

Village of Glenwood, Illinois

Annual Financial Report
April 30, 2019

Table of Contents

Financial Section	
Independent Auditor's Report	1-2
Required Supplementary Information (unaudited)	
Management's Discussion and Analysis	3-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	12-13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet – Governmental Funds	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	16
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	17
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	18
Statement of Net Position – Enterprise Funds	19-20
Statement of Revenues, Expenses and Changes in Net Position – Enterprise Funds	21
Statement of Cash Flows – Enterprise Funds	22-23
Statement of Fiduciary Net Position – Fiduciary Funds	24
Statement of Changes in Fiduciary Net Position – Pension Trust Funds	25
Notes to Financial Statements	26-74
Required Supplementary Information (unaudited)	
Illinois Municipal Retirement Fund – Regular	
Schedule of Changes in Net Pension Liability and Related Ratios	75
Schedule of Employer Contributions	76
Illinois Municipal Retirement Fund – SLEP	
Schedule of Changes in Net Pension Liability and Related Ratios	77
Schedule of Employer Contributions	78
Police Pension Plan	
Schedule of Changes in Net Pension Liability, Related Ratios and Investment Returns	79
Firefighters' Pension Plan	
Schedule of Changes in Net Pension Liability, Related Ratios and Investment Returns	80
Schedules of Contributions	
Police Pension Plan	81
Firefighters' Pension Plan	81
Postemployment Healthcare Plan	
Schedule of Changes in Total Other Postemployment Benefit Liability and Related Ratios	82
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund	83
Holbrook Road Tax Increment Financing District Fund	84
Halsted Street South Tax Increment Financing District Fund	85
Notes to Required Supplementary Information	86-88

Table of Contents

Supplementary Information	
Governmental Funds	
Schedule of General Fund Revenues – Budget and Actual	89-90
Schedule of General Fund Expenditures – Budget and Actual	91-95
Nonmajor Governmental Funds	
Combining Balance Sheet – Nonmajor Governmental Funds	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	97
Combining Balance Sheet – Nonmajor Special Revenue Funds	98-99
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	100-101
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual:	
Motor Fuel Tax Fund	102
Illinois Municipal Retirement Fund	103
TIF Fund	104
TIF Industrial North Fund	105
TIF Main Street Fund	106
Enterprise Fund	
Schedule of Operations Expenses – Budget and Actual – Water and Sewer Fund	107
Statement of Changes in Assets and Liabilities – Agency Fund	107
Other Information (Unaudited)	
Schedule of Assessed Valuations, Tax Rates and Extensions – Last Five Tax Years	109
Schedule of Debt Service Requirements	110



RSM US LLP

Independent Auditor's Report

To the Honorable President and
Members of the Board of Trustees
Village of 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 (the Village), as of and for the year ended April 30, 2019, 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 61.9%, 65.0%, and 39.3%, 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, 2019, 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 described in Note 1 to the financial statements, during the year ended April 30, 2019, the Village implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which required a restatement to opening 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 75-82) and budgetary comparison information (on pages 83-85) 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, is presented for purposes of additional analysis and is 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 by us and other auditors. 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
April 3, 2020

Required Supplementary Information

Management's Discussion and Analysis (MD&A)

Village of Glenwood, Illinois

Management's Discussion and Analysis

April 30, 2019

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 12).

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; as the Village's financial statements present 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 12-14) 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 (GASB) 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 14) 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 15 and 17) 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 24-25). 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 19-23) 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 16 and 18). 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. GASB Statement No. 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 \$26.7 million as of April 30, 2019.

A significant portion of the Village's net position (127.3%) reflects its net 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 net 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, 2019.

Table 1
Statement of Net Position
As of April 30, 2019
(in millions)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total Primary</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current assets	\$ 14.60	\$ 15.60	\$ 4.70	\$ 4.50	\$ 19.30	\$ 20.40
Capital assets and pension assets	30.70	31.10	17.50	18.00	48.20	48.80
Total assets	<u>45.30</u>	<u>46.70</u>	<u>22.20</u>	<u>22.50</u>	<u>67.50</u>	<u>69.20</u>
Deferred outflows of resources	2.20	1.80	0.30	0.10	2.50	1.90
Total assets and deferred outflows of resources	<u>47.50</u>	<u>48.50</u>	<u>22.50</u>	<u>22.60</u>	<u>70.00</u>	<u>71.10</u>
Current liabilities	5.60	6.50	1.90	1.50	7.50	8.00
Noncurrent liabilities	23.80	23.60	4.30	5.00	28.10	28.60
Total liabilities	<u>29.40</u>	<u>30.10</u>	<u>6.20</u>	<u>6.50</u>	<u>35.60</u>	<u>36.60</u>
Deferred inflows of resources	7.20	7.10	0.50	0.80	7.70	7.90
Total liabilities and deferred inflows of resources	36.60	37.20	6.70	7.30	43.30	44.50
Net Position:						
Net investment in capital assets	21.50	21.50	12.50	11.70	34.00	33.20
Restricted	7.80	12.00	-	-	7.80	12.00
Unrestricted	(18.40)	(22.20)	3.30	3.50	(15.10)	(18.70)
Total net position	<u>\$ 10.90</u>	<u>\$ 11.30</u>	<u>\$ 15.80</u>	<u>\$ 15.20</u>	<u>\$ 26.70</u>	<u>\$ 26.50</u>

For more detailed information see the Statement of Net Position (pages 12-13).

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

The Village's combined net position, which is the Village's equity, increased to \$26.7 million from \$26.5 million as a result of the increase in net position in Business-Type 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 \$18.4 million. The unrestricted net position of Business-Type Activities was \$3.3 million. The Village can use unrestricted net position to finance the continuing operation of its waterworks and sewerage system and golf course.

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 investment 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 \$0.1 million after restatement as a result of the implementation of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Assets and deferred outflows decreased by \$1.0 million mainly due to decrease in cash from paying line of credit and reducing accounts payable. Total liabilities and deferred inflows decreased by \$0.6 million, due to a decrease in accounts payable and net pension liabilities.

The Village's Business-Type Activities net position increased by \$0.7 million after restatement as a result of the implementation of GASB 75. Total assets and deferred outflows decreased by \$0.1 million while total liabilities and deferred inflows decreased by \$0.6 million and can be attributed to a decrease in General Obligation Bonds and pension liability.

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, 2019
(in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues						
Charges for Services	\$ 2.20	\$ 2.00	\$ 5.20	\$ 5.20	\$ 7.40	\$ 7.20
Grants and Contributions	0.30	0.20	0.50	0.20	0.80	0.40
General Revenues						
Property Taxes	6.80	6.20	0.90	0.80	7.70	7.00
Other Taxes	3.30	3.30	-	-	3.30	3.30
Other	0.30	0.20	-	-	0.30	0.20
Transfer	0.20	0.20	(0.20)	(0.20)	-	-
Total Revenues and Transfer	<u>13.10</u>	<u>12.10</u>	<u>6.40</u>	<u>6.00</u>	<u>19.50</u>	<u>18.10</u>
Expenses:						
General Government	5.70	5.90	-	-	5.70	5.90
Public Safety	5.20	5.40	-	-	5.20	5.40
Public Works	0.90	0.40	-	-	0.90	0.40
Highway and Streets	0.30	0.40	-	-	0.30	0.40
Water and Sewer	-	-	3.80	3.00	3.80	3.00
Golf Course	-	-	1.90	1.90	1.90	1.90
Debt Service	0.90	0.80	-	-	0.90	0.80
Total Expenses	<u>13.00</u>	<u>12.90</u>	<u>5.70</u>	<u>4.90</u>	<u>18.70</u>	<u>17.80</u>
Change in net position	0.10	(0.80)	0.70	1.10	0.80	0.30
Net position, beginning of year	11.30	12.10	15.20	14.10	26.50	26.20
Restatement	(0.50)	-	(0.10)	-	(0.60)	-
Net position, beginning of year, as restated	<u>10.80</u>	<u>12.10</u>	<u>15.10</u>	<u>14.10</u>	<u>25.90</u>	<u>26.20</u>
Net position, end of year	<u>\$ 10.90</u>	<u>\$ 11.30</u>	<u>\$ 15.80</u>	<u>\$ 15.20</u>	<u>\$ 26.70</u>	<u>\$ 26.50</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 increased by \$1.1 million from the prior year due primarily to increase in collection of property taxes.

The Village's Business-Type Activities total revenues increased by \$0.4 million from the prior year. This increase can mainly be attributed to a \$0.3 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, 2019, increased by \$0.1 million to \$13.0 million, due to an increase in public safety expenses and offset by decreases in all other expense groups.

The Village's total expenses for business-type activities for the year ended April 30, 2019, were \$5.7 million, an increase of \$0.8 million from the prior year. The increase can be attributed to increases in Water and Sewer expenses.

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2019, the governmental funds (as presented on the balance sheet on page 15) reported a combined fund balance of \$6.9 million. Expenses and other uses exceeded revenues and other sources in 2019 by \$0.1 million.

The General Fund experienced a current year operating surplus of \$0.9 million. This resulted in a year-end fund balance of \$5.1 million.

The Holbrook Road Tax Increment Financing District Fund experienced an operating deficit of \$0.8 million. This resulted in an ending fund balance of \$3.1 million.

TIF Halsted South experienced an operating deficit of \$1.4 million, mainly related to operating expenses. This resulted in an ending fund deficit of \$4.4 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 2019. 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	\$5.20	\$4.50
Intergovernmental	2.80	2.90
Licenses, permits and fees	0.60	0.70
Fines	0.20	0.20
Charges for services	1.10	1.20
Other	-	0.20
Total	<u>\$9.90</u>	<u>\$9.70</u>
Expenditures		
Administration	2.50	2.20
Public works	0.80	0.60
Parks	0.10	0.10
Police	4.50	4.10
Fire	1.40	1.40
Capital outlay	0.40	0.10
Other	0.50	0.10
Total	<u>10.20</u>	<u>8.60</u>
Change in Fund Balance	<u><u>(\$0.30)</u></u>	<u><u>\$1.10</u></u>

The General Fund anticipated a deficit of \$0.3 million, while actual results were a \$1.1 million surplus.

Capital Assets

At the end of the fiscal year 2019, the Village had a combined total of capital assets of \$48.2 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 decrease (including additions and deletions) of about \$0.2 million.

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

Village of Glenwood, Illinois

Management's Discussion and Analysis (Continued)

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

	Balance 4/30/18	Net Additions/Deletions	Balance 4/30/19
Land	\$26.10	\$0.00	\$26.10
Improvements	1.80	(0.20)	1.60
Buildings	7.20	(0.20)	7.00
Machinery and Equipment	1.80	(0.10)	1.70
Infrastructure	<u>11.50</u>	<u>0.30</u>	<u>11.80</u>
Total Capital Assets	<u>\$48.40</u>	<u>(\$0.20)</u>	<u>\$48.20</u>

Long-Term Debt

The Village had \$14.2 million and \$15.2 million in outstanding long-term debt (including bonds payable net of unamortized bond premium, notes payable, and capital leases) at April 30, 2019 and 2018, respectively. The Village paid off approximately \$1.0 million in long-term debt in the current year.

For more detailed information related to debt outstanding, see Notes 1 and 6 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 2019 and is expected to continue into 2020. 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, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 5,276,087	\$ 3,789,061	\$ 9,065,148
Receivables:			
Property taxes	2,436,850	456,412	2,893,262
Accounts	-	657,101	657,101
Other	104,347	3,591	107,938
Prepays	120,627	46,690	167,317
Inventories	-	53,038	53,038
Due from other governments	626,147	-	626,147
Property held for resale	5,777,910	-	5,777,910
Internal balances	282,564	(282,564)	-
Total current assets	<u>14,624,532</u>	<u>4,723,329</u>	<u>19,347,861</u>
Noncurrent assets:			
Capital assets not being depreciated	21,822,166	4,323,187	26,145,353
Capital assets being depreciated, net	8,863,794	13,177,770	22,041,564
Total noncurrent assets	<u>30,685,960</u>	<u>17,500,957</u>	<u>48,186,917</u>
Total assets	<u>45,310,492</u>	<u>22,224,286</u>	<u>67,534,778</u>
Deferred outflows of resources:			
Deferred outflows due to pensions	2,208,058	299,735	2,507,793
Deferred outflows due to other postemployment benefits	12,932	3,034	15,966
Total deferred outflows of resources	<u>2,220,990</u>	<u>302,769</u>	<u>2,523,759</u>
Total assets and deferred outflows of resources	<u>\$ 47,531,482</u>	<u>\$ 22,527,055</u>	<u>\$ 70,058,537</u>

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Net Position (Continued)
April 30, 2019

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 464,243	\$ 522,352	\$ 986,595
Accrued payroll	75,755	15,282	91,037
Line of credit	4,488,614	-	4,488,614
Accrued interest	270,362	48,438	318,800
Deposits	146,325	220,595	366,920
Unearned revenue	34,145	-	34,145
Compensated absences	144,628	47,679	192,307
Note payable	-	135,025	135,025
Capital leases	-	57,769	57,769
General obligation bonds	-	855,000	855,000
Total current liabilities	5,624,072	1,902,140	7,526,212
Long-term liabilities, net of current maturities:			
Compensated absences	48,210	15,894	64,104
Note payable	-	1,837,761	1,837,761
Capital leases	-	117,921	117,921
General obligation bonds, net of unamortized bond premium	9,230,000	1,997,353	11,227,353
Net pension liability	13,775,253	174,939	13,950,192
OPEB liability	752,023	133,779	885,802
Total noncurrent liabilities	23,805,486	4,277,647	28,083,133
Total liabilities	29,429,558	6,179,787	35,609,345
Deferred inflows of resources:			
Deferred inflows due to pensions	4,794,917	86,543	4,881,460
Deferred property taxes	2,388,537	456,097	2,844,634
Total deferred inflows of resources	7,183,454	542,640	7,726,094
Total liabilities and deferred inflows of resources	36,613,012	6,722,427	43,335,439
Net position:			
Net investment in capital assets	21,455,960	12,500,128	33,956,088
Restricted for:			
Debt service	655,469	-	655,469
Capital projects	328,690	-	328,690
Road improvements	431,939	-	431,939
Tax increment financing projects	6,299,279	-	6,299,279
Retirement benefits	78,705	-	78,705
Public safety expenditures	116,479	-	116,479
Unrestricted (deficit)	(18,448,051)	3,304,500	(15,143,551)
Total net position	\$ 10,918,470	\$ 15,804,628	\$ 26,723,098

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Activities
Year Ended April 30, 2019

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	\$ 5,724,488	\$ 1,346,908	\$ -	\$ -	\$ (4,377,580)	\$ -	\$ (4,377,580)
Public safety	5,216,640	652,523	25,749	-	(4,538,368)	-	(4,538,368)
Public works	874,145	7,627	-	-	(866,518)	-	(866,518)
Highway and streets	294,522	226,084	227,675	-	159,237	-	159,237
Interest and fees	883,590	-	-	-	(883,590)	-	(883,590)
Total governmental activities	<u>12,993,385</u>	<u>2,233,142</u>	<u>253,424</u>	<u>-</u>	<u>(10,506,819)</u>	<u>-</u>	<u>(10,506,819)</u>
Business-type activities:							
Water and sewer	3,777,384	3,588,795	-	381,496	-	192,907	192,907
Golf course operations	1,865,989	1,648,416	-	-	-	(217,573)	(217,573)
Total business-type activities	<u>5,643,373</u>	<u>5,237,211</u>	<u>-</u>	<u>381,496</u>	<u>-</u>	<u>(24,666)</u>	<u>(24,666)</u>
Total	<u>\$ 18,636,758</u>	<u>\$ 7,470,353</u>	<u>\$ 253,424</u>	<u>\$ 381,496</u>	<u>(10,506,819)</u>	<u>(24,666)</u>	<u>(10,531,485)</u>
General revenues							
Taxes:							
Property					6,810,254	887,302	7,697,556
Sales					901,612	-	901,612
Income					998,475	-	998,475
Utility					542,598	-	542,598
Other					880,451	-	880,451
Interest					261,762	33,544	295,306
Miscellaneous					95,643	-	95,643
Transfers					175,774	(175,774)	-
Total general revenues and transfers					<u>10,666,569</u>	<u>745,072</u>	<u>11,411,641</u>
Change in net position					159,750	720,406	880,156
Net position:							
May 1, 2018, as restated					<u>10,758,720</u>	<u>15,084,222</u>	<u>25,842,942</u>
April 30, 2019					<u>\$ 10,918,470</u>	<u>\$ 15,804,628</u>	<u>\$ 26,723,098</u>

See notes to financial statements.

Fund Financial Statements

Village of Glenwood, Illinois

Balance Sheet - Governmental Funds
April 30, 2019

	Major Funds				
	General Fund	Holbrook Road Tax Increment Financing District Fund	TIF Halsted South Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 2,929,240	\$ 61,350	\$ 3,508	\$ 2,281,989	\$ 5,276,087
Receivables:					
Property taxes	2,174,851	-	-	261,999	2,436,850
Other receivables	82,024	-	2,471	19,852	104,347
Prepays	120,627	-	-	-	120,627
Due from other governments	626,147	-	-	-	626,147
Due from other funds	14,643	-	-	73,433	88,076
Advances to other funds	1,825,551	3,008,013	-	1,000,000	5,833,564
Property held for resale	56,000	-	5,490,546	231,364	5,777,910
Total assets	\$ 7,829,083	\$ 3,069,363	\$ 5,496,525	\$ 3,868,637	\$ 20,263,608
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts payable	\$ 225,028	\$ -	\$ 187,728	\$ 51,487	\$ 464,243
Accrued payroll	75,755	-	-	-	75,755
Line of credit	-	-	4,488,614	-	4,488,614
Deposits	146,325	-	-	-	146,325
Unearned revenue	34,145	-	-	-	34,145
Due to other funds	7,264	-	-	23,299	30,563
Advances from other funds	-	-	5,208,513	400,000	5,608,513
Total liabilities	488,517	-	9,884,855	474,786	10,848,158
Deferred Inflows of Resources:					
Deferred property taxes	2,133,994	-	-	254,543	2,388,537
Deferred intergovernmental revenue	117,130	-	-	-	117,130
Total deferred inflows	2,251,124	-	-	254,543	2,505,667
Fund Balances:					
Nonspendable for prepays	120,627	-	-	-	120,627
Nonspendable for property held for resale	56,000	-	-	-	56,000
Nonspendable for advances	1,825,551	3,008,013	-	1,000,000	5,833,564
Restricted for:					
Road improvements	-	-	-	431,939	431,939
Tax increment financing projects	-	61,350	5,490,546	747,383	6,299,279
Retirement benefits	-	-	-	78,705	78,705
Public safety expenditures	-	-	-	116,479	116,479
Debt service	-	-	-	925,831	925,831
Capital projects	-	-	-	178,690	178,690
Unassigned	3,087,264	-	(9,878,876)	(339,719)	(7,131,331)
Total fund balances	5,089,442	3,069,363	(4,388,330)	3,139,308	6,909,783
Total liabilities, deferred inflows of resources and fund balances	\$ 7,829,083	\$ 3,069,363	\$ 5,496,525	\$ 3,868,637	\$ 20,263,608

See notes to financial statements.

Village of Glenwood, Illinois

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
April 30, 2019**

Total fund balances - governmental funds	\$ 6,909,783
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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:

Intergovernmental	117,130
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Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	30,685,960
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Deferred outflows and deferred inflows of resources resulting from changes in pension and other postemployment benefit actuarial assumptions are not considered to represent a financial resource and, therefore, are not recorded in the funds.

Deferred outflows	2,220,990
Deferred inflows	(4,794,917)

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 liability	(752,023)
Net pension liabilities	(13,775,253)
Compensated absences	(192,838)

Net position of governmental activities	<u>\$ 10,918,470</u>
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Village of Glenwood, Illinois

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended April 30, 2019**

	Major Funds				
	General Fund	Holbrook Road Tax Increment Financing District Fund	TIF Halsted South Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 4,016,782	\$ 713,500	\$ 173,794	\$ 1,971,955	\$ 6,876,031
Other taxes	506,842	-	-	-	506,842
Intergovernmental	2,874,128	-	-	253,424	3,127,552
Licenses, permits and fees	686,918	-	-	-	686,918
Fines	182,924	-	-	-	182,924
Interest	35,989	-	-	225,773	261,762
Charges for services	1,238,168	-	46,768	-	1,284,936
Miscellaneous	174,091	-	(83)	9,571	183,579
Total revenues	9,715,842	713,500	220,479	2,460,723	13,110,544
Expenditures:					
Current:					
Administration	2,221,662	8,018	2,465,192	324,348	5,019,220
Public works	631,157	-	-	-	631,157
Parks	67,486	-	-	-	67,486
Police	4,057,489	-	-	21,049	4,078,538
Fire	1,450,784	-	-	3,042	1,453,826
ESDA	3,598	-	-	-	3,598
Senior center	60,674	-	-	-	60,674
Highway and streets	14,909	-	-	134,870	149,779
Pension contributions	-	-	-	487,786	487,786
Debt service:					
Interest and fees	-	-	233,371	650,219	883,590
Capital outlay	133,984	-	-	463,804	597,788
Total expenditures	8,641,743	8,018	2,698,563	2,085,118	13,433,442
Excess (deficiency) of revenues over (under) expenditures	1,074,099	705,482	(2,478,084)	375,605	(322,898)
Other financing sources (uses):					
Transfers in	-	-	1,119,509	1,733,469	2,852,978
Transfers (out)	(168,469)	(1,515,000)	-	(993,735)	(2,677,204)
Total other financing sources (uses)	(168,469)	(1,515,000)	1,119,509	739,734	175,774
Change in fund balance	905,630	(809,518)	(1,358,575)	1,115,339	(147,124)
Fund balances (deficit):					
May 1, 2018	4,183,812	3,878,881	(3,029,755)	2,023,969	7,056,907
April 30, 2019	\$ 5,089,442	\$ 3,069,363	\$ (4,388,330)	\$ 3,139,308	\$ 6,909,783

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, 2019**

Net change in fund balances - total governmental funds \$ (147,124)

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 (65,777)
Intergovernmental (184,536)

Current year deferred balance:

Intergovernmental 117,130

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 600,914
Depreciation expense (648,398)

Items related to pension expense and revenue are reported as deferred inflows and deferred outflows on the government-wide financial statements, but not on the fund financial statements:

Deferred outflows of resources related to pension expense 483,992
Deferred outflows of resources related to pension other postemployment benefits 12,932
Deferred inflows of resources related to pension expense 41,775

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 compensated absences 28,887
(Increase) in OPEB liability (42,717)
(Increase) in net pension liabilities (37,328)

Change in net position of governmental activities \$ 159,750

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Net Position - Enterprise Funds
April 30, 2019

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 3,676,135	\$ 112,926	\$ 3,789,061
Receivables:			
Property taxes	-	456,412	456,412
Accounts	522,069	135,032	657,101
Other	-	3,591	3,591
Prepays	8,915	37,775	46,690
Inventories	-	53,038	53,038
Total current assets	4,207,119	798,774	5,005,893
Noncurrent assets:			
Capital assets not being depreciated	-	4,323,187	4,323,187
Capital assets being depreciated, net	9,766,731	3,411,039	13,177,770
Total noncurrent assets	9,766,731	7,734,226	17,500,957
Total assets	13,973,850	8,533,000	22,506,850
Deferred outflows of resources:			
Deferred outflows due to pensions	155,267	144,468	299,735
Deferred outflows due to other postemployment benefits	1,597	1,437	3,034
Total deferred outflows of resources	156,864	145,905	302,769
Total assets and deferred outflows of resources	\$ 14,130,714	\$ 8,678,905	\$ 22,809,619

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Net Position - Enterprise Funds (Continued)
April 30, 2019

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 421,051	\$ 101,301	\$ 522,352
Accrued payroll	5,497	9,785	15,282
Accrued interest	1,438	47,000	48,438
Deposits	74,010	146,585	220,595
Due to other funds	3,490	54,023	57,513
Advance to other funds	-	225,051	225,051
Compensated absences	20,805	26,874	47,679
Note payable	135,025	-	135,025
Capital leases	-	57,769	57,769
General obligation bonds	-	855,000	855,000
Total current liabilities	661,316	1,523,388	2,184,704
Long-term liabilities, net of current maturities:			
Compensated absences	6,936	8,958	15,894
Note payable	1,837,761	-	1,837,761
Capital leases	-	117,921	117,921
General obligation bonds, net of unamortized bond premium	-	1,997,353	1,997,353
Net pension liability	90,723	84,216	174,939
OPEB liability	70,410	63,369	133,779
Total noncurrent liabilities	2,005,830	2,271,817	4,277,647
Total liabilities	2,667,146	3,795,205	6,462,351
Deferred inflows of resources:			
Deferred inflows due to pensions	44,981	41,562	86,543
Deferred property taxes	-	456,097	456,097
Total deferred inflows of resources	44,981	497,659	542,640
Total liabilities and deferred inflows of resources	2,712,127	4,292,864	7,004,991
Net position:			
Net investment in capital assets	7,793,945	4,706,183	12,500,128
Unrestricted	3,624,642	(320,142)	3,304,500
Total net position	\$ 11,418,587	\$ 4,386,041	\$ 15,804,628

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended April 30, 2019

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Operating revenues:			
Charges for service	\$ 3,588,795	\$ 1,648,416	\$ 5,237,211
Operating expenses:			
Operations	3,258,122	1,720,897	4,979,019
Depreciation	370,439	145,092	515,531
Total operating expenses	3,628,561	1,865,989	5,494,550
Operating loss	(39,766)	(217,573)	(257,339)
Nonoperating income (expense):			
Property taxes	-	887,302	887,302
Interest income	33,544	-	33,544
Interest expense	(25,814)	(123,009)	(148,823)
Total nonoperating income (expense)	7,730	764,293	772,023
(Loss) income before contributions and transfers	(32,036)	546,720	514,684
Capital contributions	381,496	-	381,496
Transfers in	124,226	-	124,226
Transfers out	(200,000)	(100,000)	(300,000)
Change in net position	273,686	446,720	720,406
Net position:			
May 1, 2018, as restated	11,144,901	3,939,321	15,084,222
April 30, 2019	\$ 11,418,587	\$ 4,386,041	\$ 15,804,628

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds
Year Ended April 30, 2019

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Cash flows from operating activities:			
Cash received for services	\$ 3,619,602	\$ 1,594,690	\$ 5,214,292
Payments to employees	(433,492)	(609,241)	(1,042,733)
Payments to suppliers	(2,609,318)	(1,083,685)	(3,693,003)
Net cash provided by (used in) operating activities	576,792	(98,236)	478,556
Cash flows from noncapital financing activities:			
Property taxes	-	850,314	850,314
(Decrease) increase in interfund balances	(95,940)	64,611	(31,329)
Transfer in	124,226	-	124,226
Transfer out	(200,000)	(100,000)	(300,000)
Net cash (used in) provided by noncapital financing activities	(171,714)	814,925	643,211
Cash flows from capital and related financing activities:			
Principal payments, capital leases, net	-	(8,732)	(8,732)
Principal payments, general obligation bonds	-	(775,000)	(775,000)
Principal payments, note payable	(133,353)	-	(133,353)
Interest paid	(25,911)	(146,839)	(172,750)
Net cash used in capital and related financing activities	(159,264)	(930,571)	(1,089,835)
Cash flows from investing activities:			
Cash receipts from interest income	33,544	-	33,544
Net cash provided by investing activities	33,544	-	33,544
Net increase (decrease) in cash and cash equivalents	279,358	(213,882)	65,476
Cash and cash equivalents:			
May 1, 2018	3,396,777	326,808	3,723,585
April 30, 2019	\$ 3,676,135	\$ 112,926	\$ 3,789,061

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Cash Flows – Enterprise Funds (Continued)
Year Ended April 30, 2019

	Business-Type Activities		
	Water and Sewer Fund	Golf Course Fund	Total
Reconciliation of operating loss to net cash provided by (used in) operating activities			
Operating loss	\$ (39,766)	\$ (217,573)	\$ (257,339)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	370,439	145,092	515,531
Changes in assets and liabilities:			
Accounts receivable	29,622	(95,233)	(65,611)
Prepays	163	(31,177)	(31,014)
Inventory	-	6,290	6,290
Accounts payable	213,906	43,371	257,277
Accrued payroll	4,438	2,303	6,741
Deposits	1,022	72,684	73,706
Compensated absences	2,699	(10,747)	(8,048)
Deferred outflow of resources -			
Pension actuarial adjustments	(92,605)	(89,692)	(182,297)
OPEB actuarial adjustments	(1,597)	(1,437)	(3,034)
Deferred inflow of resources -			
Pension actuarial adjustments	(172,531)	(139,214)	(311,745)
Net pension liability			
IMRF	255,729	212,351	468,080
OPEB	5,273	4,746	10,019
Total adjustments	616,558	119,337	735,895
Net cash provided by (used in) operating activities	\$ 576,792	\$ (98,236)	\$ 478,556
Supplemental schedule of non-cash capital and related finance activities:			
Capital assets contributed from government	\$ 381,496	\$ -	\$ 381,496

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Fiduciary Net Position
Fiduciary Funds
April 30, 2019

	Pension Trust Funds	Agency Funds
Assets		
Cash and cash equivalents	\$ 252,114	\$ 85,029
Investments:		
Certificates of deposit	230,364	-
U.S. government and agency obligations	4,257,696	-
Corporate bonds	2,918,348	-
Insurance contracts	395,193	-
Equity mutual funds	4,918,467	-
Accrued interest	55,372	-
Prepaid items	4,200	-
	<hr/>	<hr/>
Total assets	13,031,754	85,029
Liabilities		
Accounts payable	7,310	-
Deposits payable	-	85,029
Total liabilities	<hr/> 7,310	<hr/> 85,029
Net position:		
Restricted for pensions	<hr/> \$ 13,024,444	<hr/> \$ -

See notes to financial statements.

Village of Glenwood, Illinois

Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2019

Additions:	
Contributions:	
Employer	\$ 1,183,598
Employee	223,674
Total contributions	<u>1,407,272</u>
Investment income:	
Net increase in fair value of investments	330,044
Interest and dividend earnings	437,921
Less: investment expenses	<u>(28,004)</u>
Net investment income	<u>739,961</u>
Total additions	<u>2,147,233</u>
Deductions:	
Benefits and refunds	841,776
Administrative expenses	<u>82,967</u>
Total deductions	<u>924,743</u>
Net increase	1,222,490
Restricted for pensions:	
May 1, 2018	<u>11,801,954</u>
April 30, 2019	<u>\$ 13,024,444</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 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 South 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 (Continued)

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

The Village uses the purchases method to report 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. The Village uses the purchases method to report 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 acquisition 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 operations on the Statement of Activities.

Property Held for Resale

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

Deferred Inflows or Deferred Outflows of Resources and Unearned Revenue

Deferred inflows of resources are the acquisition of net position or fund balance that is applicable to future reporting periods. Deferred outflows of resources are the consumption of net position that is applicable to future reporting periods.

Property taxes that are received or recorded as receivables prior to the period the levy is intended to finance are recorded as deferred inflows of resources on both the fund financial statements and government-wide financial statements. Intergovernmental revenue is recorded as deferred inflows of resources on the fund financial statements when it has not yet met both the “measurable” and “available” criteria for recognition in the current period.

For pension and other postemployment benefits (OPEB) plans, the net difference between projected and actual earnings on plan investments, changes in assumptions and differences between expected and actual experience, the change in proportion and differences between employer contributions and proportionate share of contributions for and payments made subsequent to the plan’s measurement date are reported as deferred outflows or inflows of resources on the government-wide financial statements. See Notes 9 and 13 for pension and OPEB related disclosures, respectively.

Unearned revenues arise when resources are received by the Village before it has a legal claim to them. In subsequent periods, when revenue recognition criteria are met or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

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.

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)

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.

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, 2019, the Village has nonspendable fund balance in the amount of \$176,627.

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)

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.

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, 2019, 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, 2019, 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.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from these estimates.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 1. Summary of Significant Accounting Policies (Continued)

Restatement

The Village's net position has been restated as of April 30, 2018. The restatement is a result of the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. In accordance with GASB 75, the Village now reports an OPEB liability on its financial statements, as well as deferred outflows of resources and deferred inflows of resources. In addition, the impact of implementing this statement resulted in a restatement of beginning net position for governmental and business-type activities to adjust for the OPEB liability. Restatement of the beginning net position for deferred outflows of resources and deferred inflows of resources was not done because it was not practicable to determine such amounts.

The Villages net position as of April 30, 2018 has been restated as follows:

	Governmental Activities	Business-type Activities	Total	Enterprise Funds	
				Water and Sewer	Golf Course
Net Position, April 30, 2018	\$ 11,286,326	\$ 15,207,982	\$ 26,494,308	\$ 11,210,038	\$ 3,997,944
Change in Total OPEB liability	(527,606)	(123,760)	(651,366)	(65,137)	(58,623)
Net Position as restated, April 30, 2018	<u>\$ 10,758,720</u>	<u>\$ 15,084,222</u>	<u>\$ 25,842,942</u>	<u>\$ 11,144,901</u>	<u>\$ 3,939,321</u>

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

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'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. The Village, Police Pension and Firefighters' Pension do not have a policy for custodial credit risk. As of April 30, 2019, the carrying amount of the Village's deposits was \$6,465,584, the Police Pension's deposits was \$86,107, the Firefighters' Pension's deposits was \$166,007 and the Agency Funds' deposits was \$85,029. The Village did not have any deposits subject to custodial credit risk as of year-end. The Village had \$1,965 of petty cash on hand.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (Continued)

Investments

As of April 30, 2019, the Police Pension Fund had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			More Than 10
		Less Than 1	1-5	6-10	
US Agencies	\$ 3,152,953	\$ 554,309	\$ 1,172,003	\$ 761,796	\$ 664,845
Corporate bonds	2,097,530	50,056	1,045,766	1,001,708	-
Total	\$ 5,250,483	\$ 604,365	\$ 2,217,769	\$ 1,763,504	\$ 664,845

As of April 30, 2019, the Fire Pension Fund had the following investments and maturities:

	Fair Value	Investment Maturities (in Years)			More Than 10
		Less Than 1	1-5	6-10	
US Agencies	\$ 1,104,743	\$ 180,417	\$ 284,566	\$ 332,103	\$ 307,657
Corporate bonds	820,818	70,736	531,687	218,395	-
Total	\$ 1,925,561	\$ 251,153	\$ 816,253	\$ 550,498	\$ 307,657

The Village also has \$2,597,599 Illinois Funds. The Police Pension Fund has insurance contracts in the amount of \$395,193, certificates of deposit in the amount of \$77,441 and equity mutual fund holdings in the amount of \$4,667,020. The Fire Pension Fund has certificates of deposit in the amount of \$152,923 and equity mutual fund holdings in the amount of \$251,447.

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.

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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (Continued)

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, 2019, investments in Illinois Funds and the investment securities of U.S. Government Agencies, \$5,944,343 were rated AAA and \$910,952 were rated NR by Moody's Investors Service. Corporate Bonds were rated as follows by Moody's Investors Service: Aaa (\$176,206); Aa2 (\$129,021); A3 (\$1,336,655); A2 (\$856,674); A1 (\$261,645); Baa2 (\$36,634); and Baa1 (\$121,513).

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 Fund's 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. At April 30, 2019, the Police Pension Fund has more than 5% of the Fund's investments in FFCB, FHLB, and GNMA bonds. These investments represent 10%, 14%, and 6%, respectively, of the Fund's total investments. These investments are diversified by maturity date and are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. The remaining investments are in investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled 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%. At April 30, 2019, the Firefighters' Pension Fund has more than 5% of the Fund's investments in FFCB, FHLB, and GNMA bonds. These investments represent 14%, 20%, and 13%, respectively, of the Fund's total investments. These investments are diversified by maturity date and are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation. The remaining investments are in investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 3. Cash and Investments (Continued)

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.

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. agency securities are held by the Fund's agent in the Fund's name.

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation on the inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs including quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets that are not active; or using other inputs such as interest rates and yield curves at commonly quoted intervals, implied volatilities and credit spreads or market-corroborated inputs; Level 3 inputs are significant unobservable inputs. The Village Pension Funds have the following as of April 30, 2019:

	Fair Value	Level 1	Level 2	Level 3
Debt Securities				
Corporate Bonds	\$ 2,918,348	\$ -	\$ 2,918,348	\$ -
U.S. Government and Agency Obligations	4,257,696	-	4,257,696	-
Equity Securities				
Equity Mutual Funds	4,918,467	4,918,467	-	-
	<u>\$ 12,094,511</u>	<u>\$ 4,918,467</u>	<u>\$ 7,176,044</u>	<u>\$ -</u>

The Village Pension Funds also invest in CDs and insurance contracts. CDs are reported at amortized cost, and insurance contracts at contract value, both of which approximate fair value but are not subject to the leveling above.

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	\$ 5,276,087	\$ 3,789,061	\$ 252,114	\$ 85,029	\$ 9,402,291
Investments	-	-	12,720,068	-	12,720,068
	<u>\$ 5,276,087</u>	<u>\$ 3,789,061</u>	<u>\$ 12,972,182</u>	<u>\$ 85,029</u>	<u>\$ 22,122,359</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, 2019, is as follows:

	Balance May 1, 2018	Additions	Deletions and Transfers	Balance April 30, 2019
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 21,822,166	\$ -	\$ -	\$ 21,822,166
Capital assets being depreciated:				
Improvements	2,326,630	36,790	-	2,363,420
Buildings	6,273,256	-	-	6,273,256
Machinery and equipment	3,467,255	191,684	-	3,658,939
Infrastructure	6,791,786	372,440	-	7,164,226
Total capital assets being depreciated	18,858,927	600,914	-	19,459,841
Less accumulated depreciation for:				
Improvements	870,654	207,000	-	1,077,654
Buildings	2,456,086	123,325	-	2,579,411
Machinery and equipment	2,658,491	169,039	-	2,827,530
Infrastructure	3,962,418	149,034	-	4,111,452
Total accumulated depreciation	9,947,649	648,398	-	10,596,047
Total capital assets being depreciated, net	8,911,278	(47,484)	-	8,863,794
Governmental activities capital assets, net	\$ 30,733,444	\$ (47,484)	\$ -	\$ 30,685,960

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, 2019, is as follows:

	Balance May 1, 2018	Additions	Deletions and Transfers	Balance April 30, 2019
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	4,215,914	41,615	-	4,257,529
Machinery and equipment	2,667,983	-	61,513	2,606,470
Infrastructure	18,744,174	339,881	-	19,084,055
Total capital assets being depreciated	<u>27,539,227</u>	<u>381,496</u>	<u>61,513</u>	<u>27,859,210</u>
Less accumulated depreciation for:				
Improvements	1,604,330	57,521	-	1,661,851
Buildings	796,710	84,754	-	881,464
Machinery and equipment	1,668,299	76,583	-	1,744,882
Infrastructure	10,096,570	296,673	-	10,393,243
Total accumulated depreciation	<u>14,165,909</u>	<u>515,531</u>	<u>-</u>	<u>14,681,440</u>
Total capital assets being depreciated, net	<u>13,373,318</u>	<u>(134,035)</u>	<u>61,513</u>	<u>13,177,770</u>
Business-type activities capital assets, net	<u>\$ 17,696,505</u>	<u>\$ (134,035)</u>	<u>\$ 61,513</u>	<u>\$ 17,500,957</u>

Depreciation was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 69,143
Public safety	171,568
Public works	283,118
Highway and streets	124,569
Total depreciation expense - governmental activities	<u><u>\$ 648,398</u></u>
Business-type activities:	
Water and sewer	\$ 370,439
Golf course operations	145,092
Total depreciation expense - business-type activities	<u><u>\$ 515,531</u></u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 5. Short-Term Obligations

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 prime plus 1%, or 3.65% - 5.65% during the year ended April 30, 2019. The line of credit matures in September 2023. The Village paid down \$385,642 of principal during the fiscal year, and the outstanding balance as of April 30, 2019 was \$4,488,614. The Village paid interest of \$277,663 on the line during the fiscal year.

The following is a summary of short-term debt transactions of the Village's governmental activities for the year ended April 30, 2019:

	Outstanding Debt as of May 1, 2018	Additions	Reductions	Outstanding Debt as of April 30, 2019
Line of credit	\$ 4,874,256	\$ 48,937	\$ 434,579	\$ 4,488,614

Note 6. Long-Term Obligations

The following is a summary of long-term debt transactions of the Village's governmental activities for the year ended April 30, 2019:

	Outstanding Debt as of May 1, 2018	Additions	Reductions	Outstanding Debt as of April 30, 2019	Due within one year
General obligation bonds	\$ 9,230,000	\$ -	\$ -	\$ 9,230,000	\$ -
Compensated absences *	221,725	192,838	221,725	192,838	144,628
	<u>\$ 9,451,725</u>	<u>\$ 192,838</u>	<u>\$ 221,725</u>	<u>\$ 9,422,838</u>	<u>\$ 144,628</u>

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

The following is a summary of long-term debt transactions of the Village's business-type activities for the year ended April 30, 2019:

	Outstanding Debt as of May 1, 2018	Additions	Reductions	Outstanding Debt as of April 30, 2019	Due within one year
General obligation bonds	\$ 3,595,000	\$ -	\$ 775,000	\$ 2,820,000	\$ 855,000
Unamortized bond premium	44,881	-	12,528	32,353	-
Note payable	2,106,139	-	133,353	1,972,786	135,025
Capital leases	245,935	-	70,245	175,690	57,769
Compensated absences	71,621	63,573	71,621	63,573	47,679
	<u>\$ 6,063,576</u>	<u>\$ 63,573</u>	<u>\$ 1,062,747</u>	<u>\$ 5,064,402</u>	<u>\$ 1,095,473</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 6. Long-Term Obligations (Continued)

Outstanding debt as of April 30, 2019, consists of the following:

	<u>Governmental</u>	<u>Business-type</u>
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 \$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 3.50% and 4.00%.	-	2,820,000
	<u>9,230,000</u>	<u>2,820,000</u>
Total general obligation bonds	9,230,000	2,820,000
Unamortized bond premiums	-	32,353
Capital leases - see note 7	-	175,690
Note payable		
An Illinois Environmental Protection Agency Clean Water State Revolving Funds loan agreement approved November 11, 2011 and provides for a repayment period commencing October 9, 2013 with principal and interest payments of \$79,632 due in October and April of each year. The final payment is due October 2032. The loan accrues interest at 1.25%, calculated monthly.	-	1,972,786
Compensated absences	<u>192,838</u>	<u>63,573</u>
Total long-term obligations	<u>\$ 9,422,838</u>	<u>\$ 5,064,402</u>
Due within one year	<u>\$ 144,628</u>	<u>\$ 1,095,473</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 6. Long-Term Obligations (Continued)

The future debt service requirements to amortize the outstanding debt other than unamortized bond premiums, line of credit, compensated absences, and capital leases as of April 30, 2019, 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		
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	-	648,869	1,025,000	41,000	138,432	20,832	1,874,133	
2023	1,035,000	648,869	-	-	140,168	19,096	1,843,133	
2024	1,230,000	576,109	-	-	141,926	17,338	1,965,373	
2025-2029	6,965,000	1,432,715	-	-	736,772	59,547	9,194,034	
2030-2033	-	-	-	-	543,745	13,678	557,423	
	<u>\$ 9,230,000</u>	<u>\$ 4,604,300</u>	<u>\$ 2,820,000</u>	<u>\$ 232,400</u>	<u>\$ 1,972,786</u>	<u>\$ 177,276</u>	<u>\$ 19,036,762</u>	

Note 7. Capital Lease Obligations

The Village leases equipment under capital leases, which expire between August 2019 and October 2021. Monthly lease payments, including interest between 3.8% and 5.8%, are between \$410 and \$8,152. The cost of the capital assets acquired under the capital leases included in business-type activities machinery and equipment is \$815,330 and accumulated depreciation is \$815,330.

Minimum future lease payments under the capital leases together with the present value of the net minimum lease payments as of April 30, 2019, are as follows:

Year ending April 30:	
2020	\$ 62,237
2021	60,557
2022	60,516
Total minimum lease payments	<u>183,310</u>
Less amount representing interest	<u>7,620</u>
Present value of future minimum lease payments	175,690
Less current portion	<u>57,769</u>
Long-term portion	<u>\$ 117,921</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 8. 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.

Note 9. 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

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 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% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% 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% 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% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% 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% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – Regular Plan (Continued)

Employees Covered by Benefit Terms. As of December 31, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	34
Inactive plan members entitled to but not yet receiving benefits	27
Active plan members	<u>35</u>
Total members	<u><u>96</u></u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.5% 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 2019 and 2018 were 5.19% and 7.69%, respectively, of annual covered payroll. For the fiscal year ended April 30, 2019, the Village contributed \$116,214 to the plan. The contributions as of April 30, 2019, are reported in the financial statements as follows:

Governmental Activities - general government expense	\$ 69,438
Business-Type Activities:	
Waterworks and Sewerage Fund	24,221
Golf Course Fund	<u>22,555</u>
	<u><u>\$ 116,214</u></u>

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.

Net Pension Liability. The Village's net pension liability was measured as of December 31, 2018. 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, 2018:

- 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 2.50%.
- **Salary Increases** were expected to be 3.39% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- For **Non-Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – Regular Plan (Continued)

- For **Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). 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	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20 - 8.50%
Cash Equivalents	1%	2.50%
Total	<u>100%</u>	

Assumptions that changed from the prior year as follows:

- The investment rate of return was changed from 7.50% to 7.25%.

Single Discount Rate. A Single Discount Rate of 7.25% 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:

- The long-term expected rate of return on pension plan investments (7.25 %) during the period in which the fiduciary net position is projected to be sufficient to pay benefits, and
- The tax-exempt municipal bond rate (3.71 %) 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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – Regular Plan (Continued)

Based on those assumptions, IMRF's fiduciary net position at December 31, 2018, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25% and the municipal bond rate was not used.

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, 2018:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at January 1, 2018	\$ 6,467,284	\$ 7,147,654	\$ (680,370)
Changes for the year:			
Service cost	160,584	-	160,584
Interest on the total pension liability	479,973	-	479,973
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	186,638	-	186,638
Changes of assumptions	210,077	-	210,077
Contributions - employer	-	129,630	(129,630)
Contributions - employees	-	79,195	(79,195)
Net investment income	-	(362,522)	362,522
Benefit payments, including refunds of employee contributions	(295,867)	(295,867)	-
Other (net transfer)	-	76,523	(76,523)
Net changes	741,405	(373,041)	1,114,446
Balances at December 31, 2018	\$ 7,208,689	\$ 6,774,613	\$ 434,076

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 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net pension liability/(asset)	\$ 1,384,112	\$ 434,076	\$ (350,480)

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – Regular Plan (Continued)

The net pension liability of \$434,076 as of April 30, 2019, is reported on the financial statements as follows:

Governmental Activities	\$ 259,137
Business-Type Activities	
Waterworks and Sewerage Fund	90,723
Golf Course Fund	84,216
	<u>434,076</u>
	<u>\$ 434,076</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2019, the Village recognized pension expense of \$27,837. Pension expense as of April 30, 2019, is reported in the financial statements as follows:

Governmental Activities	\$ 16,633
Business-Type Activities	11,204
	<u>27,837</u>
	<u>\$ 27,837</u>

At April 30, 2019, 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 Pension		
Expense in Future Periods:		
Differences between expected and actual experience	\$ 131,626	\$ 106,921
Changes of assumptions	145,871	101,904
Changes in allocation proportion	3,274	3,274
Net difference between projected and actual earnings on pension plan investments	435,042	-
Total deferred amounts to be recognized in pension expense in future periods	<u>715,813</u>	<u>212,099</u>
Employer contributions subsequent to measurement date	30,429	-
Total Deferred Amounts Related to Pensions	<u>\$ 746,242</u>	<u>\$ 212,099</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – Regular Plan (Continued)

The deferred outflows and inflows of resources as of April 30, 2019, are reported on the financial statements as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities	\$ 446,507	\$ 125,556
Business-Type Activities		
Waterworks and Sewerage Fund	155,267	44,981
Golf Course Fund	144,468	41,562
	<u>\$ 746,242</u>	<u>\$ 212,099</u>

Pension contributions of \$30,429 subsequent to the measurement date will be recognized in fiscal year 2020. 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:

	Net Deferred Outflows (Inflows) of Resources
Year ending April 30:	
2020	\$ 153,208
2021	84,983
2022	85,881
2023	179,642
Total	<u>\$ 503,714</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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – SLEP (Continued)

Benefits Provided. The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. The 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% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% 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% 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% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% 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% 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, 2018, the following employees were covered by the benefit terms:

Retirees and beneficiaries receiving benefits	-
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	1
Total members	1

Contributions. As set by statute, the Village’s Regular Plan Members are required to contribute 7.50% 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 2019 and 2018 were 13.13% and 14.10%, respectively, of annual covered payroll. For the fiscal year ended April 30, 2019, the Village contributed \$12,448 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, 2019, are reported in the financial statements as follows:

Governmental Activities - general government expense	\$ 12,448
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Net Pension Liability. The Village’s net pension liability was measured as of December 31, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – SLEP (Continued)

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2018:

- 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 2.50%.
- **Salary Increases** were expected to be 3.739% to 14.25%, including inflation.
- The **Investment Rate of Return** was assumed to be 7.25%.
- **Projected Retirement Age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- For **Non-Disabled Retirees**, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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-2017 (base year 2015). 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-2017 (base year 2015). 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	37%	7.15%
International Equity	18%	7.25%
Fixed Income	28%	3.75%
Real Estate	9%	6.25%
Alternative Investments	7%	3.20 - 8.50%
Cash Equivalents	1%	2.50%
Total	<u>100%</u>	

The assumptions were changed from the prior year as follows:

- The investment rate of return was changed from 7.50% to 7.25%.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – SLEP (Continued)

Single Discount Rate. A Single Discount Rate of 7.50% 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:

- The long-term expected rate of return on pension plan investments (7.25%) during the period in which the fiduciary net position is projected to be sufficient to pay benefits, and
- The tax-exempt municipal bond rate (3.71%) 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.

Based on those assumptions, IMRF's fiduciary net position at December 31, 2018, was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25% and the municipal bond rate was not used.

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, 2018:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at January 1, 2018	\$ 209,559	\$ 203,953	\$ 5,606
Changes for the year:			
Service cost	20,202	-	20,202
Interest on the total pension liability	16,475	-	16,475
Changes of benefit terms	-	-	-
Differences between expected and actual experience of the total pension liability	(7,078)	-	(7,078)
Changes of assumptions	6,206	-	6,206
Contributions - employer	-	18,211	(18,211)
Contributions - employees	-	9,687	(9,687)
Net investment income	-	(5,550)	5,550
Benefit payments, including refunds of employee contributions	-	-	-
Other (net transfer)	-	(1,816)	1,816
Net changes	35,805	20,532	15,273
Balances at December 31, 2018	\$ 245,364	\$ 224,485	\$ 20,879

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Illinois Municipal Retirement Fund – SLEP (Continued)

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 7.25%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net pension liability/(asset)	\$ 48,475	\$ 20,879	\$ (2,478)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. For the year ended April 30, 2019, the Village recognized pension expense of \$17,619. At April 30, 2019, 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 Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 9,380	\$ 5,717
Changes of assumptions	4,650	-
Net difference between projected and actual earnings on pension plan investments	12,629	-
Total deferred amounts to be recognized in pension expense in future periods	26,659	5,717
Employer contributions subsequent to measurement date	458	-
Total Deferred Amounts Related to Pensions	<u>\$ 27,117</u>	<u>\$ 5,717</u>

Pension contributions of \$460 subsequent to the measurement date will be recognized in fiscal year 2020. 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 (Inflows) of Resources
2020	\$ 6,217
2021	4,574
2022	4,380
2023	5,771
Total	<u>\$ 20,942</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

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, 2019, and, accordingly, the most recent available information has been presented.

Plan Membership:

At April 30, 2019, 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>

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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund (Continued)

Covered employees hired on or after January 1, 2011 (Tier 2 employees), upon attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. A police officer's salary for pension purposes is capped at \$114,952 and \$113,645 for 2019 and 2018, respectively. The cap is adjusted annually by the lesser of one-half of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 10 years of service may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or one-half of the change in the Consumer Price Index for the preceding calendar year.

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 percent 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, 2019, the statutory minimum that the Village was required to contribute was \$948,459, or 51.44 percent of member payroll, to the Police Pension Fund.

Investments

Investment Policy:

The pension plan's policy in regard to the allocation of invested assets is 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, 2019:

<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%

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund (Continued)

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, 2019:

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectations	Long-Term Expected Real Rate of Return
Cash and cash equivalents	2.00%	2.00%	0.00%
Fixed income	3.25% - 5.50%	2.00%	1.25% - 3.50%
Equities, domestic	5.25% - 6.00%	2.00%	3.25% - 4.00%
Equities, international	6.75% - 8.50%	2.00%	4.75% - 6.50%
Real estate	6.25%	2.00%	4.25%

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 3 under "Concentration of Credit Risk."

Rate of Return:

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 5.06%. 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 9. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund (Continued)

Net Pension Liability of the Village

The total pension liability was determined by an actuarial valuation as of April 30, 2019, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

Valuation date	April 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Straight Line
Discount Rates used for the Total Pension Liability	6.50%
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)	3.79%
Projected Individual Salary Increases	4.00 - 23.87%
Projected Increase in Total Payroll	3.00%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Actuarial assumptions:	
Mortality Table	RP-2014 Adjusted for Plan Status, Collar and Illinois Public Pension Data as Appropriate
Retirement Rates	L&A 2016 Illinois Police 100% Capped at age 65
Disability Rates	L&A 2016 Illinois Police 100%
Termination Rates	L&A 2016 Illinois Police 100%
Percent Married	80%

The actuarial assumptions used in the April 30, 2019, valuation were 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.

Assumptions were changed from the prior year. The assumed rate on the High Quality 20-year tax-exempt G.O. bond was changed from 3.97% to 3.79%. The discount rate used in determination of the Total Pension Liability was changed from 6.19% to 6.50%.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund (Continued)

Discount Rate:

The discount rate used to measure the total pension liability is 6.50%. 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 employees. Therefore, the long-term expected rate of return on pension plan assets was applied for all remaining years.

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at May 1, 2018	\$ 20,327,187	\$ 9,399,111	\$ 10,928,076
Changes for the year:			
Service cost	628,874	-	628,874
Interest on the total pension liability	1,238,562	-	1,238,562
Actuarial experience	465,890	-	465,890
Changes of assumptions	(1,039,353)	-	(1,039,353)
Contributions - employer	-	983,965	(983,965)
Contributions - employees	-	185,642	(185,642)
Contributions - other	-	7,200	(7,200)
Net investment income	-	630,463	(630,463)
Benefit payments, including refunds of employee contributions	(636,203)	(636,203)	-
Administrative expense		(59,443)	59,443
Net changes	657,770	1,111,624	(453,854)
Balances at April 30, 2019	<u>\$ 20,984,957</u>	<u>\$ 10,510,735</u>	<u>\$ 10,474,222</u>

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 6.50%, 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 or 1-percentage-point higher than the current rate.

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Village's net pension liability	\$ 14,112,729	\$ 10,474,222	\$ 7,572,000

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Police Pension Fund (Continued)

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

For the year ended April 30, 2019, the Village's governmental activities recognized pension expense of \$614,697. At April 30, 2019, 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 Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 581,313	\$ 449,485
Changes of assumptions	737,004	3,706,333
Net difference between projected and actual earnings on pension plan investments	163,244	-
Total Deferred Amounts Related to Pensions	\$ 1,481,561	\$ 4,155,818

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:

	Net Deferred Outflows (Inflows) of Resources
Year ending April 30:	
2020	\$ (491,889)
2021	(584,320)
2022	(575,432)
2023	(605,995)
2024	(402,359)
Thereafter	(14,262)
Total	\$ (2,674,257)

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.

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.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund (Continued)

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, 2019, and, accordingly, the most recent available information has been presented.

Plan Membership:

At April 30, 2019, 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>

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 (Tier 2 employees), upon attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. A firefighter's salary for pension purposes is capped at \$114,952 and \$113,645 for 2019 and 2018, respectively. The cap is adjusted annually by the lesser of one half of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 10 years of service may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or one half of the change in the Consumer Price Index for the preceding calendar year.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund (Continued)

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, 2019, the statutory minimum which the Village was required to contribute was \$166,671, or 66.06% of member payroll, to the Fire Pension Fund.

Investments

Investment Policy:

The pension plan's policy in regard to the allocation of invested assets is 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, 2019:

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, 2019:

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectations	Long-Term Expected Real Rate of Return
Fixed Income	5.00%	2.00%	3.00%
Large Cap Domestic Equity	7.20%	2.00%	5.20%
Small Cap Domestic Equity	11.50%	2.00%	9.50%
International Equity	5.70%	2.00%	3.70%
Real Estate	9.10%	2.00%	7.10%
Cash	1.21%	2.00%	-0.79%

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund (Continued)

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 3 under "Concentration of Credit Risk."

Rate of Return:

For the year ended April 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.47%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the Village

The total pension liability was determined by an actuarial valuation as of April 30, 2019, using the following methods and actuarial assumptions, applied to all periods included in the measurement:

Methods and Assumptions

Valuation date	April 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Straight Line
Discount Rates used for the Total Pension Liability	5.22%
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)	3.79%
Projected Individual Salary Increases	3.75-23.37%
Projected Increase in Total Payroll	3.00%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Actuarial assumptions:	
Mortality Table	RP-2014 Adjusted for Plan Status, Collar and Illinois Public Pension Data as Appropriate
Retirement Rates	L&A 2016 Illinois Firefighters' 100%, capped at age 65
Disability Rates	L&A 2016 Illinois Firefighters 100%
Termination Rates	L&A 2016 Illinois Firefighters 100%
Percent Married	80%

The actuarial assumptions used in the April 30, 2019, valuation were 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 9. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund (Continued)

The assumptions were changed from the prior year. The assumed rate on the High Quality 20-year tax-exempt G.O. bond was changed from 3.97% to 3.79%. The discount rate used in determination of the Total Pension Liability was changed from 4.83% to 5.22%.

Discount Rate:

The discount rate used to measure the total pension liability is 5.22%. 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 37 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, 2018	\$ 5,594,314	\$ 2,402,842	\$ 3,191,472
Changes for the year:			
Service cost	95,805	-	95,805
Interest on the total pension liability	265,241	-	265,241
Actuarial experience	100,715	-	100,715
Changes of assumptions	(315,778)	-	(315,778)
Contributions - employer	-	199,633	(199,633)
Contributions - employees	-	30,832	(30,832)
Contributions - other	-	-	-
Net investment income	-	109,497	(109,497)
Benefit payments, including refunds of employee contributions	(205,573)	(205,573)	-
Administrative expense		(23,522)	23,522
Net changes	(59,590)	110,867	(170,457)
Balances at April 30, 2019	<u>\$ 5,534,724</u>	<u>\$ 2,513,709</u>	<u>\$ 3,021,015</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund (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 5.22%, 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 or 1-percentage-point higher than the current rate.

	1% Decrease 4.22%	Current Discount Rate 5.22%	1% Increase 6.22%
Village's net pension liability	\$ 3,890,654	\$ 3,021,015	\$ 2,324,814

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

For the year ended April 30, 2019, the Village's governmental activities recognized pension expense of \$136,423. At April 30, 2019, 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 Pension Expense in Future Periods:		
Differences between expected and actual experience	\$ 82,336	\$ 55,619
Changes of assumptions	5,265	452,207
Net difference between projected and actual earnings on pension plan investments	165,272	-
Total Deferred Amounts Related to Pensions	<u>\$ 252,873</u>	<u>\$ 507,826</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:

	Net Deferred Outflows (Inflows) of Resources
Year ending April 30:	
2020	\$ (73,105)
2021	(81,971)
2022	(48,657)
2023	(32,382)
2024	(18,838)
Total	<u>\$ (254,953)</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Fire Pension Fund (Continued)

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.

Combining Statement of Fiduciary Net Position

Pension Trust Funds

April 30, 2019

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 86,107	\$ 166,007	\$ 252,114
Investments:			
Certificates of deposit	77,441	152,923	230,364
U.S. government and agency obligations	3,152,953	1,104,743	4,257,696
Corporate bonds	2,097,530	820,818	2,918,348
Insurance contracts	395,193	-	395,193
Equity mutual funds	4,667,020	251,447	4,918,467
Accrued interest	36,206	19,166	55,372
Prepaid items	1,225	2,975	4,200
Total assets	10,513,675	2,518,079	13,031,754
Liabilities			
Accounts payable	2,940	4,370	7,310
Total liabilities	2,940	4,370	7,310
Net position:			
Restricted for pension benefits	\$ 10,510,735	\$ 2,513,709	\$ 13,024,444

Village of Glenwood, Illinois

Notes to Financial Statements

Note 9. Pension and Retirement Plan Commitments (Continued)

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended April 30, 2019

	Police Pension	Firefighters' Pension	Total
Additions:			
Contributions:			
Employer	\$ 983,965	\$ 199,633	\$ 1,183,598
Employee	192,842	30,832	223,674
Total contributions	1,176,807	230,465	1,407,272
Investment income:			
Net increase in fair value of investments	297,244	32,800	330,044
Interest and dividend earnings	361,223	76,698	437,921
Less: investment expenses	(28,004)	-	(28,004)
Net investment income	630,463	109,498	739,961
Total additions	1,807,270	339,963	2,147,233
Deductions:			
Benefits and refunds	636,203	205,573	841,776
Administrative expenses	59,441	23,526	82,967
Total deductions	695,644	229,099	924,743
Net increase	1,111,626	110,864	1,222,490
Restricted for pensions:			
May 1, 2018	9,399,109	2,402,845	11,801,954
April 30, 2019	\$ 10,510,735	\$ 2,513,709	\$ 13,024,444

Note 10. 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 purchases property and liability insurance from commercial carriers and is part of a risk pool for workers' compensation insurance.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 10. Risk Management (Continued)

Illinois Public Risk Fund (IPRF)

The Village participates in the IPRF. The IPRF is an organization of Illinois local governmental entities and public agencies, which have formed an association under the Illinois Intergovernmental Cooperation Statute, to pool its risk management needs for workers' compensation insurance. The IPRF has contracted with CCMSI for claims administration services and has developed a formal loss control program to help its members minimize losses and maximize potential savings. The member agreement provides that IPRF will be self-sustaining through member premiums and provide an additional \$3,000,000 of coverage with reinsurance coverage. The Village along with IPRF's members has a contractual obligation to fund any deficit of IPRF attributable to a membership year during which it was a member. Supplemental contributions may be required to fund these deficits. Dividends may be paid for any closed year in which there is a surplus.

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.

Note 11. Other Fund Disclosures (FFS Level Only)

Interfund transfers for the year ended April 30, 2019, are as follows:

<u>Fund</u>	<u>Transfers To Other Funds</u>
Major Governmental Funds:	
General Fund	
Nonmajor Governmental Funds	\$ 168,469
Holbrook Road Tax Increment Financing District Fund	
TIF Halsted South Fund	500,000
Nonmajor Governmental Funds	1,015,000
Nonmajor Governmental Funds:	
TIF Halsted South Fund	619,509
Nonmajor Governmental Funds	250,000
Water and Sewer Fund	124,226
Major Enterprise Funds:	
Water and Sewer Fund	
Nonmajor Governmental Funds	200,000
Golf Course Fund	
Nonmajor Governmental Funds	100,000
	<u>\$ 2,977,204</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 11. Other Fund Disclosures (FFS Level Only) (Continued)

<u>Fund</u>	<u>Transfers From Other Funds</u>
Major Governmental Funds:	
TIF Halsted South Fund	
Holbrook Road Tax Increment Financing District Fund	\$ 500,000
Nonmajor Governmental Funds	619,509
Nonmajor Governmental Funds:	
General Fund	168,469
Holbrook Road Tax Increment Financing District Fund	1,015,000
Nonmajor Governmental Funds	250,000
Water and Sewer Fund	200,000
Golf Course Fund	100,000
Major Enterprise Funds:	
Water and Sewer Fund	
Nonmajor Governmental Funds	<u>124,226</u>
	<u>\$ 2,977,204</u>

Interfund transfers relate to funding the portion of the debt service payments that are not covered by property taxes and repaying funds for expenses paid on-behalf of other funds.

Deficit fund balances for the year ended April 30, 2019, are as follows:

	<u>Deficit Amount</u>
Major Funds:	
TIF Halsted South	\$ (4,388,330)
Nonmajor Funds:	
Special Revenue Funds:	
EDA	(6,908)
TIF Main Street	(332,811)

These deficit balances are expected to be funded by future operating revenues and transfers from other funds.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 11. Other Fund Disclosures (FFS Level Only) (Continued)

Individual fund interfund receivable and payable balances as of April 30, 2019, are as follows:

<u>Fund</u>	<u>Due From Other Funds</u>
Major Governmental:	
General Fund:	
Nonmajor Governmental Funds	\$ 11,153
Water and Sewer Fund	3,490
Nonmajor Governmental Funds:	
General Fund	7,264
Nonmajor Governmental Funds	12,146
Golf Course Fund	54,023
	<u>\$ 88,076</u>
<u>Fund</u>	<u>Due To Other Funds</u>
Major Governmental:	
General Fund	
Nonmajor Governmental Funds	\$ 7,264
Nonmajor Governmental Funds:	
General Fund	11,153
Nonmajor Governmental Funds	12,146
Major Enterprise Funds:	
Water and Sewer Fund	
General Fund	3,490
Golf Course Fund	
Nonmajor Governmental Funds	54,023
	<u>\$ 88,076</u>

Interfund receivable and payable balances reflect operating loans which are expected to be repaid in the following fiscal year.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 11. Other Fund Disclosures (FFS Level Only) (Continued)

Individual fund interfund advance balances as of April 30, 2019, are as follows:

Fund	Advances To Other Funds
Major Governmental:	
General Fund:	
TIF Halsted South Fund	\$ 1,600,500
Golf Course Fund	225,051
Holbrook Road Tax Increment Financing District Fund:	
TIF Halsted South Fund	2,608,013
Nonmajor Governmental Funds	400,000
Nonmajor Governmental Funds:	
Nonmajor Governmental Funds	1,000,000
	\$ 5,833,564

Fund	Advances From Other Funds
Major Governmental:	
TIF Halsted South Fund	
General Fund	\$ 1,600,500
Holbrook Road Tax Increment Financing District Fund	2,608,013
Nonmajor Governmental Funds	1,000,000
Nonmajor Governmental Funds:	
Holbrook Road Tax Increment Financing District Fund	400,000
Major Enterprise Funds:	
Golf Course Fund	
General Fund	225,051
	\$ 5,833,564

Interfund advances reflect operating loans which are not expected to be repaid in the following fiscal year.

Note 12. Contingencies

From time to time in the normal course of business, 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, 2019.

Note 13. Post Employment Healthcare Plan

Plan Description

The Village's single-employer defined benefit plan provides other post employment benefits (OPEB) to employees of the Village. Minimum benefits are set by state law. This retiree health plan is administered by the Village and the Village Board of Trustees has the authority to add to or enhance the benefit terms. The plan does not issue a publicly available financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 13. Post Employment Healthcare Plan (Continued)

Benefits Provided

The Village provides employer paid retiree medical insurance (including prescription drugs) to current and future eligible retirees until the age of 65 or until their death (whichever is earlier). Retirees who opt out of the Village's medical coverage receive payments equal to the base retiree plan premium until the age of 65 or until their death. Dependents are provided access to coverage on a fully contributory basis. The required contribution is based on projected pay-as-you-go financing requirements. Depending on the retirement date and collective bargaining agreement, retirees receive coverage under the Village's health plan with an employer contribution rate between 90 to 100% of the premium for the coverage elected by the employee.

Employees Covered by Benefit Terms

At April 30, 2019, membership in the plan consisted of the following:

	<u>Membership</u>
Retirees and beneficiaries currently receiving benefits	1
Inactive Plan members entitled to but not yet receiving benefits	-
Active Plan members	<u>51</u>
Total membership	<u><u>52</u></u>

Actuarial Assumptions

The following are the methods and assumptions used to determine the total OPEB liability at April 30, 2019:

- The **Actuarial Cost Method** used was the Entry Age Normal
- The **discount rate** used to measure the OPEB liability was 3.64 percent, the 20-year municipal bond yield from the S&P Municipal Bond 20 Year High-Grade Rate Index as of April 30, 2019.
- **Salary Increases** were assumed to be 4.00%; inflation is expected to be 3.00%
- For **Healthcare Cost Trend Rates**, the actual trend rate of 4.50% was used for 2019. For 2020 and later years, the trend rate is expected to remain constant at 4.50%.
- **Mortality** rates were based on the RP-2000 Optional Combined Mortality Table for Males and Females.

Actuarial assumptions were changed from the prior year. The discount rate was changed from 3.97% to 3.79% to reflect the change in the S&P Municipal Bond 20 Year High Grade Rate Index from the prior year.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 13. Post Employment Healthcare Plan (Continued)

The Village's total OPEB liability was measured as of April 30, 2019, and was determined by an actuarial valuation as of that date.

	<u>Total Postemployment Benefit Liability</u>
Balances at May 1, 2018	\$ 833,065
Changes for the year:	
Service cost	24,507
Interest on the total OPEB liability	32,641
Differences between expected and actual	-
Changes of assumptions	17,337
Benefit payments	<u>(21,748)</u>
Net changes	<u>52,737</u>
Balances at April 30, 2019	<u>\$ 885,802</u>

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 2.79%	Current Discount Rate 3.79%	1% Increase 4.79%
Governmental activities	\$ 803,097	\$ 752,023	\$ 643,982
Business-type activities:			
Water	99,148	70,410	79,504
Golf Course	89,233	63,369	71,554
Village's other post-employment benefit liability	<u>\$ 991,478</u>	<u>\$ 885,802</u>	<u>\$ 795,040</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 13. Post Employment Healthcare Plan (Continued)

Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease (a)	Current Healthcare Cost Trend Rate	1% Increase (b)
Governmental activities	\$ 624,175	\$ 752,023	\$ 827,947
Business-type activities:			
Water	77,059	70,410	102,216
Golf Course	69,353	63,369	91,994
Village's other post-employment benefit liability	<u>\$ 770,587</u>	<u>\$ 885,802</u>	<u>\$ 1,022,157</u>

(a) Rates starting at 4% in fiscal 2020 and trending to an ultimate rate of 2.7% by fiscal 2027

(b) Rates starting at 6% in fiscal 2020 and trending to an ultimate rate of 4.7% by fiscal 2027

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

For the year ended April 30, 2019, the Village recognized OPEB expense in the financial statements as follows:

Governmental Activities - General Government	\$ 47,400
Business-type Activities:	
Water	5,852
Golf Course	5,267
Total	<u>\$ 58,519</u>

At April 30, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities	Business-type Activities		Total Primary Government
		Water	Golf Course	
Deferred Outflows of Resources to be Recognized in OPEB Expense in Future Periods				
Changes of assumptions	\$ 12,932	\$ 1,597	\$ 1,437	<u>\$ 15,966</u>

Village of Glenwood, Illinois

Notes to Financial Statements

Note 13. Post Employment Healthcare Plan (Continued)

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

	Governmental Activities	Business-type Activities		Total Primary Government
		Water	Golf Course	
Year ending April 30:				
2020	\$ 1,111	\$ 137	\$ 123	\$ 1,371
2021	1,111	137	123	1,371
2022	1,111	137	123	1,371
2023	1,111	137	123	1,371
2024	1,111	137	123	1,371
Thereafter	7,377	912	822	9,111
Total	\$ 12,932	\$ 1,597	\$ 1,437	\$ 15,966

Note 14. Commitments

Economic Development Agreements and Tax Abatements

The Village entered into an agreement with Patton Properties for economic assistance from the Village. If not for the economic assistance to be provided 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. As of April 30, 2019, the Village has remitted \$30,978 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, 2019, 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, 2019, 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 All Star Management, Inc. to reimburse the developer for eligible real estate costs for the lesser of 25% of the cost of \$150,000. As of April 30, 2019, the Village has remitted \$147,847 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, 2019, the Village has remitted \$0 related to this agreement.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 14. Commitments (Continued)

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, 2019, the Village has remitted \$200,000 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, 2019, the receivable is fully reserved for in the Holbrook Road Tax Increment Financing District Fund as the collectability of this amount is not known.

In October 2017, the Village entered into an agreement with Glensted Animal Hospital to reimburse the developer for 100% of certified eligible redevelopment project costs up to \$100,000. As of April 30, 2019, the Village has remitted \$0 related to this agreement.

In March 2018, the Village entered into an agreement with Among Friends Daycare to reimburse the developer for 100% of certified eligible redevelopment project costs up to 60% of the total costs, with a maximum of \$465,480. As of April 30, 2019, the Village has remitted \$0 related to this agreement.

In April 2018, the Village entered into an agreement with TJ Meat Packing to reimburse the developer for 100% of certified eligible redevelopment project costs up to 65% of the total costs, with a maximum of \$1,200,000. As of April 30, 2019, the Village has remitted \$25,819 related to this agreement.

In April 2018, the Village entered into an agreement with Ralph Edgar and J. Wynsma Properties LLC to provide economic assistance for the developer to acquire and redevelop the project site along a portion of the Halsted Street Redevelopment Project Area (TIF Halsted South). Under the terms of the agreement, the Village agrees to transfer the project land to the Developer for \$1.

Cook County Economic Development Incentive

The Cook County Assessor's Office, in conjunction with municipalities located within Cook County, encourage certain industrial and commercial development by offering real estate tax incentive programs (such as Class 6a, 6b, 7, 8, and 9) for the development of new industrial facilities, the rehabilitation of existing industrial structures and industrial utilization of abandoned buildings or areas experiencing severe stagnation. These programs offer qualified properties a reduced equalized assessed valuation for up to 12 years. The Village estimates its portion of annual abatement of property taxes to various local companies under this development incentive approximates \$115,479.

Note 15. Subsequent Event

These financial statements do not include any adjustments related to the economic impact of COVID-19 (novel coronavirus). The Village anticipates that there will be an impact on the valuation of its investments and those held by the Police and Firefighter Pension Funds. The extent of the impact is currently being monitored and evaluated by the Village.

Village of Glenwood, Illinois

Notes to Financial Statements

Note 16. Pronouncements Issued But Not Yet Adopted

The GASB recently issued the following statements:

GASB Statement No. 83, *Certain Asset Retirement Obligations*, will be effective for the Village beginning with its year ending April 30, 2020. This statement establishes guidance for determining the timing and pattern of recognition for asset retirement obligations and corresponding deferred outflow of resources related to such obligations.

GASB Statement No. 84, *Fiduciary Activities*, will be effective for the Village beginning with its year ending April 30, 2020. This statement establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 provides that governments should report activities meeting certain criteria in a fiduciary fund in the basic financial statements and present a statement of fiduciary net position and a statement of changes in fiduciary net position.

GASB Statement No. 87, *Leases*, will be effective for the Village beginning with its year ending April 30, 2021. Among other things, this statement requires that government lessees (1) recognize (a) a lease liability and (b) an intangible asset representing the lessee's right to use the leased asset; and (2) report in their financial statements (a) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (b) interest expense on the lease liability and (c) note disclosures about the lease.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, will be effective for the Village beginning with its year ending April 30, 2020. Among other things, this statement clarifies which liabilities should be included in note disclosures related to debt. It also requires that all debt disclosures present direct borrowings and direct placements of debt separately from other types of debt and expands the required disclosures over essential debt-related information for all debt.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of Construction Period*, will be effective for the Village beginning with its year ending April 30, 2021. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*, will be effective for the Village beginning with its year ending April 30, 2020. This Statement improves financial reporting by providing users of financial statements with essential information related to presentation of majority equity interests in legally separate organizations that previously were reported inconsistently. In addition, requiring reporting of information about component units if the government acquires a 100 percent equity interest provides information about the cost of services to be provided by the component unit in relation to the consideration provided to acquire the component unit.

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the Village beginning with its year ending April 30, 2022. This Statement establishes a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Under Statement 91 a government entity no longer reports a liability for any conduit debt that it has issued; however, the issuer should recognize a liability for any additional commitments or voluntary commitments to support the debt service.

Management has not yet completed its evaluation of the impact, if any, of the provisions of these standards on its financial statements.

Required Supplementary Information

Village of Glenwood, Illinois

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

Measurement date ended December 31,	2018	2017	2016	2015	2014
Fiscal year ended April 30,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 160,584	\$ 171,351	\$ 160,554	\$ 192,215	\$ 187,434
Interest on the total pension liability	479,973	484,964	457,367	455,982	405,205
Differences between expected and actual experience	186,638	(223,477)	10,413	(336,265)	143,503
Changes in assumptions	210,077	(212,990)	-	-	205,492
Benefit payments	(295,867)	(266,160)	(265,371)	(289,914)	(244,074)
Net change in total pension liability	741,405	(46,312)	362,963	22,018	697,560
Total pension liability—beginning	6,467,284	6,513,596	6,150,633	6,128,615	5,431,055
Total pension liability—ending (a)	\$ 7,208,689	\$ 6,467,284	\$ 6,513,596	\$ 6,150,633	\$ 6,128,615
Plan fiduciary net position					
Contributions - Employer	\$ 129,630	\$ 117,527	\$ 131,768	\$ 136,654	\$ 139,908
Contributions - Member	79,195	68,595	70,591	73,558	77,702
Pension plan net investment income	(362,522)	1,097,948	416,353	30,933	355,400
Benefit payments	(295,867)	(266,160)	(265,371)	(289,914)	(244,074)
Pension plan administrative expense	76,523	(202,113)	14,483	(213,683)	58,090
Net change in plan fiduciary net position	(373,041)	815,797	367,824	(262,452)	387,026
Plan fiduciary net position—beginning	7,147,654	6,331,857	5,964,033	6,226,485	5,839,459
Plan fiduciary net position—ending (b)	\$ 6,774,613	\$ 7,147,654	\$ 6,331,857	\$ 5,964,033	\$ 6,226,485
Net pension liability (asset) - ending (a) - (b)	\$ 434,076	\$ (680,370)	\$ 181,739	\$ 186,600	\$ (97,870)
Plan fiduciary net position as a percentage of the total pension liability	93.98%	110.52%	97.21%	96.97%	101.60%
Covered-Employee Payroll	\$ 1,677,796	\$ 1,524,340	\$ 1,568,668	\$ 1,634,622	\$ 1,721,563
Employer net pension liability as a percentage of covered-employee payroll	25.87%	-44.63%	11.59%	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

**Required Supplementary Information - Illinois Municipal Retirement Fund - Regular
Schedule of Employer Contributions
Calendar Year Ended December 31, 2018**

Calendar Year Ended December	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2018	\$ 129,023	\$ 129,630	\$ (607)	\$ 1,677,796	7.73%
2017	117,527	136,654	(19,127)	1,524,340	8.96%
2016	131,768	131,768	-	1,568,668	8.40%
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.

Village of Glenwood, Illinois

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

Measurement date ended December 31,	2018	2017	2016	2015	2014
Fiscal year ended April 30,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 20,202	\$ 21,590	\$ 19,341	\$ 19,062	\$ 18,293
Interest on the total pension liability	16,475	13,565	10,324	8,349	7,277
Differences between expected and actual experience	(7,078)	4,205	12,429	(1,229)	(6,655)
Changes in assumptions	6,206	128	-	-	3,487
Benefit payments	-	-	-	-	(16,979)
Net change in total pension liability	35,805	39,488	42,094	26,182	5,423
Total pension liability—beginning	209,559	170,071	101,795	101,795	96,372
Total pension liability—ending (a)	\$ 245,364	\$ 209,559	\$ 143,889	\$ 127,977	\$ 101,795
Plan fiduciary net position					
Contributions - Employer	\$ 18,211	\$ 17,311	\$ 15,810	\$ 13,995	\$ 5,083
Contributions - Member	9,687	9,498	8,929	7,957	7,797
Pension plan net investment income	(5,550)	24,277	8,824	613	6,976
Benefit payments	-	-	-	-	(16,979)
Pension plan administrative expense	(1,816)	(3,048)	(2,092)	(9,773)	(7,641)
Net change in plan fiduciary net position	20,532	48,038	31,471	12,792	(4,764)
Plan fiduciary net position—beginning	203,953	155,915	111,652	111,652	116,416
Plan fiduciary net position—ending (b)	\$ 224,485	\$ 203,953	\$ 143,123	\$ 124,444	\$ 111,652
Net pension liability (asset)—ending (a) - (b)	\$ 20,879	\$ 5,606	\$ 766	\$ 3,533	(9,857)
Plan fiduciary net position as a percentage of the total pension liability	91.49%	97.32%	99.47%	97.24%	109.68%
Covered-Employee Payroll	\$ 129,158	\$ 126,635	\$ 119,053	\$ 106,096	103,957
Employer net pension liability as a percentage of covered-employee payroll	16.17%	4.43%	0.64%	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

**Required Supplementary Information - Illinois Municipal Retirement Fund - SLEP
 Schedule of Employer Contributions
 Calendar Year Ended December 31, 2018**

Calendar Year Ended December	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2018	\$ 18,211	\$ 18,211	\$ -	\$ 129,158	14.10%
2017	17,311	17,311	-	126,635	13.67%
2016	15,810	15,810	-	119,053	13.28%
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.

Village of Glenwood, Illinois

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

Fiscal year ended April 30,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 628,874	\$ 546,907	\$ 513,528	\$ 436,295	\$ 700,590
Interest on the total pension liability	1,238,562	1,167,365	1,152,594	1,341,032	954,337
Change in assumptions	465,890	962,388	(1,094,955)	(3,893,580)	-
Differences between expected and actual experience	(1,039,353)	1,023	268,095	(837,809)	-
Benefit payments	(636,203)	(619,918)	(604,107)	(595,787)	(751,714)
Net change in total pension liability	657,770	2,057,765	235,155	(3,549,849)	903,213
Total pension liability—beginning	20,327,187	18,269,422	18,034,267	21,584,116	20,680,903
Total pension liability—ending (a)	\$ 20,984,957	\$ 20,327,187	\$ 18,269,422	\$ 18,034,267	\$ 21,584,116
Plan fiduciary net position					
Contributions - Employer	\$ 983,965	\$ 874,658	\$ 903,512	\$ 634,894	\$ 562,168
Contributions - Member	185,642	183,436	184,392	167,505	166,018
Contributions - Other	7,200	2,155	-	-	-
Pension plan net investment income	630,463	418,221	552,270	23,729	400,241
Benefit payments	(636,203)	(619,918)	(604,107)	(595,787)	(751,714)
Pension plan administrative expense	(59,443)	(49,690)	(32,503)	(31,637)	(37,738)
Net change in plan fiduciary net position	1,111,624	808,862	1,003,564	198,704	338,975
Plan fiduciary net position—beginning	9,399,111	8,590,249	7,586,685	7,387,981	7,049,006
Plan fiduciary net position—ending (b)	\$ 10,510,735	\$ 9,399,111	\$ 8,590,249	\$ 7,586,685	\$ 7,387,981
Net pension liability—ending (a) - (b)	\$ 10,474,222	\$ 10,928,076	\$ 9,679,173	\$ 10,447,582	\$ 14,196,135
Plan fiduciary net position as a percentage of the total pension liability	50%	46%	47%	42%	34%
Covered-Employee Payroll	\$ 1,912,754	\$ 1,857,043	\$ 1,811,015	\$ 1,631,556	\$ 2,013,041
Employer net pension liability as a percentage of covered-employee payroll	548%	588%	534%	640%	705%
Annual money-weighted rate of return, net of investment expense	5.06%	4.78%	7.11%	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, Related Ratios and Investment Returns**

Fiscal year ended April 30,	2019	2018	2017	2016	2015
Total pension liability					
Service cost	\$ 95,805	\$ 95,411	\$ 91,006	\$ 97,158	\$ 121,332
Interest on the total pension liability	265,241	258,497	269,040	252,640	218,814
Change in assumptions	100,715	8,183	(97,922)	(14,363)	-
Differences between expected and actual experience	(315,778)	(8,933)	(285,278)	(203,971)	-
Benefit payments	(205,573)	(199,382)	(189,975)	(184,016)	(181,245)
Net change in total pension liability	(59,590)	153,776	(213,129)	(52,552)	158,901
Total pension liability—beginning	5,594,314	5,440,538	5,653,667	5,706,219	5,547,318
Total pension liability—ending (a)	<u>\$ 5,534,724</u>	<u>\$ 5,594,314</u>	<u>\$ 5,440,538</u>	<u>\$ 5,653,667</u>	<u>\$ 5,706,219</u>
Plan fiduciary net position					
Contributions - Employer	\$ 199,633	\$ 171,724	\$ 168,468	\$ 76,342	\$ 86,579
Contributions - Member	30,832	24,366	24,378	24,009	20,195
Pension plan net investment income	109,497	16,770	39,060	46,272	98,571
Benefit payments	(205,573)	(199,382)	(189,975)	(184,016)	(181,245)
Pension plan administrative expense	(23,522)	(24,224)	(22,952)	(23,088)	(23,355)
Net change in plan fiduciary net position	110,867	(10,746)	18,979	(60,481)	745
Plan fiduciary net position—beginning	2,402,842	2,413,588	2,394,609	2,455,090	2,454,345
Plan fiduciary net position—ending (b)	<u>\$ 2,513,709</u>	<u>\$ 2,402,842</u>	<u>\$ 2,413,588</u>	<u>\$ 2,394,609</u>	<u>\$ 2,455,090</u>
Net pension liability—ending (a) - (b)	\$ 3,021,015	\$ 3,191,472	\$ 3,026,950	\$ 3,259,058	\$ 3,251,129
Plan fiduciary net position as a percentage of the total pension liability	45%	43%	44%	42%	43%
Covered-Employee Payroll	\$ 252,430	\$ 241,022	\$ 241,022	\$ 234,399	\$ 226,148
Employer net pension liability as a percentage of covered-employee payroll	1197%	1324%	1256%	1390%	1438%
Annual money-weighted rate of return, net of investment expense	4.47%	5.19%	5.48%	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	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 948,459	\$ 860,013	\$ 818,116	\$ 614,208	\$ 594,823
Contributions in Relation to the Actuarial Determined Contribution	983,965	874,658	903,512	634,894	562,168
Contribution Deficiency (excess)	\$ (35,506)	\$ (14,645)	\$ (85,396)	\$ (20,686)	\$ 32,655
Covered-Employee Payroll	\$ 1,912,754	\$ 1,857,043	\$ 1,811,015	\$ 1,631,556	\$ 2,013,041
Contributions as a Percentage of Covered-Employee Payroll	51.44%	47.10%	49.89%	38.91%	27.93%
Firefighters' Pension Plan	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 166,671	\$ 162,323	\$ 141,262	\$ 133,054	\$ 125,534
Contributions in Relation to the Actuarial Determined Contribution	199,633	171,724	168,468	76,342	86,579
Contribution Deficiency (excess)	\$ (32,962)	\$ (9,401)	\$ (27,206)	\$ 56,712	\$ 38,955
Covered-Employee Payroll	\$ 252,430	\$ 245,078	\$ 241,022	\$ 234,399	\$ 226,148
Contributions as a Percentage of Covered-Employee Payroll	79.08%	70.07%	69.90%	32.57%	38.28%

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

Village of Glenwood, Illinois

**Required Supplementary Information - Postemployment Healthcare Plan
Schedule of Changes in Total Other Postemployment Benefit Liability and Related Ratios**

<u>Fiscal year ended April 30,</u>	<u>2019</u>
Total other postemployment benefit liability	
Service cost	\$ 24,507
Interest on the total other postemployment benefit liability	32,641
Differences between expected and actual experience of the total other postemployment benefit liability	.
Changes of assumptions	17,337
Benefit payments	<u>(21,748)</u>
Net change in other post-employment benefit liability	52,737
Total other postemployment benefit liability - beginning	<u>833,065</u>
Total other postemployment benefit liability - ending	<u><u>\$ 885,802</u></u>
Covered payroll	\$ 3,516,615
Employer other post employment benefit liability as a percentage of covered payroll	25.19%

Village of Glenwood, Illinois

Required Supplementary Information
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 General Fund
 Year Ended April 30, 2019

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 4,720,466	\$ 4,016,782	\$ (703,684)
Other taxes	484,000	506,842	22,842
Intergovernmental	2,809,000	2,874,128	65,128
Licenses, permits and fees	551,000	686,918	135,918
Fines	270,000	182,924	(87,076)
Interest	20,000	35,989	15,989
Charges for services	1,104,888	1,238,168	133,280
Miscellaneous	14,200	174,091	159,891
Total revenues	9,973,554	9,715,842	(257,712)
Expenditures:			
Current:			
Administration	2,527,297	2,221,662	305,635
Public works	798,521	631,157	167,364
Parks	98,100	67,486	30,614
Police	4,513,459	4,057,489	455,970
Fire	1,372,000	1,450,784	(78,784)
ESDA	14,500	3,598	10,902
Senior center	85,264	60,674	24,590
Highways and streets	450,000	14,909	435,091
Capital outlay	406,600	133,984	272,616
Total expenditures	10,265,741	8,641,743	1,623,998
Excess (deficiency) of revenues over (under) expenditures	(292,187)	1,074,099	1,366,286
Other financing uses:			
Transfers (out)	(268,469)	(168,469)	100,000
Change in fund balance	\$ (560,656)	905,630	\$ 1,466,286
Fund balance:			
May 1, 2018		4,183,812	
April 30, 2019		\$ 5,089,442	

See notes to required supplementary information.

Village of Glenwood, Illinois

Required Supplementary Information
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Holbrook Road Tax Increment Financing District Fund
 Year Ended April 30, 2019

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 500,000	\$ 713,500	\$ 213,500
Expenditures:			
Current:			
Administration	295,000	8,018	286,982
Excess of revenues over expenditures	205,000	705,482	500,482
Other financing uses:			
Transfers out	-	(1,515,000)	(1,515,000)
Change in fund balance	\$ 205,000	(809,518)	\$ (1,014,518)
Fund balance:			
May 1, 2018		3,878,881	
April 30, 2019		\$ 3,069,363	

See notes to required supplementary information.

Village of Glenwood, Illinois

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Halsted Street South Tax Increment Financing District Fund
Year Ended April 30, 2019

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ -	\$ 173,794	\$ 173,794
Charges for services	150,000	46,768	(103,232)
Miscellaneous	-	(83)	(83)
Total revenues	<u>150,000</u>	<u>220,479</u>	<u>70,479</u>
Expenditures:			
Current:			
Administration	2,700,000	2,465,192	234,808
Debt service:			
Interest and fees	350,000	233,371	116,629
Total expenditures	<u>3,050,000</u>	<u>2,698,563</u>	<u>351,437</u>
Deficiency of revenues under expenditures	(2,900,000)	(2,478,084)	421,916
Other financing sources:			
Transfers in	-	1,119,509	1,119,509
Change in fund balance	<u>\$ (2,900,000)</u>	<u>(1,358,575)</u>	<u>\$ 1,541,425</u>
Fund balance:			
May 1, 2018		<u>(3,029,755)</u>	
April 30, 2019		<u>\$ (4,388,330)</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.

The following funds over-expended their budgets at April 30, 2019:

	Budgeted	Actual	Over-Expenditure
Nonmajor Funds:			
Motor Fuel Tax Fund	\$ 445,000	\$ 509,052	\$ 64,052
Illinois Municipal Retirement Fund	481,500	487,786	6,286
Illinois Capital Acquisition Fund	106,622	107,479	857

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.

Summary of Actuarial Methods and Assumptions Used in the Calculation of the 2018 Contribution Rate – IMRF & SLEP plans *

Valuation Date:

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 2018 Contribution Rates:

Actuarial Cost Method:	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Supplemental liabilities attributable to Public Act 94-712 were financed over 20 years for most employers (three employers were financed over 29 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.50%
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%, 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 2014 valuation pursuant to an experience study of the period 2011 to 2013.
Mortality	For non-disabled retirees, the RP-2014 Blue Collar Health Annuitant Mortality Table with fully generational projection scale MP-2014 (base year 2012) was used. For disabled lives, the RP-2014 Disabled Retirees Mortality Table with fully generational projection scale MP-2014 (base year 2012) was used.

Other Information:

There were no benefit changes during the year.

* Based on Valuation Assumptions used in the December 31, 2016, actuarial valuation.

Village of Glenwood, Illinois

Notes to Required Supplementary Information

Note 2 Pension Contributions (continued)

Police Pension Plan

Methods and Assumptions

Valuation date	April 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Straight Line
Discount Rates used for the Total Pension Liability	6.50%
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)	3.79%
Projected Individual Salary Increases	4.00 - 23.87%
Projected Increase in Total Payroll	3.00%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Actuarial assumptions:	
Mortality Table	RP-2014 Adjusted for Plan Status, Collar and Illinois Public Pension Data as Appropriate
Retirement Rates	L&A 2016 Illinois Police 100% Capped at age 65
Disability Rates	L&A 2016 Illinois Police 100%
Termination Rates	L&A 2016 Illinois Police 100%
Percent Married	80%

Firefighters' Pension Plan

Methods and Assumptions

Valuation date	April 30, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Straight Line
Discount Rates used for the Total Pension Liability	5.22%
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)	3.79%
Projected Individual Salary Increases	3.75-23.37%
Projected Increase in Total Payroll	3.00%
Consumer Price Index (Utilities)	2.50%
Inflation Rate Included	2.50%
Actuarial assumptions:	
Mortality Table	RP-2014 Adjusted for Plan Status, Collar and Illinois Public Pension Data as Appropriate
Retirement Rates	L&A 2016 Illinois Firefighters' 100%, capped at age 65
Disability Rates	L&A 2016 Illinois Firefighters 100%
Termination Rates	L&A 2016 Illinois Firefighters 100%
Percent Married	80%

Supplementary Information

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual
Year Ended April 30, 2019

	Budget	Actual
Property taxes	\$ 4,720,466	\$ 4,016,782
Other taxes:		
Utility taxes	375,000	389,516
Real estate transfer tax	100,000	109,576
Tax exempt TFS fee	9,000	7,750
Total other taxes	484,000	506,842
Intergovernmental:		
Sales tax	520,000	522,552
Home rule sales tax	360,000	424,533
Income tax	855,000	998,475
Local use tax	237,000	275,290
Video gaming tax	100,000	115,601
Personal property replacement tax	25,000	36,067
Telecommunication maintenance fee	220,000	160,938
Auto rental tax	12,000	17,735
Local fuel tax	400,000	272,771
Revenue sharing receipts	80,000	50,166
Total intergovernmental	2,809,000	2,874,128
Licenses, permits and fees:		
Vehicle stickers	175,000	226,084
Zoning board/hearing application fee	100	350
Building and electrical permit	120,400	214,247
Vacant property registration	10,000	11,400
Cable TV revenue	150,000	140,803
Landlord crime fee	10,500	10,050
Business licenses	40,000	36,803
Animal licenses	1,400	1,004
Health inspection fees	2,500	-
Towed vehicle administration fee	29,000	33,250
Fire protection fees	5,600	5,300
Yard waste stickers	6,500	7,627
Total licenses, permits and fees	551,000	686,918
Fines:		
Police - DUI-related revenues	60,000	48,570
Police fines	190,000	134,354
Overweight truck fines	20,000	-
Total fines	270,000	182,924
Interest	20,000	35,989

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Revenues - Budget and Actual (Continued)
 Year Ended April 30, 2019

	Budget	Actual
Charges for services:		
Project reimbursement - police	\$ 1,500	\$ 1,770
Bad check charge	100	80
SBA towers	107,000	113,822
Tipping fees	75,000	65,150
Ambulance reimburse fees	-	88,522
Fire recovery fees	-	15,896
Senior center program fees	1,500	2,470
Grass cutting fees	1,000	-
Refuse fees	590,000	593,952
Taxi voucher program fees	500	522
Rental income	328,288	355,984
Total charges for services	1,104,888	1,238,168
Miscellaneous:		
EMS financial assistance	-	133,333
Leased property	3,200	6,461
Miscellaneous	11,000	34,297
Total miscellaneous	14,200	174,091
Total revenues	\$ 9,973,554	\$ 9,715,842

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual
Year Ended April 30, 2019

	Budget	Actual
Current:		
Administration:		
Mayor	\$ 23,500	\$ 23,500
Treasurer	5,000	5,417
Trustees	54,000	43,250
Village clerk	10,000	10,833
Village collector	100	100
Village administrator	100,000	5,077
Economic development coordinator	-	27,154
Department supervisor	87,497	89,827
Full time employees	170,000	145,588
Part time employees	40,000	40,890
Contract services	10,000	9,978
Salary - liquor commissioner	1,500	1,500
Employer FICA	30,000	-
Employer IMRF	30,000	-
Office supplies	9,000	8,784
Data processing	15,000	14,563
Copier supplies and maintenance	10,000	10,034
Postage	6,000	6,457
Employee appreciation	6,500	5,595
Telephone	4,000	3,031
Legal notices	3,000	1,748
Newsletter	10,000	3,400
Code of ordinances expense	8,000	4,906
Dues, subscription, and memberships	15,000	10,466
Legal services	185,000	164,133
Auditing	100,000	90,310
E-Comm annual expense	220,000	162,867
Group insurance and hospital	50,000	51,194
Workmen's compensation insurance	1,500	-
Liability insurance	550,000	462,625
Utility consulting	3,000	1,223
Board member training	2,500	1,860
Utilities	5,000	3,839
Personnel training	2,500	144
Travel, lodging, and meals	12,500	12,834
Donations/memorials	3,000	12,545
Police and fire commission	10,500	6,863
Yard waste sticker	-	4,920
Vehicle stickers	8,500	6,493
Economic incentive agreements	5,000	28,805
Computer - programs and equipment	110,000	116,782
Railroad property rental	3,200	-

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2019

	Budget	Actual
Current:		
Administration: (Continued)		
Engineer services	\$ 5,000	\$ 5,913
Bank charges	7,000	6,045
Village trash disposal	590,000	606,221
Miscellaneous	5,000	3,948
Total administration	2,527,297	2,221,662
Public works:		
Department supervisor	36,971	25,089
Full time employees	183,000	185,933
Over-time wages	20,000	23,663
Contract services	30,000	50,838
Lawn care services	45,000	55,978
Employer FICA	16,000	2,023
Employer IMRF	16,000	-
Printing and advertising	1,000	-
Cleaning supplies	10,000	4,780
Telephone	11,500	7,757
Group insurance and hospital	55,000	51,303
Workmen's compensation insurance	30,000	(1,957)
Utilities	1,500	339
Personnel training	3,500	1,164
Travel, lodging, and meals	1,500	953
Physicals	750	262
Uniforms	2,000	-
Gas and oil	25,000	17,737
Repair and maintenance - vehicle	75,000	54,528
Repair and maintenance - traffic signals	30,000	13,450
Repair and maintenance - general tools/equipment	2,500	10,333
Repair and maintenance - municipal buildings	50,000	38,455
Maintenance - municipal grounds	40,000	10,584
Street lighting	25,000	18,432
Flags	2,000	180
Tree contractors	10,000	-
HVAC maintenance	12,000	24,472
Christmas decorations	15,000	604
Computer - programs and equipment	2,000	1,537
Tree trimming	25,000	25,000
Engineering services	20,000	3,899
Miscellaneous	1,300	3,821
Total public works	798,521	631,157
Parks:		
Departments supervisor	17,850	12,355

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2019

	Budget	Actual
Current:		
Parks: (Continued)		
Utilities	\$ 8,000	\$ 6,510
Park program expenses	15,000	3,660
Repair and maintenance - municipal buildings	20,000	14,343
Maintenance - municipal grounds	25,000	18,868
Fireworks	11,750	11,750
Miscellaneous	500	-
Total parks	98,100	67,486
Police:		
Part time police officers	31,000	29,587
Department supervisor	127,500	89,360
Full time employees	1,943,000	1,927,968
Part time employees	60,000	50,425
Holiday pay	175,000	171,079
Retro pay	61,000	63,795
Employer FICA	165,000	-
Employer IMRF	27,000	14,538
Pension contributions	1,020,459	983,965
Office supplies	7,500	9,327
Copier supplies and maintenance	5,000	-
Postage	2,500	2,205
Telephone	10,000	13,556
Dues, subscription, and membership	35,000	14,909
Legal services	50,000	14,526
Municipal systems	17,000	11,221
Group insurance and hospital	325,000	326,793
Workmen's compensation insurance	75,000	63,855
Liability insurance	2,500	-
Utilities	10,000	3,837
Personnel training	25,000	7,735
Travel, lodging, and meals	10,000	12,753
Public education programs	-	3,792
Physicals	1,000	-
Uniforms	38,000	31,883
Gas and oil	60,000	50,891
Food for prisoners	1,000	593
Repair and maintenance - communications	25,000	16,048
Repair and maintenance - copy machine	-	4,411
Repair and maintenance - vehicle	50,000	38,092
Repair and maintenance - general tools/equipment	5,000	7,447
Repair and maintenance - municipal buildings	40,000	2,325
Radar equipment	1,500	35
In-Car L3 cameras	10,000	-

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
Year Ended April 30, 2019

	Budget	Actual
Current:		
Police: (Continued)		
Evidence management system	\$ 5,000	\$ -
Municipal security cameras	12,000	4,246
Spillman touch 4 / ipads	2,000	-
Range usage/ammunition	8,000	10,450
Tow fee expense	2,500	1,695
License plate reader	3,000	4,039
Police crime prevention	3,000	620
Vest program	2,000	-
Computer - programs and equipment	55,000	64,419
Board expense	2,000	1,668
Bank charges	500	-
Miscellaneous	2,500	3,401
Total police	4,513,459	4,057,489
Fire:		
Department supervisor	104,622	107,990
Full time employees	255,000	266,464
Part time employees	20,300	18,404
Secretarial services	53,700	33,663
Over-time wages	4,000	1,409
Paid on call fire personnel	82,072	61,454
Sleep-in-pay	96,360	96,917
Duty shift assignment	128,808	144,394
Contract services	69,000	70,185
Vacation pay	-	22,367
Employer FICA	35,000	1
Employer IMRF	7,100	1
Pension contributions	186,438	199,633
Building code hearings	12,000	10,784
Planning and zoning	1,000	-
Printing and advertising	1,500	2,989
Office supplies	4,500	5,177
Postage	1,500	874
Food service inspections	500	-
Telephone	4,000	8,333
Dues, subscription, and membership	1,000	3,305
Legal services	5,000	-
Legal fees zoning	2,000	18,930
Group insurance and hospital	70,000	64,814
Workmen's compensation insurance	75,000	63,680
Liability insurance	1,500	-
Utilities	15,000	1,736
Personnel training	15,000	19,782
Travel, lodging, meals	1,500	2,314
Public education programs	1,000	34
Physicals	5,000	1,755
Uniforms	7,500	5,251
Gas and oil	22,000	30,771
Station supplies	2,000	449

(continued)

Village of Glenwood, Illinois

Schedule of General Fund Expenditures - Budget and Actual (Continued)
 Year Ended April 30, 2019

	Budget	Actual
Current:		
Fire: (Continued)		
Repair and maintenance - vehicle	\$ 24,000	\$ 70,762
Repair and maintenance - hazardous material trailer	6,000	9,108
Repair and maintenance - general tools/equipment	8,500	18,363
Maintenance - station #1	5,000	11,596
Maintenance - station #2	5,000	3,576
Copy machine	600	728
Grass cutting vacant homes	15,000	39,878
Computer - programs and equipment	15,000	29,573
Miscellaneous	2,000	3,340
Total fire	1,372,000	1,450,784
ESDA:		
Department supervisor	1,000	-
Part time employees	6,500	-
Employer FICA & IMRF	1,500	-
Uniforms	500	153
Communications	4,000	3,427
Miscellaneous	1,000	18
Total ESDA	14,500	3,598
Senior center:		
Department supervisor	38,664	38,525
Part time employees	9,200	8,834
Employer FICA	3,800	-
Employer IMRF	3,200	-
Office supplies	700	419
Telephone/internet	500	1,702
Group insurance and hospital	6,700	7,066
Utilities	3,500	1,729
Repair/Maint buildings	12,500	-
Special events	3,500	1,601
Taxi voucher program	2,000	772
Miscellaneous	1,000	26
Total senior center	85,264	60,674
Highways and streets:		
Traffic control signs	20,000	6,343
Street lighting maintenance	30,000	7,033
Streets, sidewalks, and roadways	-	1,533
Stree resurfacing	400,000	-
Total highways and streets	450,000	14,909
Capital outlay	406,600	133,984
Total expenditures	\$ 10,265,741	\$ 8,641,743

Nonmajor Governmental Funds

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Governmental Funds
 April 30, 2019

	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	\$ 1,215,851	\$ 180,937	\$ 885,201	\$ 2,281,989
Receivables:				
Property taxes	235,622	-	26,377	261,999
Other receivables	19,852	-	-	19,852
Due from other funds	19,410	-	54,023	73,433
Advances to other funds	850,000	150,000	-	1,000,000
Property held for resale	231,364	-	-	231,364
Total assets	\$ 2,572,099	\$ 330,937	\$ 965,601	\$ 3,868,637
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 51,487	\$ -	\$ -	\$ 51,487
Due to other funds	6,908	2,247	14,144	23,299
Advances from other funds	400,000	-	-	400,000
	458,395	2,247	14,144	474,786
Deferred inflows of resources:				
Deferred property taxes	228,917	-	25,626	254,543
Fund balances:				
Nonspendable	850,000	150,000	-	1,000,000
Restricted for:				
Road improvements	431,939	-	-	431,939
Tax increment financing projects	747,383	-	-	747,383
Retirement benefits	78,705	-	-	78,705
Public safety expenditures	116,479	-	-	116,479
Debt service	-	-	925,831	925,831
Capital projects	-	178,690	-	178,690
Unassigned	(339,719)	-	-	(339,719)
Total fund balances	1,884,787	328,690	925,831	3,139,308
Total liabilities, deferred inflows of resources and fund balances	\$ 2,572,099	\$ 330,937	\$ 965,601	\$ 3,868,637

Village of Glenwood, Illinois

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended April 30, 2019**

	Special Revenue Funds	Capital Project Funds Illinois Capital Acquisition Fund	Debt Service Fund 2010 Bond Payment Fund	Total Nonmajor Governmental Funds
Revenues:				
Property taxes	\$ 1,909,575	\$ -	\$ 62,380	\$ 1,971,955
Intergovernmental	253,424	-	-	253,424
Interest	13,204	-	212,569	225,773
Miscellaneous	9,571	-	-	9,571
Total revenues	2,185,774	-	274,949	2,460,723
Expenditures:				
Current:				
Administration	306,491	17,857	-	324,348
Police	21,049	-	-	21,049
Fire	3,042	-	-	3,042
Highway and streets	134,870	-	-	134,870
Pension contributions	487,786	-	-	487,786
Debt service:				
Interest and fees	-	-	650,219	650,219
Capital outlay	374,182	89,622	-	463,804
Total expenditures	1,327,420	107,479	650,219	2,085,118
Excess (deficiency) of revenues over (under) expenditures	858,354	(107,479)	(375,270)	375,605
Other financing sources (uses):				
Transfers in	1,165,000	-	568,469	1,733,469
Transfers (out)	(993,735)	-	-	(993,735)
Total other financing sources (uses)	171,265	-	568,469	739,734
Change in fund balances	1,029,619	(107,479)	193,199	1,115,339
Fund balances:				
May 1, 2018	855,168	436,169	732,632	2,023,969
April 30, 2019	\$ 1,884,787	\$ 328,690	\$ 925,831	\$ 3,139,308

Village of Glenwood, Illinois

Combining Balance Sheet
 Nonmajor Special Revenue Funds
 April 30, 2019

	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Police Department Forfeiture Fund	Foreign Fire Insurance Fund
Assets				
Cash and cash equivalents	\$ 416,830	\$ 59,498	\$ 57,130	\$ 61,747
Receivables:				
Property taxes	-	235,622	-	-
Other	19,852	-	-	-
Due from other funds	-	12,502	-	-
Advances to other funds	-	-	-	-
Property held for resale	-	-	-	-
Total assets	\$ 436,682	\$ 307,622	\$ 57,130	\$ 61,747
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 4,743	\$ -	\$ -	\$ 2,398
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
	<u>4,743</u>	<u>-</u>	<u>-</u>	<u>2,398</u>
Deferred inflows of resources:				
Deferred property taxes	-	228,917	-	-
Fund balances:				
Nonspendable - advances	-	-	-	-
Restricted for:				
Road improvements	431,939	-	-	-
Tax increment financing projects	-	-	-	-
Retirement benefits	-	78,705	-	-
Public safety expenditures	-	-	57,130	59,349
Unassigned	-	-	-	-
Total fund balances	431,939	78,705	57,130	59,349
Total liabilities, deferred inflows of resources and fund balances	\$ 436,682	\$ 307,622	\$ 57,130	\$ 61,747

EDA Fund	TIF Fund	TIF Industrial North Fund	TIF Main Street Fund	TIF State Street Fund	TIF Halsted Street North Fund	Total
\$ -	\$ 251,152	\$ 68,850	\$ 28,800	\$ 143,290	\$ 128,554	\$ 1,215,851
-	-	-	-	-	-	235,622
-	-	-	-	-	-	19,852
-	-	6,908	-	-	-	19,410
-	700,000	150,000	-	-	-	850,000
-	192,000	-	39,364	-	-	231,364
<u>\$ -</u>	<u>\$ 1,143,152</u>	<u>\$ 225,758</u>	<u>\$ 68,164</u>	<u>\$ 143,290</u>	<u>\$ 128,554</u>	<u>\$ 2,572,099</u>
\$ -	\$ 43,078	\$ -	\$ 975	\$ 293	\$ -	\$ 51,487
6,908	-	-	-	-	-	6,908
-	-	-	400,000	-	-	400,000
<u>6,908</u>	<u>43,078</u>	<u>-</u>	<u>400,975</u>	<u>293</u>	<u>-</u>	<u>458,395</u>
-	-	-	-	-	-	228,917
-	700,000	150,000	-	-	-	850,000
-	-	-	-	-	-	431,939
-	400,074	75,758	-	142,997	128,554	747,383
-	-	-	-	-	-	78,705
-	-	-	-	-	-	116,479
(6,908)	-	-	(332,811)	-	-	(339,719)
<u>(6,908)</u>	<u>1,100,074</u>	<u>225,758</u>	<u>(332,811)</u>	<u>142,997</u>	<u>128,554</u>	<u>1,884,787</u>
<u>\$ -</u>	<u>\$ 1,143,152</u>	<u>\$ 225,758</u>	<u>\$ 68,164</u>	<u>\$ 143,290</u>	<u>\$ 128,554</u>	<u>\$ 2,572,099</u>

Village of Glenwood, Illinois

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended April 30, 2019**

	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Police Department Forfeiture Fund	Foreign Fire Insurance Fund
Revenues:				
Property taxes	\$ -	\$ 467,705	\$ -	\$ -
Intergovernmental	227,675	-	25,749	-
Interest	13,204	-	-	-
Miscellaneous	-	-	-	9,572
Total revenues	240,879	467,705	25,749	9,572
Expenditures:				
Current:				
Administration	-	-	-	-
Police	-	-	21,049	-
Fire	-	-	-	3,042
Highway and streets	134,870	-	-	-
Pension contributions	-	487,786	-	-
Capital outlay	374,182	-	-	-
Total expenditures	509,052	487,786	21,049	3,042
Excess (deficiency) of revenues over (under) expenditures	(268,173)	(20,081)	4,700	6,530
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers (out)	(100,000)	-	-	-
Total other financing sources (uses)	(100,000)	-	-	-
Change in fund balances	(368,173)	(20,081)	4,700	6,530
Fund balances (deficit):				
May 1, 2018	800,112	98,786	52,430	52,819
April 30, 2019	\$ 431,939	\$ 78,705	\$ 57,130	\$ 59,349

EDA Fund	TIF Fund	TIF Industrial North Fund	TIF Main Street Fund	TIF State Street Fund	TIF Halsted Street North Fund	Total
\$ -	\$ 948,818	\$ 139,161	\$ 84,443	\$ 140,867	\$ 128,581	\$ 1,909,575
-	-	-	-	-	-	253,424
-	-	-	-	-	-	13,204
-	(1)	-	-	-	-	9,571
-	948,817	139,161	84,443	140,867	128,581	2,185,774
-	200,640	15,243	38,056	52,525	27	306,491
-	-	-	-	-	-	21,049
-	-	-	-	-	-	3,042
-	-	-	-	-	-	134,870
-	-	-	-	-	-	487,786
-	-	-	-	-	-	374,182
-	200,640	15,243	38,056	52,525	27	1,327,420
-	748,177	123,918	46,387	88,342	128,554	858,354
-	190,000	975,000	-	-	-	1,165,000
-	(669,509)	(100,000)	(124,226)	-	-	(993,735)
-	(479,509)	875,000	(124,226)	-	-	171,265
-	268,668	998,918	(77,839)	88,342	128,554	1,029,619
(6,908)	831,406	(773,160)	(254,972)	54,655	-	855,168
\$ (6,908)	\$ 1,100,074	\$ 225,758	\$ (332,811)	\$ 142,997	\$ 128,554	\$ 1,884,787

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Motor Fuel Tax Fund
 Year Ended April 30, 2019

	Budget	Actual	Variance
Revenues:			
Intergovernmental	\$ 230,952	\$ 227,675	\$ (3,277)
Interest	1,500	13,204	11,704
Total revenues	<u>232,452</u>	<u>240,879</u>	<u>8,427</u>
Expenditures:			
Current:			
Highways and streets	145,000	134,870	10,130
Capital outlay	300,000	374,182	(74,182)
Total expenditures	<u>445,000</u>	<u>509,052</u>	<u>(64,052)</u>
Deficiency of revenues under expenditures	(212,548)	(268,173)	72,479
Other financing uses:			
Transfers out	(100,000)	(100,000)	-
Change in fund balance	<u>\$ (312,548)</u>	<u>(368,173)</u>	<u>\$ 72,479</u>
Fund balance:			
May 1, 2018		<u>800,112</u>	
April 30, 2019		<u>\$ 431,939</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, 2019

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ -	\$ 467,705	\$ 467,705
Expenditures:			
Current:			
Pension contributions	481,500	487,786	(6,286)
Change in fund balance	<u>\$ (481,500)</u>	<u>(20,081)</u>	<u>\$ 461,419</u>
Fund balance:			
May 1, 2018		<u>98,786</u>	
April 30, 2019		<u>\$ 78,705</u>	

Village of Glenwood, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 TIF Fund
 Year Ended April 30, 2019

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 175,000	\$ 948,818	\$ 773,818
Miscellaneous	-	(1)	(1)
Total revenues	<u>175,000</u>	<u>948,817</u>	<u>773,817</u>
Expenditures:			
Current:			
Administration	<u>1,465,000</u>	<u>200,640</u>	<u>1,264,360</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,290,000)</u>	<u>748,177</u>	<u>(490,543)</u>
Other financing sources (uses):			
Transfers in	-	190,000	190,000
Transfers (out)	-	(669,509)	(669,509)
Total other financing sources (uses)	<u>-</u>	<u>(479,509)</u>	<u>(479,509)</u>
Change in fund balance	<u>\$ (1,290,000)</u>	<u>268,668</u>	<u>\$ (970,052)</u>
Fund balance:			
May 1, 2018		<u>831,406</u>	
April 30, 2019		<u>\$ 1,100,074</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, 2019**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 100,000	\$ 139,161	\$ 39,161
Expenditures:			
Current:			
Administration	175,000	15,243	159,757
Excess (deficiency) of revenues over (under) expenditures	(75,000)	123,918	(120,596)
Other financing sources (uses):			
Transfers in	-	975,000	(975,000)
Transfers (out)	-	(100,000)	100,000
Total other financing sources (uses)	-	875,000	(875,000)
Change in fund balance	<u>\$ (75,000)</u>	998,918	<u>\$ (995,596)</u>
Fund balance (deficit):			
May 1, 2018		(773,160)	
April 30, 2019		<u>\$ 225,758</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, 2019**

	Budget	Actual	Variance
Revenues:			
Property taxes	\$ 175,000	\$ 84,443	\$ (90,557)
Expenditures:			
Current:			
Administration	440,000	38,056	401,944
Excess (deficiency) of revenues over (under) expenditures	(265,000)	46,387	311,387
Other financing uses:			
Transfers (out)	(125,000)	(124,226)	774
Change in fund balance	<u>\$ (390,000)</u>	<u>(77,839)</u>	<u>\$ 312,161</u>
Fund balance (deficit):			
May 1, 2018		<u>(254,972)</u>	
April 30, 2019		<u>\$ (332,811)</u>	

Enterprise Fund

Village of Glenwood, Illinois

Schedule of Operations Expenses - Budget and Actual
 Water and Sewer Fund
 Year Ended April 30, 2019

	Budget	Actual
Department supervisor	\$ 68,660	\$ 46,594
Full time employees	380,000	344,868
Over-time wages	35,000	43,436
Pension expense	-	(9,410)
Contract services	45,000	116,982
Lawn care services	15,000	13,995
Employers' contribution	3,500	2,163
Employers' FICA	33,000	3,402
IMRF	33,000	234
Unemployment insurance	2,000	-
Printing and advertising	4,500	2,651
Office supplies	2,000	879
Copier supplies and maintenance	2,000	-
Postage	12,000	6,789
Telephone	15,000	2,746
Dues, subscription, and membership	2,500	545
Legal services	2,000	2,243
Group insurance and hospital	102,000	91,695
Workmen's compensation insurance	68,500	65,284
Utilities	12,000	13,105
Personnel training	2,500	180
Travel, lodging, and meals	2,000	518
Public education programs	3,500	1,169
Physicals	500	100
Gas and oil	25,000	14,176
Energy for pumping water	75,000	54,204
Chemicals for water treatment	25,000	23,908
Repair and maintenance - water system	225,000	190,258
Repair and maintenance - vehicle	50,000	35,739
Repair and maintenance - general tools/equipment	2,500	1,286
Repair and maintenance - municipal buildings	25,000	150,978
Repair and maintenance - storm sewers	350,000	209,633
Maintenance - municipal grounds	75,000	131,075
Repair and maintenance - sewer system	300,000	53,938
Purchase - general tools and equipment	5,000	6,294
Purchase - personnel equipment	6,500	4,736
Water purchase - Chicago Heights	1,400,000	1,261,846
Computer - programs and equipment	50,000	41,158
Water meter program	100,000	74,549
Engineering services	125,000	254,138
Miscellaneous	2,500	38
Total operating expenses	\$ 3,695,160	\$ 3,258,122

Village of Glenwood, Illinois

Statement of Changes in Assets and Liabilities
Agency Fund
Year Ended April 30, 2019

	Balance May 1, 2018	Additions	Deletions	Balance April 30, 2019
Cable Escrow Fund:				
Assets:				
Cash and cash equivalents	\$ 85,029	\$ -	\$ -	\$ 85,029
Liabilities:				
Due to other funds	\$ 85,020	\$ -	\$ -	\$ 85,029

Other Information (Unaudited)

Village of Glenwood, Illinois

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

	2018	2017	2016	2015	2014
Tax rates (per \$100 of assessed valuation):					
Corporate	3.043	3.146	3.465	3.272	3.125
Police Pension	1.144	0.997	0.919	0.896	0.661
Fire Pension	0.238	0.197	0.173	0.155	0.086
Bond and Interest	1.023	0.987	1.035	1.005	0.933
IMRF	0.499	0.498	0.516	0.578	0.538
Totals	5.947	5.825	6.108	5.906	5.343
Tax extensions:					
Corporate	\$ 3,022,143	\$ 3,180,154	\$ 3,340,673	\$ 3,078,504	\$ 2,990,754
Police Pension	1,136,396	1,007,867	885,813	842,659	632,634
Fire Pension	236,480	199,272	167,193	145,500	82,615
Bond and Interest	1,016,190	997,500	997,500	945,000	892,500
IMRF	495,945	503,670	497,284	543,987	515,103
Totals	\$ 5,907,154	\$ 5,888,463	\$ 5,888,463	\$ 5,555,650	\$ 5,113,606
Collections	\$ 2,767,162	\$ 5,546,049	\$ 5,535,248	\$ 5,358,614	\$ 4,845,924
	46.84%	94.19%	94.00%	96.45%	94.77%

Village of Glenwood, Illinois

Schedule of Debt Service Requirements
April 30, 2019

	Year Ending April 30,	Principal	Interest	Total
General Obligation Bonds				
Series 2010A	2020	\$ -	\$ 648,869	\$ 648,869
Dated July 22, 2010	2021	-	648,869	648,869
Interest due on June 1	2022	-	648,869	648,869
and December 1 at a	2023	1,035,000	648,869	1,683,869
rate of 7.030%	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>\$ 4,604,300</u>	<u>\$ 13,834,300</u>

General Obligation Bonds				
Series 2010C	2020	\$ 855,000	\$ 112,800	\$ 967,800
Dated September 29, 2010	2021	940,000	78,600	1,018,600
Interest due on June 1	2022	1,025,000	41,000	1,066,000
and December 1 at rates				
ranging from 3.00% to 4.00%		<u>\$ 2,820,000</u>	<u>\$ 232,400</u>	<u>\$ 3,052,400</u>