



Eder, Casella & Co.
815.344.1300
www.edercasella.com

**GLENBROOK SANITARY DISTRICT
COOK COUNTY, ILLINOIS**

COMPILED FINANCIAL STATEMENTS

JUNE 30, 2022

eder, casella & co

GLENBROOK SANITARY DISTRICT
TABLE OF CONTENTS
JUNE 30, 2022

	PAGE
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	1
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	2
Statement of Activities	3
Fund Financial Statements	
Balance Sheet – Governmental Funds	4
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	5
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	6
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	7
Statement of Net Position – Proprietary Funds	8
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	9
Statement of Cash Flows – Proprietary Funds	10
Notes to Financial Statements	11
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Appropriation and Actual – General Fund – Sewer Fund	19
Notes to Required Supplementary Information	20
SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Appropriation and Actual – Capital Improvement Fund	21
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Appropriation and Actual - Water Fund	22

GLENBROOK SANITARY DISTRICT
TABLE OF CONTENTS
JUNE 30, 2022

	PAGE
SUPPLEMENTARY INFORMATION (Continued)	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Appropriation and Actual – Sewer, Capital Improvement, and Water Funds	23
Schedule of Expenditures – Appropriation and Actual – Sewer Fund	24
Schedule of Expenditures – Appropriation and Actual – Capital Improvement Fund	25
Schedule of Expenditures – Appropriation and Actual – Water Fund	26
Schedule of Expenditures – Appropriation and Actual – Sewer, Capital Improvement, and Water Funds	27



Eder, Casella & Co.
815.344.1300
www.edercasella.com

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Trustees
Glenbrook Sanitary District
Glenview, Illinois

Management is responsible for the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of

GLENBROOK SANITARY DISTRICT (a local government)

as of and for the year ended June 30, 2022 and 2021, which collectively comprise the District's basic financial statements as listed in the table of contents, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed the compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 10 to the financial statements, Glenbrook Sanitary District implemented GASB Statement No. 87, *Leases*.

Accounting principles generally accepted in the United States of America require that the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Appropriation and Actual – General Fund – Sewer Fund be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statement, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The required supplementary information was subject to our compilation engagement. We have not audited or reviewed the required supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Supplementary Information

The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such information.

Eder, Casella & Co.

EDER, CASELLA & CO.
Certified Public Accountants

McHenry, Illinois
December 20, 2022

eder,
casella
&
co

BASIC FINANCIAL STATEMENTS

GLENBROOK SANITARY DISTRICT
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 694,337	\$ 10,382	\$ 704,719
Prepaid Items	1,669	1,669	3,338
Interest Receivable (Net of allowance of \$0)	54	-	54
Water/Sewer Usage Receivable (Net of allowance of \$0)	10,612	42,446	53,058
Property Tax Receivable (Net of allowance of \$0)	58,072	-	58,072
Other Capital Assets, Net of Depreciation	-	435,609	435,609
Total Assets	\$ 764,744	\$ 490,106	\$ 1,254,850
LIABILITIES			
Accounts Payable	\$ 3,620	\$ 18,308	\$ 21,928
Payroll Liabilities	631	631	1,262
Total Liabilities	\$ 4,251	\$ 18,939	\$ 23,190
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue - Subsequent Year	\$ 58,072	\$ -	\$ 58,072
Total Deferred Inflows of Resources	\$ 58,072	\$ -	\$ 58,072
NET POSITION			
Investment in Capital Assets	\$ -	\$ 435,609	\$ 435,609
Unrestricted / (Deficit)	702,421	35,558	737,979
Total Net Position	\$ 702,421	\$ 471,167	\$ 1,173,588

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Governmental Activities	Business-Type Activities	
Functions/Programs					
Governmental Activities					
Capital Improvement	\$ 2,496	\$ -	\$ (2,496)	\$ -	\$ (2,496)
Sewer	68,613	55,709	(12,904)	-	(12,904)
Total Governmental Activities	<u>\$ 71,109</u>	<u>\$ 55,709</u>	<u>\$ (15,400)</u>	<u>\$ -</u>	<u>\$ (15,400)</u>
Business-Type Activities					
Water	\$ 264,435	\$ 212,351	\$ -	\$ (52,084)	\$ (52,084)
Total Business-Type Activities	<u>\$ 264,435</u>	<u>\$ 212,351</u>	<u>\$ -</u>	<u>\$ (52,084)</u>	<u>\$ (52,084)</u>
Total Primary Government	<u>\$ 335,544</u>	<u>\$ 268,060</u>	<u>\$ (15,400)</u>	<u>\$ (52,084)</u>	<u>\$ (67,484)</u>
General Revenues					
Taxes					
Property Taxes			\$ 72,077	\$ -	\$ 72,077
Personal Property Replacement Taxes			884	-	884
Unrestricted Investment Earnings			881	881	1,762
Transfers			(53,620)	53,620	-
Total General Revenues and Transfers			<u>\$ 20,222</u>	<u>\$ 54,501</u>	<u>\$ 74,723</u>
Change in Net Position			\$ 4,822	\$ 2,417	\$ 7,239
Net Position - Beginning of Year			<u>697,599</u>	<u>468,750</u>	<u>1,166,349</u>
Net Position - End of Year			<u>\$ 702,421</u>	<u>\$ 471,167</u>	<u>\$ 1,173,588</u>

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
 FUND FINANCIAL STATEMENTS
 BALANCE SHEET - GOVERNMENTAL FUNDS
 AS OF JUNE 30, 2022 WITH COMPARATIVE TOTALS FOR 2021

	2022			2021
	General Fund	Capital Improvement Fund	Total Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 595,688	\$ 98,649	\$ 694,337	\$ 812,110
Prepaid Items	1,669	-	1,669	1,213
Interest Receivable (Net of allowance of \$0)	54	-	54	54
Property Tax Receivable (Net of allowance of \$0)	58,072	-	58,072	14,858
Sewer Usage Receivable (Net of allowance of \$0)	10,612	-	10,612	10,599
TOTAL ASSETS	<u>\$ 666,095</u>	<u>\$ 98,649</u>	<u>\$ 764,744</u>	<u>\$ 838,834</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 3,620	\$ -	\$ 3,620	\$ 8,827
Payroll Liabilities	631	-	631	622
Interfund Payable	-	-	-	85,375
Due To Water Fund	-	-	-	31,553
Total Liabilities	<u>\$ 4,251</u>	<u>\$ -</u>	<u>\$ 4,251</u>	<u>\$ 126,377</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue - Subsequent Year	\$ 58,072	\$ -	\$ 58,072	\$ 14,858
Total Deferred Inflows of Resources	<u>\$ 58,072</u>	<u>\$ -</u>	<u>\$ 58,072</u>	<u>\$ 14,858</u>
FUND BALANCE				
Unassigned	\$ 603,772	\$ 98,649	\$ 702,421	\$ 697,599
Total Fund Balance	<u>\$ 603,772</u>	<u>\$ 98,649</u>	<u>\$ 702,421</u>	<u>\$ 697,599</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 666,095</u>	<u>\$ 98,649</u>	<u>\$ 764,744</u>	<u>\$ 838,834</u>

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2022

Total Fund Balances - Governmental Funds	<u>\$ 702,421</u>
Net Position of Governmental Activities	<u><u>\$ 702,421</u></u>

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCES - GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2022 WITH COMPARATIVE TOTALS FOR 2021

	2022			2021
	General Fund	Capital Improvement Fund	Total Governmental Funds	Total Governmental Funds
REVENUES				
Local Taxes				
Property Taxes	\$ 72,077	\$ -	\$ 72,077	\$ 97,596
Intergovernmental				
Personal Property Replacement Taxes	884	-	884	203
Other Local Sources				
Interest	881	-	881	1,511
Charges for Services	53,809	-	53,809	51,151
Permit Fees	1,900	-	1,900	1,900
Miscellaneous	-	-	-	142
Total Revenues	\$ 129,551	\$ -	\$ 129,551	\$ 152,503
EXPENDITURES				
CURRENT				
Bank Charges	\$ 7	\$ -	\$ 7	\$ 5
Billing Service	9,329	-	9,329	10,466
Capital Improvements	-	2,496	2,496	8,333
Legal Fees	1,039	-	1,039	660
Legal Notices	305	-	305	105
Liability Insurance	4,054	-	4,054	5,120
Miscellaneous	574	-	574	134
Office Supplies and Expense	869	-	869	1,083
Outside Services Engineering Fees	1,450	-	1,450	725
Payroll Taxes	1,255	-	1,255	1,285
Postage	345	-	345	544
Professional Fees	3,138	-	3,138	3,123
Repairs and Maintenance	20,917	-	20,917	443
Salaries	16,131	-	16,131	16,806
Trustee Fees	7,500	-	7,500	7,500
Web and Computer	1,700	-	1,700	782
Total Expenditures	\$ 68,613	\$ 2,496	\$ 71,109	\$ 57,114
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 60,938	\$ (2,496)	\$ 58,442	\$ 95,389
OTHER FINANCING SOURCES/(USES)				
Transfers	-	(53,620)	(53,620)	-
NET CHANGE IN FUND BALANCES	\$ 60,938	\$ (56,116)	\$ 4,822	\$ 95,389
FUND BALANCE - BEGINNING	617,834	79,765	697,599	602,210
FUND BALANCE ADJUSTMENTS (Note 11)	(75,000)	75,000	-	-
FUND BALANCE - ENDING	\$ 603,772	\$ 98,649	\$ 702,421	\$ 697,599

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
FUND FINANCIAL STATEMENTS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 4,822</u>
Change in Net Position of Governmental Activities	<u><u>\$ 4,822</u></u>

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
 FUND FINANCIAL STATEMENTS
 STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2022 AND 2021

	Enterprise Fund - Water Fund	
	2022	2021
ASSETS		
Current Assets		
Cash	\$ 10,382	\$ 31,553
Prepaid Items	1,669	1,213
Water Usage Receivable (Net of allowance of \$0)	42,446	42,396
	\$ 54,497	\$ 75,162
Non-Current Assets		
Capital Assets		
Infrastructure	\$ 1,929,809	\$ 1,867,049
Less: Accumulated Depreciation	(1,494,200)	(1,447,955)
	\$ 435,609	\$ 419,094
Total Assets	\$ 490,106	\$ 494,256
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 18,308	\$ 24,884
Payroll Liabilities	631	622
	\$ 18,939	\$ 25,506
Non-Current Liabilities	\$ -	\$ -
Total Liabilities	\$ 18,939	\$ 25,506
NET POSITION		
Investment in Capital Assets	\$ 435,609	\$ 419,094
Unrestricted / (Deficit)	35,558	49,656
	\$ 471,167	\$ 468,750
Total Net Position	\$ 471,167	\$ 468,750

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
 FUND FINANCIAL STATEMENTS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 YEARS ENDED JUNE 30, 2022 AND 2021

	Enterprise Fund - Water Fund	
	2022	2021
OPERATING REVENUES		
Charges for Services		
Water Sales	\$ 211,251	\$ 223,457
Inspection and Permit Fees	1,100	500
Total Operating Revenues	\$ 212,351	\$ 223,957
OPERATING EXPENSES		
Water Department		
Answering Service and Phone	\$ 810	\$ 631
Bank Charges	8	5
Billing Service	9,334	9,320
Depreciation	46,245	44,676
Engineering Expense	1,471	8,677
Legal Fees	1,344	765
Liability Insurance	3,675	4,990
Miscellaneous	2,446	1,588
Officers Bond	304	134
Payroll Taxes	1,284	1,285
Postage	345	391
Professional Fees	3,138	3,123
Repairs and Maintenance	16,681	15,772
Salaries	16,131	16,805
Trustee Fees	7,500	7,500
Water Purchases	144,324	151,483
Water Testing	9,016	9,294
Workers Compensation Insurance	379	130
Total Operating Expenses	\$ 264,435	\$ 276,569
OPERATING INCOME/(LOSS)	\$ (52,084)	\$ (52,612)
NON-OPERATING REVENUE/(EXPENSE)		
Interest Income	\$ 881	\$ 1,512
Personal Property Replacement Taxes	-	203
Miscellaneous Income	-	142
Total Non-Operating Revenue/(Expense)	\$ 881	\$ 1,857
TRANSFERS (TO)/FROM OTHER FUNDS	53,620	-
CHANGE IN NET POSITION	\$ 2,417	\$ (50,755)
NET POSITION - BEGINNING	468,750	519,505
NET POSITION - ENDING	\$ 471,167	\$ 468,750

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
 FUND FINANCIAL STATEMENTS
 STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEARS ENDED JUNE 30, 2022 AND 2021

	Enterprise Fund - Water Fund	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Water Customers	\$ 212,301	\$ 223,633
Other Income	-	345
Payments to Suppliers	(144,324)	(151,483)
Payments for Employees and Officers	(23,631)	(24,305)
Payments for Engineering, Billing, and Collection	(10,805)	(17,997)
Payments for Insurance	(4,054)	(5,120)
Payments for Repairs and Maintenance	(16,681)	(15,772)
Payments for Water Testing	(9,016)	(9,294)
Payments for Legal Fees	(1,344)	(765)
Other Expenses	(15,358)	2,037
Net Cash Provided/(Used) by Operating Activities	\$ (12,912)	\$ 1,279
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital Contributions	\$ 53,620	\$ -
Purchase of Fixed Assets	(62,760)	-
Net Cash Provided/(Used) by Capital and Related Financing Activities	\$ (9,140)	\$ -
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Cash and Cash Equivalents and Investments	\$ 881	\$ 1,512
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (21,171)	\$ 2,791
CASH AND CASH EQUIVALENTS BALANCE - Beginning of Year	31,553	28,762
CASH AND CASH EQUIVALENTS BALANCE - End of Year	\$ 10,382	\$ 31,553
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES		
Operating Income/(Loss)	\$ (52,084)	\$ (52,612)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation Expense	46,245	44,676
Other Income	-	345
Change in assets and liabilities:		
Receivables, Net	(50)	(324)
Prepaid Items	(456)	4,076
Accounts Payable	(6,576)	5,106
Payroll Liabilities	9	12
Net Cash Provided/(Used) by Operating Activities	\$ (12,912)	\$ 1,279

The Notes to Financial Statements are an integral part of this statement.

GLENBROOK SANITARY DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Glenbrook Sanitary District's (District) financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies used by the District are discussed below.

A. Reporting Entity

The accompanying financial statements comply with the provisions of GASB Statements, in that the financial statements include all organizations, activities, and functions that comprise the District. Component units are legally separate entities for which the District (the primary entity) is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on, the District. Using these criteria, the District has determined that they have no component units. In addition, the District is not included as a component unit in any other governmental reporting entity as defined by GASB pronouncements.

B. Basic Financial Statements – Government-Wide Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund (reporting the District's major funds) financial statements. Both the government-wide and fund financial statements categorize primary activities as governmental activities. The District's sewer services, and Capital Improvement Fund are classified as governmental activities. The District's water services are classified as a business-type activity.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis by column, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities. The District did not have any restricted net position at June 30, 2022.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions. The functions are also supported by general government revenues (property taxes, personal property replacement taxes, unrestricted investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government or sewer). Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The District did not receive any grants in fiscal year 2022.

The net costs (by function) are normally covered by general revenue (property taxes, personal property replacement taxes, unrestricted investment earnings, etc.) and charges for services (Sewer User Fees).

The District does not allocate indirect costs.

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

NOTES TO FINANCIAL STATEMENTS (Continued)

C. *Basic Financial Statements – Fund Financial Statements*

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

The following fund types are used by the District:

1. Governmental Funds

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

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

Capital Improvement Fund – The Capital Improvement Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital improvements.

2. Proprietary Fund

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

Enterprise Fund – The Enterprise Fund is used to account for operations for which a fee is charged to external users for goods or services.

The activities reported in these funds are reported as business-type activities in the government-wide financial statements.

D. *Basis of Accounting*

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

NOTES TO FINANCIAL STATEMENTS (Continued)

2. Modified Accrual

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. *Cash and Cash Equivalents and Investments*

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Fair value is determined by quoted market prices. Gains or losses on the sale of investments are recognized as they are incurred.

F. *Inventories*

It is the District's policy to charge all purchases of items for resale or supplies to expenditures when purchased. No inventory accounts are maintained to reflect the value of resale or supply items on hand.

G. *Receivables and Revenue Recognition*

All receivables are reported net of estimated uncollectible amounts.

H. *Prepaid Items*

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

I. *Capital Assets*

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The District has set capitalization thresholds for reporting capital assets at the following:

Structures	\$	3,000
Equipment		1,000
Improvements		5,000

Depreciation on all assets is provided on the straight-line (MACRS) basis over the following estimated useful lives:

Building and Improvements	15-40 years
Equipment	3-10 years
Sewer Improvements	15-50 years
Water Improvements	15-40 years

NOTES TO FINANCIAL STATEMENTS (Continued)

J. *Deferred Outflows and Inflows of Resources*

In addition to assets and liabilities, the Balance Sheets and Statements of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resource until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resource until that time.

K. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures in the year they are incurred.

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 debt service expenditures.

L. *Government-Wide and Proprietary Fund Net Position*

Government-wide and proprietary fund net positions are divided into three components:

1. Net Investment in Capital Assets – consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted Net Position – consists of net position that is restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
3. Unrestricted Net Position – all other net position is reported in this category.

M. *Governmental Fund Balances*

Governmental fund balances are divided between nonspendable and spendable.

Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact.

The spendable fund balances are arranged in a hierarchy based on spending constraints.

1. Restricted – Restricted fund balances are restricted when constraints are placed on the use by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) law through constitutional provisions or enabling legislation.
2. Committed – Committed fund balances are amounts that can only be used for specific purposes as a result of constraints of the Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of action (e.g. legislation, resolution, ordinance). Committed fund balances differ from restricted balances

NOTES TO FINANCIAL STATEMENTS (Continued)

because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

3. Assigned – Assigned fund balances are amounts that are constrained by the District’s intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by an appointed body (e.g. a budget or finance committee) or official to which the Board of Trustees has delegated the authority to assign, modify or rescind amounts to be used for specific purposes. The District has not delegated this authority to an appointed body or official.

Assigned fund balances also include (a) all remaining amounts that are reported in governmental funds (other than the General Fund) that are not classified as nonspendable, restricted or committed, and (b) amounts in the General Fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue fund are assigned for purposes in accordance with the nature of their fund type. Assignment within the General Fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purpose of the District itself. All assigned fund balances are the residual amounts of the fund.

4. Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents the General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance in the General Fund also includes amounts levied and/or borrowed for working cash.

The District permits funds to be expended in the following order: Restricted, Committed, Assigned and Unassigned.

N. *Property Tax Calendar and Revenues*

The District’s property tax is levied each calendar year on all taxable real property located in the District’s district on or before the last Tuesday in December. The 2021 levy was passed by the Board on December 2, 2021. Property taxes attach as an enforceable lien on property as of January 1 of the calendar year they are for and are payable in two installments early in March and August of the following calendar year. The District receives significant distributions of tax receipts on each due date and for about ninety days thereafter.

O. *Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits with financial institutions and mutual funds held are fully insured or collateralized by securities held in the District’s name.

The District is allowed to invest in securities as authorized by the Illinois Compiled Statutes, Chapter 30, Act 235/Articles 2 and 6.

Investments

As of June 30, 2022, the District had investments of \$1,510 in the State Investment Pool. The fair value of investments in the State Investment Pool is the same as the value of pool shares. The State Investment Pool is not SEC-registered but does have regulatory oversight through the State of Illinois.

NOTES TO FINANCIAL STATEMENTS (Continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a policy that all deposits and investments in excess of any insurance shall be collateralized by pledged securities and the market value of the pledged securities shall equal or exceed the portion of deposit requiring collateralization.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair losses arising from increasing interest rates.

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance July 1, 2021	Increases	Decreases	Balance June 30, 2022
Governmental Activities:				
Other Capital Assets:				
Sewer Improvements	\$ 384,806	\$ -	\$ -	\$ 384,806
Total Other Capital Assets at Historical Cost	<u>\$ 384,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,806</u>
Less Accumulated Depreciation for:				
Sewer Improvements	\$ 384,806	\$ -	\$ -	\$ 384,806
Total Accumulated Depreciation	<u>\$ 384,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,806</u>
Other Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Governmental Activities Capital Assets, Net	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Business-Type Activities:				
Other Capital Assets:				
Water Improvements	\$ 1,867,049	\$ 62,760	\$ -	\$ 1,929,809
Total Other Capital Assets at Historical Cost	<u>\$ 1,867,049</u>	<u>\$ 62,760</u>	<u>\$ -</u>	<u>\$ 1,929,809</u>
Less Accumulated Depreciation for:				
Water Improvements	\$ 1,447,955	\$ 46,245	\$ -	\$ 1,494,200
Total Accumulated Depreciation	<u>\$ 1,447,955</u>	<u>\$ 46,245</u>	<u>\$ -</u>	<u>\$ 1,494,200</u>
Other Capital Assets, Net	<u>\$ 419,093</u>	<u>\$ 16,515</u>	<u>\$ -</u>	<u>\$ 435,609</u>
Business-Type Activities Capital Assets, Net	<u><u>\$ 419,093</u></u>	<u><u>\$ 16,515</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 435,609</u></u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
Sewer	\$ -
Total Governmental Activities Depreciation Expense	<u><u>\$ -</u></u>
Business-Type Activities	
Water	\$ 46,245
Total Business-Type Activities Depreciation Expense	<u><u>\$ 46,245</u></u>

NOTE 4 - DEFICIT FUND BALANCE

No fund balances had a deficit as of June 30, 2022.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - PROPERTY TAXES

Property taxes receivable and unavailable revenue recorded in these financial statements, in the amount of \$58,072, are from the uncollected portion of the 2021 tax levy. These taxes are unavailable as they are not collected before the end of the fiscal year and the District does not consider the amounts to be available and does not budget for their use in fiscal year 2022.

The District has determined that the amounts collected for the 2021, 2020 and prior levies are allocable for use in fiscal year 2022. Therefore, the amounts collected for the 2021 levy (\$32,453) and 2020 and prior levies (\$39,963) are recorded in these financial statements as property taxes revenue. A summary of the assessed valuations, rates, and extensions for the years 2021, 2020, and 2019 follows:

Tax Year	2021		2020		2019	
Assessed Valuation	187,207,362*		\$187,207,362		\$200,207,122	
	Rate	Extension	Rate	Extension	Rate	Extension
Corporate	0.0489	\$ 90,525	0.0489	\$ 91,732	0.0458	\$ 91,622
	0.0489	\$ 90,525	0.0489	\$ 91,732	0.0458	\$ 91,622

*The most recent available equalized assessed valuation (EAV) and rates for the district were not available at the time of the report due to Cook County not yet approving and releasing this information. The EAV and rate above are the same as 2020 as that is the most recent information available.

NOTE 6 - EXCESS OF EXPENDITURES OVER BUDGET

For the year ended June 30, 2022 the Water Fund had expenditures that exceeded the budget by \$5,935 primarily due to the District not budgeting for depreciation expense.

Fund	Appropriations	Actual	Excess of Actual Over Appropriations
Water	\$ 258,500	\$ 264,435	\$ 5,935

NOTE 7 - INTERFUND TRANSFER

For the year ended June 30, 2022 there was a transfer of \$53,620 between the Capital Improvement Fund and Water Fund. The purpose of this transfer was to account for capital water system expenses paid out of the Capital Improvement Fund that were capitalized in the Water Fund.

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance to handle these risks of loss. During fiscal year 2022 there was no significant reduction in insurance coverage for any category. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past four fiscal years.

The District is insured under a retrospectively-rated policy for workers' compensation coverage. Whereas, the initial premium may be adjusted based on actual experience. Adjustments in premiums are recorded when paid or received. During the year ended June 30, 2022, there were no significant adjustments in premiums based on actual experience.

NOTE 9 - CONTINGENCIES

The District is not aware of any pending litigation or potential nondisclosed liabilities that management believes would have a material adverse effect on the financial statements.

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLE

The District has implemented GASB Statement No. 87, *Leases*. This statement establishes financial reporting standards related to leases. Implementation of this standard resulted in recognizing the fair market value of the liability and asset at the commencement of the agreement. There have been no changes to the previously issued audited financial statements which would be required on a retrospective basis.

NOTE 11 - FUND BALANCE ADJUSTMENT

A fund balance adjustment was made in the current year to account for a transfer between funds that was approved in the prior year, but not recorded.

REQUIRED SUPPLEMENTARY INFORMATION

GLENBROOK SANITARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - APPROPRIATION AND ACTUAL
GENERAL FUND - SEWER FUND
YEAR ENDED JUNE 30, 2022

	Appropriation Amounts <u>Original and Final</u>	Actual Amounts	Variance
REVENUES			
Local Taxes			
Property Taxes	\$ 91,700	\$ 72,077	\$ (19,623)
Intergovernmental			
Personal Property Replacement Taxes	300	884	584
Other Local Sources			
Interest	500	881	381
Charges for Services	50,000	53,809	3,809
Permit Fees	-	1,900	1,900
Miscellaneous	2,200	-	(2,200)
Total Revenues	\$ 144,700	\$ 129,551	\$ (15,149)
EXPENDITURES			
CURRENT			
Sewer	\$ 109,500	\$ 68,613	\$ 40,887
Total Expenditures	\$ 109,500	\$ 68,613	\$ 40,887
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	\$ 35,200	\$ 60,938	\$ 25,738
OTHER FINANCING SOURCES/(USES)			
	-	-	-
NET CHANGE IN FUND BALANCE			
	\$ 35,200	\$ 60,938	\$ 25,738
FUND BALANCE - BEGINNING		617,834	
FUND BALANCE ADJUSTMENT - (Note 11)		(75,000)	
FUND BALANCE - ENDING		\$ 603,772	

See Accompanying Independent Accountant's Compilation Report

GLENBROOK SANITARY DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the sewer fund. All annual appropriations lapse at fiscal year-end.

The Board of Trustees follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) Annually, a proposed operating budget is prepared. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public meetings are conducted to obtain taxpayer comments.
- 3) The budget is legally enacted through a budget and appropriations ordinance.
- 4) The budget is amended in the same manner as its original enactment.
- 5) Expenditures legally may not exceed the total of appropriations and beginning fund balance at the fund level.

The budget was approved on September 2, 2021 and was not amended.

NOTE 2 - EXCESS OF EXPENDITURES OVER BUDGET

There was no fund listed in the required supplementary information that had expenditures over budget for the year ended June 30, 2022.

SUPPLEMENTARY INFORMATION

GLENBROOK SANITARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - APPROPRIATION AND ACTUAL
CAPITAL IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2022

	Appropriation Amounts <u>Original and Final</u>	Actual Amounts	Variance
REVENUES			
Total Revenues	\$ -	\$ -	\$ -
EXPENDITURES			
CURRENT			
Capital Improvements	\$ 380,000	\$ 2,496	\$ 377,504
Total Expenditures	\$ 380,000	\$ 2,496	\$ 377,504
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (380,000)	\$ (2,496)	\$ 377,504
OTHER FINANCING SOURCES/(USES)	-	53,620	-
NET CHANGE IN FUND BALANCE	<u>\$ (380,000)</u>	\$ (56,116)	<u>\$ 323,884</u>
FUND BALANCE - BEGINNING		79,765	
FUND BALANCE ADJUSTMENT - (Note 11)		<u>75,000</u>	
FUND BALANCE - ENDING		<u>\$ 98,649</u>	

See Accompanying Independent Accountant's Compilation Report

GLENBROOK SANITARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - APPROPRIATION AND ACTUAL
WATER FUND
YEAR ENDED JUNE 30, 2022

	<u>Appropriation Amounts</u>	<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original and Final</u>	<u> </u>	<u> </u>
REVENUES			
Charges for Services			
Water Sales	\$ 225,000	\$ 211,251	\$ (13,749)
Inspection and Permit Fees	2,200	1,100	(1,100)
Intergovernmental			
Personal Property Replacement Taxes	-	-	-
Other Local Sources			
Interest	500	881	381
Total Revenues	<u>\$ 227,700</u>	<u>\$ 213,232</u>	<u>\$ (14,468)</u>
EXPENDITURES			
CURRENT			
Water	<u>\$ 258,500</u>	<u>\$ 264,435</u>	<u>\$ (5,935)</u>
Total Expenditures	<u>\$ 258,500</u>	<u>\$ 264,435</u>	<u>\$ (5,935)</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (30,800)	\$ (51,203)	\$ (20,403)
OTHER FINANCING SOURCES/(USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (30,800)</u>	\$ 2,417	<u>\$ 33,217</u>
FUND BALANCE - BEGINNING		<u>468,750</u>	
FUND BALANCE - ENDING		<u>\$ 471,167</u>	

See Accompanying Independent Accountant's Compilation Report

GLENBROOK SANITARY DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - APPROPRIATION AND ACTUAL
SEWER, CAPITAL IMPROVEMENT, AND WATER FUNDS
YEAR ENDED JUNE 30, 2022

	Appropriation Amounts <u>Original and Final</u>	Actual Amounts	Variance
REVENUES			
Local Taxes			
Property Taxes	\$ 91,700	\$ 72,077	\$ (19,623)
Intergovernmental			
Personal Property Replacement Taxes	300	884	584
Other Local Sources			
Interest	1,000	1,762	762
Charges for Services	277,200	265,060	(12,140)
Permit Fees	-	1,900	1,900
Inspection and Permit Fees	-	1,100	1,100
Miscellaneous	2,200	-	(2,200)
Total Revenues	<u>\$ 372,400</u>	<u>\$ 342,783</u>	<u>\$ (29,617)</u>
EXPENDITURES			
CURRENT			
General Government			
Water	\$ 258,500	\$ 264,435	\$ 5,935
Sewer	109,500	68,613	(40,887)
Capital	380,000	2,496	(377,504)
Total Expenditures	<u>\$ 748,000</u>	<u>\$ 335,544</u>	<u>\$ (412,456)</u>
EXCESS OR (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (375,600)	\$ 7,239	\$ 382,839
OTHER FINANCING SOURCES/(USES)	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ (375,600)</u>	\$ 7,239	<u>\$ 382,839</u>
FUND BALANCE - BEGINNING		<u>1,166,349</u>	
FUND BALANCE - ENDING		<u>\$ 1,173,588</u>	

See Accompanying Independent Accountant's Compilation Report

GLENBROOK SANITARY DISTRICT
SCHEDULE OF EXPENDITURES - APPROPRIATION AND ACTUAL
SEWER FUND
YEAR ENDED JUNE 30, 2022

EXPENDITURES	Appropriation Amounts <u>Original and Final</u>	Actual Amounts	Variance
Bank Charges	\$ 100	\$ 7	\$ 93
Billing Service	12,000	9,329	2,671
Contingency	4,000	-	4,000
Legal Fees	2,500	1,039	1,461
Legal Notices	300	305	(5)
Liability Insurance	5,200	4,054	1,146
Miscellaneous	2,300	574	1,726
Office Supplies and Expense	1,100	869	231
Outside Services Engineering Fees	8,800	1,450	7,350
Payroll Taxes	1,400	1,255	145
Postage	500	345	155
Professional Fees	4,000	3,138	862
Repairs and Maintenance	36,000	20,917	15,083
Salaries	17,700	16,131	1,569
Trustee Fees	9,000	7,500	1,500
Web and Computer	4,600	1,700	2,900
Total Expenditures	<u>\$ 109,500</u>	<u>\$ 68,613</u>	<u>\$ 40,887</u>

See Accompanying Independent Accountant's Compilation Report

GLENBROOK SANITARY DISTRICT
 SCHEDULE OF EXPENDITURES - APPROPRIATION AND ACTUAL
 CAPITAL IMPROVEMENT FUND
 YEAR ENDED JUNE 30, 2022

	Appropriation Amounts	Actual Amounts	Variance
	<u>Original and Final</u>	<u> </u>	<u> </u>
EXPENDITURES			
Capital Improvements	\$ 350,000	\$ 2,496	\$ 347,504
Engineering	30,000	-	30,000
Total Expenditures	<u>\$ 380,000</u>	<u>\$ 2,496</u>	<u>\$ 377,504</u>

See Accompanying Independent Accountant's Compilation Report

GLENBROOK SANITARY DISTRICT
SCHEDULE OF EXPENDITURES - APPROPRIATION AND ACTUAL
WATER FUND
YEAR ENDED JUNE 30, 2022

	Appropriation Amounts	Actual Amounts	Variance
EXPENDITURES	<u>Original and Final</u>	<u> </u>	<u> </u>
Answering Service and Phone	\$ 700	\$ 810	\$ (110)
Bank Charges	100	8	92
Billing Service	12,000	9,334	2,666
Contingency	4,000	-	4,000
Depreciation	-	46,245	(46,245)
Engineering	9,100	1,471	7,629
Legal Fees	2,800	1,344	1,456
Liability Insurance	-	3,675	(3,675)
Miscellaneous	8,500	2,446	6,054
Officers Bond	-	304	(304)
Payroll Taxes	1,400	1,284	116
Postage	500	345	155
Professional Fees	4,000	3,138	862
Repairs and Maintenance	23,000	16,681	6,319
Salaries	17,700	16,131	1,569
Trustee Fees	9,000	7,500	1,500
Water Purchases	150,500	144,324	6,176
Water Testing	10,000	9,016	984
Workers Compensation Insurance	5,200	379	4,821
Total Expenditures	<u>\$ 258,500</u>	<u>\$ 264,435</u>	<u>\$ (5,935)</u>

See Accompanying Independent Accountant's Compilation Report

