2,005,283	1,910,299	(94,984)	1,981,287
<b>HIGHWAYS AND STREETS</b>				
Public works				
Personnel services				
Salaries	638,700	692,986	54,286	708,292
Overtime	78,000	39,034	(38,966)	54,138
Social Security	48,331	40,252	(8,079)	44,172
Medicare	8,932	9,502	570	10,337
IMRF	126,733	76,418	(50,315)	65,400
Unemployment insurance	-	720	720	-
Medical/life insurance	149,749	36,647	(113,102)	122,038
Supplemental pensions	2,400	2,308	(92)	2,400
Total personnel services	1,052,845	897,867	(154,978)	1,006,777
Materials and supplies				
Liability insurance	30,529	25,354	(5,175)	21,499
Maintenance - building	75,686	101,975	26,289	166,457
Maintenance - equipment	39,100	21,321	(17,779)	37,717
Maintenance - vehicles	60,000	74,658	14,658	68,477
Postage/mailings	1,000	517	(483)	427
Rent - equipment	23,700	10,470	(13,230)	15,055
Supplies - office	5,153	935	(4,218)	5,913
Supplies - other	113,165	68,542	(44,623)	74,870
Small tools and equipment	62,850	1,815	(61,035)	12,443
Telephone	-	-	-	113
Training and education	7,800	2,189	(5,611)	1,799
Uniforms	5,946	4,222	(1,724)	4,076
Utilities	6,400	7,753	1,353	7,570
Gas and oil	60,300	46,520	(13,780)	56,295
Total materials and supplies	491,629	366,271	(125,358)	472,711

(This schedule is continued on the following pages.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>HIGHWAYS AND STREETS (Continued)</b>				
Public works (Continued)				
Contractual services				
Consulting/professional	\$ 10,750	\$ 32,053	\$ 21,303	\$ 7,789
Forestry	106,014	92,359	(13,655)	59,489
Street light operation and maintenance	32,000	38,784	6,784	11,521
Tree trim - removal	187,500	140,786	(46,714)	114,181
Residential concrete program	-	-	-	25,795
Street sweeping	40,578	21,508	(19,070)	31,298
Mosquito abatement	41,700	41,700	-	40,887
Drainage projects	20,000	16,876	(3,124)	172,446
Total contractual services	438,542	384,066	(54,476)	463,406
Capital outlay				
Equipment	4,500	5,323	823	504,913
Total capital outlay	4,500	5,323	823	504,913
Total public works	1,987,516	1,653,527	(333,989)	2,447,807
Total highways and streets	1,987,516	1,653,527	(333,989)	2,447,807
<b>PUBLIC SAFETY</b>				
Police department				
Personnel services				
Salaries	451,996	446,000	(5,996)	431,502
Salaries - officers	3,827,644	3,688,817	(138,827)	3,661,947
Overtime	495,324	317,744	(177,580)	475,037
Social Security	26,828	26,234	(594)	27,274
Medicare	68,957	59,559	(9,398)	60,797
IMRF	55,604	51,864	(3,740)	41,645
Medical/life insurance	512,644	461,812	(50,832)	400,043
Police pension	1,905,149	1,920,922	15,773	1,728,465
Supplemental pensions	46,800	42,046	(4,754)	43,431
Total personnel services	7,390,946	7,014,998	(375,948)	6,870,141
Materials and supplies				
Animal control	1,500	-	(1,500)	735
Auxiliary police	4,000	-	(4,000)	248
Boards and commissions	32,300	24,508	(7,792)	17,144
Dues and subscriptions	3,150	2,316	(834)	1,872
Investigation and equipment	44,480	20,963	(23,517)	29,631
Liability insurance	67,770	32,861	(34,909)	54,837
Maintenance - buildings	-	-	-	412
Maintenance - equipment	21,600	33,197	11,597	16,349
Maintenance - vehicles	29,600	32,035	2,435	31,945
Postage/mailings	4,300	1,229	(3,071)	3,163
Printing and forms	1,500	643	(857)	5,345
Public relations	3,500	1,232	(2,268)	2,961
Rent - equipment	5,800	1,300	(4,500)	1,500

(This schedule is continued on the following page.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>PUBLIC SAFETY (Continued)</b>				
Police department (Continued)				
Materials and supplies (Continued)				
Supplies - office	\$ 6,500	\$ 4,547	\$ (1,953)	\$ 6,872
Training and education	39,475	27,160	(12,315)	16,456
Travel/meetings	14,400	2,022	(12,378)	3,400
Telephone	14,000	12,308	(1,692)	12,844
Uniforms	53,200	48,743	(4,457)	51,853
Utilities	7,500	7,606	106	7,764
Gas and oil	75,000	69,133	(5,867)	69,753
Total materials and supplies	429,575	321,803	(107,772)	335,084
Contractual services				
Bad debt expense	-	-	-	14,837
Consulting/professional	468,100	324,632	(143,468)	442,448
Dumeg/flat/child center	7,500	7,500	-	25,180
Total contractual services	475,600	332,132	(143,468)	482,465
Capital outlay				
Equipment	-	20,962	20,962	-
Total capital outlay	-	20,962	20,962	-
Total police department	8,296,121	7,689,895	(606,226)	7,687,690
Total public safety	8,296,121	7,689,895	(606,226)	7,687,690
<b>TOTAL EXPENDITURES</b>	<b>\$ 12,288,920</b>	<b>\$ 11,253,721</b>	<b>\$ (1,035,199)</b>	<b>\$ 12,116,784</b>

(See independent auditor's report.)

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>REVENUES</b>				
Taxes	\$ 193,440	\$ 195,749	\$ 2,309	\$ 193,750
Intergovernmental	50,000	45,837	(4,163)	50,000
Investment income	25,000	20,760	(4,240)	50,531
Total revenues	268,440	262,346	(6,094)	294,281
<b>EXPENDITURES</b>				
Current				
Highways and streets				
Contractual services	-	6,425	6,425	61,649
Capital outlay	87,475	589,872	502,397	6,035,070
Debt service				
Principal payments	180,000	180,000	-	175,000
Interest and fiscal charges	14,440	14,190	(250)	17,290
Total expenditures	281,915	790,487	508,572	6,289,009
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,475)	(528,141)	(514,666)	(5,994,728)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,480,000	3,600,000	1,120,000	3,800,000
Total other financing sources (uses)	2,480,000	3,600,000	1,120,000	3,800,000
NET CHANGE IN FUND BALANCE	\$ 2,466,525	3,071,859	\$ 605,334	(2,194,728)
FUND BALANCE, MAY 1		3,042,527		5,237,255
<b>FUND BALANCE, APRIL 30</b>		\$ 6,114,386		\$ 3,042,527

(See independent auditor's report.)

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Motor Fuel Tax Fund - The Motor Fuel Tax Fund is used to account for state-shared motor fuel tax revenues that are legally restricted to maintenance and construction of streets, sidewalks, alleys, and signals.

Special Service Area Fund - A Special Service Area (SSA) is created to fund improvements which benefit an identifiable segment of the City, with a special property tax levied on and restricted to the benefited properties. SSA #1 was created to handle maintenance of the wetlands in the Tara Hill development.

Storm Sewer Fund - The Storm Sewer Fund is used to account for storm water management fees that are restricted for storm sewer improvements.

Federal Equitable Sharing Fund - The Federal Equitable Sharing Fund is used to account for the revenues and expenditures of restricted forfeited money provided through the Federal Equitable Sharing program.

**CITY OF DARIEN, ILLINOIS**

Preliminary and Tentative  
For Discussion Purposes Only

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

April 30, 2021

	<b>Special Revenue</b>				<b>Total</b>
	<b>Motor Fuel Tax</b>	<b>Special Service Area</b>	<b>Storm Sewer</b>	<b>Federal Equitable Sharing</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 1,294,013	\$ 21,185	\$ 80,869	\$ 208,906	\$ 1,604,973
Receivables					
Intergovernmental	72,758	-	-	-	72,758
<b>TOTAL ASSETS</b>	<b>\$ 1,366,771</b>	<b>\$ 21,185</b>	<b>\$ 80,869</b>	<b>\$ 208,906</b>	<b>\$ 1,677,731</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 448	\$ -	\$ -	\$ -	\$ 448
Total liabilities	448	-	-	-	448
<b>FUND BALANCES</b>					
Restricted					
Special service area	-	21,185	-	-	21,185
Storm sewer	-	-	80,869	-	80,869
Public safety	-	-	-	208,906	208,906
Highways and streets	1,366,323	-	-	-	1,366,323
Total fund balances	1,366,323	21,185	80,869	208,906	1,677,283
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,366,771</b>	<b>\$ 21,185</b>	<b>\$ 80,869</b>	<b>\$ 208,906</b>	<b>\$ 1,677,731</b>

(See independent auditor's report.)

**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

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

For the Year Ended April 30, 2021

	<b>Special Revenue</b>				<b>Total</b>
	<b>Motor Fuel Tax</b>	<b>Special Service Area</b>	<b>Storm Sewer</b>	<b>Federal Equitable Sharing</b>	
<b>REVENUES</b>					
Taxes	\$ -	\$ 5,075	\$ -	\$ -	\$ 5,075
Intergovernmental	1,518,546	-	-	-	1,518,546
Investment income	3,114	77	310	656	4,157
<b>Total revenues</b>	<b>1,521,660</b>	<b>5,152</b>	<b>310</b>	<b>656</b>	<b>1,527,778</b>
<b>EXPENDITURES</b>					
Current					
Highways and streets	682,900	3,764	-	-	686,664
Public safety	-	-	-	138,372	138,372
Capital outlay	31,407	-	-	39,198	70,605
<b>Total expenditures</b>	<b>714,307</b>	<b>3,764</b>	<b>-</b>	<b>177,570</b>	<b>895,641</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>807,353</b>	<b>1,388</b>	<b>310</b>	<b>(176,914)</b>	<b>632,137</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	-	4,801	4,801
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,801</b>	<b>4,801</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>807,353</b>	<b>1,388</b>	<b>310</b>	<b>(172,113)</b>	<b>636,938</b>
<b>FUND BALANCES, MAY 1</b>	<b>558,970</b>	<b>19,797</b>	<b>80,559</b>	<b>381,019</b>	<b>1,040,345</b>
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 1,366,323</b>	<b>\$ 21,185</b>	<b>\$ 80,869</b>	<b>\$ 208,906</b>	<b>\$ 1,677,283</b>

(See independent auditor's report.)



CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

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

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>REVENUES</b>				
Intergovernmental				
Motor fuel tax allotment	\$ 905,526	\$ 790,769	\$ (114,757)	\$ 815,010
Rebuild Illinois	-	727,777	727,777	-
Investment income	7,500	3,114	(4,386)	6,986
Total revenues	913,026	1,521,660	608,634	821,996
<b>EXPENDITURES</b>				
Current				
Highways and streets				
Commodities	339,140	279,172	(59,968)	253,832
Wages	296,965	403,728	106,763	308,054
Capital outlay	35,000	31,407	(3,593)	44,481
Contractual services	5,000	-	(5,000)	5,000
Total expenditures	676,105	714,307	38,202	611,367
NET CHANGE IN FUND BALANCE	\$ 236,921	807,353	\$ 570,432	210,629
FUND BALANCE, MAY 1		558,970		348,341
FUND BALANCE, APRIL 30		\$ 1,366,323		\$ 558,970

(See independent auditor's report.)

**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL SERVICE AREA FUND**

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021			2020 Actual
	Original and Final Budget	Actual	Variance Over (Under)	
<b>REVENUES</b>				
Taxes	\$ 5,000	\$ 5,075	\$ 75	\$ 5,073
Investment income	100	77	(23)	194
Total revenues	5,100	5,152	52	5,267
<b>EXPENDITURES</b>				
Current				
Contractual services	11,500	3,764	(7,736)	-
Total expenditures	11,500	3,764	(7,736)	-
NET CHANGE IN FUND BALANCE	<u>\$ (6,400)</u>	1,388	<u>\$ 7,788</u>	5,267
FUND BALANCE, MAY 1		<u>19,797</u>		<u>14,530</u>
<b>FUND BALANCE, APRIL 30</b>		<u>\$ 21,185</u>		<u>\$ 19,797</u>

(See independent auditor's report.)

## **MAJOR ENTERPRISE FUND**

Water Operations Fund - to account for the financing of self-supporting municipal activities which render services generally on a user charge basis to the general public. The significant characteristic of an enterprise fund is that the accounting system makes it possible to determine whether that particular service area is operated at a profit or a loss in accordance with the GAAPs followed by private business concerns.

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL  
WATER OPERATIONS FUND

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>OPERATING REVENUES</b>				
Charges for services				
Water sales	\$ 7,512,846	\$ 8,116,705	\$ 603,859	\$ 7,608,884
Inspections/tap on/permits	10,000	16,769	6,769	18,203
Sale of meters	1,000	4,060	3,060	5,375
Other water sales	3,500	1,084	(2,416)	72
Total operating revenues	7,527,346	8,138,618	611,272	7,632,534
<b>OPERATING EXPENSES EXCLUDING DEPRECIATION</b>				
Personnel services				
Salaries	556,798	524,446	(32,352)	459,101
Overtime	90,000	87,620	(2,380)	92,659
Social Security	34,521	36,460	1,939	32,602
Medicare	8,074	8,591	517	7,673
IMRF	72,304	93,848	21,544	66,304
Medical/life insurance	130,312	80,071	(50,241)	93,853
Supplemental pensions	2,400	2,308	(92)	2,400
Total personnel services	894,409	833,344	(61,065)	754,592
Materials and supplies				
Liability insurance	211,720	157,930	(53,790)	169,641
Maintenance - building	20,340	42,846	22,506	53,666
Maintenance - equipment	16,650	13,999	(2,651)	18,280
Maintenance - water system	189,700	166,385	(23,315)	149,776
Postage/mailings	1,400	1,400	-	70
Quality controls	10,850	8,641	(2,209)	8,494
Service charge	250,000	250,000	-	250,000
Supplies - operation	4,250	3,933	(317)	5,472
Training and education	5,400	1,409	(3,991)	1,552
Telephone	11,000	5,859	(5,141)	6,953
Uniforms	3,825	2,611	(1,214)	3,620
Utilities	51,500	36,402	(15,098)	43,842
Vehicle (gas and oil)	15,975	14,278	(1,697)	16,435
Total materials and supplies	792,610	705,693	(86,917)	727,801
Contractual				
Audit	11,513	11,513	-	11,513
Consulting/professional	14,950	5,186	(9,764)	5,006
Leak detection	21,600	11,661	(9,939)	12,844
Data processing	152,500	151,444	(1,056)	133,333
DuPage Water Commission	4,445,960	4,825,827	379,867	4,359,117
Total contractual	4,646,523	5,005,631	359,108	4,521,813

(This schedule is continued on the following page.)

CITY OF DARIEN, ILLINOIS

Preliminary and Tentative  
For Discussion Purposes Only

SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (Continued)  
WATER OPERATIONS FUND

For the Year Ended April 30, 2021  
(With Prior Year Actual)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
<b>OPERATING EXPENSES</b>				
<b>EXCLUDING DEPRECIATION (Continued)</b>				
Capital outlay				
Equipment	\$ 5,000	\$ -	\$ (5,000)	\$ 66,793
Water meters	27,000	14,079	(12,921)	47,936
Infrastructure	2,028,300	15,604	(2,012,696)	257,617
Total capital outlay	2,060,300	29,683	(2,030,617)	372,346
Total operating expenses excluding depreciation	8,393,842	6,574,351	(1,819,491)	6,376,552
OPERATING INCOME (LOSS)	(866,496)	1,564,267	2,430,763	1,255,982
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	34,000	20,918	(13,082)	50,992
Miscellaneous income	-	57,497	57,497	84,865
Debt service				
Principal repayment	(530,000)	(530,000)	-	(450,000)
Interest expense	(154,875)	(148,309)	6,566	(186,105)
Total non-operating revenues (expenses)	(650,875)	(599,894)	50,981	(500,248)
NET INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL GRANTS AND CONTRIBUTIONS	(1,517,371)	964,373	2,481,744	755,734
<b>TRANSFERS</b>				
Transfers (in)	800,000	800,000	-	-
Transfers (out)	-	(800,000)	(800,000)	(51,788)
Total transfers	800,000	-	(800,000)	(51,788)
CAPITAL GRANTS AND CONTRIBUTIONS	-	71,539	71,539	-
NET INCOME (LOSS) BUDGETARY BASIS	\$ (717,371)	1,035,912	\$ 1,753,283	703,946
<b>ADJUSTMENTS TO GAAP BASIS</b>				
Capital outlay capitalized		84,256		-
Principal repayment		530,000		450,000
Bond amortization		(3,227)		(3,220)
Pension/OPEB expense		68,985		(88,291)
Depreciation		(385,651)		(341,455)
Total adjustments to GAAP basis		294,363		17,034
CHANGE IN NET POSITION		1,330,275		720,980
NET POSITION, MAY 1		7,828,853		7,107,873
NET POSITION, APRIL 30	\$	9,159,128	\$	7,828,853

(See independent auditor's report.)

**SUPPLEMENTAL DATA**

**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

**LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012**

April 30, 2021

Date of Issue	July 12, 2012
Date of Maturity	December 15, 2025
Authorized Issue	\$2,810,000
Interest Rates	2.00% to 3.50%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	Bank of New York Mellon

**FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

<b>Fiscal Year</b>	<b>Tax Levy</b>			<b>Interest Due on</b>			
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>June 15</b>	<b>Amount</b>	<b>December 15</b>	<b>Amount</b>
2022	\$ 260,000	\$ 46,825	\$ 306,825	2021	\$ 23,413	2021	\$ 23,412
2023	265,000	39,025	304,025	2022	19,513	2022	19,512
2024	275,000	29,750	304,750	2023	14,875	2023	14,875
2025	285,000	20,125	305,125	2024	10,063	2024	10,062
2026	290,000	10,150	300,150	2025	5,075	2025	5,075
	<u>\$ 1,375,000</u>	<u>\$ 145,875</u>	<u>\$ 1,520,875</u>		<u>\$ 72,939</u>		<u>\$ 72,936</u>

(See independent auditor's report.)



**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

**LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2015**

April 30, 2021

Date of Issue	December 21, 2015
Date of Maturity	January 1, 2024
Authorized Issue	\$1,360,000
Interest Rates	1.25% to 2.20%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Bank of New York Mellon

**FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Tax Levy			July 1	Interest Due on		
	Principal	Interest	Total		Amount	January 1	Amount
2022	\$ 185,000	\$ 10,560	\$ 195,560	2021	\$ 5,280	2022	\$ 5,280
2023	185,000	6,490	191,490	2022	3,245	2023	3,245
2024	110,000	2,420	112,420	2023	1,210	2024	1,210
	<u>\$ 480,000</u>	<u>\$ 19,470</u>	<u>\$ 499,470</u>		<u>\$ 9,735</u>		<u>\$ 9,735</u>

(See independent auditor's report.)

**CITY OF DARIEN, ILLINOIS**

**Preliminary and Tentative  
For Discussion Purposes Only**

**LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BONDS, SERIES 2018**

April 30, 2021

Date of Issue	April 16, 2018
Date of Maturity	January 1, 2030
Authorized Issue	\$3,500,000
Interest Rates	3%
Interest Dates	January 1 and July 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank of Chicago

**FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	July 1	Amount	January 1	Amount
2022	\$ 295,000	\$ 90,150	\$ 385,150	2021	\$ 45,075	2022	\$ 45,075
2023	305,000	81,300	386,300	2022	40,650	2023	40,650
2024	315,000	72,150	387,150	2023	36,075	2024	36,075
2025	325,000	62,700	387,700	2024	31,350	2025	31,350
2026	330,000	52,950	382,950	2025	26,475	2026	26,475
2027	340,000	43,050	383,050	2026	21,525	2027	21,525
2028	355,000	32,850	387,850	2027	16,425	2028	16,425
2029	365,000	22,200	387,200	2028	11,100	2029	11,100
2030	375,000	11,250	386,250	2029	5,625	2030	5,625
	<u>\$ 3,005,000</u>	<u>\$ 468,600</u>	<u>\$ 3,473,600</u>		<u>\$ 234,300</u>		<u>\$ 234,300</u>

(See independent auditor's report.)

# CITY OF DARIEN

## MEMO

**TO: Administrative/Finance Committee Members**  
**FROM: Bryon D. Vana, City Administrator**  
**DATE: August 26, 2021**  
**SUBJECT: FYE 21 Audit to Budget Comparison**

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Upon completion of the yearly financial audit, the Administrative/Finance Committee reviews a comparison between the FYE 4-30-21 audited numbers and the FYE 4-30-21 estimated numbers included in the FYE 4-30-22 budget. This year's review includes the attached document containing a detailed sheet on the General and Capital Projects Funds. The details sheets include the following columns:

- 1 budget line item title
- 2 the 4-30-22 original budget
- 3 the 4-30-22 audited revenues and expenditure line items
- 4 the 4-30-22 estimated actual numbers used for the FYE 4-30-22 budget
- 5 the difference between numbers 3 and 4 above

The General Fund audited fund balance exceeded the estimated balance used in the 4-30-22 budget by \$1,883,584. The City Council previously approved the *Capital Improvements Plan Guidelines*. Section 3 of the guidelines includes the following:

- Surplus from the general fund, in excess of 3 months operating reserve, will be transferred to the capital projects fund annually

Based on these guidelines I am recommending that the Administrative/Finance Committee recommend that the City Council approve a transfer of \$1,800,000 to the Capital Projects Fund from the General Fund. This item will be scheduled for the October 4, 2021, City Council meeting.

**City of Darien  
 Comparison of Estimated Actual  
 Fund Balance to Audited Fund Balance  
 as of 4/30/21**

**Working Session Report**

**General Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 3,590,768	\$ 6,461,461	\$ 4,577,913	\$ 1,883,548.00

**Water Fund  
 Cash Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 2,166,582	\$ 4,447,545	\$ 3,661,139	\$ 786,405.68

**Motor Fuel Tax Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 738,438	\$ 1,366,323	\$ 1,197,165	\$ 169,158.00

**Water Depreciation Fund  
 Cash Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 995,260	\$ 1,895,369	\$ 2,358,693	\$ (463,324.45)

**Capital Improvement Fund  
 Fund Balance**

<u>Original Budget</u>	<u>Audited</u>	<u>Estimated Actual</u>	<u>Difference between Estimated Actual and Audited</u>
\$ 5,598,983	\$ 6,114,386	\$ 6,334,484	\$ (220,098.00)

1		2		3		4		5	
City of Darien Fund Reconciliation FYE 4/30/21		General For the		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited	FYE 4/30/21 Estimated Actual	Difference		
Beginning Fund Balance				3,273,716.00	4,565,536.00	4,565,528.00	8.00		
Prior Period Adjustment				0.00	0.00	0.00	0.00		
Total Revenue				15,255,973.00	16,754,447.00	15,585,773.00	1,168,674.00		
Total Expenses				12,538,921.00	11,253,721.00	11,973,388.00	(719,667.00)		
Transfer In from Debt Fund/Sale of Equipment				0.00	4,801.00	0.00	4,801.00		
Transfer out				2,400,000.00	3,600,000.00	3,600,000.00	0.00		
<b>Ending Fund Balance</b>				<b>3,590,768.00</b>	<b>6,461,461.00</b>	<b>4,577,913.00</b>	<b>1,883,548.00</b>		
				FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Revenue	FYE 4/30/21 Estimated Revenue	Difference		
<b>Taxes</b>									
Real Estate Taxes - Current	3110			2,252,782.00	2,271,209.00	2,279,400.00	(8,191.00)		
Real Estate Taxes - Prior	3111			0.00	0.00	0.00	0.00		
Road and Bridge Tax	3120			210,000.00	226,981.00	211,800.00	15,181.00		
Municipal Utility Tax	3130			1,015,000.00	1,017,993.00	938,016.00	79,977.00		
Amusement Tax	3140			82,000.00	88,100.00	59,840.00	28,260.00		
Hotel/Motel Tax	3150			68,000.00	57,844.00	50,561.00	7,283.00		
Auto Rental Tax	3421			2,000.00	0.00	2,000.00	(2,000.00)		
Personal Property Tax	3425			6,000.00	7,985.00	6,927.00	1,058.00		
Local Gas Tax	3151			310,000.00	236,816.00	219,687.00	17,129.00		
Food & Beverage Tax	3152			580,000.00	531,396.00	428,598.00	102,798.00		
Cannabis Use Tax	3435			0.00	18,052.00	6,909.00	11,143.00		
<b>Total Taxes</b>				<b>4,525,782.00</b>	<b>4,456,376.00</b>	<b>4,203,738.00</b>	<b>252,638.00</b>		
<b>License, Permits, Fees</b>									
Business Licenses	3210			38,000.00	45,363.00	30,000.00	15,363.00		
Liquor License	3212			66,500.00	70,475.00	70,675.00	(200.00)		
Contractor Licenses	3214			18,000.00	20,220.00	18,000.00	2,220.00		
Court Fines	3216			100,000.00	158,531.00	95,000.00	63,531.00		
Towing Fees	3217			55,000.00	70,500.00	46,500.00	24,000.00		
Ordinance Fines	3230			20,000.00	31,058.00	22,140.00	8,918.00		
Building Permits and Fees	3240			35,000.00	122,917.00	100,000.00	22,917.00		
Telecommunication Taxes	3242			444,000.00	378,073.00	384,186.00	(6,113.00)		
Cable T.V. Franchise Fee	3244			452,800.00	417,443.00	427,000.00	(9,557.00)		
PEG - Fees - AT&T	3245			0.00	8,792.00	6,500.00	2,292.00		
NICOR Franchise Fee	3246			25,000.00	28,720.00	28,720.00	0.00		
Public Hearing Fees	3250			2,000.00	3,885.00	2,030.00	1,855.00		
Elevator Inspections	3255			4,500.00	6,025.00	3,325.00	2,700.00		
Public Improvement Permit	3260			0.00	0.00	0.00	0.00		
NSF Check Fee	3261			0.00	70.00	0.00	70.00		
Engineering/Prof Fee Reimb	3265			74,000.00	50,710.00	56,153.00	(5,443.00)		
Legal Fee Reimb.	3266			0.00	0.00	0.00	0.00		
Police Special Service	3268			99,597.00	46,988.00	70,000.00	(23,012.00)		
D.U.I. Technology Fines	3267			0.00	11,469.00	5,512.00	5,957.00		
Stormwater Management Fees	3270			0.00	0.00	0.00	0.00		
Dev. Contib./Impact	3275			0.00	0.00	0.00	0.00		
<b>Total License, Permits, Fees</b>				<b>1,434,397.00</b>	<b>1,471,239.00</b>	<b>1,365,741.00</b>	<b>105,498.00</b>		
<b>Charges for Services</b>									
Inspections/Tap on/Permits	3320			0.00	0.00	0.00	0.00		
<b>Total Charges for Services</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		
<b>Intergovernmental</b>									
State Income Tax	3410			2,048,170.00	2,531,880.00	2,100,000.00	431,880.00		
Local Use Tax	3420			682,845.00	1,087,297.00	895,688.00	191,609.00		
Sales Taxes	3430			5,609,332.00	5,395,514.00	5,083,460.00	312,054.00		
Video Gaming Revenue	3432			208,000.00	136,559.00	104,845.00	31,714.00		
<b>Total Intergovernmental</b>				<b>8,548,347.00</b>	<b>9,151,250.00</b>	<b>8,183,993.00</b>	<b>967,257.00</b>		

City of Darien Fund Reconciliation FYE 4/30/21	General For the	FYE 4/30/21 Original Budget	FYE 4/30/21 Audited	FYE 4/30/21 Estimated Actual	Difference
<b>Other Revenue</b>					
Interest Income	3510	65,000.00	8,332.00	6,000.00	2,332.00
Gain/Loss on Investment	3515	0.00	0.00	0.00	0.00
Water Share Expense	3520	250,000.00	0.00	250,000.00	(250,000.00)
NSF Check Fee	3261	0.00	0.00	0.00	0.00
Police Report/Prints	3534	5,000.00	4,996.00	5,000.00	(4.00)
Impact Fee Revenue	3570	0.00	125.00	500.00	(375.00)
Grants	3560	0.00	1,137,700.00	1,135,199.00	2,501.00
Rents	3561	324,447.00	346,414.00	346,414.00	0.00
Reimbursement - Work Comp	3577	0.00	0.00	0.00	0.00
Other Reimbursements	3562	45,000.00	71,823.00	60,500.00	11,323.00
Reimbursement - Rear Yard	3541	0.00	15,494.00	0.00	15,494.00
Residential Concrete Reimb	3563	0.00	0.00	0.00	0.00
Maintenance - Reimbursement	3567	0.00	0.00	0.00	0.00
Mail Box Reimbursement	3569	0.00	2,315.00	1,500.00	815.00
Drug Seizures	3537	0.00	0.00	0.00	0.00
Drug Forfeiture Receipts	3538	0.00	1,104.00	0.00	1,104.00
E-Citation Fees	3219	0.00	2,737.00	0.00	2,737.00
Sales of Wood Chips	3572	3,000.00	2,940.00	2,545.00	395.00
Miscellaneous Revenue	3580	20,000.00	0.00	0.00	0.00
Transfer from Other Funds	3612	0.00	0.00	0.00	0.00
Sale of Equipment	3575	35,000.00	0.00	21,550.00	(21,550.00)
Miscellaneous Revenue	3700	0.00	81,602.00	10,000.00	71,602.00
<b>Total Other Income</b>		<b>747,447.00</b>	<b>1,675,582.00</b>	<b>1,839,208.00</b>	<b>(163,626.00)</b>
<b>Total General Fund Revenue</b>		<b>15,255,973.00</b>	<b>16,754,447.00</b>	<b>15,592,680.00</b>	<b>1,161,767.00</b>
<b>Total Revenue per Audit</b>		<b>15,255,973.00</b>	<b>16,754,447.00</b>	<b>15,592,680.00</b>	<b>1,161,767.00</b>

1	2	3	4	5	
City of Darien General Fund Expenditures For the FYE 4/30/21	FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference	
<b>Administrative Department</b>					
<b>Salaries</b>					
Salaries	4010	338,032.00	340,603.00	349,322.00	8,719.00
Overtime	4030	0.00	890.00	467.00	(423.00)
<b>Total Salaries</b>		<b>338,032.00</b>	<b>341,493.00</b>	<b>349,789.00</b>	<b>8,296.00</b>
<b>Benefits</b>					
Social Security	4110	22,774.00	19,815.00	21,054.00	1,239.00
Medicare	4111	4,901.00	4,634.00	4,924.00	290.00
I.M.R.F.	4115	43,437.00	43,877.00	43,636.00	(241.00)
Medical/Life Insurance	4120	74,535.00	62,306.00	69,962.00	7,656.00
State Unemployment Benefits	4050	0.00	0.00	0.00	0.00
Supplemental Pensions	4135	4,800.00	4,615.00	4,800.00	185.00
<b>Total Benefits</b>		<b>150,447.00</b>	<b>135,247.00</b>	<b>144,376.00</b>	<b>9,129.00</b>
<b>Materials and Supplies</b>					
Dues and Subscriptions	4213	1,190.00	1,131.00	1,190.00	59.00
Liability Insurance	4219	35,000.00	6,963.00	15,000.00	8,037.00
Legal Notices	4221	2,000.00	2,123.00	2,000.00	(123.00)
Maintenance - Building	4223	0.00	0.00	0.00	0.00
Maintenance - Equipment	4225	8,100.00	8,144.00	8,100.00	(44.00)
Maintenance - Vehicles	4229	0.00	0.00	0.00	0.00
Misc. Expenditures	4232	0.00	(224.00)	0.00	224.00
Postage/Mailings	4233	3,350.00	2,067.00	2,969.00	902.00
Printing and Forms	4235	4,500.00	3,223.00	4,500.00	1,277.00
Public Relations	4239	58,500.00	50,498.00	44,878.00	(5,620.00)
Rent - Equipment	4243	2,500.00	1,500.00	2,200.00	700.00
Supplies - Office	4253	8,000.00	4,527.00	6,000.00	1,473.00
Supplies - Other	4257	500.00	854.00	854.00	0.00
Training and Education	4263	1,500.00	0.00	0.00	0.00
Travel/Meetings	4265	550.00	193.00	100.00	(93.00)
Telephone	4267	48,400.00	35,422.00	39,000.00	3,578.00
Utilities (Elec,Gas,Wtr,Sewer)	4271	2,500.00	2,511.00	2,200.00	(311.00)
Vehicle (Gas and Oil)	4273	1,150.00	804.00	900.00	96.00
Vehicle		0.00	0.00	0.00	0.00

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
ESDA	4279	0.00	0.00	0.00	0.00
<b>Total Materials and Supplies</b>		<b>177,740.00</b>	<b>119,736.00</b>	<b>129,891.00</b>	<b>10,155.00</b>
<b>Contractual</b>					
Audit	4320	14,000.00	18,437.00	14,537.00	(3,900.00)
Consulting/Professional	4325	363,233.00	367,964.00	350,000.00	(17,964.00)
Conslt/Prof Reimbursable	4328	0.00	0.00	0.00	0.00
Contingency	4330	10,000.00	5,024.00	10,000.00	4,976.00
Janitorial Service	4345	20,500.00	19,890.00	19,500.00	(390.00)
<b>Total Contractual</b>		<b>407,733.00</b>	<b>411,315.00</b>	<b>394,037.00</b>	<b>(17,278.00)</b>
<b>Other Charges</b>					
Equipment	4815	5,000.00	1,843.00	1,000.00	(843.00)
<b>Total Other Charges</b>		<b>5,000.00</b>	<b>1,843.00</b>	<b>1,000.00</b>	<b>(843.00)</b>
<b>Total Expenditures - Administrative</b>		<b>1,078,952.00</b>	<b>1,009,634.00</b>	<b>1,019,093.00</b>	<b>9,459.00</b>
<b>City Council Department</b>					
<b>Salaries</b>					
Salaries	4010	42,750.00	42,750.00	42,750.00	0.00
<b>Total Salaries</b>		<b>42,750.00</b>	<b>42,750.00</b>	<b>42,750.00</b>	<b>0.00</b>
<b>Benefits</b>					
Social Security	4110	2,651.00	2,651.00	2,651.00	0.00
Medicare	4111	620.00	620.00	620.00	0.00
<b>Total Benefits</b>		<b>3,271.00</b>	<b>3,271.00</b>	<b>3,271.00</b>	<b>0.00</b>
<b>Materials and Supplies</b>					
Boards and Commissions	4205	2,000.00	141.00	500.00	359.00
Cable Operations	4206	6,000.00	2,375.00	4,000.00	1,625.00
Dues and Subscriptions	4213	26,440.00	12,556.00	12,945.00	389.00
Liability Insurance	4219	0.00	0.00	0.00	0.00
Printing and Forms	4235	0.00	0.00	0.00	0.00
Public Relations	4239	1,300.00	150.00	500.00	350.00
Supplies - Other	4257	0.00	0.00	0.00	0.00



City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
Training and Education	4263	1,000.00	0.00	300.00	300.00
Travel/Meetings	4265	50.00	0.00	50.00	50.00
<b>Total Materials and Supplies</b>		<b>36,790.00</b>	<b>15,222.00</b>	<b>18,295.00</b>	<b>3,073.00</b>
<b>Contractual</b>					
Consulting/Professional	4325	3,000.00	1,848.00	2,348.00	500.00
Trolley Contracts	4366	600.00	0.00	0.00	0.00
Rear Yard Drainage Proj Reimburse		0.00	0.00	0.00	0.00
<b>Total Contractual</b>		<b>3,600.00</b>	<b>1,848.00</b>	<b>2,348.00</b>	<b>500.00</b>
<b>Capital Outlay</b>					
Equipment	4815	0.00	0.00	0.00	0.00
<b>Total Capital Outlay</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Expenditures - City Council</b>		<b>86,411.00</b>	<b>63,091.00</b>	<b>66,664.00</b>	<b>3,573.00</b>
<b>Community Development Department</b>					
<b>Salaries</b>					
Salaries	4010	316,900.00	310,465.00	310,616.00	151.00
Overtime		1,000.00	1,447.00	1,000.00	(447.00)
<b>Total Salaries</b>		<b>317,900.00</b>	<b>311,912.00</b>	<b>311,616.00</b>	<b>(296.00)</b>
<b>Benefits</b>					
Social Security	4110	17,668.00	17,562.00	18,506.00	944.00
Medicare	4111	4,610.00	4,390.00	4,532.00	142.00
I.M.R.F.	4115	37,989.00	39,589.00	39,464.00	(125.00)
Medical/Life Insurance	4120	55,899.00	23,320.00	31,121.00	7,801.00
Supplemental Pensions	4135	2,400.00	1,892.00	3,600.00	1,708.00
<b>Total Benefits</b>		<b>118,566.00</b>	<b>86,753.00</b>	<b>97,223.00</b>	<b>10,470.00</b>
<b>Materials and Supplies</b>					
Boards and Commissions	4205	1,200.00	1,370.00	1,200.00	(170.00)
Dues and Subscriptions	4213	500.00	0.00	500.00	500.00
Liability Insurance	4219	23,000.00	27,598.00	23,000.00	(4,598.00)

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
Maintenance - Vehicles	4229	500.00	0.00	500.00	500.00
Miscellaneous Expenditures	4232	0.00	0.00	0.00	0.00
Printing and Forms	4235	1,565.00	806.00	1,000.00	194.00
Economic Incentive	4240	518,000.00	531,721.00	529,547.00	(2,174.00)
Supplies - Office	4253	900.00	313.00	500.00	187.00
Training and Education	4263	600.00	127.00	500.00	373.00
Travel/Meetings	4265	200.00	0.00	200.00	200.00
Vehicle (Gas and Oil)	4273	1,350.00	902.00	1,000.00	98.00
<b>Total Materials and Supplies</b>		<b>547,815.00</b>	<b>562,837.00</b>	<b>557,947.00</b>	<b>(4,890.00)</b>
<b>Contractual</b>					
Consulting/Professional	4325	37,640.00	56,355.00	45,000.00	(11,355.00)
Const/Prof Reimbursable	4328	68,000.00	69,717.00	60,000.00	(9,717.00)
<b>Total Contractual</b>		<b>105,640.00</b>	<b>126,072.00</b>	<b>105,000.00</b>	<b>(21,072.00)</b>
<b>Capital Outlay</b>					
Equipment	4815	0.00	0.00	0.00	0.00
<b>Total Capital Outlay</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Expenditures - Community Development</b>		<b>1,089,921.00</b>	<b>1,087,574.00</b>	<b>1,071,786.00</b>	<b>(15,788.00)</b>

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
<b>Streets Department</b>					
<b>Salaries</b>					
Salaries	4010	638,700.00	692,986.00	658,411.00	(34,575.00)
Overtime	4030	78,000.00	39,034.00	78,000.00	38,966.00
<b>Total Salaries</b>		<b>716,700.00</b>	<b>732,020.00</b>	<b>736,411.00</b>	<b>4,391.00</b>
<b>Benefits</b>					
Social Security	4110	48,331.00	40,252.00	44,727.00	4,475.00
Medicare	4111	8,932.00	9,502.00	10,460.00	958.00
I.M.R.F.	4115	126,733.00	76,418.00	94,505.00	18,087.00
Unemployment	4050	0.00	720.00	0.00	(720.00)
Medical/Life Insurance	4120	149,749.00	36,647.00	125,789.00	89,142.00
Supplemental Pensions	4135	2,400.00	2,308.00	2,400.00	92.00
<b>Total Benefits</b>		<b>336,145.00</b>	<b>165,847.00</b>	<b>277,881.00</b>	<b>112,034.00</b>
<b>Materials and Supplies</b>					
Liability Insurance	4219	30,529.00	25,354.00	23,000.00	(2,354.00)
Maintenance - Building	4223	75,686.00	101,975.00	80,000.00	(21,975.00)
Maintenance - Equipment	4225	39,100.00	21,321.00	38,000.00	16,679.00
Maintenance - Vehicles	4229	60,000.00	74,658.00	55,000.00	(19,658.00)
Maintenance - Landromat Exp	4230	0.00	0.00	0.00	0.00
Postage/Mailings	4233	1,000.00	517.00	750.00	233.00
Rent - Equipment	4243	23,700.00	10,470.00	15,000.00	4,530.00
Supplies - Office	4253	5,153.00	935.00	3,600.00	2,665.00
Supplies - Operations	4255	0.00	0.00	0.00	0.00
Supplies - Other	4257	113,165.00	68,542.00	85,000.00	16,458.00
Small Tools & Equipment	4259	62,850.00	1,815.00	3,800.00	1,985.00
Training and Education	4263	7,800.00	2,189.00	3,000.00	811.00
Travel	4265	0.00	0.00	0.00	0.00
Telephone	4267	0.00	0.00	0.00	0.00
Uniforms	4269	5,946.00	4,222.00	5,000.00	778.00
Utilities (Elec,Gas,Wtr,Sewer)	4271	6,400.00	7,753.00	6,200.00	(1,553.00)
Vehicle (Gas and Oil)	4273	60,300.00	46,520.00	55,000.00	8,480.00
<b>Total Materials and Supplies</b>		<b>491,629.00</b>	<b>366,271.00</b>	<b>373,350.00</b>	<b>7,079.00</b>

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
<b>Contractual</b>					
Consulting/Professional	4325	10,750.00	32,053.00	35,000.00	2,947.00
Consulting/Professional Reimb	4328	0.00	0.00	0.00	0.00
Janitorial Service	4345	0.00	0.00	0.00	0.00
Forestry	4350	106,014.00	92,359.00	103,000.00	10,641.00
Street Light Oper & Maint.	4359	32,000.00	38,784.00	35,000.00	(3,784.00)
Residential Concrete Program	4381	0.00	0.00	27,045.00	27,045.00
Mosquito Abatement	4365	41,700.00	41,700.00	41,700.00	0.00
Street Sweeping	4373	40,578.00	21,508.00	32,000.00	10,492.00
Drainage Projects	4374	20,000.00	16,876.00	15,000.00	(1,876.00)
Tree Trim/Removal	4375	<u>187,500.00</u>	<u>140,786.00</u>	<u>160,000.00</u>	<u>19,214.00</u>
<b>Total Contractual</b>		<b>438,542.00</b>	<b>384,066.00</b>	<b>448,745.00</b>	<b>64,679.00</b>
<b>Capital Outlay</b>					
Rear Yard Drain Proj-Reimb	4378	0.00	0.00	0.00	0.00
Residential Concrete Program	4381	0.00	0.00	0.00	0.00
Capital Improvements	4810	0.00	0.00	0.00	0.00
Equipment	4815	4,500.00	5,323.00	1,000.00	(4,323.00)
Debt Retire	4905	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Capital Outlay</b>		<b>4,500.00</b>	<b>5,323.00</b>	<b>1,000.00</b>	<b>(4,323.00)</b>
<b>Total Expenditures - Streets</b>		<b><u>1,987,516.00</u></b>	<b><u>1,653,527.00</u></b>	<b><u>1,837,387.00</u></b>	<b><u>183,860.00</u></b>

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
<b>Police Department</b>					
<b>Salaries</b>					
Salaries	4010	451,996.00	446,000.00	448,642.00	2,642.00
Salaries - Officers	4020	3,827,644.00	3,688,817.00	3,753,889.00	65,072.00
Overtime	4030	495,324.00	317,744.00	356,233.00	38,489.00
<b>Total Salaries</b>		<b>4,774,964.00</b>	<b>4,452,561.00</b>	<b>4,558,764.00</b>	<b>106,203.00</b>
<b>Benefits</b>					
Social Security	4110	26,828.00	26,234.00	27,816.00	1,582.00
Medicare	4111	68,957.00	59,559.00	54,042.00	(5,517.00)
I.M.R.F.	4115	55,604.00	51,864.00	54,215.00	2,351.00
Medical/Life Insurance	4120	512,644.00	461,812.00	453,000.00	(8,812.00)
Police Pension	4130	1,905,149.00	1,920,922.00	1,915,149.00	(5,773.00)
Supplemental Pensions	4135	46,800.00	42,046.00	42,788.00	742.00
<b>Total Benefits</b>		<b>2,615,982.00</b>	<b>2,562,437.00</b>	<b>2,547,010.00</b>	<b>(15,427.00)</b>
<b>Materials and Supplies</b>					
Animal Control	4201	1,500.00	0.00	750.00	750.00
Auxiliary Police	4203	4,000.00	0.00	2,000.00	2,000.00
Boards and Commissions	4205	32,300.00	24,508.00	27,298.00	2,790.00
Dues and Subscriptions	4213	3,150.00	2,316.00	3,151.00	835.00
Investigation and Equipment	4217	44,480.00	20,963.00	36,112.00	15,149.00
Liability Insurance	4219	67,770.00	32,861.00	57,973.00	25,112.00
Maintenance - Building	4223	0.00	0.00	0.00	0.00
Maintenance - Equipment	4225	21,600.00	33,197.00	26,626.00	(6,571.00)
Maintenance - Vehicles	4229	29,600.00	32,035.00	28,032.00	(4,003.00)
Postage/Mailings	4233	4,300.00	1,229.00	1,052.00	(177.00)
Printing and Forms	4235	1,500.00	643.00	600.00	(43.00)
Public Relations	4239	3,500.00	1,232.00	2,532.00	1,300.00
Rent - Equipment	4243	5,800.00	1,300.00	2,500.00	1,200.00
Supplies - Office	4253	6,500.00	4,547.00	4,875.00	328.00
Supplies - Other	4257	0.00	0.00	0.00	0.00
Training and Education	4263	39,475.00	27,160.00	28,670.00	1,510.00
Travel/Meetings	4265	14,400.00	2,022.00	9,270.00	7,248.00

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
Telephone	4267	14,000.00	12,308.00	13,710.00	1,402.00
Uniforms	4269	53,200.00	48,743.00	51,250.00	2,507.00
Utilities (Elec,Gas,Wtr,Sewer)	4271	7,500.00	7,606.00	7,010.00	(596.00)
Vehicle (Gas and Oil)	4273	<u>75,000.00</u>	<u>69,133.00</u>	<u>52,457.00</u>	<u>(16,676.00)</u>
<b>Total Materials and Supplies</b>		<b>429,575.00</b>	<b>321,803.00</b>	<b>355,868.00</b>	<b>34,065.00</b>
<b>Contractual</b>					
Bad Debt Expense	4400	0.00	0.00	0.00	0.00
Consulting/Professional	4325	468,100.00	324,632.00	469,650.00	145,018.00
Contractual Services	4335	0.00	0.00	0.00	0.00
Dumeg/Fiat/Child Center	4337	<u>7,500.00</u>	<u>7,500.00</u>	<u>25,200.00</u>	<u>17,700.00</u>
<b>Total Contractual</b>		<b>475,600.00</b>	<b>332,132.00</b>	<b>494,850.00</b>	<b>162,718.00</b>
<b>Capital Outlay</b>					
Equipment	4815	0.00	<u>20,962.00</u>	<u>21,965.00</u>	<u>1,003.00</u>
<b>Total Capital Outlay</b>		<b>0.00</b>	<b>20,962.00</b>	<b>21,965.00</b>	<b>363.06</b>
<b>Interest</b>					
Interest	4244	0.00	0.00	0.00	0.00
<b>Total Interest</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Expenditures - Police</b>		<b>8,296,121.00</b>	<b>7,689,895.00</b>	<b>7,978,457.00</b>	<b>288,562.00</b>

City of Darien General Fund Expenditures For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference
<b>Debt Service</b>					
Principal	4906	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Total Debt Service</b>		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Reduction in expenditures for Water Share</b>		<u>0.00</u>	<b>(250,000.00)</b>	0.00	250,000.00
<b>Total General Fund Expenditures</b>		<u>12,538,921.00</u>	<u>11,253,721.00</u>	<u>11,973,387.00</u>	<u>719,666.00</u>

1		2		3		4		5	
City of Darien Water Fund Reconciliation For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited	FYE 4/30/21 Estimated Actual	Difference				
Beginning Cash Balance		2,470,653.00	4,729,656.68	4,259,524.00	470,132.68				
Total Revenue		7,546,346.00	8,209,580.00	7,679,896.00	529,684.00				
Total Expenses		7,850,417.00	8,491,692.00	8,278,281.00	213,411.00				
<b>Ending Cash Balance</b>		<b>2,166,582.00</b>	<b>4,447,544.68</b>	<b>3,661,139.00</b>	<b>786,405.68</b>				
		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Revenue	FYE 4/30/21 Estimated Revenue	Difference				
<b>Charges for Services</b>									
Water Sales	3310	7,512,846.00	8,116,705.00	7,658,380.00	458,325.00				
Inspections/Tap on/Permits	3320	10,000.00	16,769.00	4,700.00	12,069.00				
Front Footage Fees	3322	0.00	0.00	0.00	0.00				
Sale of Meters	3325	1,000.00	4,060.00	3,860.00	200.00				
Other Water Sales	3390	3,500.00	1,084.00	956.00	128.00				
<b>Total Charges for Services</b>		<b>7,527,346.00</b>	<b>8,138,618.00</b>	<b>7,667,896.00</b>	<b>470,722.00</b>				
<b>Other Revenue</b>									
Interest Income	3510	19,000.00	13,465.00	12,000.00	1,465.00				
Other Reimbursements	3562	0.00	0.00	0.00	0.00				
Misc Revenue	3580	0.00	57,497.00	0.00	57,497.00				
<b>Total Other Revenue</b>		<b>19,000.00</b>	<b>70,962.00</b>	<b>12,000.00</b>	<b>58,962.00</b>				
<b>Total Water Fund Revenue</b>		<b>7,546,346.00</b>	<b>8,209,580.00</b>	<b>7,679,896.00</b>	<b>529,684.00</b>				
		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited Expenditures	FYE 4/30/21 Estimated Expenditures	Difference				
<b>Water Department</b>									
<b>Salaries</b>									
Salaries	4010	556,798.00	524,446.00	540,273.00	15,827.00				
Overtime	4030	90,000.00	87,620.00	90,000.00	2,380.00				
<b>Total Salaries</b>		<b>646,798.00</b>	<b>612,066.00</b>	<b>630,273.00</b>	<b>18,207.00</b>				
<b>Benefits</b>									
Social Security	4110	34,521.00	36,460.00	42,200.00	5,740.00				
Medicare	4111	8,074.00	8,591.00	9,869.00	1,278.00				
I.M.R.F.	4115	72,304.00	93,848.00	90,390.00	(3,458.00)				
Chang in I.M.R.F. Pension	4116 & 4117	0.00	68,985.00	0.00	(68,985.00)				
Medical/Life Insurance	4120	130,312.00	80,071.00	105,000.00	24,929.00				
Supplemental Pensions	4135	2,400.00	2,308.00	2,400.00	92.00				
<b>Total Benefits</b>		<b>247,611.00</b>	<b>290,263.00</b>	<b>249,859.00</b>	<b>(40,404.00)</b>				
<b>Materials and Supplies</b>									
Liability Insurance	4219	211,720.00	157,930.00	204,000.00	46,070.00				
Maintenance - Building	4223	20,340.00	42,846.00	32,000.00	(10,846.00)				
Maintenance - Equipment	4225	16,650.00	13,999.00	16,500.00	2,501.00				
Maintenance - Water System	4231	189,700.00	166,385.00	180,000.00	13,615.00				
Postage/Mailings	4233	1,400.00	1,400.00	1,600.00	200.00				
Printing and Forms	4235	0.00	0.00	0.00	0.00				
Quality Control	4241	10,850.00	8,641.00	10,850.00	2,209.00				
Rent - Equipment	4243	0.00	0.00	0.00	0.00				
Water Charge	4251	250,000.00	250,000.00	250,000.00	0.00				
Supplies - Office	4253	0.00	0.00	0.00	0.00				
Supplies - Operation	4255	4,250.00	3,933.00	3,000.00	(933.00)				



City of Darien Water Fund Reconciliation For the FYE 4/30/21		FYE 4/30/21 Original Budget	FYE 4/30/21 Audited	FYE 4/30/21 Estimated Actual	Difference
Training and Education	4263	5,400.00	1,409.00	1,500.00	91.00
Telephone	4267	11,000.00	5,859.00	10,450.00	4,591.00
Uniforms	4269	3,825.00	2,611.00	3,800.00	1,189.00
Utilities (Elec,Gas,Wtr,Sewer)	4271	51,500.00	36,402.00	42,000.00	5,598.00
Vehicle (Gas and Oil)	4273	15,975.00	14,278.00	14,500.00	222.00
<b>Total Materials and Supplies</b>		<b>792,611.00</b>	<b>705,693.00</b>	<b>770,200.00</b>	<b>64,507.00</b>
<b>Contractual</b>					
Audit	4320	11,513.00	11,513.00	11,513.00	0.00
Consulting/Professional	4325	14,950.00	5,186.00	14,950.00	9,764.00
Leak Detection	4326	21,600.00	11,661.00	17,500.00	5,839.00
Data Processing	4336	152,500.00	151,444.00	152,500.00	1,056.00
DuPage Water Commission	4340	4,445,960.00	4,825,827.00	4,901,111.00	75,284.00
<b>Total Contractual</b>		<b>4,646,523.00</b>	<b>5,005,631.00</b>	<b>5,097,574.00</b>	<b>91,943.00</b>
<b>Other Charges</b>					
Transfer to Other Funds	4605	800,000.00	800,000.00	800,000.00	0.00
Depreciation	4620	0.00	385,651.00	0.00	(385,651.00)
<b>Total Other Charges</b>		<b>800,000.00</b>	<b>1,185,651.00</b>	<b>800,000.00</b>	<b>(385,651.00)</b>
<b>Capital Outlay</b>					
Equipment	4815	5,000.00	0.00	15,000.00	15,000.00
Street Reconstruction	4855	0.00	0.00	0.00	0.00
Water Meter Purchases	4880	27,000.00	14,079.00	27,000.00	12,921.00
Pumping Station	4940	-	0.00	0.00	0.00
<b>Total Capital Outlay</b>		<b>32,000.00</b>	<b>14,079.00</b>	<b>42,000.00</b>	<b>27,921.00</b>
<b>Debt Service</b>					
Debt Retire	4905	684,875.00	530,000.00	688,375.00	158,375.00
Debt Retire-Water Refunding	4950	0.00	148,309.00	0.00	(148,309.00)
Purchases	5600	0.00	0.00	0.00	0.00
<b>Total Debt Service</b>		<b>684,875.00</b>	<b>678,309.00</b>	<b>688,375.00</b>	<b>10,066.00</b>
<b>Total Expenditures - Water</b>		<b>7,850,418.00</b>	<b>8,491,692.00</b>	<b>8,278,281.00</b>	<b>(213,411.00)</b>

1	2	3	4	5	
<b>City of Darien Water Depr Fund Reconciliation For the FYE 4/30/21</b>		<b>FYE 4/30/21 Original Budget</b>	<b>FYE 4/30/21 Audited</b>	<b>FYE 4/30/21 Estimated Actual</b>	<b>Difference</b>
<b>Beginning Cash Balance</b>	<b>2,208,560.00</b>	<b>1,119,467.55</b>	<b>1,638,993.00</b>	<b>(519,525.45)</b>	
<b>Total Revenue</b>	<b>815,000.00</b>	<b>878,988.00</b>	<b>803,000.00</b>	<b>75,988.00</b>	
<b>Total Expenses</b>	<b>2,028,300.00</b>	<b>103,087.00</b>	<b>83,300.00</b>	<b>19,787.00</b>	
<b>Ending Cash Balance</b>	<b>995,260.00</b>	<b>1,895,368.55</b>	<b>2,358,693.00</b>	<b>(463,324.45)</b>	
	<b>FYE 4/30/21 Original Budget</b>	<b>FYE 4/30/21 Audited Revenue</b>	<b>FYE 4/30/21 Estimated Revenue</b>	<b>Difference</b>	
<b>Other Revenue</b>					
Interest Income	3510	15,000.00	7,449.00	3,000.00	4,449.00
Gain/Loss on Investment	3515	0.00	0.00	0.00	0.00
Bond Issuance	3559	0.00	0.00	0.00	0.00
Capital Grant & Contributions	3560	0.00	71,539.00	0.00	71,539.00
Transfer from Other Fund	3610	800,000.00	800,000.00	800,000.00	0.00
<b>Total Other Revenue</b>		<b>815,000.00</b>	<b>878,988.00</b>	<b>803,000.00</b>	<b>75,988.00</b>
<b>Total Water Depr Fund Revenue</b>		<b>815,000.00</b>	<b>878,988.00</b>	<b>803,000.00</b>	<b>75,988.00</b>
		<b>FYE 4/30/21 Original Budget</b>	<b>FYE 4/30/21 Audited Expenditures</b>	<b>FYE 4/30/21 Estimated Expenditures</b>	<b>Difference</b>
<b>Water Depreciation Expenditures</b>					
<b>Materials and Supplies</b>					
Maintenance and Water System	4231	0.00	0.00	0.00	0.00
<b>Total Materials and Supplies</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Capital Outlay</b>					
Capital Impro-Infra	4390	2,028,300.00	99,860.00	83,300.00	(16,560.00)
Hydrant Painting	4391	0.00	0.00	0.00	0.00
Transfer out	4605	0.00	0.00	0.00	0.00
Capital Improvements	4810	0.00	0.00	0.00	0.00
Equipment	4815	0.00	0.00	0.00	0.00
<b>Total Capital Outlay</b>		<b>2,028,300.00</b>	<b>99,860.00</b>	<b>83,300.00</b>	<b>(16,560.00)</b>
<b>Debt Service</b>					
Debt Issuance Costs	4900	0.00	0.00	0.00	0.00
Amortization Expense	4947	0.00	3,227.00	0.00	(3,227.00)
Bond Interest Expense	4946	0.00	0.00	0.00	0.00
<b>Total Debt Service</b>		<b>0.00</b>	<b>3,227.00</b>	<b>0.00</b>	<b>(3,227.00)</b>
<b>Total Expenditures - Water Depr.</b>		<b>2,028,300.00</b>	<b>103,087.00</b>	<b>83,300.00</b>	<b>(19,787.00)</b>

**City of Darien**  
**Minutes of the Administrative/Finance Committee**  
**June 7, 2021**

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The Meeting was called to order by Chairwoman/Alderwoman Sullivan at 6:30 pm. Committee members Aldermen Schauer and Vaughan were present. City Administrator Vana and Treasurer Coren were also present.

**Proposal for New Copiers**

Staff advised that the City of Darien purchased the current copier, Konica 654, back in 2013. The average lifespan of a copier is around 3-5 years. Due to the age of the copier, the monthly maintenance cost along with the number of service calls continues to increase. This is the primary printer/copier/scanner for City Hall. Additionally, Public Works' printer, MP 301 SPF, is also in need of replacement. Public Works purchased their copier back in 2014. Staff solicited quotes from five companies and recommended the purchase of two (2) Konica Minolta bizhub copiers from Impact Networking in an amount not to exceed \$15,510. The committee unanimously recommended approval of a resolution authorizing the purchase two (2) Konica Minolta bizhub copiers from Impact Networking in an amount not to exceed \$15,510

**MINUTES – May 3, 2021** - The Committee unanimously approved the minutes.

**Adjournment** - The meeting adjourned at 6:47 pm.

Approved:

Mary Sullivan, Chairwoman \_\_\_\_\_

Ted Schauer, Member \_\_\_\_\_

Lester Vaughan, Member \_\_\_\_\_

**City of Darien**  
**Minutes of the Administrative/Finance Committee**  
**August 2, 2021**

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The Meeting was called to order by Chairwoman/Alderwoman Sullivan at 6:35 pm. Committee members Aldermen Schauer and Vaughan were present. City Administrator Vana and Treasurer Coren were also present.

**Janitorial Services**

Staff advised that Clean Slate informed the City that they would be unable to renew their contract for the fourth and final year of the optional bid from 2018. Staff posted the RFP, conducted a pre-proposal meeting with 8 companies in attendance, and received proposals from 6 of the companies. Best Quality submitted the lowest bid for \$1,985.00 per month; Best Quality was the city’s cleaning service prior to Clean Slate. Staff had concerns with Best Quality’s performance. The second lowest bid, Eco Clean Maintenance, is roughly 6.2% higher or \$2,108.00 per month. References provided by Eco Clean Maintenance have been verified. Additionally, bids included an optional 3-year extension pending first year performance. The committee unanimously recommended approval of a resolution authorizing the Mayor to sign an agreement with Eco Clean Maintenance to provide janitorial services for the City of Darien.

**MINUTES – June 7, 2021** - The Committee unanimously approved the minutes.

**Adjournment** - The meeting adjourned at 6:54 pm.

Approved:

Mary Sullivan, Chairwoman \_\_\_\_\_

Ted Schauer, Member \_\_\_\_\_

Lester Vaughan, Member \_\_\_\_\_