

**VILLAGE OF ELMWOOD PARK, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

Year Ended April 30, 2015

VILLAGE OF ELMWOOD PARK, ILLINOIS  
ANNUAL FINANCIAL REPORT  
Year Ended April 30, 2015

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable President  
and Members of the Board of Trustees  
Village of Elmwood Park, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Elmwood Park, Illinois ("Village"), as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and 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. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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 entity'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 entity'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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2015, 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.

## **Emphasis of Matter**

As discussed in Note 8 to the financial statements, in June 2012, the GASB issued Statement 67, Financial Reporting for Pension Plans. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2015, with earlier application being encouraged. The Village's Police and Fire pension funds have implemented this statement for their fiscal year ended April 30, 2015. This Statement replaces the requirements of Statement No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans and Statement 50 as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. The Statement builds upon the existing framework for financial reports of defined benefit pension plans. Statement 67 enhances note disclosures and RSI for both defined benefit and defined contribution pension plans. Statement 67 also requires the presentation of new information about annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information, as listed on the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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. 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Report on Other Legal and Regulatory Requirements**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2016, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*Crowe Horwath LLP*

Crowe Horwath LLP

Oak Brook, Illinois  
March 29, 2016

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2015

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The Village of Elmwood Park (the "Village") Management's Discussion and Analysis ("MD&A") is designed to (1) help the reader to focus on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to meet the next and subsequent year program requirements), (4) identify any material deviations from the financial plan (the approved budget and appropriation ordinance), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the Village's financial statements.

**FINANCIAL HIGHLIGHTS**

- The assets and the deferred outflows of resources of the Village exceeded its liabilities at April 30, 2015 by \$47,832,965.
- Of this amount, \$15,037,733 represents unrestricted net position, which may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$6,375,631. Net position increased for governmental activities by \$5,215,590 and increased for business-type activities by \$1,160,041.
- The cost of governmental activities for the year was \$23,529,727 with related revenues of \$9,479,066. The net cost of \$14,050,661 was primarily funded by general tax revenues.

**USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT**

The Village's financial statements present two kinds of statements, each showing a different "snapshot" of the Village's finances. The emphasis is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the Village's accountability.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns, which represent a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental & business-type), which are supported by the government's general taxes and other resources. This is meant to summarize and simplify the reader's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflect the Village's basic services, including public safety, public works and general government. Property taxes, shared state taxes (sales, income, local use, motor fuel) and local utility taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations (Water and Garbage), where the fee for service typically covers all or most of the cost of operations, including depreciation.

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**USING THE FINANCIAL SECTION OF THE ANNUAL FINANCIAL REPORT (Continued)**

**Fund Financial Statements**

Traditional users of government financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

The Governmental Fund presentation is presented on the current resources measurement focus. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budget compliance associated therewith.

The Fund Financial Statements also allow the government to address its Fiduciary Pension Funds (Police and Fire Pension). While the Fund represents trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Total column on the Business-Type Fund Financial Statements is the same as the Business-Type column on the Government-Wide Financial Statements, the Governmental Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources). The flow of current financial resources will include bond proceeds and interfund transfers as other financial sources, as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column (in the Government-Wide Statements).

**Infrastructure Assets**

Historically, a government's largest group of assets includes infrastructure (roads, lights, alleys, sidewalks, etc.). These assets are valued and reported within the Governmental column of the Government-Wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach), which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation.

The Village has chosen to depreciate its assets over their useful life. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2015

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**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

**GOVERNMENT-WIDE STATEMENT**

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

**Table 1**  
**Statement of Net Position**  
**As of April 30, 2015**  
(in millions)

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Activities</b>	
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
<b>Assets:</b>						
Current & other assets	\$ 20.3	\$ 22.8	\$ 6.4	\$ 5.3	\$ 26.7	\$ 28.1
Capital and other LT assets	68.2	41.1	3.7	3.9	71.9	45.0
<b>Total assets</b>	<b>88.5</b>	<b>63.9</b>	<b>10.1</b>	<b>9.2</b>	<b>98.6</b>	<b>73.1</b>
<b>Liabilities:</b>						
Current liabilities	5.4	2.5	0.4	0.5	5.8	3.0
Long-term liabilities	45.0	28.5	-	0.1	45.0	28.6
<b>Total liabilities</b>	<b>50.4</b>	<b>31.0</b>	<b>0.4</b>	<b>0.6</b>	<b>50.8</b>	<b>31.6</b>
<b>Net Position:</b>						
Net investment in capital assets	23.1	18.8	3.8	3.9	26.9	22.7
Restricted	6.0	5.7	-	-	6.0	5.7
Unrestricted	9.0	8.4	5.9	4.7	14.9	13.1
<b>Total net position</b>	<b><u>\$ 38.1</u></b>	<b><u>\$ 32.9</u></b>	<b><u>\$ 9.7</u></b>	<b><u>\$ 8.6</u></b>	<b><u>\$ 47.8</u></b>	<b><u>\$ 41.5</u></b>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2015

**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE (Continued)**

The Village's combined net position (which represents the Village's bottom line) increased by \$6,375,631, due mostly to capital improvement projects. Net position of the Village's governmental activities is \$38.1 million. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance day-to-day operations for the Village, was \$9.0 million. Net position of the Village's business-type activities is \$9.7 million. The Village's unrestricted net position for business-type activities is \$5.9 million. The following chart shows the revenue and expenses of the governmental and business-type activities:

**Table 2**  
**Change in Net Position**  
**As of April 30, 2015**  
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Activities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3.0	\$ 3.1	\$ 7.9	\$ 7.2	\$ 10.9	\$ 10.3
Operating grants / contrib.	-	0.7	-	-	-	0.7
Capital grants / contrib.	6.4	-	-	-	6.4	-
General revenues:						
Property taxes	10.6	10.5	-	-	10.6	10.5
Other taxes	7.3	7.9	-	-	7.3	7.9
Other	1.4	(1.2)	(0.1)	0.5	1.3	(0.7)
<b>Total Revenues</b>	<b>28.7</b>	<b>21.0</b>	<b>7.8</b>	<b>7.7</b>	<b>36.5</b>	<b>28.7</b>
<b>Expenses</b>						
General government	5.1	6.1	-	-	5.1	6.1
Public safety	11.3	11.1	-	-	11.3	11.1
Public works	4.9	4.6	-	-	4.9	4.6
Culture and recreation	1.5	1.4	-	-	1.5	1.4
Interest long-term debt	0.7	0.4	-	-	0.7	0.4
Water	-	-	4.6	5.2	4.6	5.2
Garbage	-	-	2.0	1.7	2.0	1.7
<b>Total Expenses</b>	<b>23.5</b>	<b>23.6</b>	<b>6.6</b>	<b>6.9</b>	<b>30.1</b>	<b>30.5</b>
<b>Change in Net Position</b>	<b>\$ 5.2</b>	<b>\$ (2.6)</b>	<b>\$ 1.2</b>	<b>\$ 0.8</b>	<b>\$ 6.4</b>	<b>\$ (1.8)</b>

(Continued)

## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

### Normal Impacts

There are eight basic impacts on revenues and expenditures as reflected below:

#### Revenues:

**Economic Conditions** – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits of building permits, elective user fees and volumes of consumption.

**Home Rule Status** – while the Village Board self-imposes tax rate and levy rate increases to five percent or lower, the Village has authority to impose periodic increases/decreases in rates (water, garbage, impact fees, permit fees, license fees, etc.)

**Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring)** – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

**Market Impacts on Investment Income** – the Village's investment portfolio is short-term in nature and restrictive by Policy. A decrease in short-term rates may cause investment income to fluctuate.

#### Expenditures:

**Introduction of New Programs** – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

**Increase in Authorized Personnel** – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent a large portion of the Village's operating cost.

**Salary Increases (annual adjustments and merit)** – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

**Inflation** – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2015

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (Continued)**

**Current Year Impacts**

**Revenue:**

For fiscal year ended April 30, 2015, revenues from governmental fund activities totaled \$28.7 million. Revenues were up due to grants received for capital projects.

**Expenditures:**

For the fiscal year ended April 30, 2015, expenditures for governmental fund activities totaled \$45.3 million. Expenditures were higher than fiscal year 2014 by \$7.5 million. The increase is due to higher expenditures in the Capital Projects fund.

**General Fund Budgetary Highlights**  
(in millions)

	<b>Adopted Budget 2015</b>	<b>Actual 2015</b>
<b>General Fund:</b>		
Revenues and other financing sources		
Taxes	\$12.9	\$13.0
Licenses, Permits, & Fees	2.1	2.3
Other	1.1	1.2
<b>Total</b>	<b>16.1</b>	<b>16.5</b>
Expenditures		
Current and Other	15.2	15.2
<b>Total</b>	<b>15.2</b>	<b>15.2</b>
<b>Other financing sources (uses)</b>		
Transfers out	(0.9)	(0.7)
<b>Total</b>	<b>(0.9)</b>	<b>(0.7)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 0.0</b>	<b>\$ 0.6</b>

Budgeted General Fund revenues were lower than actual revenues during fiscal year 2015. The positive budget variance was due to greater property and other taxes and licenses, permits, and fees. Expenditures were consistent with the budget.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2015

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (Continued)**

**Capital Assets**

At the end of Fiscal Year 2015, the Village's Governmental Funds had invested \$62.9 million in a variety of capital assets and infrastructure, as reflected in the following schedule. Additional information can be found in Note 3 to the Financial Statements.

**Table 3  
Governmental Funds  
Change in Capital Assets  
(in millions)**

	<u>Balance May 1, 2014</u>	<u>Net Additions / Deletions</u>	<u>Balance April 30, 2015</u>
<b>Non-Depreciable Assets:</b>			
Land	\$ 6.4	\$ 0.4	\$ 6.8
Construction In Progress	12.5	17.6	30.1
<b>Other Capital Assets:</b>			
Infrastructure	27.6	-	27.6
Buildings	9.3	-	9.3
Land Improvements	1.5	5.0	6.5
Equipment	5.5	(0.3)	5.2
Accum. Depreciation on Capital Assets	(21.6)	(1.0)	(22.6)
<b>Totals</b>	<b>\$ 41.2</b>	<b>\$ 21.7</b>	<b>\$ 62.9</b>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended April 30, 2015

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (Continued)**

**Debt Outstanding**

At April 30, 2015, the Village had outstanding debt as follows:

General Obligation Bond Series 2012	\$ 9,445,000
General Obligation Bond Series 2013	9,635,000
General Obligation Bond Series 2014 A	2,495,000
General Obligation Bond Series 2014 B	3,460,000
Bond Premium	491,300
Financing Agreement	319,762
Purchase Discount	10,321
Belmont – Promissory Note	2,040,484
IEPA – Area 5 Combined Sewer Separation Project	3,988,013
IEPA – Area 5 Watermain Replacement	385,073
IEPA – Area 4 Combined Sewer Separation Project	1,645,740
IEPA – Area 4 Watermain Replacement	2,005,390
IEPA – Area 6 Combined Sewer Separation Project	3,445,358
IEPA – Area 6 Watermain Replacement	473,252
Net Pension Obligation	5,156,701
Compensated Absences	1,347,002
OPEB Obligation	232,175

Additional information can be found in Note 4 to the Financial Statements.

**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to: Finance Director, Village of Elmwood Park, 11 Conti Parkway, Elmwood Park, IL 60707.

The Elmwood Park Public Library issues separate financial statements and have an April 30 year-end. Separate financial statements can be obtained by contacting its office at 1 Conti Parkway, Elmwood Park, Illinois 60707.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF NET POSITION  
April 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
<b>Assets</b>				
Current				
Cash and investments	\$ 14,008,833	\$ 4,425,833	\$ 18,434,666	\$ 1,134,703
Property taxes receivable	4,916,336	-	4,916,336	692,274
Other governmental receivables	1,762,672	-	1,762,672	31,104
Prepaid expenses	139,552	22,308	161,860	30,879
Internal balances	(500,000)	500,000	-	-
Due from pension funds	-	-	-	-
Accounts receivable	-	1,424,722	1,424,722	-
Non-current				
Restricted cash and investments	5,266,382	-	5,266,382	-
Capital assets not being depreciated	36,905,355	-	36,905,355	45,685
Capital assets being depreciated, net	26,009,112	3,756,425	29,765,537	5,260,918
<b>Total assets</b>	<b>88,508,242</b>	<b>10,129,288</b>	<b>98,637,530</b>	<b>7,195,563</b>
<b>Deferred Outflows</b>				
Deferred loss on refunding	28,778	-	28,778	-
<b>Liabilities</b>				
Current				
Accounts payable	2,782,054	360,831	3,142,885	27,430
Accrued payroll	334,131	15,112	349,243	22,205
Accrued interest payable	398,709	-	398,709	-
Due to pension funds	283,648	-	283,648	-
Unearned revenue	62,484	-	62,484	12,438
Current portion - leases payable	-	-	-	3,232
Current portion - bonds payable	740,000	-	740,000	-
Current portion - financing agreement	104,723	-	104,723	-
Current portion - Illinois EPA loans payable	496,881	-	496,881	-
Current portion - promissory note payable	171,800	-	171,800	-
Non-current				
Leases payable	-	-	-	14,730
Bonds payable	24,786,300	-	24,786,300	-
Financing agreement	225,360	-	225,360	-
Illinois EPA loans payable	11,445,945	-	11,445,945	-
Promissory note payable	1,868,684	-	1,868,684	-
OPEB obligation	232,175	-	232,175	-
Net pension obligation	5,156,701	-	5,156,701	31,140
Compensated absences	1,347,002	20,803	1,367,805	43,180
<b>Total Liabilities</b>	<b>50,436,597</b>	<b>396,746</b>	<b>50,833,343</b>	<b>154,355</b>
<b>Net position</b>				
Net investment in capital assets	23,074,774	3,756,425	26,831,199	5,288,641
Restricted for				
TIF redevelopment	1,771,259	-	1,771,259	-
Debt service	1,726,139	-	1,726,139	-
IMRF	281,560	-	281,560	-
Parks and recreation	303,848	-	303,848	-
Capital projects	1,881,227	-	1,881,227	-
Unrestricted	9,061,616	5,976,117	15,037,733	1,752,567
<b>Total net position</b>	<b>\$ 38,100,423</b>	<b>\$ 9,732,542</b>	<b>\$ 47,832,965</b>	<b>\$ 7,041,208</b>

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF ACTIVITIES  
Year Ended April 30, 2015

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-Type Activities		
Primary government								
Governmental activities								
General government	5,082,002	1,564,637	-	-	\$ (3,517,365)		\$ (3,517,365)	
Public safety	11,375,798	985,397	16,887	-	(10,373,514)		(10,373,514)	
Public works	4,901,983	-	-	6,426,722	1,524,739		1,524,739	
Culture and recreation	1,510,043	479,373	6,050	-	(1,024,620)		(1,024,620)	
Interest on long-term debt	659,901	-	-	-	(659,901)		(659,901)	
Total government activities	<u>23,529,727</u>	<u>3,029,407</u>	<u>22,937</u>	<u>6,426,722</u>	<u>(14,050,661)</u>		<u>(14,050,661)</u>	
Business-type activities								
Water	4,624,862	6,047,540	-	-		\$ 1,422,678	1,422,678	
Garbage	2,014,290	1,824,634	-	-		(189,656)	(189,656)	
Total business-type activities	<u>6,639,152</u>	<u>7,872,174</u>	<u>-</u>	<u>-</u>		<u>1,233,022</u>	<u>1,233,022</u>	
Total primary government	<u>\$ 30,168,879</u>	<u>\$ 10,901,581</u>	<u>\$ 22,937</u>	<u>\$ 6,426,722</u>	<u>(14,050,661)</u>	<u>1,233,022</u>	<u>(12,817,639)</u>	
Component unit								
Library	\$ 1,688,867	\$ 31,657	\$ 43,974	\$ -				\$ (1,613,236)
Total component unit	<u>\$ 1,688,867</u>	<u>\$ 31,657</u>	<u>\$ 43,974</u>	<u>\$ -</u>				<u>(1,613,236)</u>
General revenues								
Taxes								
Property taxes					10,549,810	-	10,549,810	1,454,934
Motor fuel taxes					238,780	-	238,780	-
Public service taxes					7,092,702	-	7,092,702	9,500
Unrestricted investment earnings					8,021	-	8,021	258
Proceeds from long term debt					-	-	-	-
Miscellaneous revenues					1,263,090	46,235	1,309,325	13,132
Transfers					<u>119,216</u>	<u>(119,216)</u>	-	-
Total general revenues and transfers					<u>19,266,251</u>	<u>(72,981)</u>	<u>19,193,270</u>	<u>1,477,824</u>
Change in net position					5,215,590	1,160,041	6,375,631	(135,412)
Net position - beginning					<u>32,884,833</u>	<u>8,572,501</u>	<u>41,457,334</u>	<u>7,176,620</u>
Net position - ending					<u>\$ 38,100,423</u>	<u>\$ 9,732,542</u>	<u>\$ 47,832,965</u>	<u>\$ 7,041,208</u>

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
April 30, 2015

	Major Funds			Total
	General Fund	Capital Projects Fund - 2011	Nonmajor Governmental Funds	
<b>Assets</b>				
Cash and investments	\$ 10,307,812	\$ 5,266,382	\$ 3,701,021	\$ 19,275,215
Property taxes receivable	3,981,970	-	934,366	4,916,336
Other governmental receivables	1,650,461	-	112,211	1,762,672
Interfund receivables	1,581,914	249,808	1,391,445	3,223,167
Prepaid items	136,468	-	3,084	139,552
<b>Total assets</b>	<b><u>\$ 17,658,625</u></b>	<b><u>\$ 5,516,190</u></b>	<b><u>\$ 6,142,127</u></b>	<b><u>\$ 29,316,942</u></b>
<b>Liabilities, deferred inflow of resources, and fund balance</b>				
<b>Liabilities</b>				
Accounts payable	\$ 148,358	\$ 2,559,845	\$ 73,851	\$ 2,782,054
Accrued payroll	321,240	-	12,891	334,131
Interfund payables	1,654,858	1,327,556	1,024,401	4,006,815
Unearned revenue	62,484	-	-	62,484
<b>Total liabilities</b>	<b><u>2,186,940</u></b>	<b><u>3,887,401</u></b>	<b><u>1,111,143</u></b>	<b><u>7,185,484</u></b>
<b>Deferred inflow of resources</b>				
Unavailable revenue	4,149,210	-	916,725	5,065,935
<b>Fund balance</b>				
Unassigned	11,186,007	-	(224,069)	10,961,938
Nonspendable				
Prepays items	136,468	-	3,084	139,552
Restricted				
TIF redevelopment	-	-	1,771,259	1,771,259
Debt service	-	-	1,726,139	1,726,139
IMRF	-	-	281,560	281,560
Parks and recreation	-	-	303,848	303,848
Capital projects	-	1,628,789	252,438	1,881,227
<b>Total fund balance</b>	<b><u>11,322,475</u></b>	<b><u>1,628,789</u></b>	<b><u>4,114,259</u></b>	<b><u>17,065,523</u></b>
<b>Total liabilities, deferred inflow of resources, and fund balance</b>	<b><u>\$ 17,658,625</u></b>	<b><u>\$ 5,516,190</u></b>	<b><u>\$ 6,142,127</u></b>	<b><u>\$ 29,316,942</u></b>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
 TO THE STATEMENT OF NET POSITION  
 April 30, 2015

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Total fund balances - governmental funds	\$ 17,065,523
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Amounts reported for governmental activities in the net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

Capital assets	\$ 85,520,979	
Accumulated depreciation	<u>(22,606,512)</u>	
Net capital assets		62,914,467

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of :

General obligation bonds payable	(25,526,300)	
Deferred loss on refunding	28,778	
Finance agreement payable	(330,083)	
Illinois EPA loans payable	(11,942,826)	
Promissory note payable	(2,040,484)	
Accrued interest payable	(398,709)	
Net pension obligations	(5,156,701)	
OPEB obligation	(232,175)	
Compensated absences	<u>(1,347,002)</u>	
Total long-term liabilities		(46,945,502)

Property taxes receivable to be collected in the next fiscal year, but intended to be used to pay for the current period's expenditures, are recorded as revenue in the government wide statements but as unavailable revenue in the fund statements.

4,781,899

Some revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unavailable in the funds.

State tax receivables	<u>284,036</u>	
		<u>284,036</u>

Net position of governmental activities	<u>\$ 38,100,423</u>
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VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended April 30, 2015

	Major Funds			Total
	General Fund	Capital Projects Fund-2011	Nonmajor Governmental Funds	
Revenues				
Property taxes	\$ 8,511,585	\$ -	\$ 2,136,151	\$ 10,647,736
State/home rule sales tax	2,385,634	-	-	2,385,634
State income tax	2,436,906	-	-	2,436,906
Utility taxes	1,547,763	-	309,004	1,856,767
Other taxes	674,088	-	4,000	678,088
Licenses, permits and fees	2,283,491	-	279,378	2,562,869
Grants	22,937	6,426,722	-	6,449,659
Other revenue	1,217,189	4,879	199,996	1,422,064
Motor fuel tax allotments	-	-	238,780	238,780
Investment income	2,741	-	400	3,141
Total revenues	<u>19,082,334</u>	<u>6,431,601</u>	<u>3,167,709</u>	<u>28,681,644</u>
Expenditures				
Current				
Administration	2,516,109	-	1,051,387	3,567,496
Code administration	512,020	-	-	512,020
Police department	5,574,013	-	-	5,574,013
Emergency 911 department	-	-	765,034	765,034
Culture and recreation	-	-	1,408,471	1,408,471
Fire department	3,854,209	-	-	3,854,209
Public works	2,878,506	22,981,749	258,769	26,119,024
Insurance department	2,050,585	-	-	2,050,585
Debt service				
Principal	-	59,516	265,000	324,516
Interest and other charges	-	158,937	932,915	1,091,852
Total expenditures	<u>17,385,442</u>	<u>23,200,202</u>	<u>4,681,576</u>	<u>45,267,220</u>
Excess (deficiency) of revenues over expenditures	<u>1,696,892</u>	<u>(16,768,601)</u>	<u>(1,513,867)</u>	<u>(16,585,576)</u>
Other financing sources (uses)				
Bond premium	-	491,300	122,790	614,090
Bond proceeds	-	17,131,965	2,495,000	19,626,965
Payment to escrow agent	-	-	(2,605,754)	(2,605,754)
Transfers in	-	107,006	762,431	869,437
Transfers out	(750,221)	-	-	(750,221)
Total other financing sources (uses)	<u>(750,221)</u>	<u>17,730,271</u>	<u>774,467</u>	<u>17,754,517</u>
Net change in fund balances	946,671	961,670	(739,400)	1,168,941
Fund balances at beginning of year	<u>10,375,804</u>	<u>667,119</u>	<u>4,853,659</u>	<u>15,896,582</u>
Fund balances at end of year	<u>\$ 11,322,475</u>	<u>\$ 1,628,789</u>	<u>\$ 4,114,259</u>	<u>\$ 17,065,523</u>

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
 EXPENDITURES AND CHANGES IN FUND BALANCES TO THE  
 STATEMENT OF ACTIVITIES  
 Year Ended April 30, 2015

Net change in fund balances - total governmental funds	\$	1,168,941
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital outlay	\$22,725,702	
Depreciation	<u>(1,307,023)</u>	
Depreciation in excess of capital outlay		21,418,679
The loss on the disposal of assets in the governmental funds is not reported. However, the original cost of assets disposed of had a net value less than the trade-in value. The difference has been recorded in the statement of activities.		
		(5,368)
Bond proceeds, note proceeds and lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		
Bond proceeds	(19,626,965)	
Bond premium	(614,090)	
Payment to escrow	2,605,754	
Prior debt refunded premium/discount/loss on refunding	<u>(17,237)</u>	
		(17,652,538)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal retirement (Bonds payable)		435,000
Principal retirement (Finance agreement)		102,901
Principal retirement (Promissory note payable)		59,516
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Capitalization of interest	337,816	
Change in net pension obligations	(178,669)	
Change in OPEB	3,108	
Change in compensated absences	(399,463)	
Amortization of bond premium	57,419	
Amortization of deferred amount on refunding	(4,739)	
Amortization of financing purchase discount	3,440	
Change in accrued interest on debt	<u>(76,838)</u>	
Total expenses of non-current resources		(257,926)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Amount change from prior year:		
State tax receivables	<u>44,311</u>	
Total		44,311
Some property taxes not collected within 60 days of the Village's fiscal year end, are intended to be used to pay current year expenditures. They are recorded as revenue in the statement of net position but are unavailable in the governmental fund statements. Amount change from prior year.		
		<u>(97,926)</u>
Change in net position of governmental activities	\$	<u>5,215,590</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
April 30, 2015

	Enterprise Funds		
	Major Funds		
	Water Operations Fund	Garbage Fund	Total
Current assets			
Cash and investments	\$ 4,386,380	\$ 39,453	\$ 4,425,833
Accounts receivable	1,104,209	320,513	1,424,722
Interfund receivables	560,000	-	560,000
Prepaid items	22,308	-	22,308
Total current assets	<u>6,072,897</u>	<u>359,966</u>	<u>6,432,863</u>
Noncurrent assets			
Capital assets, net of accumulated depreciation	<u>3,756,425</u>	-	<u>3,756,425</u>
Total noncurrent assets	<u>3,756,425</u>	-	<u>3,756,425</u>
Total assets	<u>9,829,322</u>	<u>359,966</u>	<u>10,189,288</u>
Current liabilities			
Accounts payable	207,466	153,365	360,831
Accrued payroll	15,112	-	15,112
Interfund payables	-	60,000	60,000
Total current liabilities	<u>222,578</u>	<u>213,365</u>	<u>435,943</u>
Long-term liabilities			
Compensated absences	<u>20,803</u>	-	<u>20,803</u>
Total long-term liabilities	<u>20,803</u>	-	<u>20,803</u>
Total liabilities	<u>243,381</u>	<u>213,365</u>	<u>456,746</u>
Net position			
Net investment in capital assets	3,756,425	-	3,756,425
Unrestricted	5,829,516	146,601	5,976,117
Total net position	<u>\$ 9,585,941</u>	<u>\$ 146,601</u>	<u>\$ 9,732,542</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
Year Ended April 30, 2015

	Enterprise Funds		
	Major Funds		
	Water Operations Fund	Garbage Fund	Total
Operating revenues			
Water fees	\$ 6,047,540	\$ -	\$ 6,047,540
Garbage fees	-	1,824,634	1,824,634
Other revenue	46,235	-	46,235
Total operating revenues	<u>6,093,775</u>	<u>1,824,634</u>	<u>7,918,409</u>
Operating expenses			
Administration	4,471,587	2,014,290	6,485,877
Depreciation	153,275	-	153,275
Total operating expenses	<u>4,624,862</u>	<u>2,014,290</u>	<u>6,639,152</u>
Operating income (loss)	<u>1,468,913</u>	<u>(189,656)</u>	<u>1,279,257</u>
Transfers			
Transfers in	-	50,784	50,784
Transfers out	<u>(170,000)</u>	<u>-</u>	<u>(170,000)</u>
Total transfers	<u>(170,000)</u>	<u>50,784</u>	<u>(119,216)</u>
Change in net position	1,298,913	(138,872)	1,160,041
Net position at beginning of year	<u>8,287,028</u>	<u>285,473</u>	<u>8,572,501</u>
Net position at end of year	<u>\$ 9,585,941</u>	<u>\$ 146,601</u>	<u>\$ 9,732,542</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended April 30, 2015

	Enterprise Funds		
	Major Funds		
	Water Operations Fund	Garbage Fund	Total
Cash flows from operating activities			
Receipts from customers	\$ 5,963,585	\$ 1,836,434	\$ 7,800,019
Payments to suppliers	(4,413,465)	(1,864,728)	(6,278,193)
Payments to employees	(450,641)	-	(450,641)
Net cash provided (used) by operating activities	<u>1,099,479</u>	<u>(28,294)</u>	<u>1,071,185</u>
Cash flows from non-capital and related financing activities			
Interfund borrowing (lending) and transfers	(690,000)	10,784	(679,216)
Net cash provided (used) by non-capital financing activities	<u>(690,000)</u>	<u>10,784</u>	<u>(679,216)</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	(11,000)	-	(11,000)
Net cash provided (used) by capital financing activities	<u>(11,000)</u>	<u>-</u>	<u>(11,000)</u>
Net increase (decrease) in cash and cash equivalents	398,479	(17,510)	380,969
Balances - beginning of the year	<u>3,987,901</u>	<u>56,963</u>	<u>4,044,864</u>
Balances - end of year	<u>\$ 4,386,380</u>	<u>\$ 39,453</u>	<u>\$ 4,425,833</u>
Reconciliation of operating income (loss) to net cash provided by (used) operating activities			
Operating income (loss)	\$ 1,468,913	\$ (189,656)	\$ 1,279,257
Adjustments to reconcile operating income (loss) to net cash provided by (used) operating activities			
Depreciation expense	153,275	-	153,275
Change in assets and liabilities			
Decrease (increase) receivables, net	(130,190)	11,800	(118,390)
Decrease (increase) prepaid items, net	(2,289)	-	(2,289)
(Decrease) increase accounts payable	(321,516)	149,562	(171,954)
(Decrease) increase compensated absences	(72,736)	-	(72,736)
(Decrease) increase accrued payroll	4,022	-	4,022
Net cash provided (used) by operating activities	<u>\$ 1,099,479</u>	<u>\$ (28,294)</u>	<u>\$ 1,071,185</u>
Significant non cash transaction - capital contribution	<u>\$ 647,700</u>		

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
April 30, 2015

	Pension Trust Funds	Agency Fund Special Deposits Fund
<b>Assets</b>		
Cash	\$ 524,157	\$ 51,364
<b>Investments</b>		
U.S. treasury notes	1,480,583	-
U.S. treasury bonds	412,367	-
U.S. treasury strips	74,506	-
GNMA	49,753	-
FFCB	357,905	-
FHLB	1,552,767	-
FHLMC	281,934	-
FNMA	618,418	-
Corporate bonds	3,891,534	-
Common Stock	956,088	-
MM mutual funds	7,532,593	-
Municipal bonds	606,418	-
Equity securities	1,409,497	-
Equity mutual funds	8,206,078	-
Total investments	<u>27,430,441</u>	<u>-</u>
Prepaid assets	16,500	-
Due from Village	283,648	-
Accrued interest	90,262	-
Total assets	<u>28,345,008</u>	<u>\$ 51,364</u>
<b>Liabilities</b>		
Accounts payable	10,905	\$ -
Due to Village	-	-
Deposits payable	-	51,364
Total liabilities	<u>10,905</u>	<u>\$ 51,364</u>
<b>Net position</b>		
Held in trust for pension benefits and other purposes	<u>28,334,103</u>	
Total net position	<u>\$ 28,334,103</u>	

See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 Year Ended April 30, 2015

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	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 2,576,382
Plan members	<u>519,865</u>
Total contributions	<u>3,096,247</u>
Investment earnings	
Interest and dividends earned	1,135,303
Net change in fair value	259,666
Other Income	710
Less investment expense	<u>(119,667)</u>
Net investment earnings	<u>1,276,012</u>
Total additions	<u>4,372,259</u>
Deductions	
Benefits	3,348,213
Administrative expenses	<u>329,431</u>
Total deductions	<u>3,677,644</u>
Change in net position	694,615
Net position - beginning of year	<u>27,639,488</u>
Net position - end of year	<u>\$ 28,334,103</u>

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See accompanying notes to financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Village of Elmwood Park was incorporated on April 8, 1914. The Village operates under the Manager-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Elmwood Park, Illinois conform to accounting principles generally accepted in the United States of America ("GAAP") as applicable to governments. The following is a summary of the significant accounting policies.

Reporting Entity and Its Services: The Village has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity* under which these financial statements include all organizations, activities, functions and component units for which the Village is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the Village.

In conformity with GAAP, the financial statements of component units have been included in the financial reporting entity either as blended component units or as discretely presented component units.

*Blended Component Units* – The Village's Police and Fire Employees participate in the Police Pension Employees Retirement System ("PPERS") and the Fire Pension Employees Retirement System ("FPERS"). PPERS functions for the benefit of these employees and is governed by a five member board. The Police Pension Board is comprised of one retiree, two elected active police officers, and two Village President appointees. FPERS is governed by a nine person board. The Fire Pension Board is comprised of the Village President, the Village Finance Director, the Village Clerk, the Village Attorney, the Fire Chief, one retiree, and three elected active firemen. The Village, PPERS and FPERS are obligated to fund all PPERS and FPERS costs based on actuarial valuations. The State of Illinois is authorized to establish benefit levels and the government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Both plans are presented as blended fiduciary funds.

*Discretely Presented Component Unit* – The component unit's column in the government wide financial statements represents the financial information for the Village's other component unit, the Elmwood Park Public Library. The Board of Directors of the Elmwood Park Public Library are elected by the citizens of the Village. Although a legally separate entity, the Library cannot issue bonded debt without the approval of the Village. Therefore, the Public Library fund is presented discretely as a governmental fund type component unit of the Village. A publicly available financial report that includes financial statements and other required information for the Public Library may be obtained by writing to the Elmwood Park Public Library, 1 Conti Parkway, Elmwood Park, Illinois 60707.

Basis of Presentation: The Village's financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Government-Wide Financial Statements* – The statement of net position and the statement of activities display information about the Village as a whole. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these 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. The government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-like activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

The following table relates the Functions/Programs included on the government-wide statement of activities with the various departments and/or funds that comprise them. However, the amounts presented on the government-wide statement will not directly correlate to the expenditures reported in the funds because of the difference in the measurement focus and basis of accounting employed as explained later within Note 1, particularly the capitalization (rather than expensing) of capital assets and the recording of depreciation in the government wide statement.

<u>Function/Activity</u>	<u>Department/Fund</u>
1. Public safety	Fire Department (Including pension contribution) Police Department (Including pension contribution) Emergency Telephone System Fund Code Administration
2. Public works	Public Works Department Motor Fuel Tax Fund Capital Projects Fund
3. Culture and recreation	Playground and Recreation Fund Special Events Fund
4. Interest on long-term debt	Bond and Interest Fund (interest only)
5. General government	All governmental departments/funds not included in another category

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Fund Financial Statements* – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows and deferred outflows, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is of major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Measurement Focus and Basis of Accounting:

*Government-Wide Financial Statements* – The government-wide financial statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statements of net position and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Village has reported two categories of program revenues in the statement of activities (1) charges for services, and (2) program-specific operating grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the “grossing-up” effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, operating transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

*Fund Financial Statements* – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Village considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Proprietary funds separate all activity into two categories: operating and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the government-wide financial statements are prepared due to the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

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

*Capital Projects - 2011 Fund* – This capital project fund is used to account for resources utilized for payment of construction and related costs for the Village's planned sewer project.

Proprietary Funds

Proprietary Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Village Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Village reports the following major proprietary funds:

*Water Operations Fund* – The Water Operations Fund accounts for the operating activities of the Village's water utilities services.

*Garbage Fund* – The Garbage Fund accounts for the operating activities of the Village's garbage utilities services.

Fiduciary Funds

The Village's fiduciary funds are Pension Trust Funds and Agency Funds. Both report assets held by the Village in a trustee capacity.

The Village has the following pension trust funds:

Police Pension  
Firefighter's Pension

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The Village has the following agency funds:

Special Deposits

Governmental Funds

In addition to the general fund types mentioned above, the Village uses the following governmental fund types:

*Special Revenue Funds* – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

*Capital Project Funds* – Capital Project Funds are used to account for the Village's purchase or construction of major capital facilities, which are not financed by other funds

*Debt Service Fund* – The Debt Service Fund is used to account for the accumulation of resources for and the payment of, general long-term debt principal, interest and related costs

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with a cost of \$5,000 or more and a useful life of more than one year. All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation of all assets is provided on the straight-line basis over the following estimated useful lives:

Land	N/A
Buildings	50 years
Improvements	20 years
Equipment	8 - 20 years
Infrastructure-Roads	40 years
Infrastructure-Other	30 - 50 years

Investments: Investments are stated at fair value in accordance with GASB 31. The investment with the State Treasurer's Illinois Funds is at fair value, which is the same value as the pool shares. The state statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act (30 ILCS 235).

Inventory: No material amounts of inventory exist at year-end.

Claims and Judgments: Liabilities resulting from claims and judgments, if any, have been reflected in the financial statements in accordance with GASB Statement 62.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Property Tax Revenue Recognition: Property Taxes attach as an enforceable lien on January 1. They are levied in December (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and August 1 and are payable in two installments, on or about March 1 and September 1. The County collects such taxes and remits them periodically. Property tax revenues are recognized when they become both measurable and available, in accordance with the Government Accounting Standards Board.

“Measurable” means that amounts can be reasonably determined within the current period. “Available” means that amounts are due and collectible within the current period or soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes levied in the current year which are not collected at year end and are not used to pay liabilities of the current period do not meet the “available” criterion and are reported as unavailable revenue.

Property taxes receivable are initially recorded at the gross levy less an allowance for uncollectible taxes. Taxes receivable and/or the allowance are adjusted periodically to reflect taxes receivable at their estimated realizable value.

Property taxes receivable which are delinquent more than one year have been fully reserved. The allowance for uncollectible property taxes is equal to 3% of the tax levy as recommended by the County Clerk, except in the case of bond levies for which the allowance is equal to 5% of the tax levy as is recommended by the County Clerk.

Accumulated Unpaid Compensated Absences: Village employees are granted vacation pay and sick leave in varying amounts. The Village has calculated the following amounts with respect to accrued vacation pay and sick leave at April 30, 2014.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Compensated absences	\$ <u>1,347,002</u>	\$ <u>20,803</u>

Vacation and sick hours are earned and paid out at different rates based on various union and Village contracts.

Authoritative Sources - Financial Reporting: The financial statements are presented in accordance with GAAP applicable to state and local governmental units. These basic principles have been promulgated by the GASB.

Cash and Cash Equivalents: For purposes of reporting cash flows, cash and cash equivalents include demand deposits as well as short-term investments, such as money markets and certificates of deposit with original maturities less than three months.

Use of Estimates: Management has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with GAAP. Actual results could differ from those estimates.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 2 – NET POSITION AND FUND BALANCES**

Net position represents the difference between assets, liabilities, and deferred outflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction or improvements of those assets. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

The components of fund balance include the following line items:

- a. **Nonspendable** fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b. **Restricted** fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.
- c. **Committed** fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board of Trustees is the highest level of decision making. As of April 30, 2014, the Village does not have any commitments of fund balance.
- d. **Assigned** fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Board of Trustees designated for that purpose. The intended use is established by an official designated for that purpose. The Board of Trustees has not designated any members of management for this purpose.
- e. **Unassigned** fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, negative fund balance in other funds, besides the General Fund, is shown as unassigned.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the Village will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider committed fund balance to be spent before assigned fund balance, and consider assigned fund balance to be spent before unassigned fund balance.

The Village does not have a minimum fund balance policy.

The following non major funds had deficit fund balances at April 30, 2015:

<u>Fund</u>	<u>Amount</u>
Emergency Telephone System	\$ 224,069
Grand Corridor Tax Allocation Fund	420,864
North/Harlem Tax Allocation Fund	1,347

The Village plans to recover these deficits by using future revenues and through transfers of cash from other Village operating funds.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 3 - CAPITAL ASSETS**

A summary of changes in the Village's capital assets for the period May 1, 2014 through April 30, 2015 follows:

	Balance at May 1, 2014	Additions	Deletions	Balance at April 30, 2015
<b>Government Activities:</b>				
Capital assets not being depreciated				
Land	\$ 6,401,744	\$ 357,188	\$ -	\$ 6,758,932
Construction in progress	12,525,493	17,620,930	-	30,146,423
Total nondepreciated assets	18,927,237	17,978,118	-	36,905,355
Capital assets being depreciated				
Infrastructure	27,579,205	-	-	27,579,205
Land improvements	1,504,400	5,032,000	-	6,536,400
Buildings	9,311,000	-	-	9,311,000
Equipment	5,447,665	53,400	312,046	5,189,019
Subtotal	43,842,270	5,085,400	312,046	48,615,624
Less accumulated depreciation				
Infrastructure	13,662,251	672,760	-	14,335,011
Land improvements	635,851	194,683	-	830,534
Buildings	3,354,312	182,460	-	3,536,772
Equipment	3,953,753	257,120	306,678	3,904,195
Total accumulated depreciation	21,606,167	1,307,023	306,678	22,606,512
Total capital assets being depreciated	22,236,103	3,778,377	5,368	26,009,112
Government Activities capital assets, net	<u>\$ 41,163,340</u>	<u>\$ 21,756,495</u>	<u>\$ 5,368</u>	<u>\$ 62,914,467</u>
<b>Business-Type Activities:</b>				
Capital assets being depreciated				
Infrastructure	\$ 3,319,088	\$ -	\$ -	\$ 3,319,088
Buildings	557,390	-	-	557,390
Equipment	2,794,495	11,000	63,600	2,741,895
Subtotal	6,670,973	11,000	63,600	6,618,373
Less accumulated depreciation				
Infrastructure	1,335,512	45,808	-	1,381,320
Buildings	505,222	1,557	-	506,779
Equipment	931,539	105,910	63,600	973,849
Total accumulated depreciation	2,772,273	153,275	63,600	2,861,948
Business-Type Activities capital assets, net	<u>\$ 3,898,700</u>	<u>\$ (142,275)</u>	<u>\$ -</u>	<u>\$ 3,756,425</u>

Depreciation expense of \$153,275 for the Village's Business-Type Activities was charged to the Water function.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 3 - CAPITAL ASSETS (Continued)**

Depreciation expense for the Village's Governmental Activities was charged to governmental functions as follows:

General government	\$	228,022
Public safety		211,890
Culture and recreation		109,218
Public works		<u>757,893</u>
 Total depreciation expense	 \$	 <u><u>1,307,023</u></u>

During the fiscal year, the Village capitalized interest in the amount of \$58,341. Total interest expense incurred was \$659,901.

A summary of changes in the Component Unit's capital assets for the period May 1, 2014 through April 30, 2015 follows:

	Balance at May 1, 2014	Additions	Deletions	Balance at April 30, 2015
Government Activities:				
Capital assets not being depreciated				
Land	\$ 45,685	\$ -	\$ -	\$ 45,685
Total nondepreciated assets	<u>45,685</u>	<u>-</u>	<u>-</u>	<u>45,685</u>
Capital assets being depreciated				
Land improvements	265,116	-	-	265,116
Buildings	5,433,321	19,750	19,750	5,433,321
Equipment	822,426	19,445	-	841,871
Books	1,654,904	119,242	107,901	1,666,245
Subtotal	<u>8,175,767</u>	<u>158,437</u>	<u>127,651</u>	<u>8,206,553</u>
Less accumulated depreciation				
Land improvements	165,700	13,256	-	178,956
Buildings	1,664,676	135,833	5,925	1,794,584
Equipment	731,277	15,324	-	746,601
Books	266,745	66,650	107,901	225,494
Total accumulated depreciation	<u>2,828,398</u>	<u>231,063</u>	<u>113,826</u>	<u>2,945,635</u>
Total capital assets being depreciated	<u>5,347,369</u>	<u>(72,626)</u>	<u>13,825</u>	<u>5,260,918</u>
Government Activities capital assets, net	<u>\$ 5,393,054</u>	<u>\$ (72,626)</u>	<u>\$ 13,825</u>	<u>\$ 5,306,603</u>

Depreciation expense for the Village's component unit was charged to the governmental function Library in the amount of \$231,063.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 4 - LONG-TERM DEBT**

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
G.O. Bonds 2005	\$ 2,820,000	\$ -	\$ 2,820,000	\$ -	\$ -
G.O. Bonds 2012	9,615,000	-	170,000	9,445,000	250,000
G.O. Bonds 2013	9,635,000	-	-	9,635,000	-
G.O. Bonds 2014A	-	2,495,000	-	2,495,000	265,000
G.O. Bonds 2014B	-	3,460,000	-	3,460,000	225,000
Bond premium	305,490	243,229	57,419	491,300	-
Financing agreement	422,663	-	102,901	319,762	104,723
Purchase premium	13,761	-	3,440	10,321	-
Belmont promissory note	-	2,100,000	59,516	2,040,484	171,800
Illinois EPA Loan - L17-5191	-	3,988,013	-	3,988,013	164,499
Illinois EPA Loan - L17-5192	-	385,073	-	385,073	15,884
Illinois EPA Loan - L17-5207	-	1,645,740	-	1,645,740	69,804
Illinois EPA Loan - L17-5208	-	2,005,390	-	2,005,390	85,058
Illinois EPA Loan - L17-5209	-	3,445,358	-	3,445,358	142,115
Illinois EPA Loan - L17-5210	-	473,252	-	473,252	19,521
Net pension obligation	4,978,032	178,669	-	5,156,701	-
OPEB obligation	235,283	-	3,108	232,175	-
Compensated absences	947,539	399,463	-	1,347,002	-
<b>Total Governmental</b>	<b><u>\$ 28,972,768</u></b>	<b><u>\$ 20,819,187</u></b>	<b><u>\$ 3,216,384</u></b>	<b><u>\$ 46,575,571</u></b>	<b><u>\$ 1,513,404</u></b>
<b>Business-type activities</b>					
Compensated absences	\$ 93,539	\$ -	\$ 72,736	\$ 20,803	\$ -
<b>Total business-type</b>	<b><u>\$ 93,539</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 72,736</u></b>	<b><u>\$ 20,803</u></b>	<b><u>\$ -</u></b>

A summary of changes in the Component Unit's long-term debt is as follows:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Compensated absences	\$ 38,222	\$ 4,958	\$ -	\$ 43,180	\$ -
IMRF net pension obligation	29,402	1,738	-	31,140	-
Capital lease obligation	-	19,445	1,483	17,962	3,232
<b>Total Governmental</b>	<b><u>\$ 67,624</u></b>	<b><u>\$ 26,141</u></b>	<b><u>\$ 1,483</u></b>	<b><u>\$ 92,282</u></b>	<b><u>\$ 3,232</u></b>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 4 - LONG-TERM DEBT (Continued)**

Bonds Payable: The General Obligation Bonds, Series 2005, were issued July 15, 2005. Principal and interest payments are made solely by the Debt Service Fund. The series was fully refunded in the current fiscal year with General Obligation Bonds, Series 2014A proceeds.

The General Obligation Bonds, Series 2012, were issued October 31, 2012. A portion of the bonds were used to pay the 1998 G.O. Bonds in full. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2032 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2016	2.00%	\$ 250,000	\$ 117,878	\$ 117,878	\$ 235,756
2017	2.00%	250,000	115,378	115,378	230,756
2018	2.00%	300,000	112,878	112,878	225,756
2019	2.00%	300,000	109,878	109,878	219,756
2020	2.00%	-	106,878	106,878	213,756
2021	2.00%	-	106,878	106,878	213,756
2022	2.00%	-	106,878	106,878	213,756
2023	2.00%	-	106,878	106,878	213,756
2024	2.13%	640,000	106,878	106,878	213,756
2025	2.13%	775,000	100,078	100,078	200,156
2026	2.50%	785,000	91,844	91,844	183,688
2027	2.50%	810,000	82,031	82,031	164,062
2028	2.50%	830,000	71,906	71,906	143,812
2029	2.50%	850,000	61,531	61,531	123,062
2030	2.63%	870,000	50,906	50,906	101,812
2031	2.75%	900,000	39,488	39,488	78,976
2032	2.75%	930,000	27,113	27,113	54,226
2033	3.00%	955,000	14,326	14,326	28,652
		<u>\$ 9,445,000</u>			<u>\$ 3,059,250</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 4 - LONG-TERM DEBT** (Continued)

The General Obligation Bonds, Series 2013, were issued December 17, 2013. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2034 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2016	3.00%	-	208,331	208,331	416,662
2017	3.00%	-	208,331	208,331	416,662
2018	3.00%	-	208,331	208,331	416,662
2019	3.00%	-	208,331	208,331	416,662
2020	3.00%	300,000	208,331	208,331	416,662
2021	3.00%	305,000	203,831	203,831	407,662
2022	3.50%	325,000	199,256	199,256	398,512
2023	3.50%	335,000	193,569	193,569	387,138
2024	4.00%	550,000	187,706	187,706	375,412
2025	4.00%	450,000	176,706	176,706	353,412
2026	4.00%	475,000	167,706	167,706	335,412
2027	4.00%	490,000	158,206	158,206	316,412
2028	4.50%	505,000	148,406	148,406	296,812
2029	4.75%	530,000	137,044	137,044	274,088
2030	4.75%	555,000	124,456	124,456	248,912
2031	5.00%	575,000	111,275	111,275	222,550
2032	5.00%	600,000	96,900	96,900	193,800
2033	0.00%	-	81,900	81,900	163,800
2034	0.00%	-	81,900	81,900	163,800
2035	4.50%	3,640,000	81,903	81,903	163,806
		<u>\$ 9,635,000</u>			<u>\$ 6,384,838</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 4 - LONG-TERM DEBT (Continued)**

The General Obligation Bonds, Series 2014A, were issued August 13, 2014. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2023 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2016	2.00%	265,000	34,625	34,625	69,250
2017	2.00%	295,000	31,975	31,975	63,950
2018	3.00%	300,000	29,025	29,025	58,050
2019	3.00%	305,000	24,525	24,525	49,050
2020	3.00%	320,000	19,950	19,950	39,900
2021	3.00%	330,000	15,150	15,150	30,300
2022	3.00%	335,000	10,200	10,200	20,400
2023	3.00%	345,000	5,175	5,175	10,350
		<u>\$ 2,495,000</u>			<u>\$ 341,250</u>

The General Obligation Bonds, Series 2014B, were issued August 13, 2014. Principal and interest payments are made solely by the Debt Service Fund. The principal and interest payable to maturity at December 1, 2027 consists of the following:

Fiscal Year	Interest Rate	Principal	Interest Payment		Total Interest
			June 1	December 1	
2016	2.00%	225,000	49,500	49,500	99,000
2017	2.00%	255,000	47,250	47,250	94,500
2018	3.00%	260,000	44,700	44,700	89,400
2019	3.00%	270,000	40,800	40,800	81,600
2020	3.00%	275,000	36,750	36,750	73,500
2021	3.00%	285,000	32,625	32,625	65,250
2022	3.00%	290,000	28,350	28,350	56,700
2023	3.00%	300,000	24,000	24,000	48,000
2024	3.00%	310,000	19,500	19,500	39,000
2025	3.00%	320,000	14,850	14,850	29,700
2026	3.00%	330,000	10,050	10,050	20,100
2027	3.00%	340,000	5,100	5,100	10,200
		<u>\$ 3,460,000</u>			<u>\$ 706,950</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

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**NOTE 4 - LONG-TERM DEBT** (Continued)

Aggregate principal and interest requirements to maturity by year for the Village are as follows:

Fiscal Year	Principal	Total Interest
2016	\$ 740,000	\$ 820,668
2017	800,000	805,868
2018	860,000	789,868
2019	875,000	767,068
2020	895,000	743,818
2021 - 2025	5,895,000	3,277,016
2026 - 2030	7,370,000	2,218,372
2031 - 2035	7,600,000	1,069,610
	\$ 25,035,000	\$ 10,492,288

The difference between the principal above and the bonds payable amount on the Statement of Net Position, \$25,526,300, is the amount of unamortized bond premium as of year-end, \$491,300.

Financing Agreement: The Village entered into a purchase agreement to finance a fire engine with a value of \$543,141. Under the purchase agreement, the Village will make an annual payment of \$110,382 over the five year term. The present value of the future payments to be made by the Village under the purchase agreement of \$319,762 is reflected in the accompanying April 30, 2015 Statements of Net Position as a long term liability.

The purchase agreement requirements to maturity are as follows:

	Principal	Interest	Total
2016	\$ 104,723	\$ 5,660	\$ 110,383
2017	106,576	3,806	110,382
2018	108,463	1,920	110,383
	\$ 319,762	\$ 11,386	\$ 331,148

The difference between the principal above and the financing agreement amount on the Statement of Net Position, \$330,083, is the amount of unamortized purchase premium as of year-end, \$10,321.

Promissory Note: In December 2014, a Promissory Note (the Note) totaling \$2,100,000 was issued on behalf of the Village. The Note was used to finance various capital projects throughout the Village. Under the Note's agreement, the Village will make monthly payments of \$19,949. The total principal and interest remaining to be paid on the Note as of April 30, 2015, is \$2,040,484. Principal and interest paid in 2015 was approximately \$79,797.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

**NOTE 4 - LONG-TERM DEBT** (Continued)

As of April 30, 2015, debt service requirements to maturity are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016	\$ 170,603	\$ 48,840	\$ 219,443
2017	192,406	46,986	239,392
2018	197,540	41,853	239,393
2019	202,810	36,582	239,392
2020	208,142	31,250	239,392
2021 - 2025	1,068,983	69,640	1,138,623
	<b>\$ 2,040,484</b>	<b>\$ 275,151</b>	<b>\$ 2,315,635</b>

Illinois Environmental Protection Agency Loans Payable: The Village entered into various loan agreements with the Illinois Environmental Protection Agency (IEPA) to borrow funds to finance sewer and clean drinking water projects throughout the Village. Funds are borrowed on a reimbursement basis from the IEPA. All funds were borrowed at an annual fixed loan rate of 1.9950% have a term of 20 years with payments being made semi-annually. Below is a summary of each loan the Village entered into.

<u>Loan Number</u>	<u>Total Loan Amount</u>	<u>Amount Outstanding as of Year End</u>
L-17-5207	\$ 5,911,590	\$ 1,645,740
L-17-5208	5,396,137	2,005,390
L-17-5209	4,208,150	3,445,358
L-17-5210	588,108	473,252
L-17-5191	4,410,300	3,988,013
L-17-5192	407,080	385,073

As of April 30, 2015, debt service requirements to maturity for the loans are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Total Interest</u>
2016	\$ 496,881	\$ 234,870
2017	505,915	225,836
2018	516,059	215,693
2019	526,405	205,346
2020	536,959	194,792
2021 - 2025	2,850,666	808,089
2026 - 2030	3,148,130	510,626
2031 - 2035	3,361,811	182,122
	<b>\$ 11,942,826</b>	<b>\$ 2,577,374</b>

After year end, the Village borrowed an additional \$7,370,847 from the IEPA with identical terms as described above.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 4 - LONG-TERM DEBT** (Continued)

Reconciliation of Net Pension Obligation Amount:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>
Fire net pension obligation	\$ 1,430,622	\$ 62,377	\$ -	\$ 1,492,999
Police net pension obligation	3,399,797	114,643	-	3,514,440
IMRF net pension obligation	146,891	1,635	-	148,526
SLEP net pension obligation	<u>722</u>	<u>14</u>	<u>-</u>	<u>736</u>
 Total Governmental	 <u>\$ 4,978,032</u>	 <u>\$ 178,669</u>	 <u>\$ -</u>	 <u>\$ 5,156,701</u>

The difference between the IMRF Net Pension Obligation above (\$148,526) and the amount disclosed on page 48 (\$179,667) represents the portion of the obligation allocated to the Elmwood Park Public Library (\$31,141).

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 5 - INTERFUND ACTIVITIES**

Interfund amounts due from and due to other funds at April 30, 2015 are summarized as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General:		
Fire pension	\$ -	\$ 218,202
Police pension	-	65,446
Capital projects - 2011	767,556	-
Garbage	60,000	-
Non-major governmental funds	<u>754,358</u>	<u>1,371,210</u>
Total	<u>1,581,914</u>	<u>1,654,858</u>
Capital projects - 2011:		
General	-	767,556
Water	-	560,000
Non-major governmental funds	<u>249,808</u>	-
Total	<u>249,808</u>	<u>1,327,556</u>
Non-major governmental funds:		
General	1,371,010	754,158
Capital projects - 2011		249,808
Non-major governmental funds	<u>20,435</u>	<u>20,435</u>
Total	<u>1,391,445</u>	<u>1,024,401</u>
Water:		
Capital projects - 2011	560,000	-
Garbage:		
General	-	60,000
Fire pension:		
General	218,202	-
Police pension:		
General	<u>65,446</u>	-
Balance at April 30, 2015	<u>\$ 4,066,815</u>	<u>\$ 4,066,815</u>

All interfund balances are expected to be repaid in the next fiscal year. The interfunds are a result of the final allocations of property tax revenues between the funds and expenditures paid for by the general fund which are to be reimbursed by other funds.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

**NOTE 6 - INTERFUND ACTIVITY** (Continued)

The following transfers occurred during fiscal year 2015:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General:		
Capital projects - 2011	\$ -	\$ 107,006
Non-major governmental funds		592,431
Sewer	-	50,784
Total	<u>-</u>	<u>750,221</u>
Capital projects - 2011:		
General	107,006	-
Non-major governmental funds:		
General	592,431	-
Water	<u>170,000</u>	<u>-</u>
Total	<u>762,431</u>	<u>-</u>
Water:		
Non-major governmental funds	<u>-</u>	<u>170,000</u>
Garbage (non-major):		
Non-major governmental funds	<u>50,784</u>	<u>-</u>
Balance at April 30, 2015	<u>\$ 920,221</u>	<u>\$ 920,221</u>

The transfers represent both routine and non-routine items. Generally, routine transfers occur to meet the operating purposes of another fund, such as the transfers by the Water to the General Fund for unallocated operating and overhead expenses. Other routine transfers occur to reimburse the General Fund for road repair and maintenance expenditures covered by the Motor Fuel Tax and expenditures on behalf of TIF districts and debt service funds. Transfers to/from other funds offset one another and are therefore not reported in the Government-wide statement of activities.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 6 - CASH AND INVESTMENTS**

Village: At year-end, the carrying amount of the Village's (excluding the Police and Firefighters' Pension Funds) deposits were \$23,400,020. In addition, the Village maintained several petty cash accounts with a carrying value of \$800. The bank balances were \$25,266,550. The FDIC insures bank balances up to \$250,000. As of April 30, 2015, the entire bank balance was collateralized.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Village's investments at April 30, 2015.

	Credit Rating	Fair Value	Investment Maturities			
			Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
Certificates of Deposit	NR	\$ 250,173	\$ 250,173	\$ -	\$ -	\$ -
FHLB	AA+	50,055	50,055	-	-	-
<b>Total</b>		<b>\$ 300,228</b>	<b>\$ 300,228</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits investment maturities to two years as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's). The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. All of the Village's securities have a credit rating of AAA/Aaa. One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, the Village's intent is to hold the bonds until they recover.

*Custodial Credit Risk* - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. As of April 30, 2015, the Village had no funds which were uninsured and uncollateralized.

*Concentration of Credit Risk* - The Village places no limit on the amount it may invest in any one issuer. 83.33% and 16.67% of the Village's investments are in certificates of deposit and FHLB, respectively.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

The following is a reconciliation between Note 6 and the basic financial statements of the primary government:

	<u>Note 6</u>		<u>Statement of Net Position</u>
Carrying value of cash	\$ 23,400,020	Cash and investments	\$ 18,434,666
Petty cash	800	Restricted cash and investments	5,266,382
Carrying value of investments	<u>300,228</u>		
Total Note 6	<u>\$ 23,701,048</u>	Total financial statements	<u>\$ 23,701,048</u>

Police Pension Trust Fund: At year end, the Police Pension Trust Fund's carrying amount of the Pension Fund's demand deposits totaled \$26,538, and the bank balances totaled \$28,952. The FDIC insures bank balances up to \$250,000. As of April 30, 2015, the entire bank balance was collateralized.

The deposits and investments of the Police Pension Trust Fund are held separately from those of other Village funds. Statutes authorize the Police Pension Trust Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any country, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance.

Pension funds with net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate account of life insurance companies and mutual funds. In addition, pension funds with net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to 45% of the plan's net position in common and preferred stocks that meet specific restrictions.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Trust Fund's investments at April 30, 2015:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Investment Maturities</u>			
			<u>Less Than One Year</u>	<u>One to Five Years</u>	<u>Six to Ten Years</u>	<u>Greater Than Ten Years</u>
U.S. Treasury Notes	\$ 1,378,223	AA+	\$ -	\$ 850,256	\$ 527,967	\$ -
U.S. Treasury Bonds	412,367	AA+	-	189,415	-	222,952
GNMA	41,700	AA+	-	-	-	41,700
FFCB	64,413	AA+	-	64,413	-	-
FHLB	40,047	AA+	-	40,047	-	-
FHLMC	49,644	AA+	-	5,330	6,157	38,157
FNMA	618,418	AA+	-	264,186	76,178	278,054
Corporate Bonds	1,661,399	AA+ - BBB+	75,146	515,708	716,815	353,730
MM Mutual Funds	926,152	NR	926,152	-	-	-
Subtotal			<u>\$ 1,001,298</u>	<u>\$ 1,929,355</u>	<u>\$ 1,327,117</u>	<u>\$ 934,593</u>
Investments not sensitive to						
Interest rate risk:						
Equity Securities	1,361,548					
Equity Mutual Funds	<u>8,206,078</u>					
Total investments	<u>\$ 14,759,989</u>					

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide adequate liquidity while at the same time matching investment maturities to projected fund liabilities.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The plan invests in securities that ranged in rating from triple A to triple B by Standard & Poor's or by Moody's Investors Services. The Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return." One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, the Fund's intent is to hold the bonds until they recover.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 6 - CASH AND INVESTMENTS** (Continued)

*Custodial Credit Risk* – In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2015, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension 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 Pension Fund's deposits with financial institutions.

For an investment, this is the risk that in the event of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk disclosures. Although the Pension Fund's investment policy does not require a third-party custodian, the fund limits its exposure by requiring the investment broker/custodian to acquire an excess SIPC policy to provide the same coverage for the portfolio as would be provided by the SIPC.

*Concentration of Credit Risk* – This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration credit risk for investments. At April 30, 2015, 9.34%, 11.26%, 6.27%, 9.22%, and 55.60% of the Fund's investments are in US Treasury Notes, Corporate Bonds, Money Market Mutual Funds, Equity Securities, and Equity Mutual Funds, respectively. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and, as mentioned earlier, are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. The Funds' investment policy specifies "in order to further guarantee asset safety, the Pension Fund shall diversify investments to avoid incurring unreasonable risks from the practice of concentrating investments in specific security types and/or individual financial institutions."

The plan does not have any investment representing more than 5 percent of total investments that need to be disclosed under GASB 40.

Firefighters' Pension Trust Fund: At year end, the Firefighters' Pension Trust Fund's carrying amount and bank balance of cash was \$497,619. The FDIC insures bank balances up to \$250,000. As of April 30, 2015, the entire bank balance was collateralized with securities of the U.S. government held by a financial institution acting as the Fund's agent.

The Firefighters' Pension Trust Fund is authorized to invest in any type of investment instrument permitted by Illinois Law, as described in Chapter 40 of the Illinois Compiled Statutes, 40 ILCS 5/1-113.1 through 113.40.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

**NOTE 6 - CASH AND INVESTMENTS (Continued)**

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Firefighters' Pension Trust Fund's investments at April 30, 2015.

	Fair Value	Credit Rating	Investment Maturities			
			Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
U.S. Treasury Notes	\$ 102,359	AA+	\$ 102,359	\$ -	\$ -	\$ -
U.S. Treasury Strips	74,506	AA+	55,048	19,458	-	-
GNMA	8,053	AA+	-	-	-	8,053
FFCB	293,492	AA+	100,434	193,058	-	-
FHLB	1,512,720	AA+	102,908	525,750	884,062	-
FHLMC	232,290	AA+	-	232,290	-	-
Corporate Bonds	2,230,135	AA+ - BBB+	163,818	1,104,519	961,798	-
Municipal Bonds	606,418	AA+ - AA-	-	263,078	343,340	-
Subtotal			<u>\$ 524,567</u>	<u>\$ 2,338,153</u>	<u>\$ 2,189,200</u>	<u>\$ 8,053</u>
Investments not sensitive to Interest rate risk:						
Equity Securities	\$ 47,949					
Equity Mutual Funds	577,868					
Mutual Funds	5,378,697					
Mutual Funds - Fixed Income	649,877					
Common Stock	956,088					
Total investments	<u>\$ 12,670,452</u>					

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities; additionally the fixed income portfolio is structured allowing for duration between 2 and 7 years.

**Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements the Illinois Pension Code. The plan invests in securities that ranged in rating from triple A to triple B by Standard & Poor's or by Moody's Investors Services. The Fund's investment policy also prescribes "that investments be made with the care, skill, prudence, and diligence that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims." One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below the cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end, the Fund's intent is to hold the bonds until they recover.

**Custodial Credit Risk** – In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. At April 30, 2015, the Fund had no deposits uninsured and uncollateralized. It is the policy of the Fund to require that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default.

**Concentration of Credit Risk** – This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration of credit risk for investments.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

**NOTE 6 - CASH AND INVESTMENTS** (Continued)

The plan does not have any investment representing more than 5 percent of total investments that need to be disclosed under GASB 40.

Agency Fund: At year end, the Special Deposit Fund's carrying and bank balance amount of cash was \$51,364. The FDIC insures bank balances up to \$250,000. As of April 30, 2015, the entire bank balance was fully collateralized. The Special Deposit Fund did not carry any investments.

Library (Component Unit): The Library is authorized by state statute and their own local ordinances to invest in the following:

- Certificates of deposit
- Savings accounts
- Money markets
- Illinois Treasurer's Investment Pool (IPTIP)

The carrying value of the Library's deposits as of April 30, 2015 was \$113,427. The bank balances were \$125,408. All account balances at banks were insured by the Federal Deposit Insurance Corporation (FDIC) or not subject to risk categorization.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Library's investments at April 30, 2015.

	Investment Maturities				
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
Illinois Funds (IPTIP)	\$ 1,021,276	\$ 1,021,276	\$ -	\$ -	\$ -

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library adheres to the Village's investment policy which limits investment maturities to two years as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk* – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Library adheres to the Village's investment policy which requires all fixed income investments to be of investment grade quality or higher at purchase. Illinois Funds investments have a credit rating of AAA/Aaa.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the investor will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library adheres to the Village's investment policy which requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization. Illinois Funds are not subject to this risk categorization.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 6 - CASH AND INVESTMENTS (Continued)**

*Concentration of Credit Risk* - The Library adheres to the Village's investment policy which places no limit on the amount it may invest in any one issuer. 100% of the Library's investments are in Illinois Funds.

**NOTE 7 - DEFINED BENEFIT PENSION PLAN**

**Illinois Municipal Retirement**

Plan Description: The Village's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at [www.imrf.com](http://www.imrf.com).

Funding Policy: As set by statute, the Village's Regular plan members are required to contribute 4.50% of their annual covered salary. Statutes also require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village contribution rate for calendar year 2014 was 17.69% of annual covered payroll. The employer annual required contribution rate for calendar year 2014 was 19.34%. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Annual Pension Cost and Net Pension Obligation: For the fiscal year ending April 30, 2015, the Village's actual contributions for pension cost for the IMRF Regular Plan were \$740,075. The Village's required contribution was \$740,075.

Annual Required Contribution	\$ 740,075
Interest on NPO	13,222
Adjustment to ARC	9,848
Annual Pension Cost	743,449
Actual Contribution	740,075
Increase (Decrease) in Net Pension Obligation	3,374
Net Pension Obligation at April 30, 2014	176,293
Net Pension Obligation at April 30, 2015	<u>\$ 179,667</u>

The difference between the April 30, 2015 NPO shown above (\$179,667) and the amount shown on the Reconciliation of Net Pension Obligation Amount under Note 4 (\$148,526) is due to the Library's portion (\$31,141).

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Three Year Trend Information			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/2015	\$ 743,449	99.6%	\$ 179,667
4/30/2014	568,484	99.4%	176,293
4/30/2013	430,042	99.2%	172,784

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases of 0.4% to 10% per year depending on age of service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Village's plan assets was determined using techniques that spread the effects of short term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29 year basis.

Funded State and Funding Progress: As of December 31, 2014, the most recent actuarial valuation date, the plan was 62.25% funded. The actuarial accrued liability for benefits was \$13,741,982 and the actuarial value of assets was \$8,554,405, resulting in an underfunded actuarial accrued liability (UAAL) of \$5,187,577. The covered payroll for calendar year 2014 (annual payroll of all active employees covered by the plan) was \$4,122,475 and the ratio of the UAAL to the covered payroll was 126%.

The schedule of funding progress, presented in the required supplementary information following the notes to financial statements, presents six year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

**Sheriff's Law Enforcement Personnel**

Plan Description: The Village's defined benefit pension plan for Sheriff's Law Enforcement Personnel (SLEP) employees provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at [www.imrf.com](http://www.imrf.com).

Funding Policy: As set by statute, the Village's SLEP plan members are required to contribute 7.50% of their annual covered salary. Statutes also require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The contribution rate for calendar year 2014 used by the Village was 0.00% of annual covered payroll. The employer annual required contribution rate for calendar year 2014 was 13.77%. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Annual Pension Cost: For the fiscal year ending April 30, 2015, the Village did not make a contribution to the IMRF SLEP Plan. The Village was not required to make a contribution.

Annual Required Contribution	\$	-
Interest on NPO		54
Adjustment to ARC		40
Annual Pension Cost		14
Actual Contribution		-
Increase (Decrease) in Net Pension Obligation		14
Net Pension Obligation at April 30, 2013		722
Net Pension Obligation at April 30, 2014	\$	736

Three Year Trend Information

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/2014	\$ 14	0%	\$ 736
12/31/2013	14	0%	722
12/31/2012	15	0%	708

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012, included (a) 7.5% investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4% a year, attributable to inflation, (c) additional projected salary increases of 0.4% to 10% per year depending on age of service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of the Village's plan assets was determined using techniques that spread the effects of short term volatility in the market value of investments over a five year period with a 20% corridor between the actuarial and market value of assets. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30 year basis.

Funded State and Funding Progress: As of December 31, 2014, the most recent actuarial valuation date, the plan was 0.00% funded. The actuarial accrued liability for benefits was \$0 and the actuarial value of assets was (\$277,610), resulting in an underfunded actuarial accrued liability (UAAL) of \$277,610. The covered payroll (annual payroll of all active employees covered by the plan) was \$0 and the ratio of the UAAL to the covered payroll was 0%.

The schedule of funding progress, presented in the required supplementary information following the notes to financial statements, presents six year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

**Police Pension Plan**

Plan Description: Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended by the Illinois legislature. The Village of Elmwood Park accounts for the plan as a pension trust fund.

At April 30, 2015 (latest information available) the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	38
Current Employees Vested and Nonvested	<u>35</u>
	<u>73</u>

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 2.5% 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 of 2.5% of final salary for each year of service.

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 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 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 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Funding Policy: Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Summary of Significant Accounting Policies and Plan Asset Matters:

*Basis of Accounting* – The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenue in the period in which employee services are performed.

*Method Used to Value Investments* – Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Insurance contracts are valued at contract value. Fair values are derived from published sources.

Contributions: Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary.

Related-Party Transactions: There were no securities of the Village or related parties included in the Plan's assets.

Annual Pension Cost and Net Pension Obligation (NPO): The Village's annual pension cost for the current year and related information is as follows:

Contributed Rates	
Employer	45.91%
Employee	9.91%
Annual Pension Cost	\$1,576,479
Contributions Made	\$1,461,836
Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age
Amortization Method	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	26 years
Asset Valuation Method	Market Value
Actuarial Assumptions	
Investment Rate of Return	7.0%, Compounded Annually
Projected Salary Increases	5.5%
Inflation Rate Included	2.5%
Cost of Living Adjustments	Tier 1 - 3.0%, Compounded annually Tier 2 – 2.0%, Simple

The amount of the pension liability is as follows:

Annual Required Contribution	\$ 1,491,005
Interest on NPO	237,986
Adjustment to ARC	<u>(152,512)</u>
Annual Pension Cost	1,576,479
Annual Contribution	<u>1,461,836</u>
Increase (Decrease) in NPO	114,643
NPO at April 30, 2014	<u>3,399,797</u>
NPO at April 30, 2015	<u>\$ 3,514,440</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Trend Information: Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
04/30/2015	\$ 1,576,479	92.7%	\$ 3,514,440
04/30/2014	1,458,458	96.3%	3,399,797
04/30/2013	1,371,122	111.9%	3,345,993

Funded State and Funding Progress: As of April 30, 2015, the most recent actuarial valuation date, the plan was 35.6% funded. The actuarial accrued liability for benefits was \$41,791,860, and the actuarial value of assets was \$14,887,323, resulting in an underfunded actuarial accrued liability (UAAL) of \$26,904,537. The covered payroll (annual payroll of all active employees covered by the plan) was \$3,184,185, and the ratio of the UAAL to the covered payroll was 844.9%.

The schedule of funding progress, presented in the required supplementary information following the notes to financial statements, presents six year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Statement of Net Position - Police Pension Fund

Assets	
Cash	\$ 26,538
Investments	14,759,989
Prepaid assets	16,500
Accrued interest	29,756
Due from Village	65,446
Total assets	14,898,229
Liabilities	
Accounts payable	10,905
Total liabilities	10,905
Net position	
Held in trust for pension benefits and other purposes	14,887,324
Total net position	\$ 14,887,324

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Statement of Changes in Net Position - Police Pension Fund

Additions	
Contributions	
Employer	\$ 1,461,836
Plan Members	308,604
Total contributions	<u>1,770,440</u>
Investment earnings	
Interest and dividends earned	473,348
Change in fair value	136,633
Less: Investment expense	<u>(96,445)</u>
Net investment earnings	<u>513,536</u>
Total additions	<u>2,283,976</u>
Deductions	
Benefits	1,940,882
Administrative expenses	<u>41,743</u>
Total deductions	<u>1,982,625</u>
Change in net position	301,351
Net position - beginning of year	<u>14,585,973</u>
Net position - end of year	<u>\$ 14,887,324</u>

**Firefighters' Pension Plan**

Plan Description: Fire sworn personnel are covered by the Firefighter's Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois State Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

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. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years 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 covered employee 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 3.0% of the original pension and 3.0% compounded annually thereafter.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

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 firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Funding Policy: Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan.

At April 30, 2015 (latest information available) the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to but not yet Receiving Benefits	28
Current Employees Vested and Nonvested	<u>25</u>
	<u>53</u>

Summary of Significant Accounting Policies and Plan Asset Matters:

*Basis of Accounting* – The financial statements are prepared using the accrual basis of accounting. Employees and employer contributions are recognized as revenue in the period in which employee services are performed.

*Method Used to Value Investments* – Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Fair values are derived from published sources.

Contributions: Covered employees are required to contribute 9.455% of their base salary to the Firefighter's Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective July 1, 1993 the Village's contribution must accumulate to the point where the past service cost for the Firemen's Pension Plan is fully funded by the year 2033.

Related-Party Transactions: There were no securities of the Village or related parties included in the Plan's assets.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

Annual Pension Cost and Net Pension Obligation (NPO): The Village's annual pension cost for the current year and related information is as follows:

Contributed Rates	
Employer	48.710%
Employee	9.455%
Annual Pension Cost	\$1,176,923
Contribution Made	\$1,114,546
Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry Age Normal, Level Dollar
Amortization Method	Level % Closed
Remaining Amortization Period	26 years
Asset Valuation Method	Market Value
Actuarial Assumptions	
Investment Rate of Return	7.0%, Compounded Annually
Projected Salary Increases	5.5%
Inflation Rate Included	2.5%
Cost-of-Living Adjustments	Tier 1 - 3.0%, Compounded annually Tier 2 – 2.0%, Simple

The amount of the pension liability is as follows:

Annual Required Contribution	\$ 1,140,956
Interest on NPO	100,144
Adjustment to ARC	<u>(64,177)</u>
Annual Pension Cost	1,176,923
Annual Contribution	<u>1,114,546</u>
Increase (Decrease) in NPO	(62,377)
NPO at April 30, 2014	<u>1,430,622</u>
NPO at April 30, 2015	<u>\$ 1,492,999</u>

Trend Information: Employer annual required contributions (ARC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the ARC and the contributions actually made.

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
4/30/2015	\$ 1,176,923	94.7%	\$ 1,492,999
4/30/2014	1,079,773	112.6%	1,430,622
4/30/2013	1,020,291	124.3%	1,566,479

Funded State and Funding Progress: As of April 30, 2015, the most recent actuarial valuation date, the plan was 43.0% funded. The actuarial accrued liability for benefits was \$31,283,834, and the actuarial value of assets was \$13,446,779, resulting in an underfunded actuarial accrued liability (UAAL) of \$17,837,055. The covered payroll (annual payroll of all active employees covered by the plan) was \$2,288,103, and the ratio of the UAAL to the covered payroll was 779.6%.

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 7 - DEFINED BENEFIT PENSION PLAN (Continued)**

The schedule of funding progress, presented in the required supplementary information following the notes to financial statements, presents six year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Statement of Net Position - Fire Pension Fund

Assets	
Cash	\$ 497,619
Investments	12,670,452
Due from Village	218,202
Accrued interest	60,506
Total assets	<u>13,446,779</u>
Net position	
Held in trust for pension benefits and other purposes	<u>13,446,779</u>
Total net position	<u>\$ 13,446,779</u>

Statement of Changes in Net Position - Fire Pension Fund

Additions	
Contributions	
Employer	\$ 1,114,546
Plan Members	211,261
Total contributions	<u>1,325,807</u>
Investment earnings	
Interest and dividends earned	661,955
Change in fair value	123,033
Other income	710
Less: Investment expense	<u>(23,222)</u>
Net investment earnings	<u>762,476</u>
Total additions	<u>2,088,283</u>
Deductions	
Benefits	1,407,331
Administrative expenses	<u>287,688</u>
Total deductions	<u>1,695,019</u>
Change in net position	393,264
Net position - beginning of year	<u>13,053,515</u>
Net position - end of year	<u>\$ 13,446,779</u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

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**NOTE 8 – DEFINED BENEFIT PLANS GASB STATEMENT 67 DISCLOSURES**

**Net Pension Liability**

The components of the net pension liability of the Village at April 30, 2015, were as follows:

	Police Pension	Firefighters' Pension
Total Pension Liability	\$ 41,791,860	\$ 31,283,834
Plan Fiduciary Net Position	(14,887,323)	(13,446,779)
Village Net Pension Liability	<u>\$ 26,904,537</u>	<u>\$ 17,837,055</u>
Plan Fiduciary Net Position as a percentage of the total pension liability	35.62%	42.98%

*Actuarial assumptions:* The total pension liability was determined by an actuarial valuation as of April 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

	Police Pension	Firefighters' Pension
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Mark Value	Mark Value
Projected Salary Increases	5.50%	5.50%
Inflation	2.50%	2.50%
Investment Rate of Return	7.00%	7.00%

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table. The actuarial assumptions used in the April 30, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

*Investment policy:* The Pension Board of Trustees has adopted the asset allocation policy shown below for Fund assets. Target percentages have been determined for each asset class along with allocation ranges. Percentage allocations are intended to serve as guidelines, the Board will not be required to remain strictly within the designated ranges. Market conditions or an investment transition may result in a temporary imbalance of the asset mix.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 8 – DEFINED BENEFIT PLANS GASB STATEMENT 67 DISCLOSURES**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Estimated Arithmetic Rate of Return</u>
<u>Police Pension Fund</u>		
Domestic Cash	3.00%	3.50%
Domestic Fixed Income	32.00%	3.71%
Emerging Markets Debt	5.00%	5.86%
Domestic Large Cap Equity	6.00%	8.50%
Domestic Small/Mid Cap Equity	6.00%	9.54%
Domestic Preferred Securities	5.00%	6.52%
Domestic Convertible Bonds	5.00%	7.55%
International Developed Markets Equity	4.00%	9.47%
Emerging Markets Equity	5.00%	11.02%
Real Estate	4.00%	9.52%
Tactical All Asset	15.00%	7.20%
MLP's	5.00%	6.70%
Floating Rate Notes	<u>5.00%</u>	6.60%
	100.00%	
<u>Firefighters' Pension Fund</u>		
Domestic Treasuries	5.06%	4.30%
Domestic Agencies	15.55%	4.50%
Taxable IL Municipal Bonds	4.61%	4.50%
Domestic Corporate Bonds	17.94%	5.00%
Domestic High Yield Bonds	2.07%	6.00%
Emerging Markets Bonds	1.88%	6.50%
Domestic Large Cap Equity	31.31%	7.50%
Domestic Mid Cap Equity	3.40%	7.80%
Domestic Small Cap Equity	1.61%	7.50%
International Equity	9.23%	7.80%
Emerging Markets Equity	2.96%	7.50%
Real Estate	1.07%	6.80%
Global Infrastructure	2.11%	7.30%
Natural Resources	<u>1.20%</u>	3.80%
	100.00%	

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

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**NOTE 8 – DEFINED BENEFIT PLANS GASB STATEMENT 67 DISCLOURES** (continued)

Discount rate: The projection of cash flows used to determine the discount rate of 7.5% for both Plans assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current 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.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Plans, calculated using the discount rate of 7.0 percent, as well as what the Plans' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
Police NPL	\$ 32,031,370	\$ 26,904,537	\$ 22,626,775
Firefighters' NPL	\$ 21,380,169	\$ 17,837,055	\$ 14,845,942

Rate of returns: For the year ended April 30, 2015, the annual money-weighted rate of return on Police and Firefighters' pension plan investments, net of pension plan investment expense, were 10.36 percent and 7.15 percent, respectively. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 9 - RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. The Village maintains commercial insurance for its general liability, property and casualty, workers' compensation, and all-risk coverage. The policies are subject to various deductibles. For all programs, there has been no significant reduction in insurance coverage from coverage in the prior year. Insurance settlements have not exceeded insurance coverage for each of the past three fiscal years.

**NOTE 10 - OPERATING LEASES**

The Village has two operating leases with the Elmwood Park Public Library (a component unit of the Village). First, the land on which the Library was built is owned by the Village and leased to the Library for a fifty-year period, whereas the Library makes yearly payments to the Village of one (\$1) dollar. At the end of the lease term, the rights to the land revert back to the Village. Secondly, land owned by the Library was leased to the Village for the purposes of constructing a recreational facility. The lease term is ninety-nine (99) years, whereas the Village pays the Library the sum of one (\$1) dollar yearly. At the conclusion of the ninety-nine (99) year period, rights to the land revert back to the Library.

**NOTE 11 - POSTEMPLOYMENT HEALTHCARE BENEFITS**

Plan Description: The Village provides limited health care insurance for its eligible retired employees.

Funding Policy: Funding is provided by The Village on a pay-as-you-go basis. The Village is reimbursed by retirees for the Village's contribution on their behalf. The Village's contribution on behalf of the employees to the insurance provider was \$129,628 for 2015.

Annual OPEB Cost and Net OPEB Obligation: The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for 2015, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

Annual Required Contribution	\$	124,952
Interest on OPEB		9,411
Adjustment to ARC		(7,843)
Annual OPEB Cost		<u>126,520</u>
Actual Contribution		<u>129,628</u>
Increase (Decrease) in OPEB		(3,108)
OPEB at April 30, 2014		<u>235,283</u>
OPEB at April 30, 2015	\$	<u><u>232,175</u></u>

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO FINANCIAL STATEMENTS  
 Year ended April 30, 2015

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**NOTE 11- POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)**

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the three preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Percentage of AOC Contributed</u>	<u>Net OPEB Obligation</u>
4/30/2015	\$ 126,520	102.5%	\$ 232,175
4/30/2014	104,648	65.1%	235,283
4/30/2013	104,406	65.2%	198,727

Funded Status and Funding Progress: As of April 30, 2015, the most recent actuarial valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$2,024,075.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2015 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of (3.2%) initially, then 7.0% which would be reduced by increments of 0.5% every two years until an ultimate rate of 5.5%. Both rates included a 3.0% inflation assumption. The actuarial value of assets was marked to the market value of the retiree healthcare account as of April 30, 2015. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2015, was thirty years.

In accordance with GASB Statement No. 45, the Village will have an actuarial valuation done once every three years; above is the information from the most recent valuation as of April 30, 2015.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 12 - RECEIVABLES**

The following is a summary of the various components of significant receivables at April 30, 2015. Any uncollectible amount is not believed to be material.

	<u>Statement of Net Position</u>
Other Governmental receivables	
Home rule sales tax	\$ 197,745
State income tax	847,583
Local use tax	129,270
Sales tax	322,724
Utility tax	153,139
Motor fuel tax	<u>112,211</u>
Total other governmental receivables	<u>\$ 1,762,672</u>

	<u>Statement of Net Position</u>
Accounts receivable	
Water billings	\$ 1,104,209
Garbage billings	<u>320,513</u>
Total accounts receivable	<u>\$ 1,424,722</u>

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(Continued)

**NOTE 13 - NEW GOVERNMENTAL ACCOUNTING STANDARDS**

In June 2013, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers* and Statement No. 50, *Pension Disclosures*, as they relate to governments that provide pensions through pension plans administered as trusts or similar arrangements that meet certain criteria. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). The provisions of this Statement are effective for the Village's financial year ending April 30, 2016. Management has determined this GASB statement will have a material impact on its financial statements.

In January 2014, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. The objective of this Statement is to improve accounting and financial reporting for U.S. state and local governments' combinations and disposals of government operations. Government combinations include mergers, acquisitions, and transfers of operations. A disposal of government operations can occur through a transfer to another government or a sale. The new standard provides guidance for:

- Determining whether a specific government combination is a government merger, a government acquisition, or a transfer of operations;
- Using carrying values (generally, the amounts recognized in the pre-combination financial statements of the combining governments or operations) to measure the assets, deferred outflows of resources, liabilities, and deferred inflows of resources combined in a government merger or transfer of operations;
- Measuring acquired assets, deferred outflows of resources, liabilities, and deferred inflows of resources based upon their acquisition values in a government acquisition; and
- Reporting the disposal of government operations that have been transferred or sold.

This Statement is effective for the Village's financial period ending April 30, 2015. This Statement was implemented during the year with no material impact.

In April 2014, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This liability should be reported until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units by specifying the information required to be disclosed by governments that extend nonexchange financial guarantee as well as new information to be disclosed by governments that receive nonexchange financial guarantees. The provisions of this Statement are effective for the Village's fiscal year ended April 30, 2015. This Statement was implemented during the year with no material impact.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 13 – NEW GOVERNMENTAL ACCOUNTING STANDARDS (Continued)**

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement 68. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68 and are effective for the Village's fiscal year ended April 30, 2016. Management has not determined what impact, if any, this statement will have on its financial statements.

In February 2015, the GASB issued Statement 72, *Fair Value Measurement and Application*. The objective of this Statement is to address accounting and financial reporting issues related to fair value measurements and provide guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2015, the GASB issued Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement establishes requirements for those pensions and pension plans that are not administered through a trust not covered by Statements 67 and 68. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2015, the GASB issued Statement 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement follows the framework for financial reporting of defined benefit OPEB plans in Statement 45 by requiring a statement of fiduciary net position and a statement of changes in fiduciary net position. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated, including information about the annual money-weighted rates of return on plan investments. Statement 74 also sets forth note disclosure requirements for defined contribution OPEB plans. This Statement is effective for the Village's fiscal year ended April 30, 2018. Management has not determined what impact, if any, this statement will have on its financial statements.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 13 – NEW GOVERNMENTAL ACCOUNTING STANDARDS (Continued)**

In June 2015, the GASB issued Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. Among the new note disclosures is a description of the effect on the reported OPEB liability of using a discount rate and a healthcare cost trend rate that are one percentage point higher and one percentage point lower than assumed by the government. The new RSI includes a schedule showing the causes of increases and decreases in the OPEB liability and a schedule comparing a government's actual OPEB contributions to its contribution requirements. This Statement is effective for the Village's fiscal year ended April 30, 2019. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2015, the GASB issued Statement 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement is intended to improve financial reporting for governments by establishing a framework for the evaluation of accounting guidance that will result in governments applying that guidance with less variation. That will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments. The Statement also is intended to improve implementation guidance by elevating its authoritative status to a level that requires it be exposed for a period of broad public comment prior to issuance, as is done for other GASB pronouncements. This Statement is effective for the Village's fiscal year ended April 30, 2017. This will have no impact on the presentation of the financial statements.

In August 2015, the GASB issued Statement 77, *Tax Abatement Disclosures*. This Statement is intended to improve financial reporting by requiring disclosure of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local government employers whose employees are provided with such pensions. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employees through a cost-sharing multiple-employer defined benefit pension plan that is not a state or local governmental pension plan, is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pension through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

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(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
Year ended April 30, 2015

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**NOTE 13 – NEW GOVERNMENTAL ACCOUNTING STANDARDS** (Continued)

In December 2015, the GASB issued Statement 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. This Statement is effective for the Village's fiscal year ended April 30, 2017. Management has not determined what impact, if any, this statement will have on its financial statements.

In December 2015, the GASB issued Statement 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. This Statement is effective for the Village's fiscal year ended April 30, 2018. Management has not determined what impact, if any, this statement will have on its financial statements.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2015

	General Fund		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 5,816,863	\$ 5,945,203	\$ 128,340
State/home rule sales tax	2,525,000	2,385,634	(139,366)
State income tax	2,400,000	2,436,906	36,906
Utility taxes	1,600,000	1,547,763	(52,237)
Other taxes	555,000	674,088	119,088
Licenses, permits and fees	2,057,500	2,283,491	225,991
Grants	39,750	22,937	(16,813)
Other revenue	1,078,700	1,217,189	138,489
Investment income	5,000	2,741	(2,259)
Total revenues	<u>16,077,813</u>	<u>16,515,952</u>	<u>438,139</u>
Expenditures			
Current			
Administration	2,369,106	2,516,109	(147,003)
Code administration	590,000	512,020	77,980
Police department	4,172,950	4,117,177	55,773
Fire department	2,751,707	2,744,663	7,044
Public works	2,728,050	2,878,506	(150,456)
Insurance department	2,579,000	2,423,856	155,144
Total expenditures	<u>15,190,813</u>	<u>15,192,331</u>	<u>(1,518)</u>
Excess (deficiency) of revenues over expenditures	<u>887,000</u>	<u>1,323,621</u>	<u>439,657</u>
Other financing sources (uses)			
Transfers out	<u>(887,000)</u>	<u>(750,221)</u>	<u>136,779</u>
Total other financing sources (uses)	<u>(887,000)</u>	<u>(750,221)</u>	<u>136,779</u>
Net change in fund balance	<u>\$ -</u>	<u>573,400</u>	<u>\$ 573,400</u>
Fund balance at beginning of year		<u>10,375,804</u>	
Fund balance at end of year		<u>\$ 10,949,204</u>	

See accompanying notes to required supplementary information.

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS  
 ILLINOIS MUNICIPAL RETIREMENT FUND  
 Year Ended April 30, 2015

Regular

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$ 8,554,405	\$ 13,741,982	\$ 5,187,577	62.25%	\$ 4,122,475	125.84%
12/31/13	7,203,539	11,987,435	4,783,896	60.09%	3,947,765	121.18%
12/31/12	6,116,980	11,715,693	5,598,713	52.21%	4,063,054	137.80%

On a market value basis, the actuarial value of assets as of December 31, 2014 was \$10954224. On a market basis, the funded ratio would be 79.71%

SLEP

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$ (277,610)	\$ -	\$ 277,610	0.00%	\$ -	0.00%
12/31/13	(291,314)	-	291,314	0.00%	-	0.00%
12/31/12	(321,434)	-	321,434	0.00%	-	0.00%

On a market value basis, the actuarial value of assets as of December 31, 2014 was negative \$226,870. On a market basis, the funded ratio would be 0.00%

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS - PENSION FUNDS  
 Year Ended April 30, 2015

<u>POLICE PENSION FUND</u>						
Actuarial Valuation	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
<u>Date</u>	<u>Assets</u>	<u>(AAL)</u>	<u>(1)/(2)</u>	<u>(2) - (1)</u>	<u>Payroll</u>	<u>(4)/(5)</u>
4/30/15	\$ 14,887,323	\$ 41,791,860	35.62%	\$ 26,904,537	\$ 3,206,707	839.01%
4/30/14	14,585,973	38,035,659	38.35%	23,449,686	3,188,807	735.37%
4/30/13	14,069,110	36,709,265	38.33%	22,640,155	3,026,707	748.01%

  

<u>FIREFIGHTERS' PENSION FUND</u>						
Actuarial Valuation	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
<u>Date</u>	<u>Assets</u>	<u>(AAL)</u>	<u>(1)/(2)</u>	<u>(2) - (1)</u>	<u>Payroll</u>	<u>(4)/(5)</u>
4/30/15	\$ 13,446,779	\$ 28,326,619	47.47%	\$ 14,879,840	\$ 2,200,564	676.18%
4/30/14	13,044,871	28,989,884	45.00%	15,945,013	2,166,018	736.14%
4/30/13	12,269,312	28,326,619	43.31%	16,057,307	2,200,564	729.69%

Analysis of the dollar amounts of actuarial value of assets, actuarial accrued liability, and the unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the unfunded actuarial accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Public Employee Retirement System (PERS). Trends in unfunded actuarial accrued liability and covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of covered payroll approximately adjusts for the effect of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS  
 Year Ended April 30, 2015

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
4/30/15	\$ -	\$ 2,024,075	0.0%	\$ 2,024,075	\$ 9,529,746	21.2%
4/30/14*	-	1,691,966	0.0%	1,691,966	9,252,181	18.3%
4/30/13*	-	1,691,966	0.0%	1,691,966	9,252,181	18.3%

\*Results from prior year

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry Age
Amortization method	Level % payroll, open
Remaining amortization period	30 years
Actuarial valuation method	Market Value
Significant actuarial assumptions:	
Investment rate of return*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate
Percentage of Active Employees Assumed to Elect Benefit	50.00%
Employer Provided Benefit	40% of premium to age 65; Current Health Insurance Premium for Life for Disabled Public Safety Employees (\$574 - 1,134/month)
*Includes inflation at	3.00%

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY  
 Year Ended April 30, 2015

	<u>2015</u>
<b>Total pension liability</b>	
Service cost	\$ 787,541
Interest	2,594,565
Changes of benefit terms	-
Differences between expected and actual experience	(318,168)
Changes of assumptions	2,633,145
Benefit payments, including refunds of member contributions	<u>(1,940,882)</u>
<b>Net change in total pension liability</b>	<u>3,756,201</u>
<b>Total pension liability - beginning</b>	<u>38,035,659</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 41,791,860</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 1,461,836
Contributions - employee	308,604
Net investment income	513,534
Benefit payments, including refunds of member contributions	(1,940,882)
Administrative expense	<u>(41,742)</u>
<b>Net change in plan fiduciary net position</b>	<u>301,350</u>
<b>Plan fiduciary net position - beginning</b>	<u>14,585,973</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 14,887,323</u>
<b>Village's net pension liability (a-b)</b>	<u>\$ 26,904,537</u>

Notes to Schedule:

GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available. Ultimately, 10 years of data will be presented.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF POLICE PENSION FUND NET PENSION LIABILITY  
 Year Ended April 30, 2015

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	<u>2015</u>
Total pension liability	\$ 41,791,860
Plan fiduciary net position	(14,887,323)
Village's net pension liability (asset)	<u>\$ 26,904,537</u>
Plan fiduciary net position as a percentage of the total pension liability	35.62%
Covered-employee payroll	3,184,185
Plan's net pension liability (asset) as a percentage of covered-employee payroll	844.94%

Notes to Schedule:

GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available, Ultimately, 10 years of data will be presented.

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS  
 Year Ended April 30, 2015

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	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,491,005	\$ 1,369,935	\$ 1,273,996
Contributions in relation to the actuarially determined contribution	1,461,836	1,404,654	1,534,033
Contribution deficiency (excess)	<u>\$ 29,169</u>	<u>\$ (34,719)</u>	<u>\$ (260,037)</u>
Covered-employee payroll	3,206,707	3,188,807	3,026,707
Contributions as a percentage of covered-employee payroll	45.59%	44.05%	50.68%

Notes to Schedule:

Methods and assumption used to determine contribution rates:

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Pay
Remaining amortization period	27 years
Asset valuation method	Market Value
Inflation	3.00%
Salary increases	5.00%
Investment rate of return	7.00%
Mortality	RP 200 CHBCA

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	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	1,466,728	\$ 1,420,641	\$ 1,251,874	\$ 1,148,037	\$ 1,054,451	\$ 1,002,498	\$ 940,088
	1,450,232	1,334,891	1,281,098	1,098,062	996,494	1,006,498	903,157
\$	16,496	\$ 85,750	\$ (29,224)	\$ 49,975	\$ 57,957	\$ (4,000)	\$ 36,931
	2,867,308	2,736,057	2,704,079	2,634,598	2,589,869	2,419,890	2,301,697
	50.58%	48.79%	47.38%	41.68%	38.48%	41.59%	39.24%

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF POLICE' PENSION FUND INVESTMENT RATE OF RETURNS  
Year Ended April 30, 2015

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2015

Annual money-weighted rate of return net of investment expense	3.58%
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Notes to Schedule:

GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available, Ultimately, 10 years of data will be presented.

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION LIABILITY  
 Year Ended April 30, 2015

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	<u>2015</u>
<b>Total pension liability</b>	
Service cost	\$ 588,312
Interest	1,970,910
Changes of benefit terms	-
Differences between expected and actual experience	(74,896)
Changes of assumptions	1,477,676
Benefit payments, including refunds of member contributions	<u>(1,668,052)</u>
<b>Net change in total pension liability</b>	<u>2,293,950</u>
<b>Total pension liability - beginning</b>	<u>28,989,884</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 31,283,834</u>
<b>Plan fiduciary net position</b>	
Contributions - employer	\$ 1,114,546
Contributions - employee	211,261
Net investment income	765,806
Benefit payments, including refunds of member contributions	(1,668,052)
Administrative expense	<u>(21,653)</u>
<b>Net change in plan fiduciary net position</b>	<u>401,908</u>
<b>Plan fiduciary net position - beginning</b>	<u>13,044,871</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 13,446,779</u>
<b>Village's net pension liability (a-b)</b>	<u><u>\$ 17,837,055</u></u>

Notes to Schedule:

GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available. Ultimately, 10 years of data will be presented.

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FIREFIGHTERS' PENSION FUND NET PENSION LIABILITY  
Year Ended April 30, 2015

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	<u>2015</u>
Total pension liability	\$ 31,283,834
Plan fiduciary net position	<u>(13,446,779)</u>
Village's net pension liability (asset)	<u>\$ 17,837,055</u>
Plan fiduciary net position as a percentage of the total pension liability	42.98%
Covered-employee payroll	2,288,103
Plan's net pension liability (asset) as a percentage of covered-employee payroll	779.56%

Notes to Schedule:

GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available. Ultimately, 10 years of data will be presented.

VILLAGE OF ELMWOOD PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS  
 Year Ended April 30, 2015

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	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,140,956	\$ 1,038,329	\$ 970,060
Contributions in relation to the actuarially determined contribution	1,114,546	1,215,630	1,268,507
Contribution deficiency (excess)	<u>\$ 26,410</u>	<u>\$ (177,301)</u>	<u>\$ (298,447)</u>
Covered-employee payroll	2,200,564	2,166,018	2,200,564
Contributions as a percentage of covered-employee payroll	50.65%	56.12%	57.64%

Notes to Schedule:

Methods and assumption used to determine contribution rates:

Actuarial valuation date	April 30, 2015
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Pay
Remaining amortization period	27 years
Asset valuation method	Market Value
Inflation	3.00%
Salary increases	5.00%
Investment rate of return	7.00%
Mortality	RP 200 CHBCA

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<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 1,348,303	\$ 1,238,773	\$ 1,430,947	\$ 1,272,821	\$ 1,166,572	\$ 1,110,425	\$ 1,108,217
1,348,303	1,238,773	1,624,109	1,156,553	1,006,570	951,088	855,474
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (193,162)</u>	<u>\$ 116,268</u>	<u>\$ 160,002</u>	<u>\$ 159,337</u>	<u>\$ 252,743</u>
2,223,513	2,135,236	2,076,064	2,071,447	1,925,451	2,004,626	1,946,239
60.64%	58.02%	78.23%	55.83%	52.28%	47.44%	43.96%

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FIREFIGHTERS' PENSION FUND INVESTMENT RATE OF RETURNS  
Year Ended April 30, 2015

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2015

Annual money-weighted rate of return net of investment expense	6.06%
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Notes to Schedule:

GASB 67 was implemented in fiscal year 2015. This schedule is being built prospectively. Information prior to the implementation of GASB 67 is not available, Ultimately, 10 years of data will be presented.

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 Year ended April 30, 2015

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**NOTE 1 – BUDGETARY DATA**

- The Finance Department submits to the Board of Trustees a proposed operating budget for the fiscal year. The budget is prepared on a budgetary basis for certain funds which differs from the basis of accounting which is used in financial reporting. The primary difference is that certain expenditures (e.g. pension contributions) are not budgeted. The budget is used as a guide to management in the preparation of tax levy requirements, to estimate revenue and to control expenditures. Unexpended appropriation balances lapse at year-end.
- Budget hearings are conducted.
- The budget is legally enacted through passage of an ordinance. The fiscal year 2015 budget was passed by the Board on July 21, 2014.
- The budget may be amended by the vote of 4 members of the Board of Trustees. The budget was not amended this year.

The level of control (level at which expenditures may not exceed budget/ appropriations) is the Fund. Budget/Appropriations lapse at year end. No supplemental budget was enacted. The Village operates under the Appropriations Act. For consistency purposes, all financial statements utilize the term “Budget” to indicate estimated revenues or appropriations. The Village prepares budgets for all funds, except as noted below

<u>Fund</u>	<u>Budget Basis of Accounting</u>
General	Modified Accrual
Special Revenue:	
Motor Fuel Tax	Modified Accrual
Parks and Recreation	Modified Accrual
Emergency Telephone System	Modified Accrual
IMRF	Modified Accrual
Special Events	Closed during FY15, no budget
Grand Harlem Special Tax Allocation Fund	No activity in FY15, no budget
Grand Corridor Special Tax Allocation Fund	Not opened until FY15, No FY15 Budget
North/Harlem Special Tax Allocation Fund	Not opened until FY15, No FY15 Budget
Debt Service:	
Debt Service – Bond 95	Modified Accrual
Debt Service – Capitalized Interest 2012	Modified Accrual
Capital Projects:	
Capital Projects	Modified Accrual
Capital Projects-2011	Modified Accrual
Enterprise:	
Water Operations	Accrual
Garbage	Accrual
Pension Trust:	
Police Pension	Accrual
Fire Pension	Accrual
Discretely Presented Component Unit:	
Public Library Fund	Modified Accrual

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
Year ended April 30, 2015

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**NOTE 1 – BUDGETARY DATA (Continued)**

The following funds had an excess of actual budgetary expenditures/expenses over budget for the year ended April 30, 2015:

Fund	Amount
General	\$ 1,518
Parks and recreation	95,961
Emergency telephone system	43,034
IMRF	241,176
Bond 95	12,551
Capitalized interest 2012	169,886
Garbage	148,506
Fire pension	554,063
Police pension	491,620

**NOTE 2 – RECONCILIATION OF STATEMENT 5 AND BUDGETARY COMPARISON SCHEDULE**

Total revenues, expenditures, and fund balance presented in Statement 5 and the Budgetary Comparison Schedule (page 58) are not equal for the General Fund because the fund is presented on the GAAP basis for Statement 5 and on the Budget basis for the Budgetary Comparison Schedule. As noted below, differences are due to the revenues and expenditures of the pension contributions not being budgeted for in the General Fund.

	Total Revenues	Total Expenditures
RSI - 1	\$ 16,515,952	\$ 15,193,117
Pension contributions from property taxes	2,566,382	2,566,382
Statement 5	\$ 19,082,334	\$ 17,759,499

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Current			
Administration			
Salaries	\$ 946,850	\$ 925,488	\$ 21,362
Senior advocacy	10,000	7,500	2,500
Leyden family services	7,150	-	7,150
FICA Employer share	155,620	190,902	(35,282)
MEDI Employer share	113,202	123,765	(10,563)
Office equip. rep & maintenance	30,000	35,207	(5,207)
Legal fees special counsel	80,000	144,577	(64,577)
Village legal services	230,000	244,200	(14,200)
Consulting fees-village	125,000	200,734	(75,734)
Auditing services	60,000	79,669	(19,669)
Telephone services	138,000	132,740	5,260
Dues & subscriptions	30,000	32,259	(2,259)
Travel & training	5,000	5,585	(585)
Office supplies	12,500	12,574	(74)
Village printing	100,000	133,193	(33,193)
Medical supplies	2,500	1,150	1,350
Postage	5,000	12,398	(7,398)
Miscellaneous expense	-	9,298	(9,298)
New office equipment	4,000	2,115	1,885
Village software	70,000	73,324	(3,324)
Computer equipment & maintenance	50,000	27,109	22,891
Contingency	100,000	95,399	4,601
Rodent control	20,000	14,400	5,600
Police & fire communication testing	5,000	-	5,000
Pace bus service	2,500	5,181	(2,681)
Keep EP beautiful	6,000	7,342	(1,342)
Residential Garbage	50,784	-	50,784
Cable/programming	10,000	-	10,000
Total administration	<u>2,369,106</u>	<u>2,516,109</u>	<u>(147,003)</u>
Code administration			
Salaries	467,000	400,173	66,827
Uniforms	3,500	1,916	1,584
Elevator maintenance village hall	2,500	2,790	(290)
Elevator inspection	16,000	21,943	(5,943)
Auto repair & maintenance	5,000	1,405	3,595
Grounds/cleaning	50,000	51,395	(1,395)
Dues & subscriptions	1,000	671	329
Travel and training	4,000	1,816	2,184
Public hearing-code fees	11,000	9,005	1,995
Vacant property maintenance	5,000	8,021	(3,021)
Office supplies	5,000	5,385	(385)
Façade Program	20,000	7,500	12,500
Total code administration	<u>590,000</u>	<u>512,020</u>	<u>65,480</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Police department			
Salaries	\$ 3,077,000	\$ 3,000,356	\$ 76,644
Salaries/clerks	122,900	123,461	(561)
Crossing guard salary	73,000	73,988	(988)
Salaries/auxiliary	75,000	61,004	13,996
Community service official	139,000	170,417	(31,417)
Court time	100,000	98,498	1,502
Police overtime	85,000	120,451	(35,451)
Above rank salaries	8,700	7,630	1,070
Holiday pay	180,000	154,774	25,226
Uniform allowance	38,000	24,136	13,864
Educational incentive	8,800	8,800	-
Maintenance general equipment	50,000	50,829	(829)
Radio maintenance & repair	4,500	2,731	1,769
Building maintenance/supplies	35,000	46,779	(11,779)
Auto maintenance and repair	30,000	33,522	(3,522)
Telephone services	-	-	-
Printing/copying	10,000	10,746	(746)
Dues & subscriptions	6,000	6,022	(22)
Travel & training	9,000	13,903	(4,903)
Police Grants	33,750	18,591	15,159
Office supplies	14,000	9,343	4,657
Crime prevention supplies	2,500	1,869	631
Ammunition	8,000	6,720	1,280
New equipment	47,800	54,337	(6,537)
911 equipment	15,000	18,270	(3,270)
Total police department	<u>4,172,950</u>	<u>4,117,177</u>	<u>55,773</u>
Public works			
Salaries	1,230,000	1,218,572	11,428
Overtime	50,000	43,478	6,522
Uniforms	9,000	9,655	(655)
Equipment maintenance	75,000	79,611	(4,611)
Building maintenance	20,000	35,353	(15,353)
Radio equipment	2,500	3,031	(531)
Telephone services	-	-	-
Supplies and materials	55,000	59,263	(4,263)
Snow removal and supplies	150,000	241,939	(91,939)
Street signs	15,000	33,015	(18,015)
New equipment	100,000	96,350	3,650
Gasoline total	125,000	95,798	29,202
Dumping fees	55,000	47,148	7,852
Leaf composting program	45,000	47,832	(2,832)
Tree trim & removal	55,000	89,580	(34,580)
50/50 tree replacement	6,000	-	6,000
50/50 sidewalk replacement	25,000	27,209	(2,209)
Sidewalk repair and maintenance	25,000	21,086	3,914
Roadway patching	100,000	84,468	15,532
Village beautification	65,000	55,561	9,439

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF EXPENDITURES - BUDGET (BUDGET BASIS) AND ACTUAL  
GENERAL FUND  
Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Street light maintenance	\$ 80,000	\$ 127,534	\$ (47,534)
Maintenance traffic & Railroad signage	15,000	20,110	(5,110)
Electric cost lights and traffic signals	150,000	162,228	(12,228)
Land lease	2,550	2,814	(264)
Union insurance	273,000	276,871	(3,871)
Total public works	<u>2,728,050</u>	<u>2,878,506</u>	<u>(150,456)</u>
Fire department			
Salaries	2,220,000	2,207,271	12,729
Fire overtime	60,000	60,682	(682)
Above rank salary	20,000	8,991	11,009
Holiday pay	87,000	86,182	818
Paid-on-call	7,500	3,577	3,923
Uniform allowance	14,375	14,375	-
Educational incentives	11,950	2,768	9,182
Maintenance & repair to station	25,000	32,538	(7,538)
Maintenance-communication systems	15,500	12,159	3,341
Maintenance fire extinguisher/gear	10,000	7,595	2,405
Vehicle repair	25,000	45,102	(20,102)
Paramedic contract	95,000	95,045	(45)
Dues and subscriptions	10,000	12,202	(2,202)
Travel & training	8,000	7,322	678
Office supplies and printing	3,000	7,515	(4,515)
Medical supplies	7,000	6,748	252
Medical oxygen	3,000	2,126	874
Breathing equipment and maintenance	5,000	3,538	1,462
New equipment	10,000	15,000	(5,000)
Computer maintenance	4,000	3,545	455
Fire truck financing payment - principal	-	102,901	(102,901)
Fire truck financing payment - interest	-	7,481	(7,481)
Fire Engine Lease	110,382	-	110,382
Total fire department	<u>2,751,707</u>	<u>2,744,663</u>	<u>(103,338)</u>
Insurance department			
Medical insurance	1,540,000	1,451,425	88,575
Workers comp insurance premium	786,500	823,579	(37,079)
Property & casualty	247,500	143,756	103,744
Inventory management update	5,000	5,096	(96)
Total insurance department	<u>2,579,000</u>	<u>2,423,856</u>	<u>155,144</u>
Total expenditures	<u>15,190,813</u>	<u>15,192,331</u>	<u>(1,518)</u>
Other financing sources (uses)			
Transfers Out	(887,000)	(750,221)	(136,779)
Total other financing sources (uses)	<u>(887,000)</u>	<u>(750,221)</u>	<u>(136,779)</u>
Total	<u>16,077,813</u>	<u>15,942,552</u>	<u>135,261</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
CAPITAL PROJECTS FUND 2011  
Year Ended April 30, 2015

	Capital Projects Fund 2011		
	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Grants	\$ 7,105,413	\$ 6,426,722	\$ (678,691)
Other revenue	-	4,879	4,879
Total revenues	<u>7,105,413.00</u>	<u>6,431,601</u>	<u>(673,812)</u>
Expenditures			
Current			
Public works	30,380,551	22,981,749	7,398,802
Debt service			
Interest and other charges	-	218,453	(218,453)
Total expenditures	<u>30,380,551</u>	<u>23,200,202</u>	<u>7,180,349</u>
Excess (deficiency) of revenues over expenditures	<u>(23,275,138)</u>	<u>(16,768,601)</u>	<u>(7,854,161)</u>
Other financing sources (uses)			
Bond proceeds	22,995,138	17,131,965	(5,863,173)
Bond premium	-	491,300	491,300
Transfers In	887,000.00	107,006	(779,994)
Transfers Out	(607,000.00)	-	607,000
Total other financing sources (uses)	<u>23,275,138</u>	<u>17,730,271</u>	<u>(5,544,867)</u>
Net change in fund balance	<u>\$ -</u>	961,670	<u>\$ 961,670</u>
Fund balance at beginning of year		<u>667,119</u>	
Fund balance at end of year		<u>\$ 1,628,789</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 April 30, 2015

	Special Revenue Funds		
	Motor Fuel Tax Fund	Parks and Recreation Fund	Emergency Telephone System Fund
<b>Assets</b>			
Cash	\$ 229,344	\$ 169,299	\$ 97,998
Property taxes receivable	-	431,061	195,804
Other governmental receivables	112,211	-	-
Interfund receivables	-	139,301	-
Prepaid items	-	3,084	-
<b>Total assets</b>	<b><u>\$ 341,555</u></b>	<b><u>\$ 742,745</u></b>	<b><u>\$ 293,802</u></b>
<b>Liabilities, deferred inflows of resources, and fund balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	12,891	-
Interfund payables	299,879	-	325,763
<b>Total liabilities</b>	<b><u>299,879</u></b>	<b><u>12,891</u></b>	<b><u>325,763</u></b>
<b>Deferred inflows of resources</b>			
Unavailable revenue	-	422,922	192,108
<b>Fund balance</b>			
Unassigned	-	-	(224,069)
Nonspendable			
Prepays items	-	3,084	-
Restricted			
Restricted by State statute	41,676	-	-
Debt service	-	-	-
Parks and recreation	-	303,848	-
Capital projects	-	-	-
Insurance	-	-	-
IMRF	-	-	-
<b>Total fund balance</b>	<b><u>41,676</u></b>	<b><u>306,932</u></b>	<b><u>(224,069)</u></b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b><u>\$ 341,555</u></b>	<b><u>\$ 742,745</u></b>	<b><u>\$ 293,802</u></b>

Special Revenue Funds				
Grand/Harlem Special Tax Allocation Fund	Grand Corridor Special Tax Allocation Fund	North/Harlem Special Tax Allocation Fund	IMRF Fund	Special Events Fund
\$ 1,798,144	\$ 279	\$ 31,902	\$ 65,037	\$ -
-	-	-	142,306	-
-	-	-	-	-
353,650	100	-	231,954	-
-	-	-	-	-
<u>\$ 2,151,794</u>	<u>\$ 379</u>	<u>\$ 31,902</u>	<u>\$ 439,297</u>	<u>\$ -</u>
\$ -	\$ 55,733	\$ -	\$ 18,118	\$ -
-	-	-	-	-
-	365,510	33,249	-	-
-	<u>421,243</u>	<u>33,249</u>	<u>18,118</u>	-
-	-	-	139,619	-
-	-	-	-	-
-	-	-	-	-
2,151,794	(420,864)	(1,347)	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	281,560	-
<u>2,151,794</u>	<u>(420,864)</u>	<u>(1,347)</u>	<u>281,560</u>	<u>-</u>
<u>\$ 2,151,794</u>	<u>\$ 379</u>	<u>\$ 31,902</u>	<u>\$ 439,297</u>	<u>\$ -</u>

Capital Projects Fund		Debt Service Funds		
Capital Projects Fund	Bond 95 Fund	Capitalized Interest 2012		Total
\$ 252,438	\$ 655,947	\$ 400,633		\$ 3,701,021
-	165,195	-		934,366
-	-	-		112,211
-	666,440	-		1,391,445
-	-	-		3,084
<u>\$ 252,438</u>	<u>\$ 1,487,582</u>	<u>\$ 400,633</u>		<u>\$ 6,142,127</u>
\$ -	\$ -	\$ -		\$ 73,851
-	-	-		12,891
-	-	-		1,024,401
-	-	-		1,111,143
-	162,076	-		916,725
				(224,069)
-	-	-		3,084
-	-	-		1,771,259
-	1,325,506	400,633		1,726,139
-	-	-		303,848
252,438	-	-		252,438
-	-	-		-
-	-	-		281,560
<u>252,438</u>	<u>1,325,506</u>	<u>400,633</u>		<u>4,114,259</u>
<u>\$ 252,438</u>	<u>\$ 1,487,582</u>	<u>\$ 400,633</u>		<u>\$ 6,142,127</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 Year Ended April 30, 2015

	Special Revenue Funds		
	Motor Fuel Fund	Parks and Recreation Fund	Emergency Telephone Service Fund
Revenues			
Property taxes	\$ -	\$ 863,061	\$ 406,284
Utility taxes	-	-	309,004
Other taxes	-	-	-
Licenses, permits and fees	-	279,378	-
Other revenue	-	199,996	-
Motor fuel tax allotments	238,780	-	-
Investment income	400	-	-
Total revenues	<u>239,180</u>	<u>1,342,435</u>	<u>715,288</u>
Expenditures			
Current			
Administration	-	-	-
Emergency 911 department	-	-	765,034
Culture and recreation	-	1,408,471	-
Public works	258,769	-	-
Insurance department	-	-	-
Debt service			
Principal	-	-	-
Interest and other charges	-	-	-
Total expenditures	<u>258,769</u>	<u>1,408,471</u>	<u>765,034</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(19,589)</u>	<u>(66,036)</u>	<u>(49,746)</u>
Other financing sources (uses)			
Transfers in (out)	-	-	-
Bond proceeds	-	-	-
Bond premium	-	-	-
Payment to escrow agent	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(19,589)	(66,036)	(49,746)
Fund balances at beginning of year	<u>61,265</u>	<u>372,968</u>	<u>(174,323)</u>
Fund balances at end of year	<u>\$ 41,676</u>	<u>\$ 306,932</u>	<u>\$ (224,069)</u>

Special Revenue Funds				
Grand/Harlem Special Tax Allocation Fund	Grand Corridor Special Tax Allocation Fund	North/Harlem Special Tax Allocation Fund	IMRF Fund	Special Events Fund
\$ -	\$ -	\$ -	\$ 505,018	\$ -
-	-	-	-	-
-	-	-	4,000	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	509,018	-
-	420,864	1,347	629,176	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	420,864	1,347	629,176	-
-	(420,864)	(1,347)	(120,158)	-
-	-	-	-	420,431
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	420,431
-	(420,864)	(1,347)	(120,158)	420,431
2,151,794	-	-	401,718	(420,431)
\$ 2,151,794	\$ (420,864)	\$ (1,347)	\$ 281,560	\$ -

Capital Projects Fund	Debt Service Funds		
Capital Projects Fund	Bond 95 Fund	Capitalized Interest 2012	Total
\$ -	\$ 361,788	\$ -	\$ 2,136,151
-	-	-	309,004
-	-	-	4,000
-	-	-	279,378
-	-	-	199,996
-	-	-	238,780
-	-	-	400
-	<u>361,788</u>	-	<u>3,167,709</u>
-	-	-	1,051,387
-	-	-	765,034
-	-	-	1,408,471
-	-	-	258,769
-	-	-	-
-	265,000	-	265,000
-	125,615	807,300	932,915
-	<u>390,615</u>	<u>807,300</u>	<u>4,681,576</u>
-	(28,827)	(807,300)	(1,513,867)
-	172,000	170,000	762,431
-	2,495,000	-	2,495,000
-	122,790	-	122,790
-	(2,605,754)	-	(2,605,754)
-	<u>184,036</u>	<u>170,000</u>	<u>774,467</u>
-	155,209	(637,300)	(739,400)
<u>252,438</u>	<u>1,170,297</u>	<u>1,037,933</u>	<u>4,853,659</u>
<u>\$ 252,438</u>	<u>\$ 1,325,506</u>	<u>\$ 400,633</u>	<u>\$ 4,114,259</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUGET BASIS) AND ACTUAL  
 MOTOR FUEL TAX FUND  
 Year Ended April 30, 2015

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Motor fuel tax allotments	\$ 607,000	\$ 238,780	\$ (368,220)
Investment income	-	400	400
Total revenues	<u>607,000</u>	<u>239,180</u>	<u>(367,820)</u>
Expenditures			
Current			
Public works	<u>607,000</u>	<u>258,769</u>	<u>348,231</u>
Total expenditures	<u>607,000</u>	<u>258,769</u>	<u>348,231</u>
Net change in fund balance	<u>\$ -</u>	(19,589)	<u>\$ (19,589)</u>
Fund balance at beginning of year		<u>61,265</u>	
Fund balance at end of year		<u>\$ 41,676</u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 PARKS AND RECREATION FUND  
 Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 896,010	\$ 863,061	\$ (32,949)
Licenses, permits and fees	255,000	279,378	24,378
Other revenue	161,500	199,996	38,496
Total revenues	<u>1,312,510</u>	<u>1,342,435</u>	<u>29,925</u>
Expenditures			
Current			
Culture and recreation	<u>1,312,510</u>	<u>1,408,471</u>	<u>(95,961)</u>
Total expenditures	<u>1,312,510</u>	<u>1,408,471</u>	<u>(95,961)</u>
Net change in fund balance	<u>\$ -</u>	<u>(66,036)</u>	<u>\$ (66,036)</u>
Fund balance at beginning of year		<u>372,968</u>	
Fund balance at end of year		<u><u>\$ 306,932</u></u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 EMERGENCY TELEPHONE SYSTEM FUND  
 Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 407,000	\$ 406,284	\$ (716)
Utility taxes	315,000	309,004	(5,996)
Total revenues	<u>722,000</u>	<u>715,288</u>	<u>(6,712)</u>
Expenditures			
Current			
Emergency 911 department	722,000	765,034	(43,034)
Total expenditures	<u>722,000</u>	<u>765,034</u>	<u>(43,034)</u>
Net change in fund balance	<u>\$ -</u>	(49,746)	<u>\$ (49,746)</u>
Fund balance at beginning of year		<u>(174,323)</u>	
Fund balance at end of year		<u><u>\$ (224,069)</u></u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 SPECIAL TAX ALLOCATION FUND  
 Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenue			
Other revenue	1,800,000	-	1,800,000
Total revenue	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>
Expenditures			
Current			
Administration	\$ 1,800,000	\$ -	\$ 1,800,000
Total expenditures	<u>1,800,000</u>	<u>-</u>	<u>1,800,000</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ 1,800,000</u>
Fund balance at beginning of year		<u>2,151,794</u>	
Fund balance at end of year		<u>\$ 2,151,794</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 IMRF FUND  
 Year Ended April 30, 2015

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Property taxes	\$ 295,800	\$ 505,018	\$ 209,218
Other taxes	<u>92,200</u>	<u>4,000</u>	<u>(88,200.00)</u>
Total revenues	<u>388,000</u>	<u>509,018</u>	<u>121,018</u>
Expenditures			
Current			
Administration	<u>388,000</u>	<u>629,176</u>	<u>(241,176)</u>
Total expenditures	<u>388,000</u>	<u>629,176</u>	<u>(241,176)</u>
Net change in fund balance	<u>\$ -</u>	<u>(120,158)</u>	<u>\$ (120,158)</u>
Fund balance at beginning of year		<u>401,718</u>	
Fund balance at end of year		<u><u>\$ 281,560</u></u>	

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VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
BOND 95 FUND  
Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	\$ 378,064	\$ 361,788	\$ (16,276)
Other revenue	-	-	-
Investment income	-	-	-
Total revenues	<u>378,064</u>	<u>361,788</u>	<u>(16,276)</u>
Expenditures			
Debt service			
Principal	265,000	265,000	-
Interest and other charges	<u>113,064</u>	<u>125,615</u>	<u>(12,551)</u>
Total expenditures	<u>378,064</u>	<u>390,615</u>	<u>(12,551)</u>
Other financing sources (uses)			
Bond proceeds	-	2,495,000	2,495,000
Bond premium	-	122,790	122,790
Payment to escrow agent	-	(2,605,754)	(2,605,754)
Transfers In	<u>-</u>	<u>172,000</u>	<u>(172,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>184,036</u>	<u>(159,964)</u>
Net change in fund balance	<u>\$ -</u>	155,209	<u>\$ (200,827)</u>
Fund balance at beginning of year		<u>1,170,297</u>	
Fund balance at end of year		<u>\$ 1,325,506</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET (BUDGET BASIS) AND ACTUAL  
CAPITALIZED INTEREST 2012 FUND  
Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Expenditures			
Current			
Public works	\$ 637,414	\$ -	\$ 637,414
Debt service			
Principal	-	-	-
Interest and other charges	-	807,300	(807,300)
Total expenditures	<u>637,414</u>	<u>807,300</u>	<u>(169,886)</u>
Excess (deficiency) of revenues over expenditures	<u>(637,414)</u>	<u>(807,300)</u>	<u>(169,886)</u>
Other financing sources (uses)			
Transfers in (out)	-	170,000	170,000
Bond proceeds	<u>637,414</u>	<u>-</u>	<u>(637,414)</u>
Total other financing sources (uses)	<u>637,414</u>	<u>170,000</u>	<u>(467,414)</u>
Net change in fund balance	<u>\$ -</u>	<u>(637,300)</u>	<u>\$ (637,300)</u>
Fund balance at beginning of year		<u>1,037,933</u>	
Fund balance at end of year		<u>\$ 400,633</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
BUDGET (BUDGET BASIS) AND ACTUAL  
WATER OPERATIONS FUND  
Year Ended April 30, 2015

	Budget	Actual	Variance Positive (Negative)
Operating revenues			
Water fees	\$ 6,340,000	\$ 6,047,540	\$ (292,460)
Other revenue	45,000	46,235	1,235
Total operating revenues	<u>6,385,000</u>	<u>6,093,775</u>	<u>(291,225)</u>
Operating expenses			
Administration			
Salaries	490,000	329,600	160,400
FICA employer share	30,380	25,367	5,013
MEDI employer share	7,105	5,933	1,172
IMRF employer share	88,200	70,674	17,526
Employee insurance	60,000	52,327	7,673
Uniforms	3,000	970	2,030
Worker's compensation insurance	110,000	102,188	7,812
Property insurance	105,000	43,614	61,386
Maintenance & repair equipment	50,000	33,500	16,500
Plumbing and technical insurance	30,000	36,605	(6,605)
Fire hydrants repair & clean	15,000	15,891	(891)
Water main repairs	750,000	304,362	445,638
Vehicle maintenance	5,000	3,015	1,985
AMEX rewards	20,000	6,887	13,113
Engineering consulting fee	5,000	-	5,000
Leak detection	10,000	3,720	6,280
Auditing services	86,000	65,000	21,000
Bank leases	20,000	19,388	612
Telephone services	8,000	8,005	(5)
Miscellaneous expense	-	225	(225)
Office supplies	10,000	6,071	3,929
Computer supplies	10,000	2,377	7,623
Computer software / license	55,000	45,595	9,405
Postage/outsourcing	45,000	46,783	(1,783)
Material & supplies	60,000	81,730	(21,730)
New equipment	50,000	170,414	(120,414)
Flood mitigation bond payment	170,000	-	170,000
Electricity	30,000	41,729	(11,729)
Gasoline	80,000	74,065	5,935
Water meters	270,000	-	270,000
Water purchase	2,760,000	2,694,593	65,407
Concrete dumping fees	40,000	58,133	(18,133)
Concrete patching	100,000	76,326	23,674
Home flood control program	75,000	46,500	28,500
Total operating expenses	<u>5,647,685</u>	<u>4,471,587</u>	<u>1,176,098</u>

(Continued)

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 WATER OPERATIONS FUND  
 Year Ended April 30, 2015

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating income (loss)	\$ 737,315	\$ 1,622,188	\$ 884,873
Transfers			
Transfers in	-	-	-
Transfers out	737,315	(170,000)	(907,315)
Total transfers	<u>737,315</u>	<u>(170,000)</u>	<u>(907,315)</u>
Net income (loss) - budgetary basis	<u>\$ -</u>	<u>1,452,188</u>	<u>\$ 714,873</u>
Adjustments to GAAP basis - depreciation expense		<u>(153,275)</u>	
Change in net position		1,298,913	
Net position at beginning of year		<u>8,287,028</u>	
Net position at end of year		<u>\$ 9,585,941</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 GARBAGE FUND  
 Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Operating revenues			
Garbage fees	\$ 1,815,000	\$ 1,824,634	\$ 9,634
Total operating revenues	<u>1,815,000</u>	<u>1,824,634</u>	<u>9,634</u>
Operating expenses			
Administration	<u>1,865,784</u>	<u>2,014,290</u>	<u>(148,506)</u>
Total operating expenses	<u>1,865,784</u>	<u>2,014,290</u>	<u>(148,506)</u>
Transfers			
Tranfers In	<u>50,784</u>	<u>50,784</u>	<u>-</u>
Total Transfers	<u>50,784</u>	<u>50,784</u>	<u>-</u>
Change in net position	<u>\$ -</u>	<u>(138,872)</u>	<u>\$ (138,872)</u>
Net position at beginning of year		<u>285,473</u>	
Net position at end of year		<u>\$ 146,601</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 PENSION TRUST FUNDS  
 April 30, 2015

	Police Pension Fund	Fire Pension Fund	Total
<b>Assets</b>			
Cash	\$ 26,538	\$ 497,619	\$ 524,157
Investments			
U.S. treasury notes	1,378,223	102,360	1,480,583
U.S. treasury bonds	412,367	-	412,367
GNMA	41,700	8,053	49,753
FFCB	64,413	293,492	357,905
FHLB	40,047	1,512,720	1,552,767
FHLMC	49,644	232,290	281,934
FNMA	618,418	-	618,418
Corporate bonds	1,661,399	2,230,135	3,891,534
Common Stock	-	956,088	956,088
MM mutual funds	926,152	-	926,152
Municipal bonds	-	606,418	606,418
Equity securities	1,361,548	47,949	1,409,497
Equity mutual funds	8,206,078	6,606,441	14,812,519
U.S. treasury strips	-	74,506	74,506
Total investments	<u>14,759,989</u>	<u>12,670,452</u>	<u>27,430,441</u>
Prepaid assets	16,500	-	16,500
Due from Village	65,446	218,202	283,648
Accrued interest	29,756	60,506	90,262
Total assets	<u>14,898,229</u>	<u>13,446,779</u>	<u>28,345,008</u>
<b>Liabilities</b>			
Accounts payable	10,905	-	10,905
Due to Village	-	-	-
Total liabilities	<u>10,905</u>	<u>-</u>	<u>10,905</u>
<b>Net position</b>			
Held in trust for pension benefits and other purposes	<u>14,887,324</u>	<u>13,446,779</u>	<u>28,334,103</u>
Total net position	<u>\$ 14,887,324</u>	<u>\$ 13,446,779</u>	<u>\$ 28,334,103</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 PENSION TRUST FUNDS  
 Year Ended April 30, 2015

	<u>Police Pension Fund</u>	<u>Fire Pension Fund</u>	<u>Total</u>
Additions			
Contributions			
Employer	\$ 1,461,836	\$ 1,114,546	\$ 2,576,382
Plan members	<u>308,604</u>	<u>211,261</u>	<u>519,865</u>
Total contributions	<u>1,770,440</u>	<u>1,325,807</u>	<u>3,096,247</u>
Investment earnings			
Investment income	473,348	661,955	1,135,303
Net change in fair value	136,633	123,033	259,666
Other Income	-	710	710
Less investment expense	<u>(96,445)</u>	<u>(23,222)</u>	<u>(119,667)</u>
Net investment earnings	<u>513,536</u>	<u>762,476</u>	<u>1,276,012</u>
Total additions	<u>2,283,976</u>	<u>2,088,283</u>	<u>4,372,259</u>
Deductions			
Benefits	1,940,882	1,407,331	3,348,213
Administrative expenses	<u>41,743</u>	<u>287,688</u>	<u>329,431</u>
Total deductions	<u>1,982,625</u>	<u>1,695,019</u>	<u>3,677,644</u>
Change in net position	301,351	393,264	694,615
Net position - beginning of year	<u>14,585,973</u>	<u>13,053,515</u>	<u>27,639,488</u>
Net position - end of year	<u>\$ 14,887,324</u>	<u>\$ 13,446,779</u>	<u>\$ 28,334,103</u>

VILLAGE OF ELMWOOD PARK, ILLINOIS  
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
BUDGET (BUDGET BASIS) AND ACTUAL  
FIRE PENSION FUND  
Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Additions</b>			
Contributions			
Employer	\$ 1,140,956	\$ 1,114,546	\$ (26,410)
Plan members	-	211,261	211,261
Total contributions	<u>1,140,956</u>	<u>1,325,807</u>	<u>184,851</u>
Investment earnings			
Investment income	-	661,955	661,955
Net change in fair value	-	123,033	123,033
Other Income	-	710	710
Less investment expense	-	(23,222)	(23,222)
Net investment earnings	<u>-</u>	<u>762,476</u>	<u>762,476</u>
Total additions	<u>1,140,956</u>	<u>2,088,283</u>	<u>947,327</u>
<b>Deductions</b>			
Benefits	1,140,956	1,407,331	(266,375)
Administrative expenses	-	287,688	(287,688)
Total deductions	<u>1,140,956</u>	<u>1,695,019</u>	<u>(554,063)</u>
Change in net position	<u>\$ -</u>	393,264	<u>\$ 393,264</u>
Net position - beginning of year		<u>13,053,515</u>	
Net position - end of year		<u>\$ 13,446,779</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
 SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 BUDGET (BUDGET BASIS) AND ACTUAL  
 POLICE PENSION FUND  
 Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Additions</b>			
Contributions			
Employer	\$ 1,491,005	\$ 1,461,836	\$ (29,169)
Plan members	-	308,604	308,604
Total contributions	<u>1,491,005</u>	<u>1,770,440</u>	<u>279,435</u>
Investment earnings			
Investment income	-	609,981	609,981
Less investment expense	-	(96,445)	(96,445)
Net investment earnings	<u>-</u>	<u>513,536</u>	<u>513,536</u>
Total additions	<u>1,491,005</u>	<u>2,283,976</u>	<u>792,971</u>
<b>Deductions</b>			
Benefits	1,491,005	1,940,882	(449,877)
Administrative expenses	-	41,743	(41,743)
Total deductions	<u>1,491,005</u>	<u>1,982,625</u>	<u>(491,620)</u>
Change in net position	<u>\$ -</u>	301,351	<u>\$ 301,351</u>
Net position - beginning of year		<u>14,585,973</u>	
Net position - end of year		<u>\$ 14,887,324</u>	

VILLAGE OF ELMWOOD PARK, ILLINOIS  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
SPECIAL DEPOSITS FUND  
Year Ended April 30, 2015

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	Balances <u>May 1</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>April 30</u>
Assets				
Cash	\$ 45,967	\$ 82,038	\$ 76,641	\$ 51,364
Total assets	<u>\$ 45,967</u>	<u>\$ 82,038</u>	<u>\$ 76,641</u>	<u>\$ 51,364</u>
Liabilities				
Deposits payable	\$ 45,967	\$ 82,038	\$ 76,641	\$ 51,364
Total liabilities	<u>\$ 45,967</u>	<u>\$ 82,038</u>	<u>\$ 76,641</u>	<u>\$ 51,364</u>

## INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable President  
and Trustees  
Village of Elmwood Park, Illinois

We have examined the Village of Elmwood Park, Illinois', (Village's) compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended April 30, 2015 for the Grand / Harlem Tax Allocation District. Management is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of the Village's compliance with specified requirements.

In our opinion, the Village complied in all material respects, with the aforementioned requirements for the year ended April 30, 2015.

*Crowe Horwath LLP*  
Crowe Horwath LLP

Oak Brook, Illinois  
March 29, 2016