

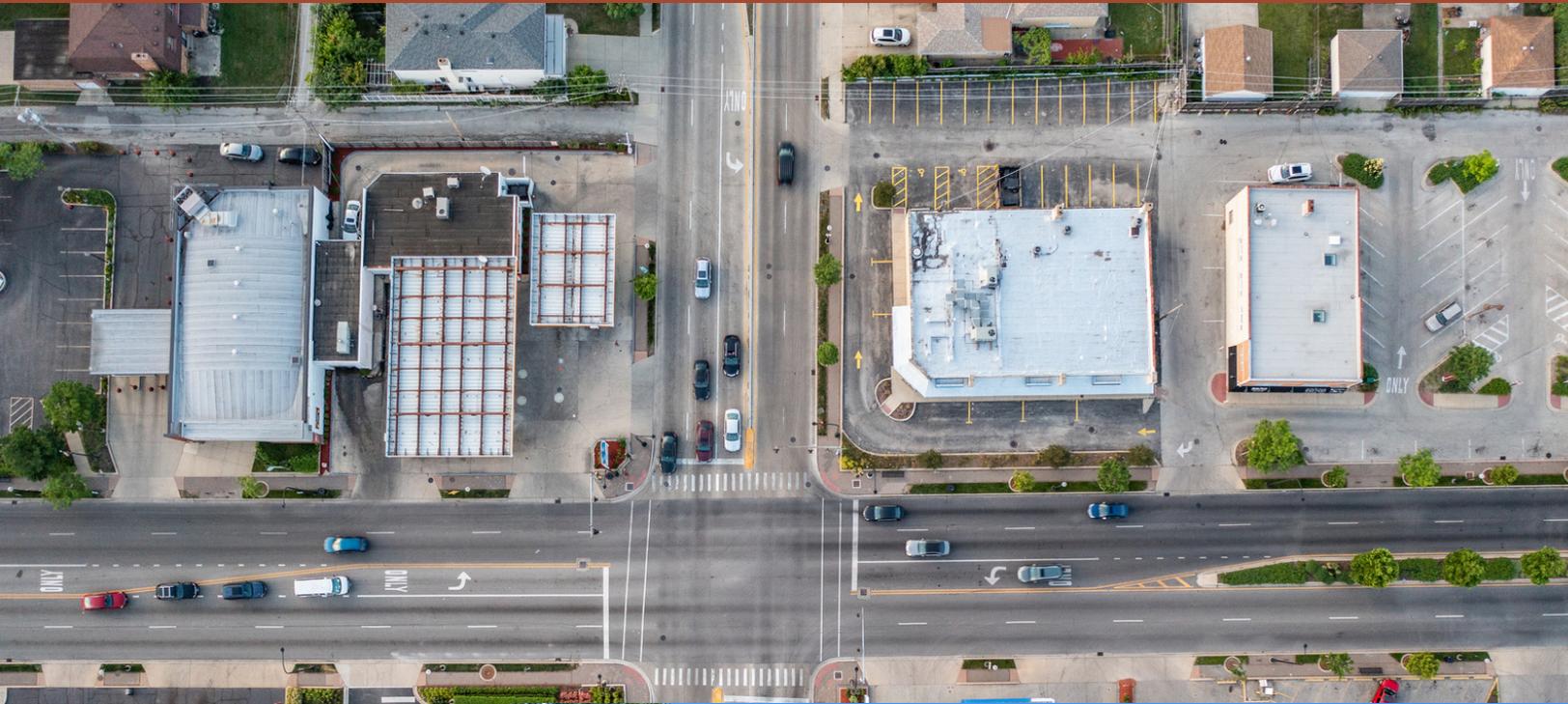


Popular Annual Financial Report

Village of Lincolnwood

Stub Year Ended December 31, 2023

About the PAFR



The Village's Popular Annual Financial Report (PAFR) summarizes Stub Year 2023 audited financials. The PAFR is intended to provide selected information on the Village's financial condition in a summarized, easily understandable format. This PAFR is based on the Annual Comprehensive Financial Report which is a more detailed report containing annually audited financial information pertaining to the Village.

The information contained within this report will highlight only the most significant funds of the Village of Lincolnwood. For a more in-depth look at the Village's current financial position, please see the Annual Comprehensive Financial Report at our website.



About Lincolnwood



Lincolnwood is governed as a Home Rule community under Illinois law and operates under the Mayor/Trustee form of government with a full time Village Manager appointed by the Mayor and Board of Trustees. Under Home Rule powers, the Village is permitted to carry out its own governing procedures except where it is specifically prohibited by the State legislature. The Village Manager is the chief administrative officer who oversees the day-to-day operations of the Village. The Village currently has 100 full-time employees and seven part-time employees who work in the seven departments that combine to form the Village government. Each of these departments is coordinated by a Department Director who reports directly to the Village Manager.

ELECTED OFFICIALS

Village President
Jesal B. Patel Sr.

Trustee
Chris Martel

Trustee
Grace Diaz-Herrera

Trustee
Neal Gussis

Trustee
Jean Ikezoe-Halevi

Trustee
Atour Sargon

Trustee
Craig Klatzco

Village Clerk
Sokol Delisi



Statistics, Demographics, and Government Information

Population (2020 Census): 13,463

County: Cook

Type of Government: Mayor/Trustee with a full-time Manager

Special Financing Techniques: Tax Increment Financing

Number of Village Employees: 380

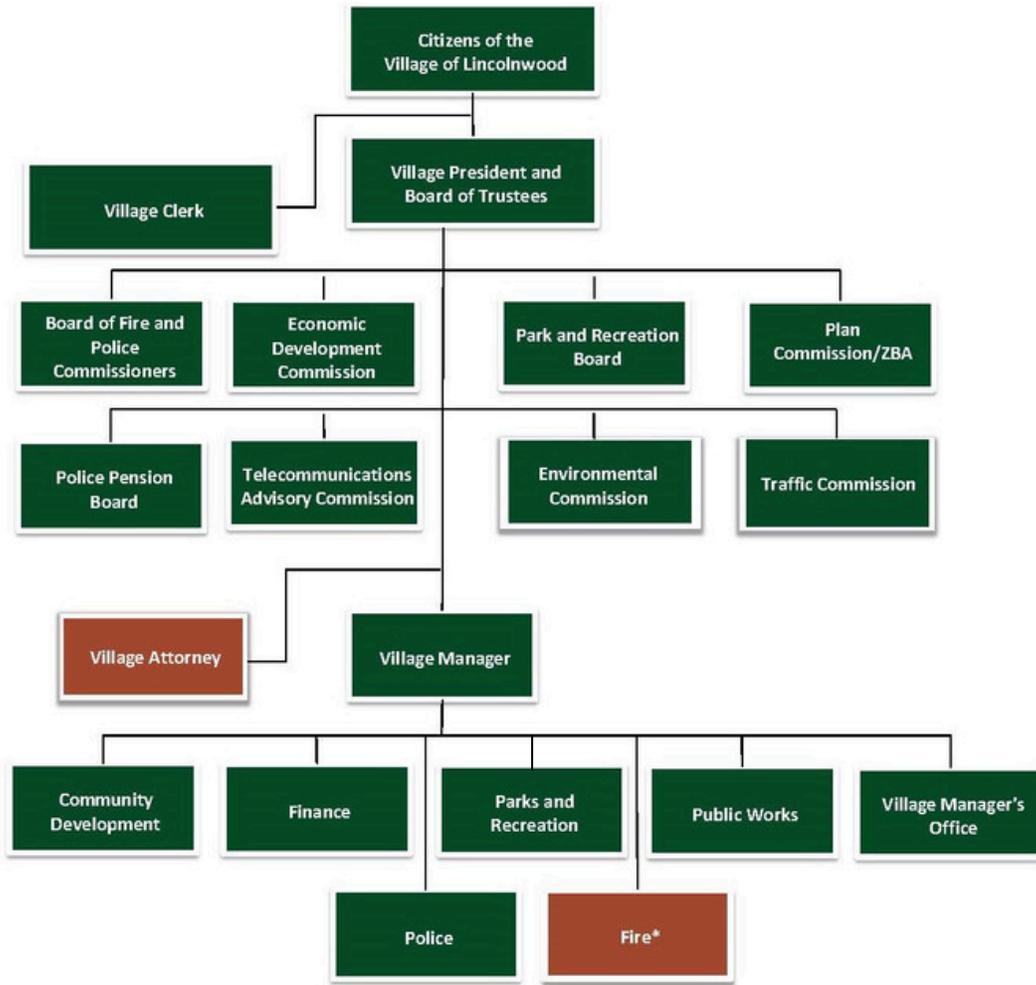
Police: 35 full-time sworn officers

Fire: 29 full-time, 12 vehicles

Public Works: 28.5 full-time equivalent

About the Organization

How is the Village of Lincolnwood's Government Organized?



Contracted
 *2.0 FTE and Contracted

Senior Management

Village Manager
Anne Marie Gaura

Assistant Village Manager
Madeline Farrell

Community Development Director
Patrick Ainsworth

Finance Director/Treasurer
Elizabeth Holleb

Fire Chief
Barry Liss

Parks and Recreation Director
Karen Hawk

Police Chief
Jay Parrott

Public Works Director
John Welch



Statement of Net Position



The Statement of Net Position provides a picture of the Village's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Village's financial position is improving or deteriorating. Listed below is the Village of Lincolnwood's Statement of Net Position as of Stub Year December 31, 2023.

Statement of Net Position
December 31, 2023

	Governmental Activities		Business-Type Activities		Total	
	4/30/23	12/31/23	4/30/23	12/31/23	4/30/23	12/31/23
Current and Other Assets	42,307,154	47,350,416	7,414,462	7,945,004	49,721,616	55,295,420
Capital Assets	53,189,603	56,202,536	21,705,927	21,177,394	74,895,530	77,379,930
Other Assets	157,681	157,681	-	-	157,681	157,681
Total Assets	95,654,438	103,710,633	29,120,389	29,122,398	124,774,827	132,833,031
Deferred Outflows	7,435,166	5,681,359	298,800	312,039	7,733,966	5,993,398
Total Assets/Deferred Outflows	103,089,604	109,391,992	29,419,189	29,434,437	132,508,793	138,826,429
Current Liabilities	7,373,090	8,139,119	379,740	1,204,402	7,752,830	9,343,521
Long-Term Liabilities	69,483,206	70,868,083	18,251,676	17,083,093	87,734,882	87,951,176
Total Liabilities	76,856,296	79,007,202	18,631,416	18,287,495	95,487,712	97,294,697
Deferred Inflows	5,644,127	8,735,376	4,498	4,498	5,648,625	8,739,874
Total Liabilities/Deferred Inflows	82,500,423	87,742,578	18,635,914	18,291,993	101,136,337	106,034,571
Net Position						
Net Investment in Capital Assets	30,288,532	28,871,054	6,542,515	4,037,725	36,831,047	32,908,779
Restricted	5,167,129	9,756,070	-	-	5,167,129	9,756,070
Unrestricted (Deficit)	(14,866,480)	(16,977,710)	4,240,760	7,104,719	(10,625,720)	(9,872,991)
Total Net Position	\$ 20,589,181	\$ 21,649,414	\$ 10,783,275	\$ 11,142,444	\$ 31,372,456	\$ 32,791,858

Net position related to governmental activities increased by \$1,060,233 or 5.15% from prior year's net position. Net position related to business-type activities increased by \$359,169 or 3.33% from prior year's net position. Total net position increased by \$1,419,402 or 4.52%. For more detailed information, see the Statement of Net Position on page 5-6 of the Annual Comprehensive Financial Report.

General Fund Overview

Schedule of Revenues and Expenditures

Revenues	Budget	Actual
Taxes and Fees	\$8,296,227	\$7,332,426
Services and Permits	\$3,304,174	\$5,179,209
Intergovernmental	\$6,782,948	\$6,747,383
Other	\$503,634	\$1,180,018
Total Revenues	\$18,886,983	\$20,439,036
Expenditures		
Operations	\$22,819,410	\$17,252,463
Capital Outlay	\$2,771,371	\$1,477,271
Debt Service Payments	\$0	\$19,225
Total Expenditures	\$25,590,781	\$18,748,959
Excess of Revenues	-\$6,703,798	\$1,690,077

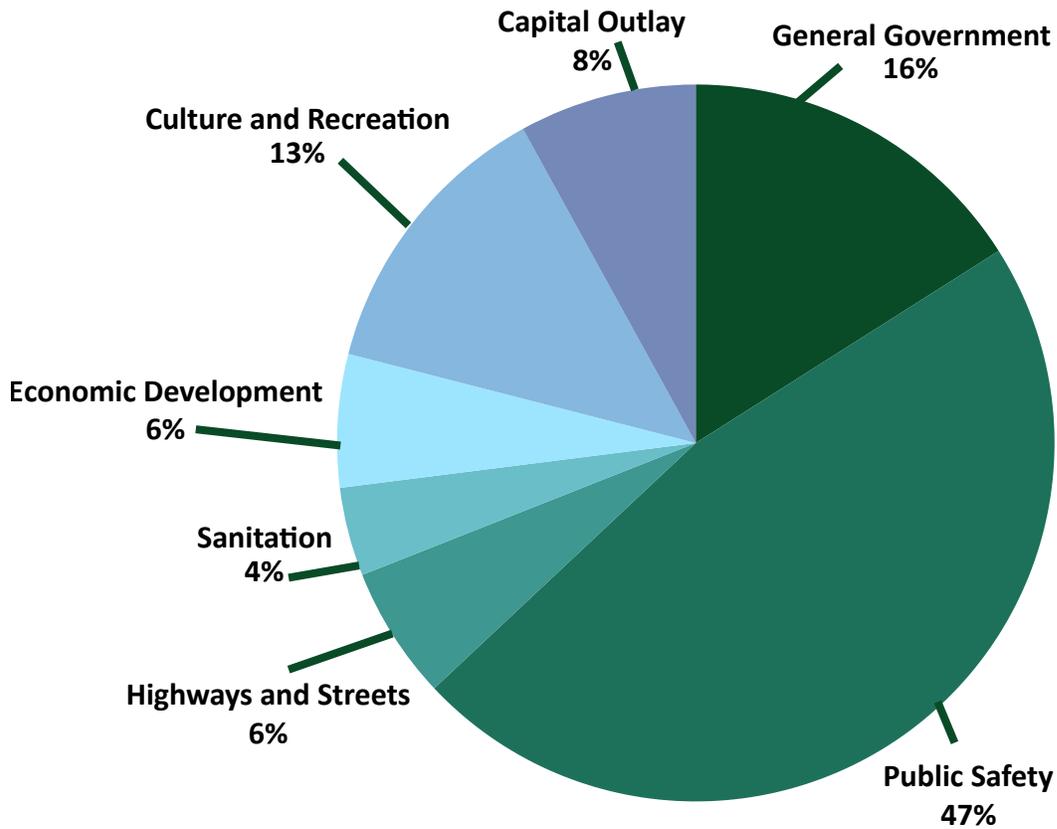
The General Fund is the Village's primary operating fund. It accounts for all financial resources related to the Village's operations except those accounted for in other funds.

The table with revenue and expenditure amounts reflects the Stub Year 2023 budget to actual results for the General Fund at December 31, 2023. The pie charts depict the classification of each share of these revenues and expenditures on the next page.

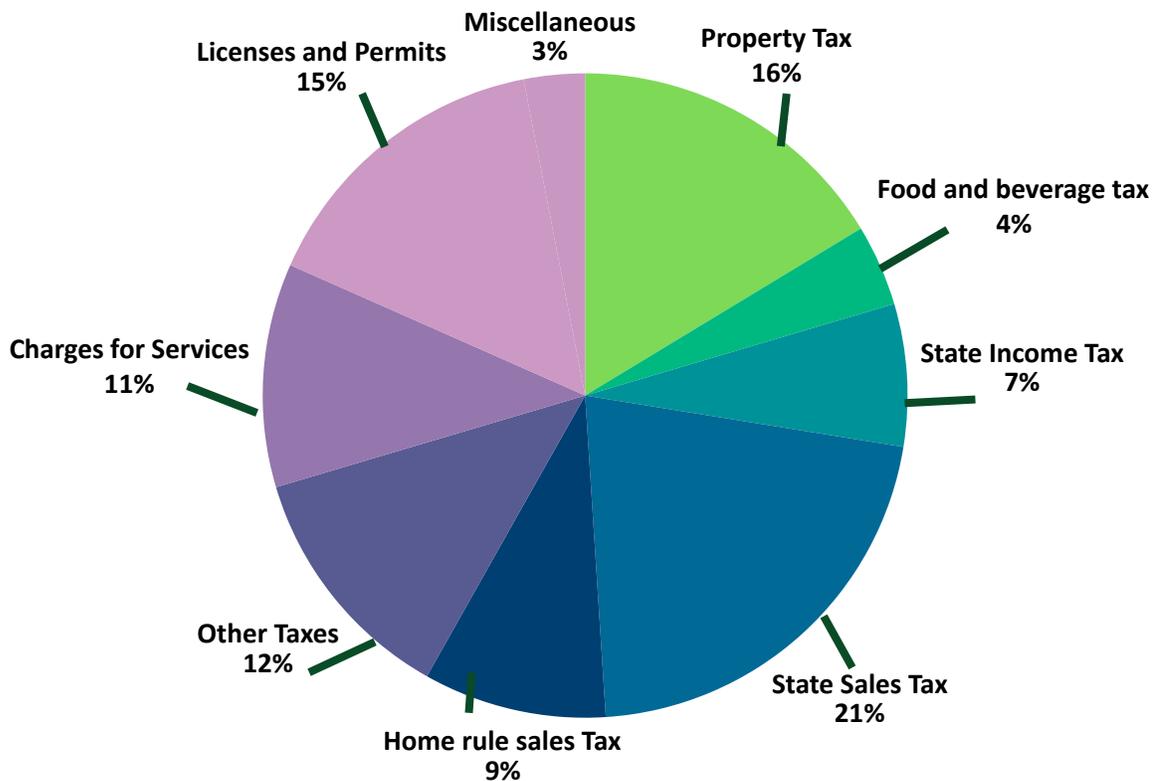


General Fund Breakdown

General Fund Expenditures



General Fund Revenues



Major Revenue Sources

Several factors impact the local finances of the Village. The Village is impacted by regional, state, and national economic conditions as well as the governance of the State of Illinois. Economic conditions beyond the Village's control affect several important revenue sources. These sources include sales tax, income tax, motor fuel tax, utility tax and building permit fees. The State of Illinois may also impact revenues through legislative changes (i.e. a formula for shared income tax, etc.) and by adjusting the timeliness of payments due to the Village. Below are four major sources of revenue for the Village of Lincolnwood.

Property Tax

The collection of property taxes, one of the Village's largest revenue sources, has been consistent. A portion of payments were delayed in the latter half of the year due to the County's extension of the payment due date, resulting in a variance to budget due to timing. Collections for the 2023 levy total \$6,649,106, an increase over the collections of \$6,432,792 for the prior year.



Sales Tax

Sales tax revenue totaled \$6,200,464 for the eight months ending December 31, 2023, exceeding the budget of \$6,026,602. Calendar year 2023 sales tax collections were \$672,086 less than calendar year 2022, a 6.4% decrease.



Food and Beverage Tax

The Village enacted a Food and Beverage tax in Fiscal Year 2009. This tax is levied on the purchase of food and beverage items prepared for immediate consumption. Tax is assessed at 2.00%. Food and Beverage taxes received were \$725,399 which is \$284,601 less than budget.



Income Tax

State income tax is another significant revenue source and is very susceptible to changes in legislative and economic factors. State income tax revenues were \$1,445,626, which was \$89,673 over budget.



Property Tax

One of the Village's primary sources of revenue is property taxes. This tax is used to support day-to-day operations, fund public safety pensions, and repay previously committed debts.

Where do your property taxes go?

School District #219 &
District #74
72.97%

Lincolnwood
Public Library
4.5%

Cook County
5.82%

Oakton
College
2.52%



Metro Water
Reclamation District
4.26%

Other
Taxes
0.71%

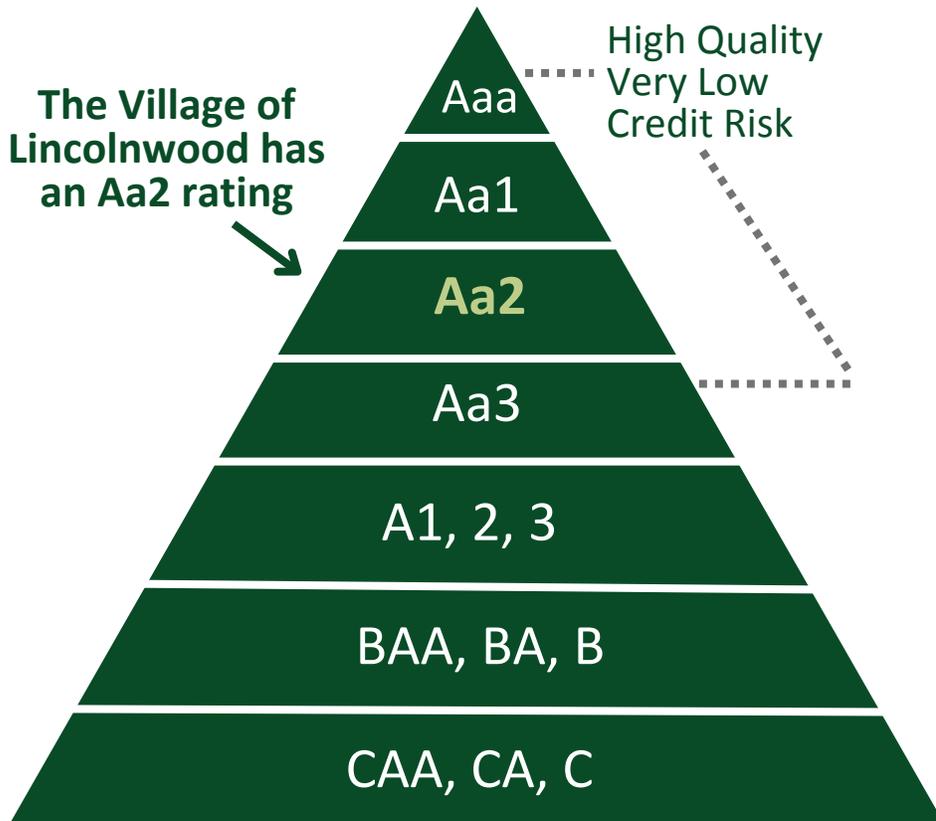
For every dollar of property tax that is collected, the Village of Lincolnwood receives less than 10 cents.



Village Financial Policy on Property Tax

Although the Village is not restricted in its annual tax levy, the Village Board has a self-imposed cap on the annual increase in the property tax levy. The Village may not increase, the annual property tax levy in excess of the Cook County CPI rate increase applicable as of the prior December, except as the Board determines to be necessary in order to satisfy the Village's pension payment obligations. This will limit the Village's dependence on a single source of revenue and prevent property owners from being overburdened by spikes in the tax rate.

Bond Rating



Moody's Investors Service Ratings

Moody's Investors Service has assigned an Aa2 rating to the Village's outstanding municipal bond issues.

The Village has taken advantage of this rating to refinance its outstanding debt for better interest rates and pay off debt early to save on future interest costs.

Moody's investor service ratings are opinions of the relative credit risk of fixed income obligations with an original maturity of one year or more. They address the possibility that a financial obligation will not be honored as promised. Such ratings reflect both the likelihood of default and any financial loss suffered in the event of default.

Key Terms

Deferred Inflow of Resources

An acquisition of net assets by the government that is applicable to a future reporting period. For example, advance collections (revenues collected before a service was rendered).

Deferred Outflow of Resources

A consumption of net assets by the government that is applicable to a future reporting period. For example, prepaid items (expenses paid before a service was rendered).

Equalized Assessed Value (EAV)

The product of the assessed value of your property (both land and improvements) and the State equalization factor which is set by the Illinois Department of Revenue.

Net Assets

The difference between an entity's assets and its liabilities.

Net Investment in Capital Assets

Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Net Position

The difference between an entity's assets plus deferred outflows of resources and its liabilities plus deferred inflows of resources represents its net position. Net position has the following three components: net investment in capital assets; restricted net position; and unassigned net position.

Restricted Net Position

Net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Tax Abatement

A reduction of taxes granted by a government to encourage economic development.

Tax Increment Financing (TIF)

A public financing method used by municipal governments to stimulate economic development in a targeted geographical area by utilizing future tax revenues to pay for necessary public improvements.

