

Village of Glenwood, Illinois

Annual Financial Report
April 30, 2016

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RSM US LLP

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Glenwood, Illinois (Village), as of and for the year ended April 30, 2016, 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 did not audit the financial statements of the Police Pension Fund, which represents 56.4 percent, 66.6 percent and 32.6 percent, respectively, of assets, fund balance/net position and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village'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 Village'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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Glenwood, Illinois as of April 30, 2016, 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 1 to the financial statements, during the year ended April 30, 2016, the Village adopted the reporting and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*. The implementation of GASB Statement No. 68 resulted in a restatement of opening May 1, 2015 net position. 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 the management's discussion and analysis (on pages 3-11), pension and postemployment related information (on pages 74-80) and budgetary comparison information (on pages 80-82) and notes to required supplementary information (on pages 85-87) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The accompanying supplementary information, as listed in the table of contents, and the other information, as listed in the table of contents, are 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.

The other information as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Chicago, Illinois
December 7, 2016

Required Supplementary Information

Management's Discussion and Analysis (MD&A)

Village of Glenwood, Illinois

Management's Discussion and Analysis

April 30, 2016

The Village of Glenwood's (the Village) management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing 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 address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), 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, please read it in conjunction with the Village's financial statements (beginning on page 10).

Using the Financial Section of this Comprehensive Annual Report

For over 20 years, the primary focus of local governmental financial statements has been summarized by fund type information on a current financial resource basis. This approach has been modified and as the Village's financial statements presents two kinds of statements, each with a different snapshot of the Village's finances. Both perspectives (government-wide and major fund) allow the user 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 (see pages 10-12) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to 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. Governmental Accounting Standards Board Statement No. 34 combined and consolidated the 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 (see page 12) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user'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 general government, public safety, public works, and highway and streets. Shared state sales, local utility and shared state income taxes finance the majority of these services. The Business-Type Activities reflect private sector type operations (Water and Sewer and Golf Course), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than (the previous model's) fund types.

The Governmental Funds (see pages 13 and 15) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. 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 Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters' Pension Funds and Agency Funds, see pages 22-23). While these Funds represent trust or custodial 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 Business-Type Activities column on the Business-Type Fund Financial Statements (see pages 17-21) is the same as the Business-Type column on the Government-Wide Financial Statements, the Governmental Funds Total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 14 and 16). The flow of current financial resources will reflect 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 obligation (bonds and others) into the Governmental Activities column (in the Government-Wide Financial Statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the Governmental column of the Government-Wide Financial Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives 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 assets over their useful lives. 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.

Government-Wide Financial Statements

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$22.5 million as of April 30, 2016.

A significant portion of the Village's assets (135.9%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

The table below presents condensed financial information taken from the Village's Statement of Net Position for the fiscal year ended April 30, 2016.

Table 1
Statement of Net Position
As of April 30, 2016
(in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current assets	\$ 16.2	\$ 9.8	\$ 3.6	\$ 2.3	\$ 19.8	\$ 12.1
Noncurrent assets	30.3	30.7	17.0	17.4	47.3	48.1
Total assets	<u>46.5</u>	<u>40.5</u>	<u>20.6</u>	<u>19.7</u>	<u>67.1</u>	<u>60.2</u>
Deferred outflows of resources	0.7	-	0.2	-	0.9	-
Total assets and deferred outflows of resources	<u>47.2</u>	<u>40.5</u>	<u>20.8</u>	<u>19.7</u>	<u>68.0</u>	<u>60.2</u>
Current liabilities	6.4	1.5	1.3	0.9	7.7	2.4
Noncurrent liabilities	23.2	9.4	6.8	7.5	30.0	16.9
Total liabilities	<u>29.6</u>	<u>10.9</u>	<u>8.1</u>	<u>8.4</u>	<u>37.7</u>	<u>19.3</u>
Deferred inflows of resources	7.1	2.7	0.6	0.1	7.7	2.8
Total liabilities and deferred inflows of resources	36.8	13.6	8.7	8.5	45.4	22.1
Net Position:						
Net investment in capital assets	21.1	21.0	9.5	9.6	30.6	30.6
Restricted	5.3	4.2	-	-	5.3	4.2
Unrestricted	(16.0)	1.7	2.6	1.6	(13.4)	3.3
Total net position	<u>\$ 10.4</u>	<u>\$ 26.9</u>	<u>\$ 12.1</u>	<u>\$ 11.2</u>	<u>\$ 22.5</u>	<u>\$ 38.1</u>

For more detailed information see the Statement of Net Position (pages 10-11).

The Village's combined net position, which is the Village's equity, decreased to \$22.5 million from \$20.8 million (as restated) as a result of the decrease in net position in the Governmental Activities. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance day-to-day operations, was a deficit of \$16.0 million. The unrestricted net position of Business-Type Activities was \$2.6 million. The Village can use unrestricted net position to finance the continuing operation of its waterworks and sewerage system and golf course.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the net investment in capital assets.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase the net investment in capital assets.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase the net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and the net investment in capital assets.

Current Year Impacts

The Village's Governmental Activities net position increased by \$0.8 million. Assets increased by \$6.0 million mainly due to increases in cash and property held for resale. Total liabilities increased by \$18.7 million and deferred inflows increased in total by \$4.4 million, respectively, due to a decrease in a line of credit borrowing resale and an increase in deferred property taxes.

The Village's Business-Type Activities net position increased by \$0.8 million. Assets increased by \$0.9 million while total liabilities decreased by \$0.3 million and can be attributed to a decrease in accounts payable and notes payable.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Changes in Net Position

The following chart compares the revenue and expenses for the current fiscal year.

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2016
(in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
REVENUES						
Program Revenues						
Charges for Services	\$1.4	\$1.4	\$5.3	\$4.7	\$ 6.7	\$ 6.1
Grants and Contributions	0.8	0.5	0.4	0.2	1.2	0.7
General Revenues						
Property Taxes	6.8	6.5	0.5	0.2	7.3	6.7
Other Taxes	3.4	2.9	-	-	3.4	2.9
Other	0.9	0.7	-	-	0.9	0.7
Transfer	<u>0.1</u>	<u>0.0</u>	<u>(0.1)</u>	<u>0.0</u>	<u>-</u>	<u>-</u>
Total Revenues and Transfer	<u>13.4</u>	<u>12.0</u>	<u>6.1</u>	<u>5.1</u>	<u>19.5</u>	<u>17.1</u>
EXPENSES						
General Government	5.4	6.1	-	-	5.4	6.1
Public Safety	5.3	4.9	-	-	5.3	4.9
Public Works	0.9	0.4	-	-	0.9	0.4
Highway and Streets	0.3	0.4	-	-	0.3	0.4
Water and Sewer	-	-	3.2	2.9	3.2	2.9
Golf Course	-	-	2.0	2.1	2.0	2.1
Debt Service	<u>0.7</u>	<u>0.7</u>	<u>-</u>	<u>-</u>	<u>0.7</u>	<u>0.7</u>
Total Expenses	<u>12.6</u>	<u>12.5</u>	<u>5.2</u>	<u>5.0</u>	<u>17.8</u>	<u>17.5</u>
CHANGE IN NET POSITION	\$0.8	\$(0.5)	\$ 0.9	\$ 0.1	\$1.7	\$(0.4)
NET POSITION – BEGINNING, AS RESTATED	<u>\$9.6</u>	<u>\$27.4</u>	<u>\$ 11.3</u>	<u>\$ 11.1</u>	<u>\$20.8</u>	<u>\$ 37.7</u>
ENDING NET POSITION-ENDING	<u>\$10.4</u>	<u>\$26.9</u>	<u>\$ 12.1</u>	<u>\$ 11.2</u>	<u>\$22.5</u>	<u>\$ 38.1</u>

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

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

Normal Impacts

Revenues:

Economic Condition – 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 for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board Approved Rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, 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 managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, Parks, 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 significant portion of the Village's operating costs.

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.

Current Year Impacts

Revenues:

The Village's governmental activities total revenues increase by \$1.4 million over the prior year to \$13.4 million. The main reason for the increase can mainly be attributed to the \$0.3 million increase in property taxes and grants and contributions revenue.

The Village's Business-Type Activities total revenues increased by \$0.9 million over the prior year. This increase can mainly be attributed to a \$0.6 million increase in charges for service as well as a \$0.2 million increase in grants and contributions.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Expenses:

The Village's total expenses for governmental activities for the year ended April 30, 2016 increased by \$0.1 million to \$12.6 million, due mainly to an increase in general government expenses offset by decreases in public works and highways and streets.

The Village's total expenses for business-type activities for the year ended April 30, 2016 were \$5.2 million, an increase of \$0.2 million from the prior year. The increase can mainly be attributed to increases in Water and Sewer expenses.

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2016, the governmental funds (as presented on the balance sheet on page 13-14) reported a combined fund balance of \$7.5 million. Revenues and other sources exceeded expenses and other uses in 2016 by \$1.3 million.

The General Fund experienced a current year operating surplus of \$1.2 million. This resulted in a year-end fund balance of \$2.9 million.

The Holbrook Road Tax Increment Financing District Fund experienced an operating surplus of \$0.2 million, mainly related to an increase in property taxes. This resulted in an ending fund balance of \$1.9 million.

The TIF Halsted Fund experienced an operating surplus of \$1.3 million, mainly related to transfers. This resulted in an ending fund balance of \$1.3 million.

General Fund Budgetary Highlights

At the first Village Council Committee meeting in May, the Mayor submits to the Village Council a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in 2016. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Table 3
General Fund Budgetary Highlights
(in millions)

General Fund	Original Budget	Actual
Revenues		
Taxes	\$ 4.5	\$ 4.2
Intergovernmental	2.1	3.4
Licenses, permits and fees	0.5	0.5
Fines	0.4	0.2
Charges for services	0.7	0.6
Other	<u>0.4</u>	<u>0.4</u>
Total	<u>8.6</u>	<u>9.3</u>
Expenditures		
Administration	3.0	2.7
Public works	0.7	0.6
Parks	0.1	0.1
Police	4.1	3.5
Fire	1.1	1.0
Capital outlay	0.8	0.1
Other	<u>0.2</u>	<u>0.1</u>
Total	<u>10.0</u>	<u>8.1</u>
Change in Fund Balance	<u>\$(1.4)</u>	<u>\$1.2</u>

The General Fund anticipated a deficit of \$1.4 million, while actual results were a \$1.2 million surplus.

Capital Assets

At the end of the fiscal year 2016, the Village had a combined total of capital assets of \$47.3 million invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net increase (including additions and deletions) of about \$0.8 million.

For more detailed information related to capital assets, see Notes 1 and 4 of the Basic Financial Statements.

Table 4
Total Capital Assets at Year-End
Net of Depreciation
(in millions)

	Balance 4/30/15	Net Additions/Deletions	Balance 4/30/16
Land	\$ 25.4	\$ 0.1	\$ 25.5
Construction in progress	1.4	(1.4)	0.0
Improvements	0.6	1.2	1.8
Buildings	7.9	(0.3)	7.6
Machinery and Equipment	1.9	(0.1)	1.8
Infrastructure	<u>10.9</u>	<u>(0.3)</u>	<u>10.6</u>
Total Capital Assets	<u>\$ 48.1</u>	<u>\$ 0.8</u>	<u>\$ 47.3</u>

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

Long-Term Debt

The Village had \$22.0 million and \$17.5 million in outstanding long-term debt (including bonds payable net of unamortized bond premium, notes payable, lines of credit, and capital leases) at April 30, 2016 and 2015, respectively. The Village paid off approximately \$0.9 million in long-term debt in the current year.

For more detailed information related to debt outstanding, see Notes 1 and 5 of the Basic Financial Statements.

Economic Factors

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Glenwood during 2015 and is expected to continue into 2016. Grant assistance is extremely competitive and previously reliable state share revenues (especially the income tax and use tax) have been materially reduced. The Village will need to look internally and consider increasing other revenue sources and/or reduce expenditures until these larger governments get their finances in order.

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 the Director of Finance, Village of Glenwood, One Asselborn Way, Glenwood, Illinois 60425.

Basic Financial Statements

Government-Wide Financial Statements

Village of Glenwood, Illinois

Statement of Net Position

April 30, 2016

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 5,132,482	\$ 2,721,743	\$ 7,854,225
Receivables:			
Property taxes	2,651,240	463,417	3,114,657
Accounts	-	597,984	597,984
Other	59,159	3,591	62,750
Prepays	64,618	13,378	77,996
Inventories	-	65,425	65,425
Due from other governments	835,182	-	835,182
Property held for resale	7,229,007	-	7,229,007
Internal balances	267,501	(267,501)	-
Total current assets	16,239,189	3,598,037	19,837,226
Noncurrent assets:			
Capital assets not being depreciated	21,153,867	4,323,187	25,477,054
Capital assets being depreciated, net	9,161,140	12,692,371	21,853,511
Total noncurrent assets	30,315,007	17,015,558	47,330,565
Total assets	46,554,196	20,613,595	67,167,791
Deferred outflows of resources:			
Deferred outflows of resources - Pension actuarial adjustments	665,167	178,916	844,083
Total deferred outflows of resources	665,167	178,916	844,083
Total assets and deferred outflows of resources	\$ 47,219,363	\$ 20,792,511	\$ 68,011,874

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Net Position (Continued)
April 30, 2016

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 744,502	\$ 341,167	\$ 1,085,669
Accrued payroll	22,746	5,589	28,335
Line of credit	5,000,000	-	5,000,000
Accrued interest	270,362	79,498	349,860
Deposits	108,290	56,726	165,016
Unearned revenue	93,347	-	93,347
Compensated absences	156,099	52,586	208,685
Note payable	-	130,070	130,070
Capital leases	-	37,413	37,413
General obligation bonds	-	630,000	630,000
Total current liabilities	6,395,346	1,333,049	7,728,395
Long-term liabilities, net of current maturities:			
Compensated absences	52,035	17,528	69,563
Note payable	-	2,237,840	2,237,840
Capital leases	-	92,468	92,468
General obligation bonds, net of unamortized bond premium	9,230,000	4,369,937	13,599,937
Net pension liability - IMRF	103,316	86,817	190,133
Net pension liability - Police	10,447,582	-	10,447,582
Net pension liability - Fire	3,259,058	-	3,259,058
OPEB obligation	129,737	-	129,737
Total noncurrent liabilities	23,221,728	6,804,590	30,026,318
Total liabilities	29,617,074	8,137,639	37,754,713
Deferred inflows of resources:			
Deferred inflow of resources - Pension actuarial adjustments	4,498,294	115,330	4,613,624
Deferred property taxes	2,569,905	444,618	3,014,523
Total deferred inflows of resources	7,068,199	559,948	7,628,147
Total liabilities and deferred inflows of resources	\$ 36,685,273	\$ 8,697,587	\$ 45,382,860
Net Position (Deficit):			
Net investment in capital assets	\$ 21,085,007	\$ 9,517,830	\$ 30,602,837
Restricted for:			
Debt service	203,861	-	203,861
Capital projects	301,071	-	301,071
Road improvements	851,947	-	851,947
Tax increment financing projects	1,918,023	-	1,918,023
Retirement benefits	44,264	-	44,264
Public safety expenditures	104,469	-	104,469
Unrestricted (deficit)	(13,974,552)	2,577,094	(11,397,458)
Total net position	\$ 10,534,090	\$ 12,094,924	\$ 22,629,014

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Activities
Year Ended April 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 5,408,884	\$ 861,429	\$ 308,199	\$ -	\$ (4,239,256)	\$ -	\$ (4,239,256)
Public safety	5,260,580	360,414	40,727	-	(4,859,439)	-	(4,859,439)
Public works	852,472	9,423	-	-	(843,049)	-	(843,049)
Highway and streets	332,604	185,449	480,691	-	333,536	-	333,536
Interest and fees	743,113	-	-	-	(743,113)	-	(743,113)
Total governmental activities	<u>12,597,653</u>	<u>1,416,715</u>	<u>829,617</u>	<u>-</u>	<u>(10,351,321)</u>	<u>-</u>	<u>(10,351,321)</u>
Business-type activities:							
Water and sewer	3,169,397	3,566,221	85,642	273,884	-	756,350	756,350
Golf course operations	2,051,120	1,703,959	-	14,000	-	(333,161)	(333,161)
Total business-type activities	<u>5,220,517</u>	<u>5,270,180</u>	<u>85,642</u>	<u>287,884</u>	<u>-</u>	<u>423,189</u>	<u>423,189</u>
Total	<u>\$ 17,818,170</u>	<u>\$ 6,686,895</u>	<u>\$ 915,259</u>	<u>\$ 287,884</u>	<u>(10,351,321)</u>	<u>423,189</u>	<u>(9,928,132)</u>
General revenues							
Taxes:							
Property					6,773,030	528,742	7,301,772
Sales					1,512,611	-	1,512,611
Income					920,858	-	920,858
Utility					666,844	-	666,844
Other					380,674	-	380,674
Interest					1,580	712	2,292
Miscellaneous					890,980	-	890,980
Transfers					125,774	(125,774)	-
Total general revenues and transfers					<u>11,272,351</u>	<u>403,680</u>	<u>11,676,031</u>
Change in net position					921,030	826,869	1,747,899
Net position:							
May 1, 2015 (as restated)					<u>9,613,060</u>	<u>11,268,055</u>	<u>20,881,115</u>
April 30, 2016					<u>\$ 10,534,090</u>	<u>\$ 12,094,924</u>	<u>\$ 22,629,014</u>

See notes to financial statements.

Fund Financial Statements

Village of Glenwood, Illinois

Balance Sheet - Governmental Funds
April 30, 2016

	Major Funds				
	General Fund	Holbrook Road Tax Increment Financing District Fund	TIF Halsted Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents:	\$ 1,547,110	\$ 1,103,725	\$ 139,276	\$ 2,342,371	\$ 5,132,482
Receivables:					
Property taxes	2,309,951	-	-	341,289	2,651,240
Other receivables	59,159	-	-	-	59,159
Prepays	64,618	-	-	-	64,618
Due from other governments	814,770	-	-	20,412	835,182
Due from other funds	868,140	775,625	-	150,000	1,793,765
Property held for resale	56,000	-	6,552,000	621,007	7,229,007
Total assets	\$ 5,719,748	\$ 1,879,350	\$ 6,691,276	\$ 3,475,079	\$ 17,765,453
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 176,679	\$ 1,511	\$ 103,578	\$ 462,734	\$ 744,502
Accrued payroll	22,746	-	-	-	22,746
Line of credit	-	-	5,000,000	-	5,000,000
Deposits	108,290	-	-	-	108,290
Unearned revenue	93,347	-	-	-	93,347
Due to other funds	1,000	-	260,625	1,264,639	1,526,264
Total liabilities	402,062	1,511	5,364,203	1,727,373	7,495,149
Deferred Inflows of Resources:					
Deferred property taxes	2,272,892	-	-	333,687	2,606,579
Deferred intergovernmental revenue	183,332	-	-	-	183,332
Total deferred inflows	2,456,224	-	-	333,687	2,789,911
Fund Balances:					
Nonspendable for prepays	64,618	-	-	-	64,618
Nonspendable for property held for resale	56,000	-	6,552,000	621,007	7,229,007
Restricted for:					
Road improvements	-	-	-	851,947	851,947
Tax increment financing projects	-	1,877,839	-	40,184	1,918,023
Retirement benefits	-	-	-	44,264	44,264
Public safety expenditures	-	-	-	104,469	104,469
Debt service	-	-	-	474,223	474,223
Capital projects	-	-	-	301,071	301,071
Unassigned	2,740,844	-	(5,224,927)	(1,023,146)	(3,507,229)
Total fund balances	2,861,462	1,877,839	1,327,073	1,414,019	7,480,393
Total liabilities, deferred inflows of resources and fund balances	\$ 5,719,748	\$ 1,879,350	\$ 6,691,276	\$ 3,475,079	\$ 17,765,453

See notes to financial statements.

Village of Glenwood, Illinois

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
April 30, 2016

Total fund balances-governmental funds \$ 7,480,393

Amounts reported for governmental activities in the statement of net position are different because:

Revenues that are reported as deferred inflows of resources in the fund financial statements because they are not available are recognized as revenue in the government-wide financial statements:

Property taxes	36,674
Intergovernmental	183,332

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds. 30,315,007

Deferred outflows of resources resulting from changes in pension actuarial assumptions are not considered to represent a financial resource and, therefore, are not recorded in the funds. 665,167

Deferred inflows of resources resulting from changes in pension actuarial assumptions are not considered to represent a financial resource and, therefore, are not recorded in the funds. (4,498,294)

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

General obligation bonds	(9,230,000)
Accrued interest	(270,362)
OPEB obligations	(129,737)
Net pension liability - IMRF	(103,316)
Net pension liability - Police	(10,447,582)
Net pension liability - Fire	(3,259,058)
Compensated absences	(208,134)

Net position of governmental activities \$ 10,534,090

Village of Glenwood, Illinois

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended April 30, 2016**

	Major Funds				Total Governmental Funds
	General Fund	Holbrook Road Tax Increment Financing District Fund	TIF Halsted Fund	Nonmajor Governmental Funds	
Revenues:					
Property taxes	\$ 3,687,862	\$ 1,462,695	\$ -	\$ 1,661,066	\$ 6,811,623
Other taxes	442,486	-	-	-	442,486
Intergovernmental	3,408,709	-	-	531,059	3,939,768
Licenses, permits and fees	541,887	-	-	-	541,887
Fines	235,342	-	-	-	235,342
Interest	1,009	-	-	571	1,580
Charges for services	639,486	-	-	-	639,486
Miscellaneous	372,747	6,235	172,905	339,093	890,980
Total revenues	9,329,528	1,468,930	172,905	2,531,789	13,503,152
Expenditures:					
Current:					
Administration	2,655,231	230,462	311,582	1,665,489	4,862,764
Public works	581,267	-	-	-	581,267
Parks	94,218	-	-	-	94,218
Police	3,520,375	-	-	49,470	3,569,845
Fire	1,043,086	-	-	-	1,043,086
ESDA	11,404	-	-	-	11,404
Senior center	64,143	-	-	-	64,143
Highway and streets	79,852	-	-	115,899	195,751
Pension contributions	-	-	-	488,225	488,225
Miscellaneous	-	-	-	6,449	6,449
Debt service:					
Principal	-	-	-	475,000	475,000
Interest and fees	-	-	86,250	669,469	755,719
Capital outlay	54,463	-	-	89,622	144,085
Total expenditures	8,104,039	230,462	397,832	3,559,623	12,291,956
Excess (deficiency) of revenues over (under) expenditures	1,225,489	1,238,468	(224,927)	(1,027,834)	1,211,196
Other financing sources (uses):					
Transfers in	-	-	1,552,000	953,690	2,505,690
Transfers (out)	-	(1,000,000)	-	(1,379,916)	(2,379,916)
Total other financing sources (uses)	-	(1,000,000)	1,552,000	(426,226)	125,774
Change in fund balance	1,225,489	238,468	1,327,073	(1,454,060)	1,336,970
Fund balances (deficit):					
May 1, 2015	1,635,973	1,639,371	-	2,868,079	6,143,423
April 30, 2016	\$ 2,861,462	\$ 1,877,839	\$ 1,327,073	\$ 1,414,019	\$ 7,480,393

See notes to financial statements.

Village of Glenwood, Illinois

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Year Ended April 30, 2016**

Net change in fund balances-total governmental funds	\$ 1,336,970
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Amounts reported for governmental activities in the statement of activities are different because:

Revenues that are reported as deferred inflows of resources in the fund financial statements because they are not available are recognized as revenue in the government-wide financial statements.

Prior year deferred balance:

Property taxes	(75,267)
Intergovernmental	(254,982)

Current year deferred balance:

Property taxes	36,674
Intergovernmental	183,332

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which depreciation expense exceeded capital outlays and loss on disposal in the current period.

Capital outlays	69,375
Depreciation expense	(409,554)

Contributions to pension funds are recognized as expenditures when paid to the pension fund on the fund financial statements. These expenditures are recorded on the government-wide financial statements based on the annual service cost. This is the difference in the amounts for the current period.

	(284,721)
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Premium on bonds is recorded as other financing sources in the fund financial statements, but the premium is recorded as a liability in the statement of net position and is amortized over the life of the bonds. This is the amount in the current period.

Amortization premium on bonds	4,689
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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.

	475,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Decrease in accrued interest	7,917
(Increase) in compensated absences	(132,275)
(Increase) in OPEB obligation	(36,128)

Change in net position of governmental activities	<u>\$ 921,030</u>
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See notes to financial statements.

Village of Glenwood, Illinois

Statement of Net Position - Enterprise Funds
April 30, 2016

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 2,224,716	\$ 497,027	\$ 2,721,743
Receivables:			
Property taxes	-	463,417	463,417
Accounts	522,654	75,330	597,984
Other	-	3,591	3,591
Prepays	8,307	5,071	13,378
Inventories	-	65,425	65,425
Due from other funds	-	1,000	1,000
Total current assets	2,755,677	1,110,861	3,866,538
Noncurrent assets:			
Capital assets not being depreciated	-	4,323,187	4,323,187
Capital assets being depreciated, net	8,875,251	3,817,120	12,692,371
Total noncurrent assets	8,875,251	8,140,307	17,015,558
Total assets	11,630,928	9,251,168	20,882,096
Deferred Outflows of Resources			
Deferred outflow of resources - Pension actuarial adjustments	98,767	80,149	178,916
Total assets and deferred outflows of resources	\$ 11,729,695	\$ 9,331,317	\$ 21,061,012

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Net Position - Enterprise Funds (Continued)
 April 30, 2016

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 273,528	\$ 67,639	\$ 341,167
Accrued payroll	373	5,216	5,589
Accrued interest	1,727	77,771	79,498
Deposits	56,726	-	56,726
Due to other funds	42,351	226,150	268,501
Compensated absences	20,267	32,319	52,586
Note payable	130,070	-	130,070
Capital leases	-	37,413	37,413
General obligation bonds	-	630,000	630,000
Total current liabilities	525,042	1,076,508	1,601,550
Long-term liabilities, net of current maturities:			
Compensated absences	6,753	10,775	17,528
Note payable	2,237,840	-	2,237,840
Capital leases	-	92,468	92,468
General obligation bonds, net of unamortized bond premium	-	4,369,937	4,369,937
Net pension liability - IMRF	47,926	38,891	86,817
Total noncurrent liabilities	2,292,519	4,512,071	6,804,590
Total liabilities	2,817,561	5,588,579	8,406,140
Deferred Inflows of Resources			
Deferred inflow of resources - Pension actuarial adjustments	64,484	50,846	115,330
Deferred property taxes	-	444,618	444,618
Total deferred inflows of resources	64,484	495,464	559,948
Total liabilities and deferred inflows of resources	\$ 2,882,045	\$ 6,084,043	\$ 8,966,088
Net Position			
Net investment in capital assets	\$ 6,507,341	\$ 3,010,489	\$ 9,517,830
Unrestricted	2,340,309	236,785	2,577,094
Total net position	\$ 8,847,650	\$ 3,247,274	\$ 12,094,924

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Revenues, Expenses, and Changes in Net Position
Enterprise Funds
Year Ended April 30, 2016

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Operating revenues:			
Charges for service	\$ 3,566,221	\$ 1,703,959	\$ 5,270,180
Operating expenses:			
Operations	2,792,402	1,517,090	4,309,492
Depreciation	346,283	349,778	696,061
Amortization	-	(12,528)	(12,528)
Total operating expenses	3,138,685	1,854,340	4,993,025
Operating income/(loss)	427,536	(150,381)	277,155
Nonoperating income (expense):			
Property taxes	-	528,742	528,742
Interest income	712	-	712
Interest expense	(30,712)	(196,780)	(227,492)
Grants	85,642	-	85,642
Total nonoperating income (expense)	55,642	331,962	387,604
Loss before contributions and transfers	483,178	181,581	664,759
Capital contributions	273,884	14,000	287,884
Transfers in	124,226	-	124,226
Transfers out	(150,000)	(100,000)	(250,000)
Change in net position	731,288	95,581	826,869
Net Position:			
May 1, 2015 (as restated)	8,116,362	3,151,693	11,268,055
April 30, 2016	\$ 8,847,650	\$ 3,247,274	\$ 12,094,924

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds
Year Ended April 30, 2016

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Cash flows from operating activities:			
Cash received for services	\$ 3,527,735	\$ 1,702,687	\$ 5,230,422
Payments to employees	(380,303)	(554,243)	(934,546)
Payments to suppliers	(2,417,864)	(901,220)	(3,319,084)
Net cash provided by operating activities	729,568	247,224	976,792
Cash flows from noncapital financing activities:			
Property taxes	-	516,781	516,781
(Increase) decrease in due from other funds	54,283	(1,000)	53,283
Increase in due to other funds	42,351	-	42,351
Operating grants received	85,642	-	85,642
Transfer in	124,226	-	124,226
Transfer out	(150,000)	(100,000)	(250,000)
Net cash provided by noncapital financing activities	156,502	415,781	572,283
Cash flows from capital and related financing activities:			
Principal payments, capital leases, net	-	(113,048)	(113,048)
Principal payments, general obligation bonds	-	(85,000)	(85,000)
Principal payments, note payable	(128,459)	-	(128,459)
Interest paid	(30,805)	(197,842)	(228,647)
Net cash used in capital and related financing activities	(159,264)	(395,890)	(555,154)
Cash flows from investing activities:			
Cash receipts from interest income	712	-	712
Net cash provided by investing activities	712	-	712
Net increase in cash and cash equivalents	727,518	267,115	994,633
Cash and cash equivalents:			
May 1, 2015	1,497,198	229,912	1,727,110
April 30, 2016	<u>\$ 2,224,716</u>	<u>\$ 497,027</u>	<u>\$ 2,721,743</u>

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds (Continued)
 Year Ended April 30, 2016

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Reconciliation of operating income/(loss) to net cash provided by operating activities			
Operating income/(loss)	\$ 427,536	\$ (150,381)	\$ 277,155
Adjustments to reconcile operating income/(loss) to net cash provided by operating activities:			
Depreciation	346,283	349,778	696,061
Amortization	-	(12,528)	(12,528)
Changes in assets and liabilities:			
Accounts receivable	(53,213)	(5,674)	(58,887)
Prepays	6,927	4,402	11,329
Accounts payable	(60,516)	34,518	(25,998)
Accrued payroll	(15,239)	(28,010)	(43,249)
Deposits	7,800	-	7,800
Compensated absences	20,622	14,540	35,162
Deferred outflow of resources - Pension actuarial adjustments	(63,042)	(49,158)	(112,200)
Deferred inflow of resources - Pension actuarial adjustments	64,484	50,846	115,330
Net Pension liability - IMRF	47,926	38,891	86,817
Total adjustments	302,032	397,605	699,637
Net cash provided by operating activities	\$ 729,568	\$ 247,224	\$ 976,792
Supplemental schedule of non-cash capital and related finance activities:			
Capital assets contributed from government	\$ 273,884	\$ 14,000	\$ 287,884

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Fiduciary Net Position
Fiduciary Funds
April 30, 2016

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 29,302	\$ 84,920
Investments:		
Certificates of deposit	824,016	-
U.S. government and agency obligations	3,398,428	-
Corporate bonds	1,527,682	-
Insurance contracts	363,527	-
Equity mutual funds	3,473,802	-
Money market mutual funds	281,202	-
Illinois Funds	12,125	-
Accrued interest	74,508	-
Prepaid items	3,475	-
	<hr/>	<hr/>
Total assets	9,988,067	84,920
Liabilities		
Accounts payable	6,774	-
Deposits payable	-	84,920
Total liabilities	6,774	84,920
Net Position		
Held in trust for pension benefits	<u>\$ 9,981,293</u>	<u>\$ -</u>

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2016

Additions:	
Contributions:	
Employer	\$ 711,236
Employee	191,514
Total contributions	<u>902,750</u>
Investment income:	
Net (decrease) in fair value of investments	(159,614)
Interest and dividend earnings	257,582
Less: investment expenses	<u>(21,857)</u>
Net investment income	<u>76,111</u>
Total additions	<u>978,861</u>
Deductions:	
Benefits and refunds	779,802
Administrative expenses	<u>60,837</u>
Total deductions	<u>840,639</u>
Net increase	138,222
Net position held in trust for employees' pension benefits:	
May 1, 2015	<u>9,843,071</u>
April 30, 2016	<u>\$ 9,981,293</u>

See notes to financial statements.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of Activities

The Village of Glenwood, Illinois (the Village), is located in Cook County, Illinois and was first incorporated in 1871 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board-Manager form of government. The Village Board consists of six elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by its charter: public safety, highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The Village is a Home Rule unit under the Home Rule provisions of the Illinois State Constitution.

Financial Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

- 1) Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- 2) Fiscal dependency on the primary government and the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Financial benefit or financial burden is created if any one of the following relationships exists:

- 1) The primary government is legally entitled to or has access to the component unit's resources.
- 2) The primary government is legally required or has assumed the obligation to finance the deficits of, provide support to, the component unit.
- 3) The primary government is obligated in some manner for the other component unit's debt.

Based upon the application criteria, no component units have been included within the reporting entity.

Government-Wide Financial Statements: The government-wide Statement of Net Position and Statement of Activities report the overall financial activity of the Village. Eliminations have been made to minimize the double counting of internal activities of the Village. The financial activities of the Village consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues, and business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function (i.e., general services, public safety, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the Village's funds. The Village has the following governmental fund types – General, Special Revenue, Debt Service, and Capital Projects. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Village has the following major enterprise funds – Water and Sewer Fund and Golf Course Fund.

The Village administers the following major governmental funds:

General Fund – This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general services, public works and public safety.

Holbrook Road Tax Increment Financing District Fund – A special revenue fund, accounts for the revenue generated from the tax incremental finance district to pay development costs.

TIF – Halsted Fund – A special revenue fund, accounts for the revenue generated from the tax incremental finance district to pay development costs.

All remaining governmental funds are aggregated and reported as non-major governmental funds.

The Village administers the following major proprietary funds:

Water and Sewer Fund – Accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Golf Course Fund – Accounts for the revenues and expenses related to the operations of Glenwoodie Golf Course. Revenues are generated through charges to users based on rounds played, concessions purchased, and banquet services.

Additionally, the Village administers fiduciary (pension trust) funds for assets held by the Village in a fiduciary capacity on behalf of its police and fire department employees and an agency fund, which accounts for assets held as custodian or agent for others.

Measurement Focus and Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Fiduciary fund statements do not have a measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Non-exchange transactions, in which the Village gives (or receives) value without directly receiving (or giving) equal value in exchange, include various taxes, state-shared revenues and various state, federal and local grants. On an accrual basis, revenues from taxes are recognized when the Village has a legal claim to the resources. Grants, entitlements, state-shared revenues and similar items are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting and Financial Statement Presentation

Governmental funds 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 60 days of the end of the current fiscal year.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, charges for services, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, compensated absences are recorded only when payment is due (upon employee retirement or termination). General capital asset acquisitions are reported as expenditures in governmental funds.

The accrual basis of accounting is utilized by the proprietary and fiduciary funds. Under this method, revenues are recognized when earned and expenses, including pension contributions, benefits paid and refunds paid, are recognized at the time liabilities are incurred. Earned, but unbilled services in the enterprise fund are accrued and reported in the financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Cash and Cash Equivalents

The Village considers cash and cash equivalents to be all cash on hand, demand deposits, time deposits and all highly liquid investments with an original maturity of three months or less when purchased.

Investments

Investments are reported at fair value. Fair value is based on quoted market prices for same or similar investments, except for insurance contracts which are carried at contract value, which approximates fair value.

Inventories

Inventory is stated at the lower of cost or market determined on the first-in, first-out basis.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Interfund Receivables, Payables and Activity

The Village has the following types of transactions between funds:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide statement of net position.

Services Provided and Used – sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund balance sheets or fund statements of net position.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after non-operating revenues and expenses.

Capital Assets

Capital assets which include land and improvements, streets, sidewalks, buildings, storm sewers, sanitary sewers, water distribution system, vehicles, machinery and equipment, and water meters are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation.

Interest incurred during the construction phase of capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

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

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

<u>Description</u>	<u>Estimated Useful Lives</u>
Improvements	3 – 30 years
Buildings	20 – 75 years
Machinery and equipment	4 – 40 years
Infrastructure	20 – 75 years

Gains or losses from sales or retirements of capital assets are included in the operations on the Statement of Activities.

Land Held for Resale

Land held for resale is recorded at the lower of cost or fair value less costs to sell.

Unearned/Deferred Revenue

The Village reports both deferred inflows of resources and unearned revenues (liabilities) on its financial statements. Deferred inflows of resources arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period for the governmental funds. Additionally, deferred inflows of resources arise when revenues associated with imposed nonexchange revenue transactions (property taxes) are received or reported as a receivable before the period for which they are levied. Unearned revenues also arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the fulfillment of eligibility requirements. In subsequent periods, when revenue recognition criteria are met or when the district has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

In addition, governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

Compensated Absences

Accumulated unpaid compensated absences represent vacation time and are accrued as a liability in the proprietary funds using the accrual basis of accounting. For governmental funds using the modified accrual basis of accounting, such amounts, which are expected to be paid from current available resources, are accrued as liabilities in the funds and those amounts, which are not expected to be paid from current available resources, are accounted for in the statement of net position. The General Fund is typically used to liquidate the governmental fund liability.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations, including compensated absences, post-employment benefits, and pension benefits, are reported as liabilities in the applicable governmental or business-type activities and proprietary fund Statement of Net Position. Bond premiums and discounts, as well as deferred amounts on refunding, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

In the fund financial statements, governmental funds recognize bond issuance costs during the year the bonds are sold. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures or expenses.

Debt service funds are specifically established to account for and service the long-term obligations for the governmental funds debt. Enterprise funds individually account for and service the applicable debt that benefits these funds. Long-term debt is recognized as a liability in a governmental fund when due, or when resources have been accumulated for payment early in the following year.

Net Position

The Village's net position is classified as follows:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position results when constraints placed on net position use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of net position that does not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

Fund Balances

Within the governmental fund types, the Village's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact. As of April 30, 2016, the Village has nonspendable fund balance in the amount of \$2,068,698.

Restricted – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Village's highest level of decision-making authority rests with the Village's Board of Trustees. The Village passes formal resolutions to commit their fund balances. As of April 30, 2016, the Village has no committed fund balance amounts.

Assigned – includes amounts that are constrained by the Village's intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Village's Board of Trustees itself; or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's Board of Trustees has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. Within these same funds, a residual deficit, if any, is reported as unassigned. As of April 30, 2016, the Village has no assigned fund balance amounts.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the General Fund and unassigned deficit fund balances of other governmental funds.

It is the Village's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned fund balances) are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

Elimination and Reclassification

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

Restatement

The GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* ("GASB 68") and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which was adopted by the Village for the year ended April 30, 2016. GASB 68 improves accounting and financial reporting by state and local governments for pensions and improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they are related to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. GASB 71 eliminates the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of GASB 68.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

The Village's net position at May 1, 2015 has been restated as follows:

	Governmental Activities	Waterworks and Sewerage Fund	Golf Course Fund	Business-Type Activities	Primary Government Total
Net position, May 1, 2015	\$ 26,908,709	\$ 8,080,637	\$ 3,120,702	\$ 11,201,339	\$ 38,110,048
Restatement amount related to the implementation of GASB 68	(17,295,649)	35,725	30,991	66,716	(17,228,933)
Net position as restated, May 1, 2015	\$ 9,613,060	\$ 8,116,362	\$ 3,151,693	\$ 11,268,055	\$ 20,881,115

The restatement of the beginning net position adjusts the beginning deferred outflows of resources for pension contributions made subsequent to the measurement date of the beginning net pension liability. Restatement of the beginning balances for deferred outflows of resources related to pensions was not done because it was not practical to determine all such amounts.

In the process of aggregating information for the Government-Wide statements, some amounts reported as interfund activity and/or interfund balances in the Fund Financial statements are eliminated or reclassified.

Note 2. Property Taxes

The Village annually establishes a legal right to the property tax assessments upon the enactment of a tax levy ordinance by the Village Board. These tax assessments are levied in December and attach as an enforceable lien on the previous January 1. Tax bills are prepared by the County and issued on or about February 1 and July 1, and are payable in two installments which become delinquent on or about March 1 and August 1. Property taxes are billed, collected and remitted periodically by the County Treasurer of Cook County, Illinois. For all funds, the Village recognizes no more than one-half of the levy in the current fiscal year as revenue with the second half to be recognized in the following fiscal year. Accordingly, the second half amount is reflected as deferred inflows of resources this year. This methodology conforms to the measurable and available criteria for revenue recognition. An allowance for the estimated uncollectible taxes has been provided based on prior year collection experiences. Property tax collection through 60 days were not sufficient to meet the availability criteria, therefore, the Village was not able to recognize one-half of the levy as revenue in the current fiscal year on the fund financial statements. The shortfall was recognized as revenue in the government-wide financial statements.

For employee pension plan property taxes, revenues are recognized in the year they are received.

For tax increment financing district property taxes, revenues are recognized for all cash receipts received through 60 days at year-end.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of bank failure, the Village, Police Pension or Firefighters' Pension deposits may not be returned. The Village, Police Pension and Firefighters' Pension do not have a policy for custodial credit risk. As of April 30, 2016, the carrying amount of the Village's deposits was \$6,052,988 with bank balances totaling \$6,044,120. The Village did not have custodial credit risk as of year-end.

Investments

As of April 30, 2016, the Village, the Police Pension Fund, and the Firefighter's Pension Fund had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Strips	\$ 315,584	\$ -	\$ 315,584	\$ -	\$ -
U.S. agencies - FFCB	1,034,005	-	134,164	717,204	182,637
U.S. agencies - FHLB	1,573,917	422,720	226,721	739,911	184,565
U.S. agencies - FHLM	100,490	-	100,490	-	-
U.S. agencies - FNMA	201,764	-	201,764	-	-
U.S. agencies - GNMA	172,668	40	140,215	11,154	21,259
Corporate bonds	1,527,682	175,915	1,040,118	270,037	41,612
Money Market Funds *	281,202	281,202	-	-	-
Total	\$ 5,207,312	\$ 879,877	\$ 2,159,056	\$ 1,738,306	\$ 430,073

* Weighted average maturity is less than one year.

The Village also has \$1,927,584 in Illinois Funds. The Police Pension Fund has insurance contracts in the amount of \$363,527, certificates of deposits in the amount of \$492,398, and equity mutual fund holdings in the amount of \$3,232,386. The Fire Pension Fund certificates of deposits in the amount of \$331,618 of certificates of deposit, and equity mutual fund holdings in the amount of \$241,416.

Interest Rate Risk – The Village's investment policy states that investment's maturity period shall be matched with anticipated cash flow requirements. Unless matched to specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of the purchase.

The Police Pension Fund's investment policy limits its exposure to interest rate risk by structuring the portfolio to remain sufficiently liquid to enable the pension fund to pay all necessary benefits and meet all operating requirements, which might be reasonably anticipated.

The Firefighters' Pension Fund's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Illinois Funds Investment Pool is not registered with the SEC. The pool is sponsored by the Treasurer of the State of Illinois, in accordance with State law. The fair value of the position in the pool is the same as the value of the pool shares.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (Continued)

Credit Risk – Is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State statutes authorize the Village to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, repurchase agreements (under certain statutory restrictions), commercial paper rated within the three highest classifications by at least two standard rating services, the Illinois Funds and the Illinois Metropolitan Investment Fund. Pension funds may invest investments as allowed by Illinois Compiled Statutes.

The Village's investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with the discretion of intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments.

The Police Pension Fund's investment policy is to also apply 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 rate of return.

The Firefighters' Pension Fund's investment policy is to also apply 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 probable safety of the capital as well as the probable income to be derived.

As of April 30, 2016, investments in Illinois Funds were rated AA+ by Standard and Poor's and AAA by Moody's Investors Service. The FFCB, FHLB, and FNMA were rated Aaa by Moody's Investors Services and AA+ by Standard and Poor's. The Money Market Funds are not rated.

Concentration of Credit Risk – Is the risk of loss attributed to the magnitude of the investments in a single issuer.

The Village's investment policy states that investments shall be diversified to the best of their ability based on the types of funds invested and cash flow needs of those funds. Diversification can be the type of investment, the number of institutions invested in, and the length of maturity. The policy does not restrict the amount of investments in any one issuer. None of the Village's investments exceed 5% of total investments.

The Police Pension Funds investment policy states that the Board of Trustees has consciously diversified the aggregate fund to ensure that adverse or unexpected results will not have an excessively detrimental impact on the entire portfolio. More than 5% of the Fund's investments are in FFCB, FHLB, corporate bonds, and equities. These investments represent 11.9%, 18.1%, 17.6%, and 40.0% respectively, of the Fund's total investments.

The Firefighters' Pension Fund policy provides target percentages that have been determined for each asset class. These allocations are to serve as a guideline. Market conditions or investment transitions may require interim investment strategy and therefore temporary imbalance in asset mix. The target percentages by asset class are as follows: fixed income 88%, equities 10%, and cash 2%. More than 5% of the Fund's investments are in U.S. Treasury strips, FFCB, FHLB, FNMA, corporate bonds, equities and money markets. These investments represent 16.0%, 12.5%, 27.1%, 30.0%, 5.1%, 16.6%, 12.2%, and 5.9%, respectively, of the Fund's total investments.

Custodial Credit Risk – For an investment, this is the risk that, in the event of failure of the counterparty, the Entity will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Illinois Funds, Illinois Metropolitan Investment Fund, Mutual Funds, and Money Market Funds are not subject to custodial credit risk.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (Continued)

The Village's investment policy states that the only authorized financial institutions are those that are FDIC insured and/or provide sufficient collateralization to cover the balance of the Village's deposits. None of the Village's investments are subject to custodial credit risk.

The Police Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Fund, to act as a custodian for its securities and collateral. The U.S. agency securities are held by the Fund's agent in the Fund's name.

The Firefighters' Pension Fund's investment policy requires collateral for funds in excess of FDIC or FSLIC limits. The U.S. Treasury Strips and U.S. agency securities are held by the Fund's agent in the Fund's name.

Cash and cash equivalents and investments are reported in the financial statements as follows:

	Governmental Activities	Business-Type Activities	Pension Funds	Agency Funds	Total
Cash and cash equivalents	\$ 5,132,482	\$ 2,721,743	\$ 29,302	\$ 84,920	\$ 7,968,447
Investments	-	-	9,880,782	-	9,880,782
	<u>\$ 5,132,482</u>	<u>\$ 2,721,743</u>	<u>\$ 9,910,084</u>	<u>\$ 84,920</u>	<u>\$ 17,849,229</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 4. Capital Assets

A summary of the changes in capital assets for governmental activities of the Village for the year ended April 30, 2016, is as follows:

	Balance May 1, 2015	Additions	Deletions and Transfers	Balance April 30, 2016
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 21,091,367	\$ 62,500	\$ -	\$ 21,153,867
Construction in progress	1,352,269	-	1,352,269	-
Total capital assets not being depreciated	<u>22,443,636</u>	<u>62,500</u>	<u>1,352,269</u>	<u>21,153,867</u>
Capital assets being depreciated:				
Improvements	917,881	1,327,269	-	2,245,150
Buildings	6,273,256	-	-	6,273,256
Machinery and equipment	3,475,655	6,875	22,165	3,460,365
Infrastructure	6,387,800	25,000	-	6,412,800
Total capital assets being depreciated	<u>17,054,592</u>	<u>1,359,144</u>	<u>22,165</u>	<u>18,391,571</u>
Less accumulated depreciation for:				
Improvements	832,376	11,773	-	844,149
Buildings	2,083,514	124,364	-	2,207,878
Machinery and equipment	2,333,410	152,183	22,165	2,463,428
Infrastructure	3,593,742	121,234	-	3,714,976
Total accumulated depreciation	<u>8,843,042</u>	<u>409,554</u>	<u>22,165</u>	<u>9,230,431</u>
Total capital assets being depreciated, net	<u>8,211,550</u>	<u>949,590</u>	<u>-</u>	<u>9,161,140</u>
Governmental activities capital assets, net	<u>\$ 30,655,186</u>	<u>\$ 1,012,090</u>	<u>\$ 1,352,269</u>	<u>\$ 30,315,007</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 4. Capital Assets (Continued)

A summary of changes in capital assets for business-type activities of the Village for the year ended April 30, 2016, is as follows:

	Balance May 1, 2015	Additions	Deletions and Transfers	Balance April 30, 2016
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 4,323,187	\$ -	\$ -	\$ 4,323,187
Capital assets being depreciated:				
Improvements	1,911,156	-	-	1,911,156
Buildings	4,205,420	-	-	4,205,420
Machinery and equipment	1,842,346	287,884	-	2,130,230
Infrastructure	17,417,172	-	-	17,417,172
Total capital assets being depreciated	25,376,094	287,884	-	25,663,978
Less accumulated depreciation for:				
Improvements	1,411,813	77,476	-	1,489,289
Buildings	548,192	82,665	-	630,857
Machinery and equipment	1,094,704	242,162	-	1,336,866
Infrastructure	9,220,837	293,758	-	9,514,595
Total accumulated depreciation	12,275,546	696,061	-	12,971,607
Total capital assets being depreciated, net	13,100,548	(408,177)	-	12,692,371
Business-type activities capital assets, net	\$ 17,423,735	\$ (408,177)	\$ -	\$ 17,015,558

Depreciation was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 54,257
Public safety	152,860
Public works	88,219
Highway and streets	114,218
Total depreciation expense - governmental activities	\$ 409,554
Business-type activities:	
Water and sewer	\$ 346,283
Golf course operations	349,778
Total depreciation expense - business-type activities	\$ 696,061

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations

The following is a summary of debt transactions of the Village's governmental activities for the year ended April 30, 2016:

	Outstanding Debt as of May 1, 2015	Additions	Reductions	Outstanding Debt as of April 30, 2016	Due within one year
General obligation bonds	\$ 9,705,000	\$ -	\$ 475,000	\$ 9,230,000	\$ -
Unamortized bond premium	4,689	-	4,689	-	-
Line of credit	-	5,000,000	-	5,000,000	5,000,000
Compensated absences *	75,859	181,976	49,701	208,134	156,099
	<u>\$ 9,785,548</u>	<u>\$ 5,181,976</u>	<u>\$ 529,390</u>	<u>\$ 14,438,134</u>	<u>\$ 5,156,099</u>

*The General Fund resources are used to liquidate this liability.

The following is a summary of debt transactions of the Village's business-type activities for the year ended April 30, 2016:

	Outstanding Debt as of May 1, 2015	Additions	Reductions	Outstanding Debt as of April 30, 2016	Due within one year
General obligation bonds	\$ 5,015,000	\$ -	\$ 85,000	\$ 4,930,000	\$ 630,000
Unamortized bond premium	82,465	-	12,528	69,937	-
Note payable	2,496,369	-	128,459	2,367,910	130,070
Capital leases	242,929	-	113,048	129,881	37,413
Compensated absences	34,952	53,172	18,010	70,114	52,586
	<u>\$ 7,871,715</u>	<u>\$ 53,172</u>	<u>\$ 357,045</u>	<u>\$ 7,567,842</u>	<u>\$ 850,069</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (Continued)

Outstanding debt as of April 30, 2016, consists of the following:

General obligation bonds:

General Obligation Bonds, Series 2010A, dated July 22, 2010, provide for the retirement of principal of \$1,035,000 in 2023, \$1,230,000 in 2024, \$1,330,000 in 2025, \$1,440,000 in 2026, \$1,560,000 in 2027, \$1,685,000 in 2028 and \$950,000 in 2029. Interest is payable on December 1 and June 1 of each year at a rate of 7.030%. \$ 9,230,000

General Obligation Bonds, Series 2010C, dated September 29, 2010, provide for the retirement of principal of \$630,000 in 2017, \$705,000 in 2018, \$775,000 in 2019, \$855,000 in 2020, \$940,000 in 2021 and \$1,025,000 in 2022. Interest is payable on December 1 and June 1 of each year at varying rates between 3.00% and 4.00%. 4,930,000

Total general obligation bonds 14,160,000

Unamortized bond premiums 69,937

Capital leases 129,881

Line of credit 5,000,000

Note payable 2,367,910

Compensated absences 278,248

Total long-term obligations \$ 22,005,976

Due within one year \$ 6,006,168

An Illinois Environmental Protection Agency Clean Water State Revolving Funds loan agreement was approved November 11, 2011 and provides for a repayment period of 20 years which commenced October 9, 2013 with principal and interest payments due in October and April of each fiscal year. In addition, the loan accrues interest of 1.25% that is calculated monthly. As of April 30, 2016, the total outstanding principal and interest is \$2,367,910 and \$259,945, respectively.

The Village has a revolving line of credit with a bank which allows for borrowings up to \$7,000,000 with an interest rate of 4.50%. The Village borrowed \$5,000,000 during the fiscal year. The Village paid interest of \$86,250 on the line during the fiscal year.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Long-Term Obligations (Continued)

The future debt service requirements to amortize the outstanding debt other than unamortized bond premiums, line of credit, compensated absences, net pension liability, OPEB obligation, and capital leases as of April 30, 2016 are as follows:

Year Ending April 30,	Governmental		Business-Type					Total
	General Obligation Bonds		General Obligation Bonds		Note Payable			
	Principal	Interest	Principal	Interest	Principal	Interest		
2017	\$ -	\$ 648,869	\$ 630,000	\$ 186,650	\$ 130,070	\$ 29,194	\$ 1,624,783	
2018	-	648,869	705,000	164,600	131,701	27,563	1,677,733	
2019	-	648,869	775,000	139,925	133,353	25,911	1,723,058	
2020	-	648,869	855,000	112,800	135,025	24,239	1,775,933	
2021	-	648,869	940,000	78,600	136,718	22,546	1,826,733	
2022-2026	5,035,000	2,759,628	1,025,000	41,000	709,738	86,582	9,656,948	
2026-2031	4,195,000	546,934	-	-	755,365	40,955	5,538,254	
2032-2033	-	-	-	-	235,940	2,955	238,895	
	<u>\$ 9,230,000</u>	<u>\$ 6,550,907</u>	<u>\$ 4,930,000</u>	<u>\$ 723,575</u>	<u>\$ 2,367,910</u>	<u>\$ 259,945</u>	<u>\$ 24,062,337</u>	

Note 6. Capital Lease Obligations

The Village leases equipment under capital leases, which expire between May 2016 and August 2019. Monthly lease payments, including interest between 4.4% and 4.9%, are between \$410 and \$14,027, respectively. The cost of the capital assets acquired under the capital leases included in business-type activities machinery and equipment is \$570,733 and accumulated depreciation is \$525,201.

Minimum future lease payments under the capital leases together with the present value of the net minimum lease payments as of April 30, 2016 are as follows:

Year ending April 30:	
2017	\$ 85,642
2018	31,938
2019	16,493
2020	1,643
Total minimum lease payments	<u>135,716</u>
Less amount representing interest	5,835
Present value of future minimum lease payments	<u>129,881</u>
Less current portion	<u>37,413</u>
Long-term portion	<u>\$ 92,468</u>

Note 7. Deferred Compensation

The Village offers its employees deferred compensation plans created in accordance with Internal Revenue Code 457. The plans, available to certain Village employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination/retirement, death, or unforeseeable emergency. There were no employer contributions for the current year.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments

Substantially all Village employees are covered under one of the following employee retirement plans:

Illinois Municipal Retirement Fund - Regular

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 Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3 percent of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms. As of December 31, 2015, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	29
Inactive plan members entitled to but no yet receiving benefits	31
Active plan members	29
	<hr/>
Total members	89
	<hr/> <hr/>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar years 2016 and 2015 were 8.40 and 8.36 percent, respectively, of annual covered payroll. For the fiscal year ended April 30, 2016, the Village contributed \$137,518 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute. The contributions as of April 30, 2016 are reported in the financial statements as follows:

Governmental Activities - general government expense	\$ 73,356
Business-Type Activities:	
Waterworks and Sewerage Fund	35,320
Golf Course Fund	28,662
	<hr/>
	\$ 137,338
	<hr/> <hr/>

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.46%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.
- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	<u>1%</u>	2.25%
Total	<u>100%</u>	

Single Discount Rate. A Single Discount Rate of 7.50 percent was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50 percent, the municipal bond rate is 3.57 percent, and the resulting single discount rate is 7.50 percent.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Changes in the Net Pension Liability.

The following table shows the components of the Village's annual pension liability and related plan fiduciary net position for the year ended December 31, 2015:

Illinois Municipal Retirement Fund - Regular

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 6,128,615	\$ 6,226,485	\$ (97,870)
Changes for the year:			
Service cost	192,215	-	192,215
Interest on the total pension liability	455,982	-	455,982
Differences between expected and actual experience of the total pension liability	(336,265)	-	(336,265)
Contributions - employer	-	136,654	(136,654)
Contributions - employees	-	73,558	(73,558)
Net investment income	-	30,933	(30,933)
Benefit payments, including refunds of employee contributions	(289,914)	(289,914)	-
Other (net transfer)	-	(213,683)	213,683
Net changes	22,018	(262,452)	284,470
Balances at December 31, 2015	\$ 6,150,633	\$ 5,964,033	\$ 186,600

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50 percent, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability/(asset)	\$ 1,016,527	\$ 186,600	\$ (493,125)

The net pension liability of \$186,600 as of April 30, 2016 is reported on the financial statements as follows:

Governmental Activities	\$ 99,783
Business-Type Activities	86,817
	<u>\$ 186,600</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2016, the Village recognized pension expense of \$199,996. Pension expense as of April 30, 2016 is reported in the financial statements as follows:

Governmental Activities	\$ 110,049
Business-Type Activities	89,947
	<u>\$ 199,996</u>

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pensions Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 249,274
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	340,041	-
Total deferred amounts to be recognized in pension expense in future periods	340,041	249,274
Employer contributions subsequent to measurement date	44,509	-
Total Deferred Amounts Related to Pensions	<u>\$ 384,550</u>	<u>\$ 249,274</u>

The deferred outflows and inflows of resources as of April 30, 2016 is reported on the financial statements as follows:

Governmental Activities	\$ 205,634	\$ 133,944
Business-Type Activities	178,916	115,330
	<u>\$ 384,550</u>	<u>\$ 249,274</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year ending April 30:	Net Deferred Outflows of Resources
2016	\$ (1,981)
2017	(1,981)
2018	9,718
2019	85,011
2020	-
Thereafter	
Total	<u>\$ 90,767</u>

Illinois Municipal Retirement Fund - SLEP

Plan Description. The Village's defined benefit pension plan for SLEP employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. 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 Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

All three IMRF benefit plans have two tiers. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of the final rate of earnings for the first 15 years of service credit, plus 2 percent for each year of service credit after 15 years to a maximum of 75 percent of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of:

- 3 percent of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms. As of December 31, 2015, the following employees were covered by the benefit terms:

Retirees and beneficiaries receiving benefits	16
Terminated plan members entitled to but not yet receiving benefits	-
Active vested plan members	11
Active nonvested plan members	12
Total members	39

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village's annual contribution rate for calendar years 2016 and 2015 were 13.28 and 13.19 percent, respectively, of annual covered payroll. For the fiscal year ended April 30, 2016, the Village contributed \$14,703 to the plan. 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 IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute. The contributions as of April 30, 2016 are reported in the financial statements as follows:

Governmental Activities - general government expense	\$ 14,703
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Net Pension Liability. The Village's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2015:

- The **Actuarial Cost Method** used was Entry Age Normal.
- The **Asset Valuation Method** used was Market Value of Assets.
- The **Inflation Rate** was assumed to be 2.75%.
- **Salary Increases** were expected to be 3.75% to 14.50%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.46%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2014 valuation according to an experience study from years 2011 to 2013.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

- The IMRF-specific rates for **Mortality** (for non-disabled retirees) were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience.
- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table, applying the same adjustments that were applied for non-disabled lives.
- For **Active Members**, an IMRF-specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	38%	7.60%
International Equity	17%	7.80%
Fixed Income	27%	3.00%
Real Estate	8%	6.15%
Alternative Investments	9%	5.25-8.50%
Cash Equivalents	<u>1%</u>	2.25%
Total	<u>100%</u>	

Single Discount Rate. A Single Discount Rate of 7.50 percent was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50 percent, the municipal bond rate is 3.57 percent, and the resulting single discount rate is 7.50 percent.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Changes in the Net Pension Liability.

The following table shows the components of the Village's annual pension liability and related plan fiduciary net position for the year ended December 31, 2015:

Illinois Municipal Retirement Fund - SLEP

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2014	\$ 101,795	\$ 111,652	\$ (9,857)
Changes for the year:			
Service cost	19,062	-	19,062
Interest on the total pension liability	8,349	-	8,349
Differences between expected and actual experience of the total pension liability	(1,229)	-	(1,229)
Contributions - employer	-	13,995	(13,995)
Contributions - employees	-	7,957	(7,957)
Net investment income	-	613	(613)
Other (net transfer)	-	(9,773)	9,773
Net changes	26,182	12,792	13,390
Balances at December 31, 2015	\$ 127,977	\$ 124,444	\$ 3,533

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50 percent, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability/(asset)	\$ 20,506	\$ 3,533	\$ (10,706)

The net pension liability of \$3,533 as of April 30, 2016 is reported on the financial statements as follows:

Governmental Activities	<u>\$ 3,533</u>
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Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2016, the Village recognized pension expense of \$7,157. Pension expense as of April 30, 2016 is reported in the financial statements as follows:

Governmental Activities	<u><u>\$ 7,157</u></u>
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At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pensions		
Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 1,049
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	6,574	-
Total deferred amounts to be recognized in pension expense in future periods	6,574	1,049
Employer contributions subsequent to measurement date	4,955	-
Total Deferred Amounts Related to Pensions	\$ 11,529	\$ 1,049
Governmental Activities	\$ 11,529	\$ 1,049

The deferred outflows and inflows of resources as of April 30, 2016 is reported on the financial statements as follows:

Governmental Activities	<u><u>\$ 11,529</u></u>	<u><u>\$ 1,049</u></u>
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Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

	<u>Net Deferred Outflows of Resources</u>
Year ending April 30:	
2016	\$ 1,464
2017	1,464
2018	1,464
2019	1,462
2020	(180)
Thereafter	(149)
Total	<u>\$ 5,525</u>

Police Pension Fund

Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements for the Police Pension Fund are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are financed through investment earnings. No stand-alone statements are issued for the defined benefit pension plan.

Plan Description

Plan Administration:

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 and employee and employer contribution levels are governed by Article 3 of the Illinois Pension Code and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The Village presents the plan as a pension trust fund. An actuarial valuation was performed as of April 30, 2016, and, accordingly, the most recent available information has been presented.

Plan Membership:

At April 30, 2016, the Police Pension Plan membership consisted of:

	<u>Membership</u>
Inactive Plan members or beneficiaries currently receiving benefits	13
Inactive Plan members entitled to but not yet receiving benefits	-
Active Plan members	<u>21</u>
Total membership	<u><u>34</u></u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund

Benefits Provided:

The Illinois Pension Code (40 ILCS 5/Art. 3) is the authority under which pension benefit terms are established. The maximum salary cap is indexed for inflation thereafter. Covered employees hired before January 1, 2011 attaining the age of 50 or more 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, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary.

Covered employees hired on or after January 1, 2011 attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of services after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lessor of 3% or one half of the consumer price index. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

Contributions:

Covered employees are required to contribute 9.91% of their base salary to the plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Illinois Pension Code (40 ILCS 5/Art. 3) establishes the contribution requirements of the Village. The annual requirement is equal to (1) the normal cost of the pension fund for the year plus (2) an amount sufficient to bring the total assets of the pension fund up to 90% of the actuarial liabilities of the pension fund by April 30, 2040. Only the State legislature can amend the contribution requirements. For the year ended April 30, 2016, the statutory minimum which the Village was required to contribute was \$614,208, or 38.9% of member payroll, to the Police Pension Fund.

Investments

Investment Policy:

The pension plan's policy in regard to the allocation of invested assets are established and may be amended by the Police Pension Board by a majority vote of its members. It is the policy of the Police Pension Board to pursue an investment strategy that preserves capital and minimizes risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes as allowed under Illinois Statutes (40 ILCS 5/1-113.2 to 113.4a). The Police Pension's investment policy encourages maintaining adequate liquidity to meet the pension fund's obligations. The investment policy implies that funds not needed to meet liquidity requirements should be invested with diversity between asset classes and types of investments. Fiduciary objectives toward maintenance of Public Trust and Prudence dictate that dramatic shifts in asset class allocations over short time spans are discouraged and should be avoided where possible. The following represents the Board's current asset allocation goals as of April 30, 2016:

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Investments (Continued)

<u>Asset Class</u>	<u>Target Asset Allocation</u>
Cash and Cash Equivalents	2%
Fixed Income	53%
Equities, domestic	37%
Equities, international	5%
Real estate	3%

The long-term expected rate of return on pension plan investments was determined using a building-block method. The best estimate of future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target asset allocation as established by the Board in accordance with the investment policy. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The following are the long-term expected arithmetic real rates of return by asset class as of April 30, 2016:

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return</u>	<u>Long-Term Inflation Expectations</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity Large Caps	7.60%	2.26%	5.34%
Domestic Equity Mid Caps	8.34%	2.26%	6.08%
Domestic Small Caps	8.81%	2.26%	6.55%
International Developed Foreign	8.10%	2.26%	5.84%
Emerging Markets	11.77%	2.26%	9.51%
Commodities	5.22%	2.26%	2.96%
Aggregate Bonds	4.08%	2.26%	1.82%
Fixed Income Investment Grade Corporate	4.95%	2.26%	2.69%
Fixed Income Intermediate U.S. Treasuries	4.29%	2.26%	2.03%
Fixed Income High Yield	6.40%	2.26%	4.14%
REITS	8.17%	2.26%	5.91%
Cash	2.00%	2.26%	-0.26%

Method Used to Value Investments:

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Significant Investments

Information on significant investments is presented in Note 2 under "Concentration of Credit Risk."

Rate of Return:

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.2 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund

Net Pension Liability of the Village

The total pension liability was determined by an actuarial valuation as of April 30, 2016, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

Valuation date	May 1, 2016
Actuarial cost method	Entry Age Normal
Amortization method	Straight Line
Discount Rate used for the Total Pension Liability	4.70%
Long-Term Expected Rate of Return on Plan Assets	6.50%
High Quality 20-Year Tax-Exempt G.O. Bond Rate (based on the Bond Buyer 20-Bond GO Index)	3.62%
Projected Individual Salary Increases	4.00 - 11.00%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Actuarial assumptions:	
Mortality Table	Lauterbach & Amen (L&A) 2012 Illinois Police
Retirement Rates	L&A 2012 Illinois Police 100% Capped at age 65
Disability Rates	L&A 2012 Illinois Police 100%
Termination Rates	L&A 2012 Illinois Police 100%
Percent Married	80%

The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial assumption study based on the results of an actuarial assumption study for the period including various municipal fiscal years ending December 2009-June 2015.

The study was performed by Lauterbach & Amen LLP (L&A), which provides a variety of actuarial and other services to Police and Firefighter Pension Funds across the State of Illinois.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund

Discount Rate:

The discount rate used to measure the total pension liability is 6.3 percent. The projection of cash flows used to determine the discount rate 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. Cash flow projections are used to determine the extent to which the Plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the Plan's projected net position, the expected long-term rate of return on plan assets is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the Plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The Plan's projected net position is expected to cover future benefit payments in full for the current members for the next 56 years. Therefore, the long-term expected rate of return on pension plan assets was applied only to those years and for the remaining years the municipal bond rate was used.

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at May 1, 2015	\$ 21,584,116	\$ 7,387,981	\$ 14,196,135
Changes for the year:			
Service cost	436,295	-	436,295
Interest on the total pension liability	1,341,032	-	1,341,032
Actuarial experience	(837,809)	-	(837,809)
Changes of assumptions	(3,893,580)	-	(3,893,580)
Contributions - employer	-	634,894	(634,894)
Contributions - employees	-	167,505	(167,505)
Net investment income	-	23,729	(23,729)
Benefit payments, including refunds of employee contributions	(595,787)	(595,787)	-
Administrative expense			
Other (net transfer)	-	(31,637)	31,637
Net changes	(3,549,849)	198,704	(3,748,553)
Balances at April 30, 2016	\$ 18,034,267	\$ 7,586,685	\$ 10,447,582

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability of the Village, calculated using the discount rate of 6.3 percent, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.3 percent) or 1-percentage-point higher (7.3 percent) than the current rate.

	1% Decrease 5.30%	Current Discount Rate 6.30%	1% Increase 7.30%
Village's net pension liability	\$ 13,672,008	\$ 10,447,582	\$ 7,882,696

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.

For the year ended April 30, 2016, the Village recognized pension expense of \$2,833,641. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 740,728
Changes of assumptions	-	3,442,411
Net difference between projected and actual earnings on pension plan investments	<u>369,741</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 369,741</u>	<u>\$ 4,183,139</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year ending April 30:	<u>Net Deferred Outflows of Resources</u>
2017	\$ (455,814)
2018	(455,814)
2019	(455,814)
2020	(455,817)
2021	(548,250)
Thereafter	<u>(1,441,889)</u>
Total	<u>\$ (3,813,398)</u>

The schedule of changes in net pension liability, total pension liability and related ratios and investment returns and the schedule of contributions are presented as Required Supplementary Information (RSI) following the notes to the financial statements.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund

Summary of Significant Accounting Policies

Basis of Accounting:

The financial statements for the Firefighters' Police Pension Fund are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are financed through investment earnings. No stand-alone statements are issued for the defined benefit pension plan.

Plan Description

Plan Administration:

Firefighters' sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Article 3 of the Illinois Pension Code and may be amended only by the Illinois legislature. The plan provides retirement benefits as well as death and disability benefits. The Village presents the plan as a pension trust fund. An actuarial valuation was performed as of April 30, 2016, and, accordingly, the most recent available information has been presented.

Plan Membership:

At April 30, 2016, the Firefighters' Pension Plan membership consisted of:

	<u>Membership</u>
Inactive Plan members or beneficiaries currently receiving benefits	4
Inactive Plan members entitled to but not yet receiving benefits	1
Active Plan members	<u>3</u>
Total membership	<u><u>8</u></u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund

Benefits Provided:

The Illinois Pension Code (40 ILCS 5/Art. 4) is the authority under which pension benefit terms are established. The maximum salary cap is indexed for inflation thereafter. Covered employees hired before January 1, 2011 attaining the age of 50 or more 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, and 1% of such salary for each additional year of service over 30 years, to a maximum of 75% of such salary.

Covered employees hired on or after January 1, 2011 attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$106,800 as of January 1, 2011. The maximum salary cap increases each year thereafter. The monthly benefit of a police officer hired before January 1, 2011, who retired with 20 or more years of services after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, but the lessor of 3% or one half of the consumer price index. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

Contributions:

Covered employees are required to contribute 9.455% of their base salary to the plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Illinois Pension Code (40 ILCS 5/Art. 4) establishes the contribution requirements of the Village. The annual requirement is equal to (1) the normal cost of the pension fund for the year plus (2) an amount sufficient to bring the total assets of the pension fund up to 90% of the actuarial liabilities of the pension fund by April 30, 2040. Only the State legislature can amend the contribution requirements. For the year ended April 30, 2016, the statutory minimum which the Village was required to contribute was \$133,054, or 32.6% of member payroll, to the Police Pension Fund.

Investments

Investment Policy:

The pension plan's policy in regard to the allocation of invested assets are established and may be amended by the Fire Pension Board by a majority vote of its members. It is the policy of the Fire Pension Board to pursue an investment strategy that preserves capital and minimizes risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes as allowed under Illinois Statutes (40 ILCS 5/1-113.2 to 113.4a). The Fire Pension's investment policy encourages maintaining adequate liquidity to meet the pension fund's obligations. The investment policy implies that funds not needed to meet liquidity requirements should be invested with diversity between asset classes and types of investments. Fiduciary objectives toward maintenance of Public Trust and Prudence dictate that dramatic shifts in asset class allocations over short time spans are discouraged and should be avoided where possible. The following represents the Board's current asset allocation goals as of April 30, 2016:

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund

Investments (Continued)

Asset Class	Target Asset Allocation
Cash and Cash Equivalents	2%
Fixed Income	88%
Equities	10%

The long-term expected rate of return on pension plan investments was determined using a building-block method. The best estimate of future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target asset allocation as established by the Board in accordance with the investment policy. Expected inflation is added back in. Adjustment is made to reflect geometric returns. The following are the long-term expected arithmetic real rates of return by asset class as of April 30, 2016:

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectations	Long-Term Expected Real Rate of Return
Fixed Income	6.20%	0.80%	5.40%
Large Cap Domestic Equity	9.90%	0.80%	9.10%
Small Cap Domestic Equity	7.65%	0.80%	6.85%
International Equity	5.40%	0.80%	4.60%
Real Estate	11.50%	0.80%	10.70%
Cash	0.10%	0.80%	-0.70%

Method Used to Value Investments:

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Significant Investments

Information on significant investments is presented in Note 2 under "Concentration of Credit Risk."

Rate of Return:

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.40 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund

Net Pension Liability of the Village

The total pension liability was determined by an actuarial valuation as of April 30, 2016, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

Valuation date	May 1, 2016
Actuarial cost method	Entry Age Normal
Amortization method	Straight Line
Discount Rate used for the Total Pension Liability	4.01%
Long-Term Expected Rate of Return on Plan Assets	6.00%
High Quality 20-Year Tax-Exempt G.O. Bond Rate (based on the Bond Buyer 20-Bond GO Index)	3.62%
Projected Individual Salary Increases	5.00%
Projected Increase in Total Payroll	4.50%
Consumer Price Index (Utilities)	3.00%
Inflation Rate Included	3.00%
Actuarial assumptions:	
Mortality Table	Lauterbach & Amen (L&A) 2012 Illinois Firefighters
Retirement Rates	L&A 2012 Illinois Firefighters' 100%, capped at age 65
Disability Rates	L&A 2012 Illinois Firefighters 100%
Termination Rates	L&A 2012 Illinois Firefighters 100%
Percent Married	80%

The actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial assumption study based on the results of an actuarial assumption study for the period including various municipal fiscal years ending December 2009-June 2015.

The study was performed by Lauterbach & Amen LLP (L&A), which provides a variety of actuarial and other services to Police and Firefighter Pension Funds across the State of Illinois.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund

Discount rate:

The discount rate used to measure the total pension liability is 4.5 percent. The projection of cash flows used to determine the discount rate 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. Cash flow projections are used to determine the extent to which the Plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the Plan's projected net position, the expected long-term rate of return on plan assets is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the Plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. The Plan's projected net position is expected to cover future benefit payments in full for the current members for the next 32 years. Therefore, the long-term expected rate of return on pension plan assets was applied only to those years and for the remaining years the municipal bond rate was used.

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at May 1, 2015	\$ 5,706,219	\$ 2,455,090	\$ 3,251,129
Changes for the year:			
Service cost	97,158	-	97,158
Interest on the total pension liability	252,640	-	252,640
Actuarial experience	(14,363)	-	(14,363)
Changes of assumptions	(203,971)	-	(203,971)
Contributions - employer	-	76,342	(76,342)
Contributions - employees	-	24,009	(24,009)
Net investment income	-	46,272	(46,272)
Benefit payments, including refunds of employee contributions	(184,016)	(184,016)	-
Administrative expense			
Other (net transfer)	-	(23,088)	23,088
Net changes	(52,552)	(60,481)	7,929
Balances at April 30, 2016	\$ 5,653,667	\$ 2,394,609	\$ 3,259,058

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability of the Village, calculated using the discount rate of 4.5 percent, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.5 percent) or 1-percentage-point higher (5.5 percent) than the current rate.

	1% Decrease 3.50%	Current Discount Rate 4.50%	1% Increase 5.50%
Village's net pension liability	\$ 4,220,608	\$ 3,259,058	\$ 2,495,381

Fire Pension Fund

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.

For the year ended April 30, 2016, the Village recognized pension expense of \$2,833,641. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ -	\$ 11,851
Changes of assumptions	-	168,311
Net difference between projected and actual earnings on pension plan investments	<u>78,263</u>	<u>-</u>
Total Deferred Amounts Related to Pensions	<u>\$ 78,263</u>	<u>\$ 180,162</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

<u>Year ending April 30:</u>	<u>Net Deferred Outflows of Resources</u>
2017	\$ (18,605)
2018	(18,605)
2019	(18,605)
2020	(18,609)
2021	(27,474)
Thereafter	-
Total	<u>\$ (101,898)</u>

The schedule of changes in net pension liability, total pension liability and related ratios and investment returns and the schedule of contributions are presented as Required Supplementary Information (RSI) following the notes to the financial statements.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Fiduciary Net Position
Pension Trust Funds
April 30, 2016

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 9,205	\$ 20,097	\$ 29,302
Investments:			
Certificates of deposit	492,398	331,618	824,016
U.S. government and agency obligations	2,108,406	1,290,022	3,398,428
Corporate bonds	1,198,357	329,325	1,527,682
Insurance contracts	363,527	-	363,527
Equity mutual funds	3,232,386	241,416	3,473,802
Money market mutual funds	163,863	117,339	281,202
Illinois Funds	-	12,125	12,125
Accrued interest	20,269	54,239	74,508
Prepaid items	696	2,779	3,475
Total assets	7,589,107	2,398,960	9,988,067
Liabilities			
Accounts payable	2,422	4,352	6,774
Total liabilities	2,422	4,352	6,774
Net Position:			
Held in trust for pension benefits	\$ 7,586,685	\$ 2,394,608	\$ 9,981,293

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. Pension and Retirement Plan Commitments (Continued)

**Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2016**

	Police Pension	Firefighters' Pension	Total
Additions:			
Contributions:			
Employer	\$ 634,894	\$ 76,342	\$ 711,236
Employee	167,505	24,009	191,514
Total contributions	802,399	100,351	902,750
Investment income:			
Net (decrease) in fair value of investments	(157,485)	(2,129)	(159,614)
Interest and dividend earnings	203,071	54,511	257,582
Less: investment expenses	(21,857)	-	(21,857)
Net investment income	23,729	52,382	76,111
Total additions	826,128	152,733	978,861
Deductions:			
Benefits and refunds	595,787	184,015	779,802
Administrative expenses	31,637	29,200	60,837
Total deductions	627,424	213,215	840,639
Net increase	198,704	(60,482)	138,222
Net position held in trust for employees' pension benefits:			
May 1, 2015	7,387,981	2,455,090	9,843,071
April 30, 2016	\$ 7,586,685	\$ 2,394,608	\$ 9,981,293

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; injuries to employees; and natural disasters. The Village pays annual premiums to the Illinois Counties Risk Management Trust (ICRMT) which is an organization of public entities, which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool their risk management needs. The Village pays annual premiums to the ICRMT for its workers' compensation.

The member agreement provides that ICRMT will be self-sustaining through member premiums and provide coverage of \$2,500,000 with an additional \$9,000,000 of insurance provided by an umbrella policy. The Village along with ICRMT's members has a contractual obligation to fund any deficit of ICRMT attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Risk Management (Continued)

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

ICRMT is governed by a five-person board of trustees. None of its members have any direct equity interest in ICRMT.

Note 10. Other Fund Disclosures (FFS Level Only)

Interfund transfers for the year ended April 30, 2016 are as follows:

<u>Fund</u>	<u>Transfer Out</u>	<u>Transfer In</u>
Major governmental funds:		
TIF Halsted Fund:		
TIF Holbrook Road Fund	\$ -	\$ 1,552,000
TIF Holbrook Road Fund:		
TIF Halsted Fund	1,000,000	-
	<u>1,000,000</u>	<u>1,552,000</u>
Nonmajor governmental funds:		
Water and Sewer Fund	150,000	-
Golf Course Fund	100,000	-
Nonmajor Governmental Fund	1,129,916	953,690
	<u>1,379,916</u>	<u>953,690</u>
Major enterprise funds:		
Water and Sewer Fund:		
Nonmajor Governmental Fund	150,000	124,226
	<u>150,000</u>	<u>124,226</u>
Golf Course Fund:		
Nonmajor Governmental Fund	100,000	-
	<u>100,000</u>	<u>-</u>
Total	<u>\$ 2,629,916</u>	<u>\$ 2,629,916</u>

Interfund transfers relate to funding the portion of the debt service payments that are not covered by property taxes.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 10. Other Fund Disclosures (FFS Level Only) (continued)

Individual fund interfund receivable and payable balances as of April 30, 2016, are as follows:

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
Major governmental funds:		
General fund:		
Nonmajor Governmental Fund	\$ 349,639	\$ -
Water and Sewer Fund	42,351	-
Golf Course Fund	226,150	1,000
Fiduciary Fund	-	-
TIF Halsted Fund	250,000	-
	<u>868,140</u>	<u>1,000</u>
Holbrook Road Tax Increment Financing District:		
Nonmajor Governmental Fund	765,000	-
TIF Halsted Fund	10,625	-
	<u>775,625</u>	<u>-</u>
TIF Halsted Fund:		
General Fund	-	250,000
Holbrook Road Tax Incremente Financing District	-	10,625
	<u>-</u>	<u>260,625</u>
Major enterprise fund:		
Water and Sewer Fund:		
General Fund	-	42,351
	<u>-</u>	<u>42,351</u>
Golf Course Fund:		
General Fund	1,000	226,150
	<u>1,000</u>	<u>226,150</u>
Nonmajor governmental funds:		
General Fund	-	349,639
TIF Holbrook Road Fund	-	765,000
Nonmajor Governmental Funds	150,000	150,000
	<u>150,000</u>	<u>1,264,639</u>
Total	<u>\$ 1,794,765</u>	<u>\$ 1,794,765</u>

Interfund debt reflects operating loans which are expected to be repaid in the following fiscal year.

Deficit fund balances for the year ended April 30, 2016 are as follows:

	<u>Deficit Amount</u>
Special Revenue Funds:	
EDA Fund	\$ (61,362)
TIF Industrial North	(784,894)
TIF Main Street	(137,526)

Note 11. Contingencies

The Village is a defendant in various lawsuits. Although the outcome of these proceedings is not presently determinable, in the opinion of the Village's management through consultation with legal counsel, the resolution of these matters does not impose a material commitment of the Village's net position at April 30, 2016.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 12. Post Employment Healthcare Plan

Plan Description

The Village provides post employment health care benefits (OPEB) for retired employees. The Village Group Health Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the Village. The Plan provides medical insurance benefits to eligible retirees. The benefits, benefit levels, employee contributions, and employer contributions are governed by the Village Board and can only be amended by the Village Board. The Plan is not accounted for as a trust fund and an irrevocable trust has not been established. The Village does not issue a Plan financial report.

Funding Policy

The contribution requirements of plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document." The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2015, the Village was not required to make any explicit contributions to the Plan. Members receiving benefits contributed 100 percent of the total premiums, through their required contribution.

Annual OPEB Cost and Net OPEB Obligation

The Village's annual other post employment health care benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

Annual required contribution	\$ 77,578
Interest on net OPEB obligation	3,743
Adjustment to annual requirement contribution	(5,413)
Annual OPEB cost (expense)	<u>75,908</u>
Contributions made	<u>39,780</u>
Increase in net OPEB obligation	36,128
Net OPEB obligation, beginning of year	93,609
Net OPEB obligation, end of year	<u><u>\$ 129,737</u></u>

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2015 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Costs	Percentage Annual OPEB Costs Contributed	Annual Pension Contributions	Net OPEB Obligation
04/30/16	\$ 75,908	52.4 %	\$ 39,780	\$ 129,737
04/30/15	73,577	50.3 %	36,978	93,609
04/30/14	27,415	32.2	8,829	57,010

Funded Status and Funding Progress

As of May 1, 2014, the most recent actuarial valuation date, the Plan was 100 percent unfunded. The actuarial accrued liability for benefits was \$596,505, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$596,505. The covered payroll (annual payroll of active employees covered by the Plan) was \$3,486,485 and the ratio of UAAL to the covered payroll was 17.1 percent.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 12. Post Employment Healthcare Plan (Continued)

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 the future employment, mortality, and the healthcare cost trend. Amounts determined reporting 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, consistent with the long-term perspective of the calculations.

In the May 1, 2014 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.0 percent discount rate (includes inflation at 3.0 percent), annual healthcare cost trend rate of 7.9 percent initially, reduced by decrements to an ultimate rate of 5.0 percent, and anticipated participation of 15.0 percent of active employees assumed to elect the benefit. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on a 30-year open basis.

Note 13. Commitments

The Village entered into an agreement with Nalco Crossbow, LLC (Nalco) to renovate, reconstruct, repair, and remodel the building on the Redevelopment Property in a maximum amount of \$2,000,000. The Village agreed to reimburse Nalco a maximum of \$2,000,000 of eligible costs. The Village has also agreed to reimburse Nalco's cost for the acquisition of fee simple ownership for the Redevelopment Property for a maximum amount of \$1,000,000 or 50% of the acquisition costs, whichever is less. As of April 30, 2016, the Village has remitted \$2,000,000 related to this agreement.

The Village entered into an agreement with Landauer to reimburse the developer for 100% of certified eligible redevelopment project costs up to \$500,000. As of April 30, 2016, the Village has remitted \$493,470 related to this agreement. During fiscal year 2015, the Village entered a new agreement with Landauer to reimburse the developer for eligible employee training costs up to a maximum of \$185,726. As of April 30, 2016, the Village has remitted \$185,726 related to this agreement.

The Village entered into an agreement with S.E.T. Environmental to purchase building and land at 420 W. 194th St. to be utilized as the company's administrative and dispatch offices. The maximum reimbursement for eligible redevelopment project costs under this agreement shall be \$120,000. This amount shall be payable in annual installments of \$15,000 as long as the Developer maintains at least 20 employees during the calendar year. The payment is approved each year at the January Village Board Meeting. As of April 30, 2016, the Village has remitted \$105,000 related to this agreement with no new expense during the fiscal year as S.E.T. did not meet the requirements of the agreement.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 13. Commitments (Continued)

The Village entered into an agreement with Patton Properties for economic assistance from the Village. If for not the economic assistance to be given by the Village, the Project would not be economically viable to the Developer. The Redevelopment Project Costs have been initially deemed to qualify under the Act for Village payment through tax increment allocation financing. The Village agreed to pay to the Developer an amount equal to fifty percent (50%) of the municipal sales tax revenues received by the Village as a result of the operations of such retail store at the Subject Property. The municipal sales tax revenue sharing shall continue for a term of 10 years from the date the Village's obligation to share municipal sales tax revenue arises for each retail store located within the project. Payments are due on or before the 30th of June following the date of the Village's obligation to share municipal sales tax revenue and on each June 30th thereafter. The agreement expires on December 31, 2016 with final payment due on June 30, 2017. As of April 30, 2016, the Village has remitted \$15,639 related to this agreement.

The Village entered into an agreement with West Side Property to purchase a building to construct and operate a new permanent truck maintenance facility. The Village agreed to reimburse West Side a maximum of \$400,000 or 50% of eligible costs, whichever is less. As of April 30, 2016, the Village has remitted \$47,403 related to this agreement. In May 2013, the Village sold this parcel of property in the amount of \$200,000 to West Side Property. The amount is scheduled to be paid in seven annual installments at a rate of 4%. The agreement further stipulates that on each annual date West Side Property is required to make a payment, the Village will waive its right to receive the amount due provided that West Side continues to operate on the premises and pay all property tax bills that are associated with this property and due. As of April 30, 2016, the receivable is fully reserved for in the Holbrook Road Tax Increment Financing District Fund as the collectability of this amount is not known.

The Village entered into an agreement with Morrison Container to complete the renovation and remodel the building on the Redevelopment Property. The Village agreed to pay 50% of the Developer's costs for eligible costs up to \$300,000. As of April 30, 2016, the Village has remitted \$201,054 related to this agreement. In July 2013, the Village sold this parcel of property in the amount of \$295,000 to Morrison Container. The amount is scheduled to be paid in seven annual installments at a rate of 4%. The agreement further stipulates that on each annual date Morrison Container is required to make a payment, the Village will waive its right to receive the amount due provided that West Side continues to operate on the premises and pay all property tax bills that are associated with this property and due. As of April 30, 2016, the receivable is fully reserved for in the Holbrook Road Tax Increment Financing District Fund as the collectability of this amount is not known.

The Village entered into an agreement with Torres Allcorn Co. Inc. for the purchase of the subject property not to exceed \$75,000. The Village also agreed to pay 65% of the Developer's costs or a maximum of \$81,250 for eligible reimbursement costs. As of April 30, 2016, the Village has remitted \$75,000 related to this agreement.

The Village entered into an agreement with Star Design Hair Studio to complete the renovation and remodel the building on the Redevelopment Property. The Village agreed to pay 100% of the Developer's costs for eligible costs up to \$35,000. As of April 30, 2016, the Village has remitted \$35,000 related to this agreement.

The Village entered into an agreement with R&N Management to complete the renovation and remodel the building on the Redevelopment Property. The Village agreed to pay the lessor of 75% of the Developer's costs or \$39,745. As of April 30, 2016, the Village has remitted \$13,831 related to this agreement.

The Village entered into an agreement with All Star Management, Inc. to reimburse the developer for eligible real estate costs for the lessor of 25% of the cost of \$150,000. As of April 30, 2016, the Village has remitted \$146,191 related to this agreement.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 13. Commitments (Continued)

The Village entered into an agreement with Porkchop Glenwood, LLC to complete the renovation and remodel the building on the Redevelopment Property. The Village agreed to reimburse the developer for permanent improvements to a maximum of \$250,000. As of April 30, 2016, the Village has remitted \$0 related to this agreement.

The Village entered into an agreement with Duff Real Estate, LLC to reimburse the developer for the lesser of \$10,000,000 or the total sum of eligible redevelopment costs with reimbursement costs to pay only from property taxes received from the developer. As of April 30, 2016, the Village has remitted \$0 related to this agreement.

The Village entered into an agreement with Mack Industries to complete the renovation and remodel the building on the Redevelopment Property. The Village agreed to pay the Developer's costs for eligible costs up to \$200,000. As of April 30, 2016, the Village has remitted \$0 related to this agreement. During fiscal year 2015, the Village sold this parcel of property in the amount of \$162,000 to Morrison Container. The amount is scheduled to be paid in seven annual installments. The agreement further stipulates that on each annual date Mack Industries is required to make a payment, the Village will waive its right to receive the amount due provided that West Side continues to operate on the premises and pay all property tax bills that are associated with this property and due. As of April 30, 2016, the receivable is fully reserved for in the Holbrook Road Tax Increment Financing District Fund as the collectability of this amount is not known.

The Village entered into an agreement with the owner and developer of Glenwood Oaks restaurant. The developer shall pay the first \$50,000 of redevelopment costs. After this, the Village shall pay the next \$250,000 of redevelopment costs. Should the project exceed the planned \$300,000 cost, but the cost remain under \$345,000, the Village will provide an additional incentive equal to approximately 83% by which the total cost of the project exceeds \$300,000. As of April 30, 2016, the Village has remitted \$319,720 related to this agreement. During fiscal year 2015, the Village entered another redevelopment agreement with the owner and developer, agreeing to reimburse the developer for 65% of eligible costs or \$74,750. As of April 30, 2016, the Village has remitted \$19,477 related to this agreement.

Note 14. Subsequent Event

The Village has evaluated subsequent events for potential recognition and/or disclosure through December 7, 2016, the date of the financial statements.

Note 15. Pronouncements Issued But Not Yet Adopted

The Governmental Accounting Standards Board (GASB) recently issued the following statements:

GASB Statement No. 72, *Fair Value Measurement and Application*, will be effective for the Village beginning with its year ending April 30, 2017. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides 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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 15. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 73, *Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*, will be effective for the Village beginning with its year ending April 30, 2017, except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for the Village beginning with its year ending April 30, 2018. This statement will establish requirements for those pension and pension plans that are not administered through a trust meeting specified criteria.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2018. This statement will establish rules on reporting by OPEB plans that administer benefits on behalf of governments.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (Employer)*, will be effective for the Village beginning with its year ending April 30, 2019. This statement outlines reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective for the Village beginning with its year ending April 30, 2017. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category of authoritative GAAP consists of GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by GASB. The statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures*, will be effective for the Village beginning with its year ending April 30, 2017. This statement requires state and local governments, for the first time to disclose information about tax abatement agreements. It requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues.

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, will be effective for the Village beginning with its year ending April 30, 2017. The objective of this statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, will be effective for the Village beginning with its year ending April 30, 2018. This statement addresses accounting and financial reporting for certain external investment pools and pool participants.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, will be effective for the Village beginning with its year ending April 30, 2018. This statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 15. Pronouncements Issued But Not Yet Adopted (Continued)

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, will be effective for the Village beginning with its year ending April 30, 2018. This statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, will be effective for the Village beginning with its year ending April 30, 2018 except for the requirements of paragraph 7 in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements of paragraph 7 are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. This statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

Management has not yet completed its evaluation of the impact, if any, of the provisions of these standards on its financial statements; however, the impact of GASB No. 75 will likely be material to the statement footnotes and required supplementary information of the Village.

Required Supplementary Information

Village of Glenwood, Illinois

Post Employment Healthcare Plan

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) 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]
4/30/15	\$ -	\$ 596,505	\$ 596,505	0.00 %	\$ 3,486,485	17.11 %
4/30/12	-	218,541	218,541	0.00	3,272,388	6.68
4/30/09	-	96,044	96,044	0.00	2,475,522	3.88

The Village is required to have actuarial valuations done on a triennial basis. Information is presented for all years available.

Schedule of Employer Contributions

Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
04/30/16	\$ 77,578	51.28 %
04/30/15	74,594	49.57
04/30/14	26,775	138.11

Village of Glenwood, Illinois

Illinois Municipal Retirement Fund - Regular
Schedule of Changes in Net Pension Liability and Related Ratios

Calendar year ended December 31,	2015	2014
Total pension liability		
Service cost	\$ 192,215	\$ 187,434
Interest on the total pension liability	455,982	405,205
Differences between expected and actual experience	(336,265)	143,503
Changes in assumptions	-	205,492
Benefit payments	(289,914)	(244,074)
Net change in total pension liability	22,018	697,560
Total pension liability—beginning	6,128,615	5,431,055
Total pension liability—ending (a)	<u>\$ 6,150,633</u>	<u>\$ 6,128,615</u>
Plan fiduciary net position		
Contributions - Employer	\$ 136,654	\$ 139,908
Contributions - Member	73,558	77,702
Pension plan net investment income	30,933	355,400
Benefit payments	(289,914)	(244,074)
Pension plan administrative expense	(213,683)	58,090
Net change in plan fiduciary net position	(262,452)	387,026
Plan fiduciary net position—beginning	6,226,485	5,839,459
Plan fiduciary net position—ending (b)	<u>\$ 5,964,033</u>	<u>\$ 6,226,485</u>
Net pension liability (asset) - ending (a) - (b)	\$ 186,600	\$ (97,870)
Plan fiduciary net position as a percentage of the total pension liability	96.67%	101.60%
Covered-Employee Payroll	\$ 1,634,622	\$ 1,721,563
Employer net pension liability as a percentage of covered-employee payroll	11.42%	-5.68%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Village of Glenwood, Illinois

**Illinois Municipal Retirement Fund - Regular
Schedule of Employer Contributions
Calendar Year Ended December 31, 2015**

Calendar Year Ended December	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 136,654	\$ 136,654	\$ -	\$ 1,634,622	8.36%
2014	139,477	139,908	(431)	1,724,563	8.13%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2015 Contribution Rates:

Actuarial Cost Method: Aggregate Entry Age Normal
 Amortization Method: Level Percentage of Payroll, Closed
 Remaining Amortization Period: 28-year closed period
 Asset Valuation Method: 5-year smoothed market; 20% corridor
 Wage Growth: 4%
 Price Inflation: 3%, approximate; No explicit price inflation assumption is used in this valuation.
 Salary Increases: 4.40% to 16%, including inflation
 Investment Rate of Return: 7.50%
 Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.
 Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation.

Village of Glenwood, Illinois

Illinois Municipal Retirement Fund - SLEP
 Schedule of Changes in Net Pension Liability and Related Ratios

Calendar year ended December 31,	2015	2014
Total pension liability		
Service cost	\$ 19,062	\$ 18,293
Interest on the total pension liability	8,349	7,277
Differences between expected and actual experience	(1,229)	(6,655)
Changes in assumptions	-	3,487
Benefit payments	-	(16,979)
Net change in total pension liability	26,182	5,423
Total pension liability—beginning	101,795	96,372
Total pension liability—ending (a)	\$ 127,977	\$ 101,795
Plan fiduciary net position		
Contributions - Employer	\$ 13,995	\$ 5,083
Contributions - Member	7,957	7,797
Pension plan net investment income	613	6,976
Benefit payments	-	(16,979)
Pension plan administrative expense	(9,773)	(7,641)
Net change in plan fiduciary net position	12,792	(4,764)
Plan fiduciary net position—beginning	111,652	116,416
Plan fiduciary net position—ending (b)	\$ 124,444	\$ 111,652
Net pension liability (asset) - ending (a) - (b)	\$ 3,533	\$ (9,857)
Plan fiduciary net position as a percentage of the total pension liability	97.24%	109.68%
Covered-Employee Payroll	\$ 106,096	\$ 103,957
Employer net pension liability as a percentage of covered-employee payroll	3.33%	-9.48%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Village of Glenwood, Illinois

**Illinois Municipal Retirement Fund - SLEP
Schedule of Employer Contributions
Calendar Year Ended December 31, 2015**

Calendar Year Ended December	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2015	\$ 13,994	\$ 13,995	\$ (1)	\$ 106,096	13.91%
2014	11,986	5,083	6,903	103,957	4.89%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2015 Contribution Rate*

Valuation Date:

Notes Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2015 Contribution Rates:

Actuarial Cost Method: Aggregate Entry Age Normal

Amortization Method: Level Percentage of Payroll, Closed

Remaining Amortization Period: 28-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Wage Growth: 4%

Price Inflation: 3%, approximate; No explicit price inflation assumption is used in this valuation.

Salary Increases: 4.40% to 16%, including inflation

Investment Rate of Return: 7.50%

Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2011 valuation pursuant to an experience study of the period 2008 to 2010.

Mortality: RP-2000 Combined Healthy Mortality Table, adjusted for mortality improvements to 2020 using projection scale AA. For men, 120% of the table rates were used. For women, 92% of the table rates were used. For disabled lives, the mortality rates are the rates applicable to non-disabled lives set forward 10 years.

Other Information:

Notes: There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2013 actuarial valuation.

Village of Glenwood, Illinois

**Required Supplementary Information - Police Pension Plan
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related
Ratios and Investment Returns**

Fiscal year ended April 30,	2016	2015
Total pension liability		
Service cost	\$ 436,295	\$ 700,590
Interest on the total pension liability	1,341,032	954,337
Change in assumptions	(3,893,580)	-
Differences between expected and actual experience	(837,809)	-
Benefit payments	(595,787)	(751,714)
	(3,549,849)	903,213
Net change in total pension liability		
Total pension liability—beginning	21,584,116	20,680,903
Total pension liability—ending (a)	\$ 18,034,267	\$ 21,584,116
Plan fiduciary net position		
Contributions - Employer	\$ 634,894	\$ 562,168
Contributions - Member	167,505	166,018
Pension plan net investment income	23,729	400,241
Benefit payments	(595,787)	(751,714)
Pension plan administrative expense	(31,637)	(37,738)
	198,704	338,975
Net change in plan fiduciary net position		
Plan fiduciary net position—beginning	7,387,981	7,049,006
Plan fiduciary net position—ending (b)	\$ 7,586,685	\$ 7,387,981
Net pension liability - ending (a) - (b)	\$ 10,447,582	\$ 14,196,135
Plan fiduciary net position as a percentage of the total pension liability	42%	34%
Covered-Employee Payroll	\$ 1,631,556	\$ 2,013,041
Employer net pension liability as a percentage of covered-employee payroll	640%	705%
Annual money-weighted rate of return, net of investment expense	3.20%	5.82%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Village of Glenwood, Illinois

**Required Supplementary Information - Firefighters' Pension Plan
Schedule of Changes in Net Pension Liability, Total Pension Liability and Related
Ratios and Investment Returns**

Fiscal year ended April 30,	2016	2015
Total pension liability		
Service cost	\$ 97,158	\$ 121,332
Interest on the total pension liability	252,640	218,814
Change in assumptions	(14,363)	-
Differences between expected and actual experience	(203,971)	-
Benefit payments	(184,016)	(181,245)
	(52,552)	158,901
Net change in total pension liability		
	(52,552)	158,901
Total pension liability—beginning	5,706,219	5,547,318
	\$ 5,653,667	\$ 5,706,219
Total pension liability—ending (a)		
	\$ 5,653,667	\$ 5,706,219
Plan fiduciary net position		
Contributions - Employer	\$ 76,342	\$ 86,579
Contributions - Member	24,009	20,195
Pension plan net investment income	46,272	98,571
Benefit payments	(184,016)	(181,245)
Pension plan administrative expense	(23,088)	(23,355)
	(60,481)	745
Net change in plan fiduciary net position		
	(60,481)	745
Plan fiduciary net position—beginning	2,455,090	2,454,345
	\$ 2,394,609	\$ 2,455,090
Plan fiduciary net position—ending (b)		
	\$ 2,394,609	\$ 2,455,090
Net pension liability - ending (a) - (b)	\$ 3,259,058	\$ 3,251,129
Plan fiduciary net position as a percentage of the total pension liability	43%	43%
Covered-Employee Payroll	\$ 234,399	\$ 226,148
Employer net pension liability as a percentage of covered-employee payroll	1390%	1438%
Annual money-weighted rate of return, net of investment expense	6.40%	4.33%

Note to Schedule:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Village of Glenwood, Illinois

Required Supplementary Information
Schedule of Contributions

Police Pension Plan	2016	2015
Actuarially Determined Contribution	\$ 614,208	\$ 594,823
Contributions in Relation to the Actuarial Determined Contribution	<u>634,894</u>	<u>562,168</u>
Contribution Deficiency (excess)	<u>\$ (20,686)</u>	<u>\$ 32,655</u>
Covered-Employee Payroll	\$ 1,631,556	\$ 2,013,041
Contributions as a Percentage of Covered-Employee Payroll	38.91%	27.93%
Firefighters' Pension Plan	2016	2015
Actuarially Determined Contribution	\$ 133,054	\$ 125,534
Contributions in Relation to the Actuarial Determined Contribution	<u>76,342</u>	<u>86,579</u>
Contribution Deficiency (excess)	<u>\$ 56,712</u>	<u>\$ 38,955</u>
Covered-Employee Payroll	\$ 234,399	\$ 300,408
Contributions as a Percentage of Covered-Employee Payroll	32.57%	28.82%

Note: Information is presented for as many years as available.

Village of Glenwood, Illinois

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
Year Ended April 30, 2016**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 3,979,801	\$ 3,687,862	\$ (291,939)
Other taxes	496,500	442,486	(54,014)
Intergovernmental	2,128,046	3,408,709	1,280,663
Licenses, permits and fees	540,084	541,887	1,803
Fines	376,000	235,342	(140,658)
Interest	1,000	1,009	9
Charges for services	664,120	639,486	(24,634)
Miscellaneous	410,024	372,747	(37,277)
Total revenues	8,595,575	9,329,528	733,953
Expenditures:			
Current:			
Administration	2,985,230	2,655,231	329,999
Public works	701,908	581,267	120,641
Parks	76,250	94,218	(17,968)
Police	4,111,843	3,520,375	591,468
Fire	1,122,958	1,043,086	79,872
ESDA	9,915	11,404	(1,489)
Senior center	79,228	64,143	15,085
Highways and streets	120,000	79,852	40,148
Debt service, Interest expense	25,000	-	25,000
Capital outlay	826,750	54,463	772,287
Total expenditures	10,059,082	8,104,039	1,955,043
Excess (deficiency) of revenues over (under) expenditures	(1,463,507)	1,225,489	2,688,996
Change in fund balance	\$ (1,463,507)	1,225,489	\$ 2,688,996
Fund balance:			
May 1, 2015		<u>1,635,973</u>	
April 30, 2016		<u>\$ 2,861,462</u>	

See notes to required supplementary information.

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Holbrook Road Tax Increment Financing District Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,300,000	\$ 1,462,695	\$ 162,695
Miscellaneous	-	6,235	6,235
Total revenues	<u>1,300,000</u>	<u>1,468,930</u>	<u>168,930</u>
Expenditures:			
Current:			
Administration	<u>1,395,000</u>	<u>230,462</u>	<u>1,164,538</u>
Excess of revenues over expenditures	(95,000)	1,238,468	1,333,468
Other financing uses:			
Loss on sale of property	-	-	-
Transfers out	-	(1,000,000)	(1,000,000)
Total other financing uses	<u>-</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>
 Change in fund balance	 <u><u>\$ (95,000)</u></u>	 <u>238,468</u>	 <u><u>\$ 333,468</u></u>
Fund balance:			
May 1, 2015		<u>1,639,371</u>	
April 30, 2016		<u><u>\$ 1,877,839</u></u>	

See notes to required supplementary information.

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Halsted Tax Increment Financing District Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Miscellaneous	\$ -	\$ 172,905	\$ 172,905
Total revenues	<u>-</u>	<u>172,905</u>	<u>172,905</u>
Expenditures:			
Current:			
Administration	5,635,000	311,582	5,323,418
Debt service:			
Interest and fees	-	86,250	(86,250)
Total expenditures	<u>5,635,000</u>	<u>397,832</u>	<u>5,237,168</u>
Excess of revenues over expenditures	(5,635,000)	(224,927)	5,410,073
Other financing uses:			
Transfers in	-	1,552,000	1,552,000
Total other financing uses	<u>-</u>	<u>1,552,000</u>	<u>1,552,000</u>
Change in fund balance	<u>\$ (5,635,000)</u>	1,327,073	<u>\$ 6,962,073</u>
Fund balance:			
May 1, 2015		<u>-</u>	
April 30, 2016		<u>\$ 1,327,073</u>	

See notes to required supplementary information.

Village of Glenwood, Illinois

Notes to Required Supplementary Information

Note 1. Budgetary Basis of Accounting

Budgets are adopted on a basis consistent with GAAP. The original budget was not amended during the current fiscal year. The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- i) The Village Manager submits to the Village Board of Trustees a proposed operating budget, which serves as a budget, for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- ii) Public hearings are conducted by the Village to obtain taxpayer comments.
- iii) Subsequently, the budget is adopted by the Village Board. This budget is the Village's legal budgetary document. The budget ordinance is enacted through passage of a Village ordinance.
- iv) Formal budgetary integration is employed as a management control device during the year for all governmental funds.
- v) Appropriations lapse at year-end.
- vi) Transfers between line items and departments may be made by administrative actions; however, amounts to be transferred between funds would require Village Board approval. The level of legal control is the individual fund budget in total.
- vii) Budgeted amounts are as originally adopted.

Village of Glenwood, Illinois

Notes to Required Supplementary Information

Note 2. Pension Contributions

The following methods and assumptions were utilized to measure the actuarially determined contribution (ADC) for each applicable pension plan.

Police Pension Plan

Methods and Assumptions

Valuation date	May 1, 2015
Actuarial cost method	Entry Age Normal
Actuarial Value of Assets	5 Year Smoothed Market Value
Amortization method	Level Percentage of Payroll Closed
Remaining Amortization Period	26 Years
Investment rate of return	6.50%
Projected Individual Salary Increases	4.0% - 11.00%
Projected Increase in Total Payroll	3.50%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Mortality Table	Lauterbach & Amen (L&A) 2012 Illinois Police

Firefighters' Pension Plan

Methods and Assumptions

Valuation date	May 1, 2015
Actuarial cost method	Entry Age Normal
Actuarial Value of Assets	5 Year Smoothed Market Value
Amortization method	Straight line
Remaining Amortization Period	26 Years
Investment rate of return	6.00%
Projected Individual Salary Increases	5.00%
Projected Increase in Total Payroll	4.50%
Consumer Price Index (Utilities)	3.00%
Inflation Rate Included	3.00%
Mortality Table	Lauterbach & Amen (L&A) 2012 Illinois Firefighters

Village of Glenwood, Illinois

Notes to Required Supplementary Information

Note 2. Pension Contributions (Continued)

Illinois Municipal Retirement Plan – Regular and SLEP

Methods and Assumptions

Valuation date	December 31, 2015
Actuarial cost method	Entry Age Normal
Actuarial Value of Assets	Market Value
Amortization method	Straight line
Remaining Amortization Period	28 year closed period until remaining period reaches 15 years (the 15-year rolling period)
Investment rate of return	7.50%
Projected Individual Salary Increases	3.75-14.50%
Projected Increase in Total Payroll	4.00%
Consumer Price Index (Utilities)	3.00%
Inflation Rate Included	2.75%
Mortality Table	RP-2000

Supplementary Information

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual
Year Ended April 30, 2016

	Budget	Actual
Property taxes	\$ 3,979,801	\$ 3,687,862
Other taxes:		
Utility taxes	420,000	347,652
Auto rental tax	11,500	13,091
Real estate transfer tax	65,000	75,143
Tax exempt TFS fee	-	6,600
Total other taxes	496,500	442,486
Intergovernmental:		
Sales tax	1,097,000	953,630
Home rule sales tax	-	558,020
Income tax	508,046	1,078,184
Local use tax	168,000	207,040
Video gaming tax	23,000	32,219
Personal property replacement tax	32,000	35,869
Telecommunication maintenance fee	300,000	235,548
Grants	-	308,199
Total intergovernmental	2,128,046	3,408,709
Licenses, permits and fees:		
Vehicle stickers	200,000	185,449
Zoning board/hearing application fee	100	50
Building and electrical permit	95,000	118,052
Alarm permits	1,200	1,250
Cable TV revenue	126,000	139,509
Landlord crime fee	12,000	9,300
Business licenses	35,000	35,945
Animal licenses	1,784	1,334
Health inspection fees	2,500	-
Towed vehicle administration fee	50,000	36,500
Fire protection fees	6,500	5,450
Yard waste stickers	10,000	9,048
Total licenses, permits and fees	540,084	541,887
Fines:		
Police - DUI-related revenues	125,000	59,311
Police fines	250,000	176,031
Building code fines	1,000	-
Total fines	376,000	235,342
Interest	1,000	1,009

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual (Continued)
 Year Ended April 30, 2016

	Budget	Actual
Charges for services:		
Project reimbursement - police	\$ 1,800	\$ 1,520
Bad check charge	150	120
SBA towers	97,970	100,192
Park program fees	4,500	2,300
Senior center program fees	1,000	790
Grass cutting fees	700	375
Refuse fees	550,000	532,147
Taxi voucher program fees	8,000	2,042
Total charges for services	<u>664,120</u>	<u>639,486</u>
Miscellaneous:		
Facility rent	7,000	21,140
Newsletter advertising	5,000	4,475
Leased property	393,024	329,422
Miscellaneous	5,000	17,710
Total miscellaneous	<u>410,024</u>	<u>372,747</u>
Total revenues	<u>\$ 8,595,575</u>	<u>\$ 9,329,528</u>

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2016

	Budget	Actual
Current:		
Administration:		
Mayor	\$ 23,500	\$ 23,597
Treasurer	3,000	625
Trustees	36,000	31,050
Village clerk	10,000	10,000
Village collector	100	-
Village administrator	105,370	38,369
Department supervisor	82,178	82,107
Full time employees	150,000	114,987
Part time employees	60,000	56,415
Contract services	45,000	26,370
Consulting services	30,000	16,067
HSA employer contributions	-	3,276
Salary - liquor commissioner	1,500	1,500
Employer FICA	32,850	(1,532)
Employer IMRF	29,322	-
Unemployment insurance	1,000	-
Office supplies	12,875	11,041
Data processing	35,000	15,059
Copier supplies and maintenance	13,000	12,856
Postage	11,000	9,226
Employee appreciation	1,000	2,561
Telephone	5,500	4,231
Legal notices	1,500	2,464
Newsletter	30,000	14,108
Code of ordinances expense	10,000	4,009
Dues, subscription, and memberships	15,000	11,833
Legal services	420,000	234,467
Auditing	100,000	86,960
E-Comm annual expense	306,335	282,565
Group insurance and hospital	40,000	39,797
Workmen's compensation insurance	8,000	8,000
Liability insurance	600,000	741,030
Utility consulting	3,000	-
Board member training	1,500	1,037
Utilities	5,000	4,212
Personnel training	3,500	1,213
Travel, lodging, and meals	8,500	8,025
Donations/memorials	4,000	2,725
Police and fire commission	10,500	13,834
Website expense	1,500	750
Vehicle stickers	8,500	7,726
Economic incentive agreements	3,000	3,715
Computer - programs and equipment	75,000	98,698
Railroad property rental	3,000	3,000

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2016

	Budget	Actual
Current:		
Administration: (Continued)		
OSLAD Grant	\$ 50,000	\$ 36,006
Engineer services	30,000	16,269
Bank charges	1,200	2,459
Village trash disposal	550,000	564,626
Miscellaneous	8,000	7,898
Total administration	2,985,230	2,655,231
Public works:		
Department supervisor	31,498	31,444
Full time employees	180,000	167,928
Over-time wages	19,000	14,100
Contract services	5,000	28,356
Lawn care services	38,000	26,688
HAS employer contributions	-	431
Employer FICA	19,860	(570)
Employer IMRF	21,000	-
Printing and advertising	500	670
Postage	550	15
Cleaning supplies	2,500	4,219
Telephone	3,500	10,466
Group insurance and hospital	75,000	50,660
Workmen's compensation insurance	27,000	18,028
Personnel training	2,500	2,434
Travel, lodging, and meals	1,500	1,097
Physicals	500	405
Uniforms	2,500	-
Gas and oil	30,000	13,968
Repair and maintenance - vehicle	45,000	39,365
Repair and maintenance - storm sewers	10,000	5,051
Repair and maintenance - traffic signals	20,000	12,239
Repair and maintenance - general tools/equipment	2,500	1,960
Repair and maintenance - municipal buildings	75,000	44,245
Maintenance - municipal grounds	25,000	30,826
Street lighting	23,000	22,635
Flags	1,500	972
Tree contractors	15,000	1,800
HVAC maintenance	15,000	5,075
Christmas decorations	5,000	1,013
Engineering services	-	43,560
Miscellaneous	4,500	2,187
Total public works	701,908	581,267
Parks:		
Part time employees	15,000	28,145
HAS employer contributions	-	556
Employer FICA & IMRF	1,100	-

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2016

	Budget	Actual
Current:		
Parks: (Continued)		
Utilities	\$ 7,500	\$ 8,852
IMRF	1,200	-
Park program expenses	8,600	4,695
Repair and maintenance - municipal buildings	10,000	19,428
Maintenance - municipal grounds	20,000	20,570
Fireworks	11,750	11,750
Miscellaneous	1,100	222
Total parks	76,250	94,218
Police:		
Part time police officers	43,000	37,727
Department supervisor	107,000	110,380
Full time employees	1,850,000	1,720,293
Part time employees	92,000	53,257
Over-time wages	175,000	193,179
Holiday pay	90,000	60,428
Retro pay	103,000	-
HSA employer contribution	-	1,276
Employer FICA	177,890	(5,894)
Employer IMRF	24,510	(3,776)
Pension contributions	614,208	634,894
Unemployment insurance	5,305	-
Office supplies	11,000	9,190
Postage	4,500	2,377
Telephone	8,000	8,296
Dues, subscription, and membership	12,000	11,740
Legal services	50,000	60,771
Municipal systems	13,000	9,686
Group insurance and hospital	274,080	288,717
Workmen's compensation insurance	78,000	64,112
Utilities	3,500	3,113
Personnel training	20,000	23,155
Travel, lodging, and meals	5,000	10,830
Public education programs	1,500	-
Physicals	1,200	890
Uniforms	31,000	34,024
Gas and oil	75,000	41,556
Food for prisoners	750	1,299
Repair and maintenance - communications	20,000	22,394
Repair and maintenance - copy machine	4,300	6,135

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2016

	Budget	Actual
Current:		
Police: (Continued)		
Repair and maintenance - vehicle	\$ 40,000	\$ 54,267
Repair and maintenance - general tools/equipment	5,000	5,861
Repair and maintenance - municipal buildings	2,500	3,096
Radar equipment	1,500	2,115
In-Car L3 cameras	60,000	-
Evidence management system	15,000	-
Portable truck weight	11,000	-
3M opticom lighting	500	-
Municipal security cameras	7,000	-
Spillman touch 4 / ipads	6,000	-
Range usage/ammunition	16,000	15,069
Tow fee expense	2,500	1,585
License plate reader	2,600	-
Police crime prevention	1,500	2,300
Vest program	2,000	-
Computer - programs and equipment	40,000	33,086
Board expense	1,000	832
Bank charges	500	65
Miscellaneous	2,500	2,050
Total police	4,111,843	3,520,375
Fire:		
Department supervisor	100,560	101,307
Full time employees	216,049	237,931
Part time employees	21,012	10,696
Secretarial services	49,429	40,725
Over-time wages	1,020	(40)
Paid on call fire personnel	100,878	80,661
Sleep-in-pay	101,796	89,978
Duty shift assignment	51,510	48,601
Contract services	72,000	62,456
HSA employer contributions	-	5,076
Employer FICA	49,132	(2,640)
Employer IMRF	11,500	-
Pension contributions	80,209	76,342
Building code hearings	18,000	18,082
Planning and zoning	1,200	161
Printing and advertising	1,700	954
Office supplies	3,000	1,433
Postage	2,000	1,123
Food service inspections	900	1,093
Telephone	4,000	4,530
Dues, subscription, and membership	1,000	420
Legal services	5,000	2,763
Legal fees zoning	300	7,956
Group insurance and hospital	54,263	50,420
Workmen's compensation insurance	53,000	52,666
Utilities	1,800	39
Personnel training	10,000	17,447
Travel, lodging, meals	1,500	1,685
Public education programs	1,500	58
Physicals	1,800	2,345
Uniforms	7,500	4,738
Gas and oil	28,000	20,782
Station supplies	1,800	-
Repair and maintenance - vehicle	24,000	37,341
Repair and maintenance - hazardous material trailer	4,000	5,360
Repair and maintenance - general tools/equipment	8,500	16,359

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2016

	Budget	Actual
Current:		
Fire: (Continued)		
Maintenance - station #1	\$ 4,000	\$ 6,729
Maintenance - station #2	4,000	6,926
Copy machine	600	753
Grass cutting vacant homes	7,500	13,622
Computer - programs and equipment	15,000	14,326
Miscellaneous	2,000	1,882
Total fire	1,122,958	1,043,086
ESDA:		
Department supervisor	1,030	7,530
Part time employees	4,000	2,356
Employer FICA & IMRF	385	(67)
Uniforms	500	-
Communications	4,000	1,585
Total ESDA	9,915	11,404
Senior center:		
Department supervisor	37,163	37,422
Part time employees	11,184	9,054
Employer FICA	3,699	(140)
Employer IMRF	3,107	-
Office supplies	400	479
Telephone/internet	400	-
Due subscription memberships	75	-
Group insurance and hospital	6,300	6,813
Utilities	3,600	2,405
Special events	2,500	2,982
Taxi voucher program	10,000	5,142
Miscellaneous	800	(14)
Total senior center	79,228	64,143
Highways and streets:		
Traffic control signs	20,000	3,327
Street lighting maintenance	25,000	40,055
Streets, sidewalks, and roadways	75,000	36,470
Total highways and streets	120,000	79,852
Interest expense	25,000	-
Capital outlay	826,750	54,463
Total expenditures	\$ 10,059,082	\$ 8,104,039

Nonmajor Governmental Funds

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2016

	Special Revenue Funds	Capital Project Funds Illinois Capital Acquisition Fund	Debt Service Fund 2010 Bond Payment Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,568,131	\$ 301,071	\$ 473,169	\$ 2,342,371
Receivables:				
Property taxes	293,991	-	47,298	341,289
Due from other governments	20,412	-	-	20,412
Due from other funds	150,000	-	-	150,000
Property held for resale	621,007	-	-	621,007
Total assets	\$ 2,653,541	\$ 301,071	\$ 520,467	\$ 3,475,079
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 462,734	\$ -	\$ -	\$ 462,734
Due to other funds	1,264,639	-	-	1,264,639
	<u>1,727,373</u>	<u>-</u>	<u>-</u>	<u>1,727,373</u>
Deferred inflows of resources:				
Deferred property taxes	287,443	-	46,244	333,687
Fund balances:				
Nonspendable	621,007	-	-	621,007
Restricted for:				
Road improvements	851,947	-	-	851,947
Tax increment financing projects	40,184	-	-	40,184
Retirement benefits	44,264	-	-	44,264
Public safety expenditures	104,469	-	-	104,469
Debt service	-	-	474,223	474,223
Capital projects	-	301,071	-	301,071
Unassigned	(1,023,146)	-	-	(1,023,146)
Total fund balances	638,725	301,071	474,223	1,414,019
Total liabilities, deferred inflows of resources and fund balances	\$ 2,653,541	\$ 301,071	\$ 520,467	\$ 3,475,079

Village of Glenwood, Illinois

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended April 30, 2016**

		Capital Project Funds	Debt Service Fund	
		Illinois		
	Special Revenue Funds	Capital Acquisition Fund	2010 Bond Payment Fund	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 1,288,741	\$ -	\$ 372,325	\$ 1,661,066
Intergovernmental	531,059	-	-	531,059
Interest	571	-	-	571
Miscellaneous	-	128,000	211,093	339,093
Total revenues	1,820,371	128,000	583,418	2,531,789
Expenditures:				
Current:				
Administration	1,665,489	-	-	1,665,489
Police	49,470	-	-	49,470
Highway and streets	115,899	-	-	115,899
Pension contributions	488,225	-	-	488,225
Miscellaneous	6,449	-	-	6,449
Debt service:				
Principal	-	-	475,000	475,000
Interest and fees	-	-	669,469	669,469
Capital outlay	-	89,622	-	89,622
Total expenditures	2,325,532	89,622	1,144,469	3,559,623
(Deficiency) of revenues (under) expenditures	(505,161)	38,378	(561,051)	(1,027,834)
Other financing sources (uses):				
Transfers in	703,690	-	250,000	953,690
Transfers (out)	(1,379,916)	-	-	(1,379,916)
Total other financing sources (uses)	(676,226)	-	250,000	(426,226)
Change in fund balances	(1,181,387)	38,378	(311,051)	(1,454,060)
Fund balances:				
May 1, 2015	1,820,112	262,693	785,274	2,868,079
April 30, 2016	\$ 638,725	\$ 301,071	\$ 474,223	\$ 1,414,019

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2016

	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Police Department Forfeiture Fund	Foreign Fire Insurance Fund
Assets				
Cash and cash equivalents	\$ 845,085	\$ 322,355	\$ 58,023	\$ 46,446
Property taxes receivable	-	293,991	-	-
Land held for resale	-	-	-	-
Due from other governments	20,412	-	-	-
Due from other funds	-	-	-	-
Total assets	\$ 865,497	\$ 616,346	\$ 58,023	\$ 46,446
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 13,550	\$ -	\$ -	\$ -
Due to other funds	-	284,639	-	-
	13,550	284,639	-	-
Deferred Inflows of Resources:				
Deferred property taxes	-	287,443	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted for:				
Road improvements	851,947	-	-	-
Tax increment financing projects	-	-	-	-
Retirement benefits	-	44,264	-	-
Public safety expenditures	-	-	58,023	46,446
Unassigned	-	-	-	-
Total fund balances	851,947	44,264	58,023	46,446
Total liabilities, deferred inflows of resources and fund balances	\$ 865,497	\$ 616,346	\$ 58,023	\$ 46,446

EDA Fund	TIF Fund	TIF Industrial North Fund	TIF Main Street Fund	Total
\$ 3,638	\$ 146,013	\$ 71,218	\$ 75,353	\$ 1,568,131
-	-	-	-	293,991
-	581,643	-	39,364	621,007
-	-	-	-	20,412
-	150,000	-	-	150,000
<u>\$ 3,638</u>	<u>\$ 877,656</u>	<u>\$ 71,218</u>	<u>\$ 114,717</u>	<u>\$ 2,653,541</u>

\$ -	\$ 115,829	\$ 81,112	\$ 252,243	\$ 462,734
65,000	140,000	775,000	-	1,264,639
<u>65,000</u>	<u>255,829</u>	<u>856,112</u>	<u>252,243</u>	<u>1,727,373</u>

-	-	-	-	287,443
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-	581,643	-	39,364	621,007
-	-	-	-	851,947
-	40,184	-	-	40,184
-	-	-	-	44,264
-	-	-	-	104,469
(61,362)	-	(784,894)	(176,890)	(1,023,146)
<u>(61,362)</u>	<u>621,827</u>	<u>(784,894)</u>	<u>(137,526)</u>	<u>638,725</u>

<u>\$ 3,638</u>	<u>\$ 877,656</u>	<u>\$ 71,218</u>	<u>\$ 114,717</u>	<u>\$ 2,653,541</u>
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Village of Glenwood, Illinois

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended April 30, 2016**

	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Police Department Forfeiture Fund
Revenues:			
Property taxes	\$ -	\$ 514,371	\$ -
Intergovernmental	480,691	-	40,727
Interest	532	-	-
Miscellaneous	-	-	-
Total revenues	481,223	514,371	40,727
Expenditures:			
Current:			
Administration	-	-	-
Police	-	-	49,470
Miscellaneous	-	-	-
Highways and streets	115,899	-	-
Pension contributions	-	488,225	-
Total expenditures	115,899	488,225	49,470
Excess (deficiency) of revenues over (under) expenditures	365,324	26,146	(8,743)
Other financing sources (uses):			
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	-	-	-
Change in fund balances	365,324	26,146	(8,743)
Fund balances (Deficit):			
May 1, 2015	486,623	18,118	66,766
April 30, 2016	\$ 851,947	\$ 44,264	\$ 58,023

Foreign Fire Insurance Fund	EDA Fund	TIF Fund	TIF Industrial North Fund	TIF Main Street Fund	Total
\$ -	\$ -	\$ 661,589	\$ 78,444	\$ 34,337	\$ 1,288,741
9,641	-	-	-	-	531,059
-	-	39	-	-	571
-	-	-	-	-	-
9,641	-	661,628	78,444	34,337	1,820,371
-	5,071	454,795	862,401	343,222	1,665,489
-	-	-	-	-	49,470
6,449	-	-	-	-	6,449
-	-	-	-	-	115,899
-	-	-	-	-	488,225
6,449	5,071	454,795	862,401	343,222	2,325,532
3,192	(5,071)	206,833	(783,957)	(308,885)	(505,161)
-	-	700,000	-	3,690	703,690
-	-	(552,000)	-	(827,916)	(1,379,916)
-	-	148,000	-	(824,226)	(676,226)
3,192	(5,071)	354,833	(783,957)	(1,133,111)	(1,181,387)
43,254	(56,291)	266,994	(937)	995,585	1,820,112
\$ 46,446	\$ (61,362)	\$ 621,827	\$ (784,894)	\$ (137,526)	\$ 638,725

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Motor Fuel Tax Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 220,000	\$ 480,691	\$ 260,691
Interest	70	532	462
Total revenues	<u>220,070</u>	<u>481,223</u>	<u>261,153</u>
Expenditures:			
Current:			
Highways and streets	<u>350,000</u>	<u>115,899</u>	<u>234,101</u>
Excess (deficiency) of revenues over (under) expenditures	(129,930)	365,324	495,254
Other financing uses:			
Transfers out	<u>(100,000)</u>	-	<u>100,000</u>
Change in fund balance	<u><u>\$ (229,930)</u></u>	<u>365,324</u>	<u><u>\$ 595,254</u></u>
Fund balance:			
May 1, 2015		<u>486,623</u>	
April 30, 2016		<u><u>\$ 851,947</u></u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Illinois Municipal Retirement Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 518,763	\$ 514,371	\$ (4,392)
Expenditures:			
Current:			
Pension contributions	-	488,225	(488,225)
Change in fund balance	<u>\$ 518,763</u>	26,146	<u>\$ (492,617)</u>
Fund balance:			
May 1, 2015		<u>18,118</u>	
April 30, 2016		<u>\$ 44,264</u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 TIF Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 500,000	\$ 661,589	\$ 161,589
Interest	-	39	39
Total revenues	<u>500,000</u>	<u>661,628</u>	<u>161,628</u>
Expenditures:			
Current:			
Administration	<u>4,263,000</u>	<u>454,795</u>	<u>3,808,205</u>
Excess (deficiency) of revenues over (under) expenditures	(3,763,000)	206,833	3,969,833
Other financing sources (uses):			
Transfers in	-	700,000	700,000
Transfers (out)	-	(552,000)	(552,000)
	-	<u>148,000</u>	<u>148,000</u>
Change in fund balance	<u>\$ (3,763,000)</u>	<u>354,833</u>	<u>\$ 4,117,833</u>
Fund balance:			
May 1, 2015		<u>266,994</u>	
April 30, 2016		<u>\$ 621,827</u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 TIF Industrial North Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 75,000	\$ 78,444	\$ 3,444
Expenditures:			
Current:			
Administration	4,025,000	862,401	3,162,599
Change in fund balance	<u>\$ (3,950,000)</u>	(783,957)	<u>\$ 3,166,043</u>
Fund balance (Deficit):			
May 1, 2015		<u>(937)</u>	
April 30, 2016		<u>\$ (784,894)</u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 TIF Main Street Fund
 Year Ended April 30, 2016

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 200,000	\$ 34,337	\$ (165,663)
Expenditures:			
Current:			
Administration	2,540,000	343,222	2,196,778
Excess (deficiency) of revenues over (under) expenditures	(2,340,000)	(308,885)	2,031,115
Other financing sources (uses):			
Transfers in	-	3,690	3,690
Transfers (out)	-	(827,916)	(827,916)
	-	(824,226)	(824,226)
Change in fund balance	<u>\$ (2,340,000)</u>	(1,133,111)	<u>\$ 1,206,889</u>
Fund balance (Deficit):			
May 1, 2015		995,585	
April 30, 2016		<u>\$ (137,526)</u>	

Enterprise Fund

Village of Glenwood, Illinois

**Schedule of Operations Expenses - Budget and Actual
Water and Sewer Fund
Year Ended April 30, 2016**

	Budget	Actual
Department supervisor	\$ 58,496	\$ 59,048
Full time employees	367,200	359,364
Part time employees	-	(11,963)
Over-time wages	35,000	28,605
Pension expense	-	49,368
Contract services	27,500	25,762
Lawn care services	11,506	6,672
Employers contribution	-	7,006
Employers FICA	34,402	(1,089)
IMRF	37,595	25
Unemployment insurance	4,100	-
Printing and advertising	5,000	3,234
Office supplies	2,205	1,198
Copier supplies and maintenance	2,000	1,868
Postage	13,500	11,213
Telephone	55,000	27,751
Water/Sewer System Alarm	1,000	-
Dues, subscription, and membership	2,800	987
Legal services	3,000	488
Group insurance and hospital	108,245	97,041
Workmen's compensation insurance	50,000	49,849
Utilities	11,000	8,757
Personnel training	3,000	1,088
Travel, lodging, and meals	1,000	2,295
Public education programs	2,500	2,901
Physicals	500	150
Gas and oil	34,000	16,135
Energy for pumping water	50,000	47,790
Chemicals for water treatment	30,000	13,117
Grant expense	210,000	-
Repair and maintenance - communications	2,100	1,476
Repair and maintenance - water system	250,000	99,265
Repair and maintenance - vehicle	35,000	70,351
Repair and maintenance - general tools/equipment	5,000	1,326
Repair and maintenance - municipal buildings	15,000	7,630
Maintenance - municipal grounds	75,000	62,430
Repair and maintenance - sewer system	250,000	32,801
Purchase - general tools and equipment	5,000	4,837
Purchase - personnel equipment	5,000	4,479
Water purchase - Chicago Heights	1,500,000	1,253,100
SCADA system upgrade	250,000	295,521
Computer - programs and equipment	45,000	39,765
Water meter program	80,000	78,050
Purchase of vehicles	100,000	-
Engineering services	60,000	32,293
Homewood disposal	10,500	-
Miscellaneous	2,500	418
Total operating expenses	\$ 3,850,649	\$ 2,792,402

Village of Glenwood, Illinois

Statement of Changes in Assets and Liabilities
Agency Fund
Year Ended April 30, 2016

	Balance May 1, 2015	Additions	Deletions	Balance April 30, 2016
CABLE ESCROW FUND:				
Assets,				
Cash and cash equivalents	\$ 84,857	\$ 63	\$ -	\$ 84,920
Liabilities,				
Due to other funds	\$ 84,857	\$ 63	\$ -	\$ 84,920

Other Information

Village of Glenwood, Illinois

Schedule of Assessed Valuations, Tax Rates and Extensions
Last Five Tax Years

	2015	2014	2013	2012	2011
Tax Rates (per \$100 of assessed valuation):					
Corporate	3.272	3.125	2.903	2.495	2.020
Police Pension	0.896	0.661	0.563	0.476	0.520
Fire Pension	0.155	0.086	0.089	0.078	0.087
Bond and Interest	1.005	0.933	0.889	0.789	0.619
IMRF	0.578	0.538	0.282	0.199	0.238
Totals	5.906	5.343	4.727	4.037	3.483
Tax extensions:					
Corporate	\$ 3,078,504	\$ 2,990,754	\$ 2,913,039	\$ 2,655,204	\$ 2,399,885
Police Pension	842,659	632,634	565,277	506,420	618,000
Fire Pension	145,500	82,615	89,145	82,369	103,000
Bond and Interest	945,000	892,500	892,500	840,000	735,000
IMRF	543,987	515,103	283,250	212,180	283,250
Totals	\$ 5,555,650	\$ 5,113,606	\$ 4,743,211	\$ 4,296,173	\$ 4,139,135
Collections	\$ 2,504,454	\$ 4,845,924	\$ 4,545,051	\$ 4,196,139	\$ 3,971,130
	45.08%	94.77%	95.82%	97.67%	95.94%

Village of Glenwood, Illinois

Schedule of Debt Service Requirements
April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
General Obligation Bonds				
Series 2010A	2017	\$ -	\$ 648,869	\$ 648,869
Dated July 22, 2010	2018	-	648,869	648,869
Interest due on June 1	2019	-	648,869	648,869
and December 1 at a	2020	-	648,869	648,869
rate of 7.030%	2021	-	648,869	648,869
	2022	-	648,869	648,869
	2023	1,035,000	648,869	1,683,869
	2024	1,230,000	576,109	1,806,109
	2025	1,330,000	489,640	1,819,640
	2026	1,440,000	396,141	1,836,141
	2027	1,560,000	294,909	1,854,909
	2028	1,685,000	185,240	1,870,240
	2029	950,000	66,785	1,016,785
		<u>\$ 9,230,000</u>	<u>\$ 6,550,907</u>	<u>\$ 15,780,907</u>

General Obligation Bonds				
Series 2010C	2017	\$ 630,000	\$ 186,650	\$ 816,650
Dated September 29, 2010	2018	705,000	164,600	869,600
Interest due on June 1	2019	775,000	139,925	914,925
and December 1 at rates	2020	855,000	112,800	967,800
ranging from 3.00% to 4.00%	2021	940,000	78,600	1,018,600
	2022	1,025,000	41,000	1,066,000
		<u>\$ 4,930,000</u>	<u>\$ 723,575</u>	<u>\$ 5,653,575</u>