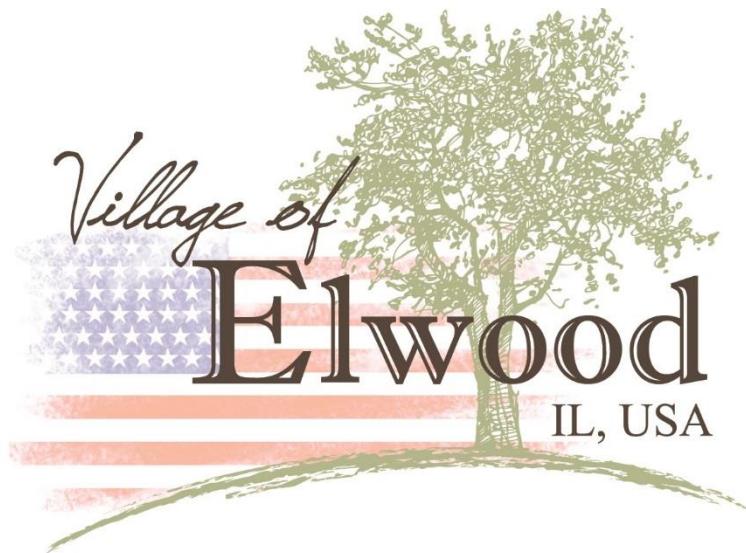


VILLAGE OF ELWOOD, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2016

VILLAGE OF ELWOOD, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2016**

Prepared by Finance Department:

Jasen Melahn
Treasurer - Interim

VILLAGE OF ELWOOD, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Elwood, Illinois including:

- List of Principal Officials
- Organization Chart
- Transmittal Letter
- Certificate of Achievement for Excellence in Financial Reporting

VILLAGE OF ELWOOD, ILLINOIS

List of Principal Officials **April 30, 2016**

May 1, 2015 – April 30, 2016

VILLAGE PRESIDENT

William Offerman

VILLAGE BOARD OF TRUSTEES

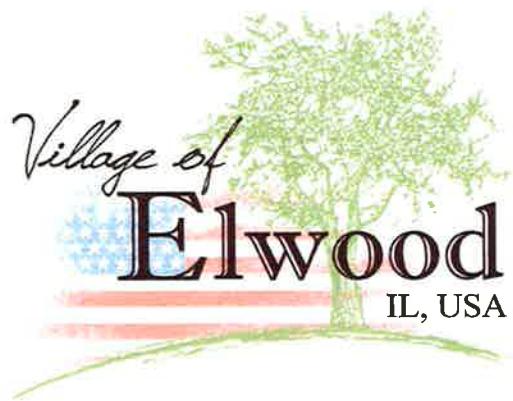
Doug Jenco	Mary Matichak
Bud Jones	Dean Lowrance
Don LaPaglia	Jasen Melahn

VILLAGE CLERK

Julie Freibele

DEPARTMENT HEADS

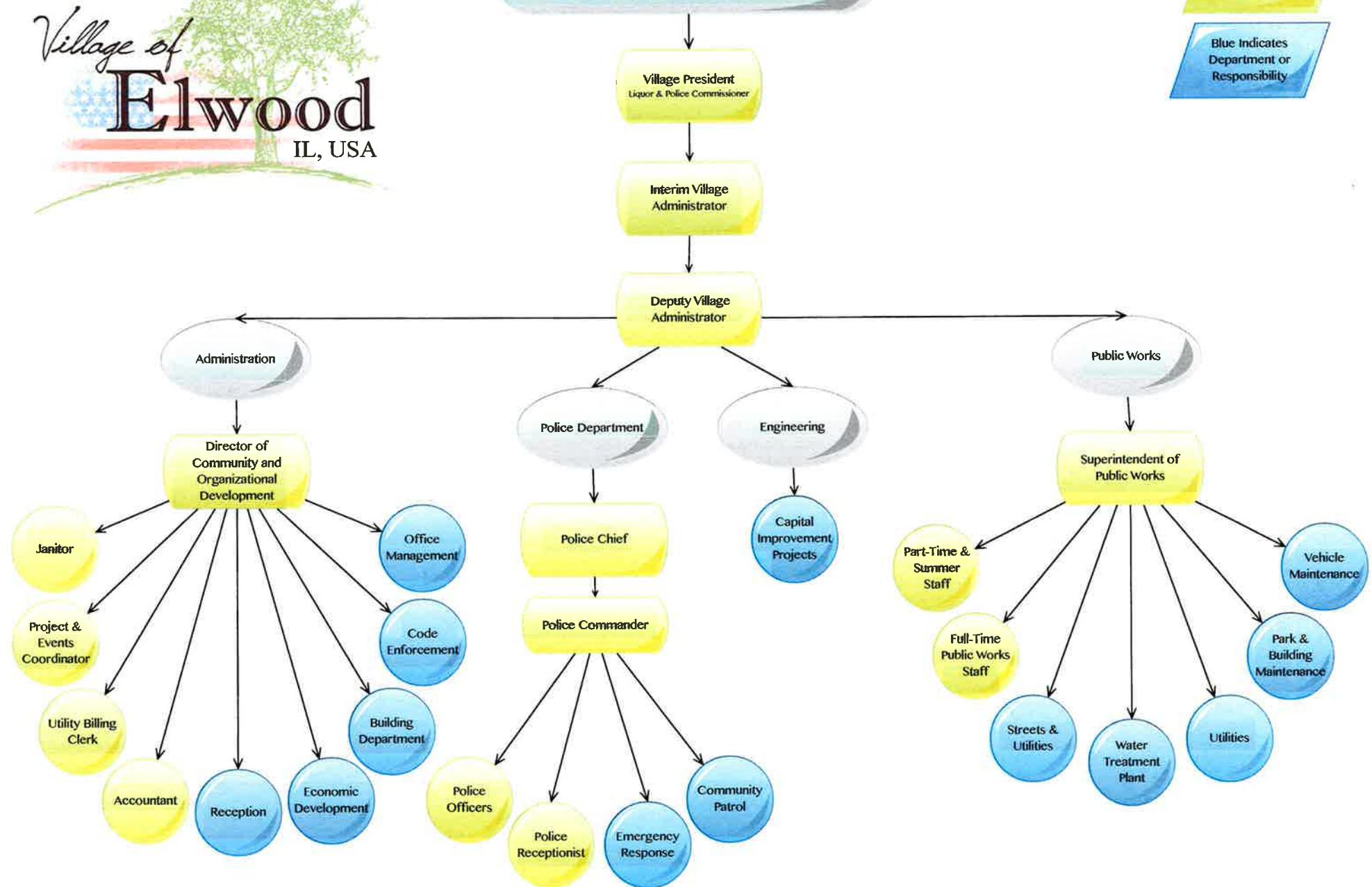
(Interim) Village Administrator	Max Bosso
(Interim) Village Treasurer	Jasen Melahn
Chief of Police	Fred Hayes
Director of Community and Organizational Development	Ashleigh Spacht



The People of the Village of Elwood

Green Indicates Employee Position

Blue Indicates Department or Responsibility





October 14, 2016

To the Citizens of the Village of Elwood:

We submit to you the Comprehensive Annual Financial Report of the Village of Elwood for the fiscal year ended April 30, 2016. The responsibility for the accuracy of the data and the completeness and fairness of the presentation, including disclosures, rests with the Village of Elwood, Administrative Department. To the best of our knowledge, the enclosed data is accurate in all material respects and gives an accurate representation of the financial position and results of operations of the various funds of the Village. All disclosures necessary to enable the reader to understand funds and account groups of the Village are included. All disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and is meant to be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

The Village provides a full range of services. These services include:

- Administration
- Legal
- Community development
- Police protection
- Construction and maintenance of roads, streets and infrastructure
- Water distribution
- Wastewater treatment

ECONOMIC CONDITION AND OUTLOOK

The Village is located in the western portion of Will County, which is ranked as one of the top growth areas in the nation. It is located approximately thirty-five miles southwest of Chicago. Construction in the past (5) five-year has slowed similar to the entire country however, the Village has seen some positive changes in the economic future. In addition, the largest inter-modal/industrial park in the nation is located in a tax increment financing district within the Village's western border.

The estimated actual value of property in the Village has decreased by 0.1563% for tax levy year 2015. The Village has experienced some increase in EAV after a reduction in EAV seen across the nation last year. From tax levy year 2005 to tax levy year 2015, the Village's EAV has increased 5.89%. There is property in the Village still to be developed, future development will occur on a planned basis.

In FYE 2016, income tax revenue decreased by \$15,086 or 5.1%. This compares to a \$29,110 increase during the previous fiscal year. Utility tax provided approximately 28% of the total General Fund operating revenue in FYE 2016 as compared with 33% in FYE 2015.

OTHER ECONOMIC CONDITIONS EXPECTED

Housing developments began to pull out of last year's stall and the Village has reported \$55,906 in building permits for FYE 2016. In addition, warehouses continue to be developed both in and outside the industrial park.

Currently, unemployment in Will County (6.4%) is slightly lower than the state (6.6%), and slightly higher than the nation (5.0%) as of April 2016. However, the Village with a population of 2,377 has an additional 3,800 employees enter the intermodal on a daily basis to service the nearly 17,000 vehicles that do business in the facility.

MAJOR INITIATIVES

As a community, the Village of Elwood has accomplished many major initiatives and goals that were preemptively set forth for FYE 2016. Specifically, these projects and improvements were carefully carried out and executed by village elected officials and staff. Included in the list of projects completed was a new pavilion and recreation area at Lloyd Erickson Park. This addition to the park has created a quality facility for members of the community to not only be proud of, but to also provide a gathering space for residents, neighboring communities and families to enjoy. In addition, the Village invested significant capital funds into roadway, park and sidewalk improvements throughout the municipality. Continuing to invest in and care for the maintenance of our roadways and public facilities is essential to the vitality of the Village of Elwood. Furthermore, elected officials and staff continue to work with the Illinois Commerce Commission to ensure the at-grade crossing at the intersection of Walter Strawn Drive and State Route 53 remain closed for the safety of both rail passengers and members of the community. The Village continues to maintain and grow a friendly relationship between stakeholders in the area, including the Abraham Lincoln National Cemetery, the United States Army, Midewin National Tallgrass Prairie and area businesses both large and small. Additionally, an initiative was set forth to petition and campaign on the community's behalf for a safer experience traveling our local and state roadways. This campaign, recognized formally as Safe Roads, was largely successful in bringing dangerous road conditions to the forefront of local, state and federal platforms to advocate the necessity for substantial improvement. The village will continue to explore and investigate options that will encourage a more harmonious relationship between passenger vehicles and commercial trucks when sharing the road.

DEPARTMENT FOCUS

A major focus to address all aspects of the management of the industrial park by the all Village departments and functions to improve safety, reduce truck traffic, and enhance business operations in Deer Run Industrial Park. The Police Department has certified all officers in truck enforcement and established procedures to monitor activity in the industrial park. The Public Works Department conducted all the activities mentioned above in the “Major Initiative” section. Also the Administration has addressed all safety issues presented over the past fiscal year.

FINANCIAL INFORMATION

Management of the Village is responsible for establishing and maintaining an internal control structure. This structure is designed to ensure that the assets of the Village are protected from loss, theft or misuse. It is also designed to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

The Village's accounting records for governmental funds are maintained on a modified accrual basis, which means revenues are recorded when they become measurable and available and expenditures are recorded when the fund liability is incurred. Accounting records for the Village's enterprise funds are maintained on a full accrual basis.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

BUDGETING CONTROLS In addition the Village maintains budgetary controls. The objective of the budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, certain Capital Projects Funds, Enterprise Funds and Tax Increment Financing Funds are included in the annual operational budget. Project length financial plans are prepared for the Capital Projects Funds and are published in a separate document. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established at the individual fund level.

As demonstrated by the statements and schedules included in the financial section of this report, the Village continues to meet its responsibility for sound financial management.

INDEPENDENT AUDIT

State statute requires an annual audit by independent certified public accountants. The Village selected the accounting firm of Lauterbach & Amen, LLP. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

AWARDS

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to governmental entities for their Comprehensive Annual Financial Report (CAFR) for each fiscal year. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Village received this award for the past ten years.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

ACKNOWLEDGEMENTS

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire administrative staff. Each member has our sincere appreciation for the contributions made in preparation of this report.

In addition, the Village wishes to recognize the staff of the firm of Lauterbach & Amen, LLP whose professionalism and cooperation is sincerely appreciated. In closing, we would like to thank the members of the Board of Trustees for their interest and support in planning and conducting the financial operations of the Village in a responsible and progressive manner. Without their leadership and ongoing support, preparation of this report would not have been possible.

Sincerely,



Marian T. Gibson
Village Administrator



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Village of Elwood
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

A handwritten signature in black ink that reads "Jeffrey R. Einer". The signature is fluid and cursive, with "Jeffrey" on the top line and "R. Einer" on the bottom line.

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the Village's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

October 14, 2016

The Honorable Village President
Members of the Board of Trustees
Village of Elwood, Illinois

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 Elwood, Illinois, as of and for the year ended April 30, 2016, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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 of 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 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, 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 Elwood, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 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 of Elwood, Illinois', basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have 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 them.

Lauterbach + Amen LLP
LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2016

Our discussion and analysis of the Village of Elwood's financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2016. Please read it in conjunction with the transmittal letter that begins on page iii and the Village's financial statements, which begin on page 3.

FINANCIAL HIGHLIGHTS

- **Excluding all TIF related activity**, the Village reported a **decrease in net position of \$638,752** for the governmental activities.
 - Total assets increased \$887,781. The Village's current and other assets and deferred outflows decreased \$897,455 and also **reported an increase to the Village's capital assets of \$1,785,236**.
 - Total liabilities increased \$1,382,238 due primarily to an increase in long term debt outstanding.
 - The increase in liabilities was not offset by the \$887,781 decrease in assets, resulting in the overall \$638,752 decrease to net position for the governmental activities.
- Net position for the business-type activities decreased \$899,075.
- **The General Fund reported an ending fund balance of \$1,414,320, which reflects a \$175,047, or 14.1 percent increase for the year.**

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 3 - 6) provide information about the activities of the Village of Elwood as a whole and present a longer-term view of the Village's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village of Elwood's operation in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village of Elwood's finances, in a manner similar to a private-sector business. The government wide financial statements can be found on pages 3 - 6 of this report.

The Statement of Net Position reports information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other non-financial factors, such as changes in the Village's property tax base and the condition of the Village's roads, is needed to assess the overall health of the Village of Elwood.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2016

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements – Continued

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, and parks and recreation. The business-type activities of the Village include water, sewer, and garbage operations.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Elwood, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The Village of Elwood maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Deer Run TIF Fund, and the Capital Construction Bond Fund, all of which are considered major funds.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2016

USING THIS ANNUAL REPORT - Continued

Fund Financial Statements - Continued

Governmental Funds – Continued

Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Elwood adopts an annual appropriated budget for all of the governmental funds, except the Deer Run Tax Increment Financing Fund. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

Proprietary Funds

The Village maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water and sewer, and garbage operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and the Garbage Fund. The Water and Sewer Fund is considered to be a major proprietary fund of the Village, while the Garbage Fund is considered to be a non-major fund. The basic proprietary fund financial statements can be found on pages 13 - 16 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 - 43 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F. employee pension obligation and other postemployment benefit obligation, as well as the budgetary comparison schedule for the General Fund. Required supplementary information can be found on pages 44 - 46 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on the pension. Combining and individual fund statements and schedules can be found on pages 47 - 65 of this report.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Government-Wide Activities Excluding TIF Activity

The repayment of the TIF related long-term liabilities are secured solely by the incremental taxes received within the Tax Increment Financing District of the Village. As such, it is important to remove the TIF related activity from the Village's entity-wide statements to reflect true Village operations. The following table provides the breakdown of net position for the Village excluding all TIF related activities:

	Net Position - Excluding TIF Related Activity					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 7,742,226	8,855,666	(3,120,914)	(2,817,054)	4,621,312	6,038,612
Capital Assets	34,306,322	32,521,086	18,603,700	19,129,609	52,910,022	51,650,695
Deferred Outflows	215,985	-	30,734	-	246,719	-
Total Assets/Deferred Outflows	42,264,533	41,376,752	15,513,520	16,312,555	57,778,053	57,689,307
Long-Term Debt Outstanding	16,335,292	16,052,031	9,481,650	9,623,002	25,816,942	25,675,033
Other Liabilities	2,706,643	967,092	1,491,462	1,270,602	4,198,105	2,237,694
Deferred Inflows	283,796	924,370	-	-	283,796	924,370
Total Liabilities/Deferred Inflows	19,325,731	17,943,493	10,973,112	10,893,604	30,298,843	28,837,097
Net Position						
Net Investment in Capital Assets	17,616,380	20,107,534	10,855,695	11,208,917	28,472,075	31,316,451
Restricted	2,047,412	1,996,603	-	-	2,047,412	1,996,603
Unrestricted (Deficit)	3,275,010	1,329,122	(6,315,287)	(5,789,966)	(3,040,277)	(4,460,844)
Total Net Position	22,938,802	23,433,259	4,540,408	5,418,951	27,479,210	28,852,210

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$28.5 million (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Elwood uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Elwood's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Village's net investment in capital assets decreased \$2.8 million primarily as a result of various capital improvements being less than the depreciation expense for the year.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Excluding TIF Activity – Continued

An additional portion or \$2.0 million of the Village of Elwood's net position represents resources that are subject to external restrictions on how they may be used, including restrictions for the use of motor fuel tax allotments and special service area taxes.

The following table provides the breakdown of changes in net position for the Village excluding all TIF related activities:

	Changes in Net Position - Excluding TIF Related Activity					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$ 698,418	534,338	976,317	949,613	1,674,735	1,483,951
Operating Grants/Contrib.	66,664	62,887	-	-	66,664	62,887
Capital Grants/Contrib.	-	-	-	-	-	-
General Revenues						
Property Taxes	1,297,709	1,287,960	-	-	1,297,709	1,287,960
Utility Taxes	600,516	608,208	-	-	600,516	608,208
Sales Taxes	266,404	148,733	-	-	266,404	148,733
Income Taxes	280,508	295,594	-	-	280,508	295,594
Other General Revenues	2,698,914	2,257,493	16,199	15,498	2,715,113	2,272,991
Total Revenues	5,909,133	5,195,213	992,516	965,111	6,901,649	6,160,324
Expenses						
General Government	3,049,598	2,189,888	-	-	3,049,598	2,189,888
Public Safety	1,650,714	1,618,937	-	-	1,650,714	1,618,937
Public Works	740,654	2,309,125	-	-	740,654	2,309,125
Parks and Recreation	184,749	138,880	-	-	184,749	138,880
Interest on Long-Term Debt	922,170	832,326	-	-	922,170	832,326
Water and Sewer	-	-	1,704,404	1,696,473	1,704,404	1,696,473
Garbage	-	-	187,187	183,494	187,187	183,494
Total Expenses	6,547,885	7,089,156	1,891,591	1,879,967	8,439,476	8,969,123
Change in Net Position	(638,752)	(1,893,943)	(899,075)	(914,856)	(1,537,827)	(2,808,799)
Net Position-Beginning as Restated	23,577,554	25,327,202	5,439,483	6,333,807	29,017,037	31,661,009
Net Position-Ending	22,938,802	23,433,259	4,540,408	5,418,951	27,479,210	28,852,210

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

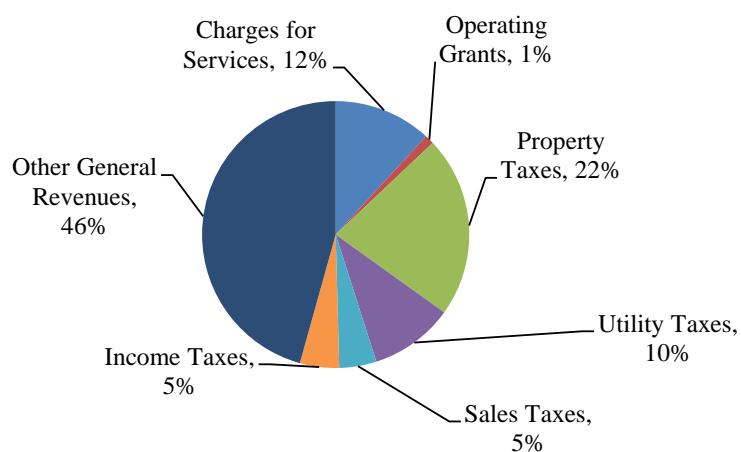
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Excluding TIF Activity – Continued

In removing all TIF related activity from the entity-wide statements, including capital assets, long-term debt, TIF incremental property taxes, etc. the Village is able to analyze true operational net position and changes in net position. **Excluding the TIF activity, the Village reported a decrease to governmental activities net position of \$638,752** primarily as the result of increased expenses in general government. Furthermore, as reflected on page MD&A 4, **the Village was able to report positive balances for all categories of net position for the governmental activities for the years ended April 30, 2016 and April 30, 2015.**

Revenues for governmental and business-type activities were \$6.9 million for the year, with the largest portion of revenue coming from other general revenues (\$2.7 million). Revenues for the year increased \$741,325, which includes an increase of \$713,920 for the governmental activities and an increase of \$27,405 for the business-type activities. In 2016 the business-type activities reported a decrease in the net position of \$899,075 due to increased depreciation and interest costs. Total business-type activities expenses for the year were \$1.9 million, reflecting a less than one percent increase from the prior year. The Village Board and management worked diligently during the year to maintain costs in light of the still recovering economy. The Village reported a \$1,537,827 decrease to total net position for the year. This is in comparison to a decrease of \$2,808,799 in the prior year. The following chart shows the diversification of the Village's revenue sources for the year ended April 30, 2016:

**Revenues by Source - Governmental Activities at
April 30, 2016**



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village of Elwood, liabilities/deferred inflows exceeded assets/deferred outflows by \$88.9 million due in large part to the current year accretion expense of \$14,664,086 on the capital appreciation bonds and total outstanding accretion of \$56,311,665. The following table represents the activity of the Village including all TIF related activity:

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 21,992,290	22,628,923	(3,120,914)	(2,817,054)	18,871,376	19,811,869
Capital Assets	122,001,933	122,465,303	18,603,700	19,129,609	140,605,633	141,594,912
Deferred Outflows	215,985	-	30,734	-	246,719	-
Total Assets/Deferred Outflows	144,210,208	145,094,226	15,513,520	16,312,555	159,723,728	161,406,781
Long-Term Debt Outstanding	135,092,520	145,273,768	9,481,650	9,623,002	144,574,170	154,896,770
Other Liabilities	92,958,531	75,566,669	1,491,462	1,270,602	94,449,993	76,837,271
Deferred Inflows	9,557,060	10,197,633	-	-	9,557,060	10,197,633
Total Liabilities/Deferred Inflows	237,608,111	231,038,070	10,973,112	10,893,604	248,581,223	241,931,674
Net Position						
Net Investment in Capital Assets	18,324,386	9,784,755	10,855,695	11,208,917	29,180,081	20,993,672
Restricted	2,047,412	1,996,603	-	-	2,047,412	1,996,603
Unrestricted (Deficit)	(113,769,701)	(97,725,202)	(6,315,287)	(5,789,966)	(120,084,988)	(103,515,168)
Total Net Position	(93,397,903)	(85,943,844)	4,540,408	5,418,951	(88,857,495)	(80,524,893)

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$29.2 million (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village of Elwood uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Elwood's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The Village's net investment in capital assets increased \$8,186,409 as a result of debt issuances of \$6,470,000, debt retirements of \$14,645,688 on long-term debt, offset by \$3,408,326 in additions to capital assets and depreciation expense of \$4,397,605. Unrestricted net position decreased \$16,044,499 due primarily to \$14,664,086 in accretion expense particularly on the TIF related debt as well as additions to the liabilities for compensated absences and the net other postemployment benefits.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

An additional portion or \$2.0 million of the Village of Elwood's net position represents resources that are subject to external restrictions on how they may be used, including restrictions for the use of motor fuel tax allotments and special service area taxes. The following table represents the activity of the Village including all TIF related activity:

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program Revenues						
Charges for Services	\$ 698,418	534,338	976,317	949,613	1,674,735	1,483,951
Operating Grants/Contrib.	66,664	62,887	-	-	66,664	62,887
Capital Grants/Contrib.	-	-	-	-	-	-
General Revenues						
Property Taxes	10,656,245	10,926,895	-	-	10,656,245	10,926,895
Utility Taxes	600,516	608,208	-	-	600,516	608,208
Sales Taxes	266,404	148,733	-	-	266,404	148,733
Income Taxes	296,548	295,594	-	-	296,548	295,594
Other General Revenues	2,698,914	2,260,890	16,199	15,498	2,715,113	2,276,388
Total Revenues	15,283,709	14,837,545	992,516	965,111	16,276,225	15,802,656
Expenses:						
General Government	5,306,224	2,194,352	-	-	5,306,224	2,194,352
Public Safety	1,650,714	1,618,937	-	-	1,650,714	1,618,937
Public Works	740,654	4,557,730	-	-	740,654	4,557,730
Parks and Recreation	184,749	138,880	-	-	184,749	138,880
Interest on Long-Term Debt	14,999,722	15,670,296	-	-	14,999,722	15,670,296
Water and Sewer	-	-	1,704,404	1,696,473	1,704,404	1,696,473
Garbage	-	-	187,187	183,494	187,187	183,494
Total Expenses	22,882,063	24,180,195	1,891,591	1,879,967	24,773,654	26,060,162
Change in Net Position	(7,598,354)	(9,342,650)	(899,075)	(914,856)	(8,497,429)	(10,257,506)
Net Position-Beginning as Restated	(85,799,549)	(76,601,194)	5,439,483	6,333,807	(80,360,066)	(70,267,387)
Net Position-Ending	(93,397,903)	(85,943,844)	4,540,408	5,418,951	(88,857,495)	(80,524,893)

Net position of the Village of Elwood's governmental activities decreased by \$7,598,354 (negative \$93.4 million compared to negative \$85.8 million). This deficit arose primarily due to the current year accretion on the Capital Appreciation Bonds outstanding amounting to \$14,664,086, debt issuance of \$6,470,000 and depreciation expense of \$3,795,469, which was offset by long-term debt retirements of \$29,908,593.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

Net position of business-type activities decreased by \$.9 million (\$4.5 million compared to \$5.4 million) due to depreciation of \$602,136 and interest costs. The Village of Elwood generally can only use this net position to finance the continuing operations of the utility operations.

Governmental Activities

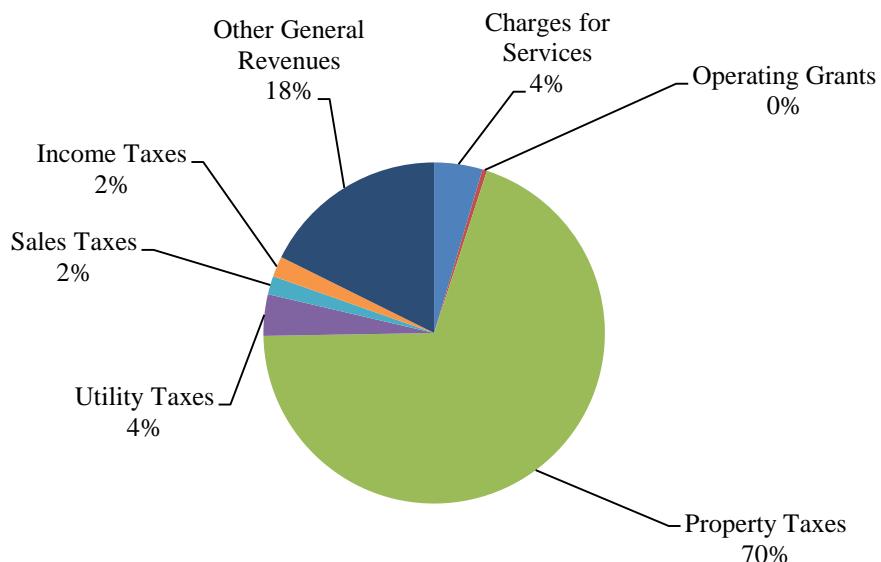
Revenues for governmental activities were \$15.3 million for the year, with the largest portion of revenue coming from property taxes (\$10.7 million), 87.8% of which is collected for retirement of the TIF bonds. Total expenses for the year were \$22.9 million with the largest portion coming from the interest expense on long-term (TIF) debt (\$14.1 million).

Revenues for the governmental activities increased \$446,164, or 3.0%. Major highlights of the changes in revenues include:

- Charges for services totaled \$698,418 at April 30, 2016, an increase of \$164,080.
- Property taxes decreased \$270,650, or 2.5%.
- Sales taxes increased \$117,671.

Expenses for the governmental activities decreased from the prior year. Total expenses in FY2015 were \$24,180,195, while expenses for FY2016 were \$22,882,063, reflecting a \$1,298,132 decrease. General government expenses increased \$3,111,872.

Revenues by Source - Governmental Activities at April 30, 2016



VILLAGE OF ELWOOD, ILLINOIS

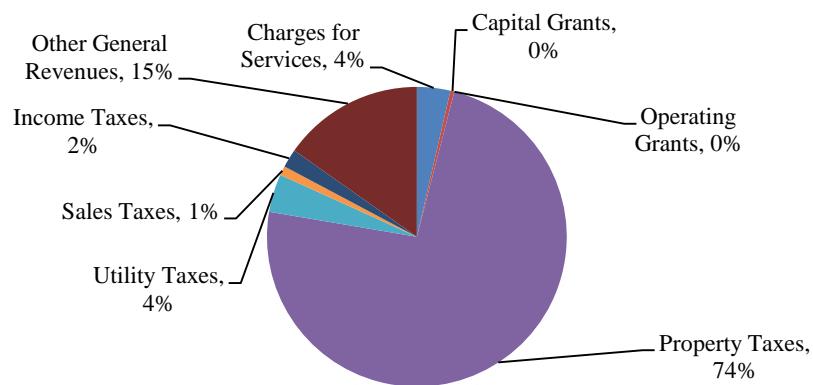
Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

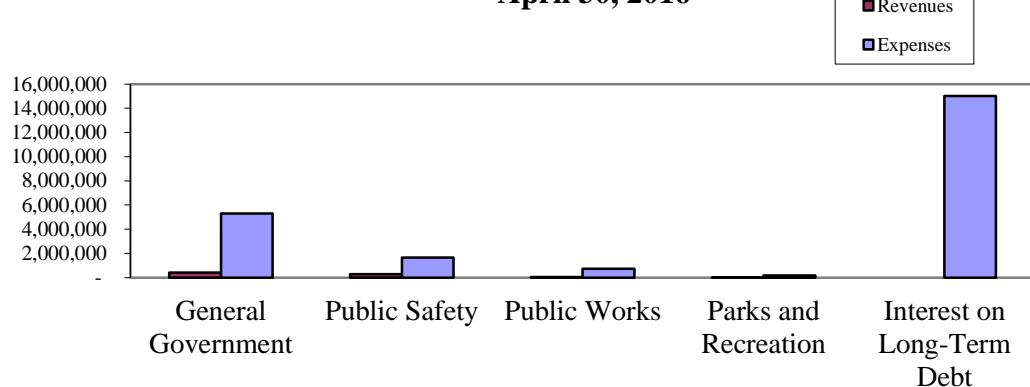
Governmental Activities – Continued

**Revenues by Source - Governmental Activities at
April 30, 2015**



The 'Revenues by Source' Tables graphically depict the major revenue sources of the Village of Elwood for 2016 and 2015. It depicts very clearly the reliance of property taxes "87.8% from the TIF district" to fund governmental activities. It also clearly identifies the minor percentage the Village receives from sales taxes (1%). Under the Board's leadership and the cooperation of the industrial park, there continues to be an effort to develop and expand the TIF District and develop capital infrastructure improvements to assist in that effort.

**Expenses and Program Revenues - Governmental Activities at
April 30, 2016**



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

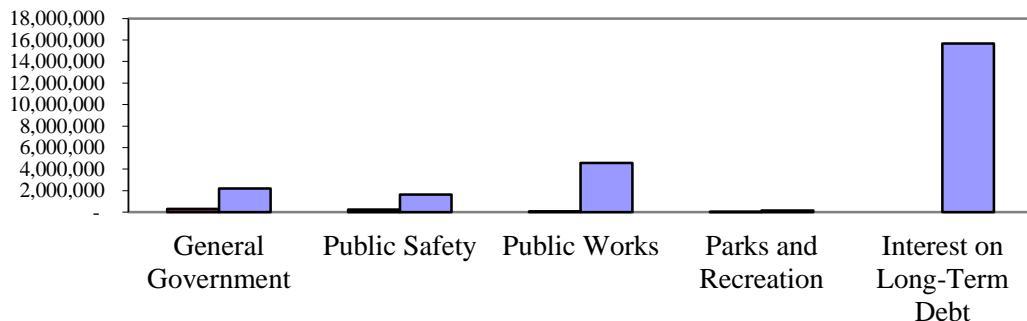
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

Governmental Activities – Continued

Expenses and Program Revenues - Governmental Activities at April 30, 2015

■ Revenues
■ Expenses

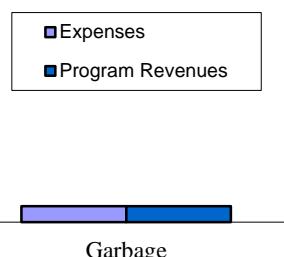


The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. From the table, it can be noted that the general government function has enough revenues to meet program expenses.

Business-Type Activities

Total revenues of the Village's business-type activities were \$1.0 million, while expenses were \$1.9 million, resulting in a decrease in net position at the end of the year. The table below compares program revenues and expenses for the Water and Sewer Fund and the Garbage Fund.

Expenses and Program Revenues - Business-Type Activities at April 30, 2016



VILLAGE OF ELWOOD, ILLINOIS

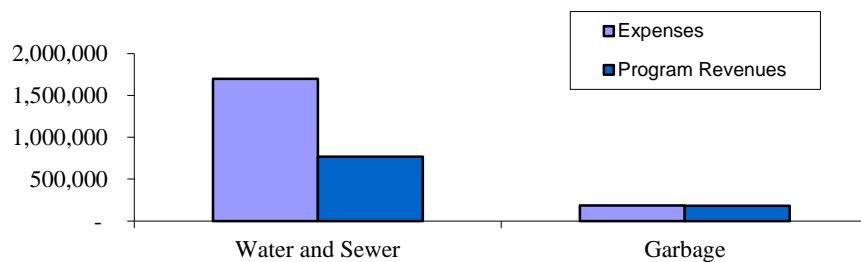
Management's Discussion and Analysis April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

Business-Type Activities – Continued

Expenses and Program Revenues - Business-Type Activities at April 30, 2015



The above graphs compare program revenues to expenses for water and sewer operations, and garbage operations. From the tables it can be noted that the Garbage function is charging the appropriate service charge to cover the garbage expenses.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Village of Elwood uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the governmental funds reported combined ending fund balances of a deficit of \$55,276,254, which is \$15,772,199 less than the prior year governmental fund balances deficit of \$39,504,055. **Excluding the Deer Run TIF Fund, the governmental funds would have reported a \$2,110,161 decrease to fund balances.** A deficit of \$13,662,038 in the Deer Run TIF Fund due to TIF debt retirements exceeding the incremental property taxes collected during the year contributed to the total decrease in fund balance of \$15,772,199. **The General Fund reported a total surplus of \$175,047. The cost controlling measures contributed to the overall increase of \$175,047 in fund balance.**

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2016

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – Continued

The Village spent \$4,114,379 in the Capital Construction Bond. Although these and other capital expenditures reduce available fund balances, they create new assets as reported in the Statement of Net Position and as discussed in Note 3 to the financial statements.

Proprietary Funds

The Village of Elwood's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sewer Fund as a major proprietary fund. This fund accounts for all of the operations of the municipal water and sewer system. Water and Sewer fees are charged to all municipal customers at a combined flat rate of \$41.49 for first 2,000 gallons and \$7.30 per thousand gallons thereafter. The spread between purchase and sale rates is intended to finance the operations of the waterworks and sewerage system, including labor costs, supplies, and infrastructure maintenance.

The Village intends to run the fund at a breakeven rate. For the FY2016 the Water and Sewer Fund reported a deficit of \$902,067, which includes \$604,449 in non-cash depreciation expense and \$369,175 in interest expense on outstanding Water and Sewer Fund debt.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no amendments made to the General Fund budget during the year. The General Fund expenditures were \$182,919 higher than the budgeted amount of \$1,616,227, due to the general government and public works coming in over budget and being offset by the public safety function coming in under budget.

The General Fund revenues were \$4,582 under the budgeted amount of \$2,153,775.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Village of Elwood's investment in capital assets for its governmental and business-type activities as of April 30, 2016 was \$140.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, land improvements, vehicles, machinery and equipment, park facilities, roads, sidewalks, and bridges. The total decrease in the Village's investment in capital assets for the current fiscal year was \$989,279, which was the result of \$3,408,326 in additions to capital assets offset by \$4,397,605 reported for depreciation expense.

	Capital Assets - Net of Accumulated Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 3,458,233	3,458,233	1,909,500	1,909,500	5,367,733	5,367,733
Construction in Progress	-	456,300	-	-	-	456,300
Buildings and Improvements	5,135,830	4,954,787	8,198,371	8,521,129	13,334,201	13,475,916
Machinery & Equipment	579,714	436,277	217,359	199,207	797,073	635,484
Infrastructure	112,828,156	113,159,706	8,278,470	8,499,773	121,106,626	121,659,479
 Total	 122,001,933	 122,465,303	 18,603,700	 19,129,609	 140,605,633	 141,594,912

This year's major additions included:

Buildings and Improvements	\$ 393,827
Machinery and Equipment	339,355
Infrastructure	<u>2,675,144</u>
	<u><u>3,408,326</u></u>

Additional information on the Village's capital assets can be found in note 3 on pages 28 - 29 of this report.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village had total outstanding bonded debt of \$167.8 million as compared to \$176.7 million the previous year, resulting in a \$8.9 million decrease from the prior year. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Village Supported Debt						
General Obligation Bonds	\$ 5,815,000	6,225,000	7,780,000	7,955,000	13,595,000	14,180,000
General Obligation Capital Appreciation Bonds	6,188,552	6,188,552	-	-	6,188,552	6,188,552
Accretion - General Obligation Capital Appreciation Bonds	4,686,392	4,099,857	-	-	4,686,392	4,099,857
Total Village Supported Debt	16,689,944	16,513,409	7,780,000	7,955,000	24,469,944	24,468,409
TIF Supported Debt						
TIF Notes Payable	91,673,995	100,266,996	-	-	91,673,995	100,266,996
Accretion - TIF Notes Payable	51,625,273	51,983,314	-	-	51,625,273	51,983,314
Total TIF Supported Debt	143,299,268	152,250,310	-	-	143,299,268	152,250,310
Total	159,989,212	168,763,719	7,780,000	7,955,000	167,769,212	176,718,719

The Village of Elwood had previously been rated by Standard & Poor's at BBB+ for general obligation debt, but this rating was upgraded to single A during 2010. As a home-rule unit, no legal limit exists on the amount of debt that can be outstanding.

Additional information on the Village's long-term debt can be found in Note 3 on pages 31 - 34 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when setting the fiscal-year 2017 appropriation, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Unemployment rates remain high and it is likely that revenues will remain stagnant into the coming year. These indicators were taken into account when adopting the General Fund budget for 2017.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Elwood's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the Finance Office, Village of Elwood, P.O. Box 435, Elwood, Illinois, 60421.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

 Governmental Funds

 Proprietary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position

April 30, 2016

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position

April 30, 2016

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 8,942,496	-	8,942,496
Receivables - Net of Allowances	9,742,135	155,826	9,897,961
Due from Other Governments	5,186	-	5,186
Internal Balances	3,280,604	(3,280,604)	-
Prepays	21,869	3,864	25,733
Total Current Assets	21,992,290	(3,120,914)	18,871,376
Noncurrent Assets			
Capital Assets			
Nondepreciable	3,458,233	1,909,500	5,367,733
Depreciable	156,537,451	24,043,600	180,581,051
Accumulated Depreciation	(37,993,751)	(7,349,400)	(45,343,151)
Total Noncurrent Assets	122,001,933	18,603,700	140,605,633
Total Assets	143,994,223	15,482,786	159,477,009
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	215,985	30,734	246,719
Total Assets and Deferred Outflows of Resources	144,210,208	15,513,520	159,723,728

The notes to the financial statements are an integral part of this statement.

	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 67,655,116	112,213	67,767,329
Accrued Payroll	56,368	6,960	63,328
Deposits Payable	-	47,899	47,899
Accrued Interest Payable	23,745	1,142,744	1,166,489
Current Portion of Long-Term Debt	25,223,302	181,646	25,404,948
Total Current Liabilities	92,958,531	1,491,462	94,449,993
Noncurrent Liabilities			
Compensated Absences Payable	65,050	6,586	71,636
Net Pension Liability - IMRF	245,298	34,906	280,204
Unearned Tap-On Revenues	-	1,872,153	1,872,153
General Obligation Bonds Payable - Net	5,150,000	7,568,005	12,718,005
General Obligation Capital Appreciation Bonds Payable	6,188,552	-	6,188,552
Accretion - General Obligation Capital Appreciation Bonds Payable	4,686,392	-	4,686,392
TIF Notes Payable	80,627,036	-	80,627,036
Accretion - TIF Notes Payable	38,130,192	-	38,130,192
Total Noncurrent Liabilities	135,092,520	9,481,650	144,574,170
Total Liabilities	228,051,051	10,973,112	239,024,163
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	9,557,060	-	9,557,060
Total Liabilities and Deferred Inflows of Resources	237,608,111	10,973,112	248,581,223
NET POSITION			
Net Investment in Capital Assets	18,324,386	10,855,695	29,180,081
Restricted - Highways and Streets	2,047,412	-	2,047,412
Unrestricted (Deficit)	(113,769,701)	(6,315,287)	(120,084,988)
Total Net Position	(93,397,903)	4,540,408	(88,857,495)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Activities
For the Fiscal Year Ended April 30, 2016

	Program Revenues		
	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Expenses			
Primary Government			
Governmental Activities			
General Government	\$ 5,306,224	407,961	-
Public Safety	1,650,714	280,546	8,370
Public Works	740,654	-	58,294
Parks and Recreation	184,749	9,911	-
Interest on Long-Term Debt	<u>14,999,722</u>	-	-
Total Governmental Activities	<u>22,882,063</u>	<u>698,418</u>	<u>66,664</u>
Business-Type Activities			
Water and Sewer	1,704,404	786,140	-
Garbage	<u>187,187</u>	<u>190,177</u>	-
Total Business-Type Activities	<u>1,891,591</u>	<u>976,317</u>	-
Total Primary Government	<u><u>24,773,654</u></u>	<u><u>1,674,735</u></u>	<u><u>66,664</u></u>
General Revenues			
Taxes			
Property Taxes			
Utility Taxes			
Intergovernmental - Unrestricted			
Sales Taxes			
Income Taxes			
Interest Income			
Miscellaneous			
Change in Net Position			
Net Position - Beginning as Restated			
Net Position - Ending			

The notes to the financial statements are an integral part of this statement.

Net (Expense)/Revenue		
Governmental Activities	Business-Type Activities	Totals
(4,898,263)	-	(4,898,263)
(1,361,798)	-	(1,361,798)
(682,360)	-	(682,360)
(174,838)	-	(174,838)
<u>(14,999,722)</u>	<u>-</u>	<u>(14,999,722)</u>
<u>(22,116,981)</u>	<u>-</u>	<u>(22,116,981)</u>
-	(918,264)	(918,264)
-	2,990	2,990
<u>-</u>	<u>(915,274)</u>	<u>(915,274)</u>
<u>(22,116,981)</u>	<u>(915,274)</u>	<u>(23,032,255)</u>
10,656,245	-	10,656,245
600,516	-	600,516
266,404	-	266,404
296,548	-	296,548
19,346	16,199	35,545
<u>2,679,568</u>	<u>-</u>	<u>2,679,568</u>
<u>14,518,627</u>	<u>16,199</u>	<u>14,534,826</u>
(7,598,354)	(899,075)	(8,497,429)
<u>(85,799,549)</u>	<u>5,439,483</u>	<u>(80,360,066)</u>
<u>(93,397,903)</u>	<u>4,540,408</u>	<u>(88,857,495)</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS**Balance Sheet - Governmental Funds****April 30, 2016**General**ASSETS**

Cash and Investments	\$ 1,319,046
Receivables - Net of Allowances	
Property Taxes	283,796
Accounts	185,075
Due from Other Governments	-
Due from Other Funds	-
Prepays	<u>15,333</u>
 Total Assets	 <u>1,803,250</u>

LIABILITIES

Accounts Payable	74,878
Accrued Payroll	30,256
Due to Other Funds	-
Total Liabilities	<u>105,134</u>

DEFERRED INFLOWS OF RESOURCES

Property Taxes	<u>283,796</u>
Total Liabilities and Deferred Inflows of Resources	<u>388,930</u>

FUND BALANCES

Nonspendable	15,333
Restricted	-
Assigned	-
Unassigned	<u>1,398,987</u>
Total Fund Balances	<u>1,414,320</u>

Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>1,803,250</u>
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The notes to the financial statements are an integral part of this statement.

Debt Service		Capital Projects		
Debt Service	Deer Run TIF	Capital Construction Bond	Nonmajor	Totals
-	4,976,800	768,975	1,877,675	8,942,496
-	9,273,264	-	-	9,557,060
-	-	-	-	185,075
-	-	-	5,186	5,186
-	-	3,592,276	191,436	3,783,712
-	-	845	5,691	21,869
-	14,250,064	4,362,096	2,079,988	22,495,398
<hr/>				
-	65,709,848	1,815,737	54,653	67,655,116
-	-	2,843	23,269	56,368
-	-	-	503,108	503,108
-	65,709,848	1,818,580	581,030	68,214,592
<hr/>				
-	9,273,264	-	-	9,557,060
-	74,983,112	1,818,580	581,030	77,771,652
<hr/>				
-	-	-	5,691	21,024
-	-	-	2,047,412	2,047,412
-	-	2,543,516	-	2,543,516
-	(60,733,048)	-	(554,145)	(59,888,206)
-	(60,733,048)	2,543,516	1,498,958	(55,276,254)
-	14,250,064	4,362,096	2,079,988	22,495,398

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities

April 30, 2016

Total Governmental Fund Balances	\$ (55,276,254)
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Amounts reported for governmental Activities in the Statement of Net Position
are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	122,001,933
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Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	215,985
--	---------

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(81,312)
Net Pension Liability - IMRF	(245,298)
General Obligation Bonds Payable	(5,815,000)
General Obligation Capital Appreciation Bonds Payable	(6,188,552)
Accretion - General Obligation Capital Appreciation Bonds Payable	(4,686,392)
TIF Notes Payable	(91,673,995)
Accretion - TIF Notes Payable	(51,625,273)
Accrued Interest Payable	<u>(23,745)</u>

Net Position of Governmental Activities	<u><u>(93,397,903)</u></u>
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2016

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2016

	<u>General</u>
Revenues	
Taxes	\$ 874,051
Intergovernmental	571,322
Charges for Services	330,560
Licenses and Permits	77,401
Fines and Forfeits	280,546
Interest Income	554
Miscellaneous	14,759
Total Revenues	<u>2,149,193</u>
Expenditures	
Current	
General Government	513,917
Public Safety	661,492
Public Works	623,737
Parks and Recreation	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>1,799,146</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>350,047</u>
Other Financing Sources (Uses)	
Debt Issuance	-
Payment to Escrow Agent	-
Transfers In	-
Transfers Out	<u>(175,000)</u>
Net Change in Fund Balances	<u>175,047</u>
Fund Balances - Beginning	<u>1,239,273</u>
Fund Balances - Ending	<u>1,414,320</u>

The notes to the financial statements are an integral part of this statement.

Debt Service		Capital Projects		
Debt Service	Deer Run TIF	Capital Construction Bond	Nonmajor	Totals
-	9,358,536	-	1,024,174	11,256,761
-	-	-	58,294	629,616
-	-	-	9,911	340,471
-	-	-	-	77,401
-	-	-	-	280,546
-	16,040	1,825	927	19,346
-	-	2,664,134	675	2,679,568
-	9,374,576	2,665,959	1,093,981	15,283,709
-	8,021	4,114,379	-	4,636,317
-	-	-	927,547	1,589,039
-	-	-	226,412	850,149
-	-	-	184,749	184,749
655,000	8,593,001	-	-	9,248,001
252,416	14,435,592	-	-	14,688,008
907,416	23,036,614	4,114,379	1,338,708	31,196,263
(907,416)	(13,662,038)	(1,448,420)	(244,727)	(15,912,554)
6,470,000	-	-	-	6,470,000
(6,329,645)	-	-	-	(6,329,645)
767,061	-	-	175,000	942,061
-	-	(767,061)	-	(942,061)
907,416	-	(767,061)	175,000	140,355
-	(13,662,038)	(2,215,481)	(69,727)	(15,772,199)
-	(47,071,010)	4,758,997	1,568,685	(39,504,055)
-	(60,733,048)	2,543,516	1,498,958	(55,276,254)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended April 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ (15,772,199)

Amounts reported for governmental Activities in the Statement of Net Position are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	3,332,099
Depreciation Expense	(3,795,469)

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	106,647
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Decrease to Compensated Absences Payable	6,593
Increase to Net Pension Liability - IMRF	(280,255)
Decrease to Net Other Post-Employment Benefit Obligation Payable	8,298
Issuance of Debt	(6,470,000)
Retirement of Debt	15,473,001
Increase to Accretion - General Obligation Capital Appreciation Bonds	(586,535)
Increase to Accretion - TIF Notes Payable	(14,077,551)
Retirement of Accretion - TIF Notes Payable	14,435,592

Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

21,425

Changes in Net Position of Governmental Activities

(7,598,354)

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2016

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2016

	Business-Type Activities - Enterprise		
	Water and Sewer	Nonmajor Garbage	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ -	- -	- -
Receivables - Net of Allowances			
Accounts	124,442	31,384	155,826
Prepays	3,864	- -	3,864
Total Current Assets	<u>128,306</u>	<u>31,384</u>	<u>159,690</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,909,500	- -	1,909,500
Depreciable	24,043,600	- -	24,043,600
Accumulated Depreciation	<u>(7,349,400)</u>	- -	<u>(7,349,400)</u>
Total Noncurrent Assets	<u>18,603,700</u>	- -	<u>18,603,700</u>
Total Assets	18,732,006	31,384	18,763,390
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	<u>30,734</u>	- -	<u>30,734</u>
Total Assets and Deferred Outflows of Resources	<u>18,762,740</u>	<u>31,384</u>	<u>18,794,124</u>

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise		
	Water and Sewer	Nonmajor Garbage	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 112,213	-	112,213
Accrued Payroll	6,960	-	6,960
Deposits Payable	47,899	-	47,899
Due to Other Funds	3,270,245	10,359	3,280,604
Accrued Interest Payable	1,142,744	-	1,142,744
Compensated Absences Payable	1,646	-	1,646
General Obligation Bonds Payable	180,000	-	180,000
 Total Current Liabilities	 4,761,707	 10,359	 4,772,066
Noncurrent Liabilities			
Unearned Tap-On Revenues	1,872,153	-	1,872,153
Compensated Absences Payable	6,586	-	6,586
Net Pension Liability - IMRF	34,906	-	34,906
General Obligation Bonds Payable - Net	7,568,005	-	7,568,005
 Total Noncurrent Liabilities	 9,481,650	 -	 9,481,650
 Total Liabilities	 14,243,357	 10,359	 14,253,716
NET POSITION			
Net Investment in Capital Assets	10,855,695	-	10,855,695
Unrestricted (Deficit)	(6,336,312)	21,025	(6,315,287)
 Total Net Position	 4,519,383	 21,025	 4,540,408

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2016

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Operating Revenues			
Charges for Services	\$ 786,140	190,177	976,317
Operating Expenses			
Water Operations	321,170	-	321,170
Sewer Operations	409,610	-	409,610
Garbage Operations	-	187,187	187,187
Depreciation and Amortization	604,449	-	604,449
Total Operating Expenses	1,335,229	187,187	1,522,416
Operating Income (Loss)	(549,089)	2,990	(546,099)
Nonoperating Revenues (Expenses)			
Interest Income	16,197	2	16,199
Interest and Fiscal Charges	(369,175)	-	(369,175)
	(352,978)	2	(352,976)
Change in Net Position	(902,067)	2,992	(899,075)
Net Position - Beginning as Restated	5,421,450	18,033	5,439,483
Net Position - Ending	4,519,383	21,025	4,540,408

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2016

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 751,570	187,174	938,744
Payments to Employees	(203,363)	-	(203,363)
Payments to Suppliers	(259,627)	(202,782)	(462,409)
	<u>288,580</u>	<u>(15,608)</u>	<u>272,972</u>
Cash Flows from Noncapital Financing Activities			
Interfunds	<u>315,625</u>	<u>10,359</u>	<u>325,984</u>
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(76,227)	-	(76,227)
Principal Paid	(175,000)	-	(175,000)
Interest Paid	(369,175)	-	(369,175)
	<u>(620,402)</u>	<u>-</u>	<u>(620,402)</u>
Cash Flows from Investing Activities			
Interest Received	<u>16,197</u>	<u>2</u>	<u>16,199</u>
Net Change in Cash and Cash Equivalents			
	-	(5,247)	(5,247)
Cash and Cash Equivalents - Beginning	-	<u>5,247</u>	<u>5,247</u>
Cash and Cash Equivalents - Ending	-	-	-
Reconciliation of Operating Income to Net Cash			
Provided (Used) by Operating Activities			
Operating Income (Loss)	<u>(549,089)</u>	<u>2,990</u>	<u>(546,099)</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash			
Provided by (Used in) Operating Activities:			
Depreciation and Amortization Expense	604,449	-	604,449
(Increase) Decrease in Current Assets	(34,570)	(3,003)	(37,573)
Increase (Decrease) in Current Liabilities	267,790	(15,595)	252,195
	<u>837,669</u>	<u>(18,598)</u>	<u>819,071</u>
Net Cash Provided by (Used in) Operating Activities	<u>288,580</u>	<u>(15,608)</u>	<u>272,972</u>

The notes to the financial statements are an integral part of this statement.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Elwood, Illinois, is a municipal corporation governed by an elected president and six-member Board of Trustees. The Village's major operations include highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, water, sewer and garbage services and general administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Elwood
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's highway and street maintenance and reconstruction, forestry, building code enforcement, public improvements, economic development, planning and zoning, and general administrative services are classified as governmental activities. The Village's water, sewer and garbage services are classified as business-type activities.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.).

The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) changes to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the Village:

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains three special revenue funds.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Village maintains two debt service funds. The Debt Service Fund, a major fund, is used to account for the accumulation of resources for, and the payment of, the principal and interest on the 2015 general obligation refunding bonds. The Deer Run TIF Fund, also a major fund, is used to account for revenues received from incremental property taxes and expenditures for debt service payments related to tax increment financing bonds.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains two capital projects funds. The Capital Construction Bond Fund, a major fund, is used to account for revenues received from general obligation bond proceeds and expenditures for road improvements and reconstruction.

Proprietary Funds

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

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two enterprise funds. The Water and Sewer Fund, a major fund, is used to account for revenues and expenses relative to the operation of the water and sewer utilities.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement Focus

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The Village recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Prepays

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepaids are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility charges as their major receivables.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Capital Assets – Continued

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	10 - 40 Years
Machinery and Equipment	3 - 10 Years
Infrastructure	25 - 50 Years

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow or resources (expense)/inflow of resources (revenue) until that future time.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements **April 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles. Prior to April 30, the Village Clerk submits to the Village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance. The Village does not budget for the Deer Run TIF Fund and the Brandon/Noel Road Improvements Fund.

The Village’s management is authorized to transfer budgeted amounts between departments within any fund; however, the Village Board must approve revisions that alter the total expenditures of any fund. Formal budgetary integration is employed at a management control device during the year for the General Fund. Budgeted amounts are as originally adopted by the Board of Trustees. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year there were no supplementary appropriations.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
General	\$ 182,919
Capital Construction Bond	681,437
Park	31,929

DEFICIT FUND BALANCE

The following funds had a deficit fund balance for the fiscal year:

Fund	Deficit
Deer Run TIF	\$ 60,733,048
Park	854
Special Service Area	235,928
Brandon/Noel Road Improvements	311,672

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments – Statutes authorize the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

Illinois Funds is an investment pool managed by the Illinois public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits and Investments. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$8,924,231 and the bank balances totaled \$8,982,019. Also at year-end, the Village has \$18,265 invested in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village's investment policy limits interest rate risk by attempting to obtain the highest interest rate available while ensuring the maximum safety of principal and maintaining a portfolio that is sufficiently liquid to meet all operating costs which may be reasonably anticipated. The Village's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village does not have a formal written policy with regards to credit risk. At year-end, the Village's investment in the Illinois Funds is rated AAA by Standard and Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy states that at all times funds on deposit (checking accounts, certificates of deposit, etc.) in excess of FDIC limits must be secured by some form of collateral, witnessed by a written agreement and held at an independent, third party institution in the name of the municipality. At April 30, 2016, the entire amount of the bank balance of deposits were covered by federal depository or equivalent insurance.

For an investment, this is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral. The Village does not have a formal written policy with regards to custodial credit risk for investments. At April 30, 2016, the Village's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village does not have a formal written policy with regards to concentration credit risk for investments. At April 30, 2016, the Village has no investments over 5 percent of the total cash and investment portfolio.

PROPERTY TAXES

Property taxes for 2015 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Will County and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 3,458,233	-	-	3,458,233
Construction in Progress	456,300	-	456,300	-
	<u>3,914,533</u>	<u>-</u>	<u>456,300</u>	<u>3,458,233</u>
Depreciable Capital Assets				
Buildings and Improvements	6,585,182	391,275	-	6,976,457
Machinery and Equipment	1,504,218	265,680	24,164	1,745,734
Infrastructure	144,683,816	3,131,444	-	147,815,260
	<u>152,773,216</u>	<u>3,788,399</u>	<u>24,164</u>	<u>156,537,451</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,630,395	210,232	-	1,840,627
Machinery and Equipment	1,067,941	122,243	24,164	1,166,020
Infrastructure	31,524,110	3,462,994	-	34,987,104
	<u>34,222,446</u>	<u>3,795,469</u>	<u>24,164</u>	<u>37,993,751</u>
Total Net Depreciable Capital Assets	118,550,770	(7,070)	-	118,543,700
Total Net Capital Assets	<u>122,465,303</u>	<u>(7,070)</u>	<u>456,300</u>	<u>122,001,933</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 3,682,699
Public Safety	61,675
Public Works	51,095
	<u>3,795,469</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances			Ending Balances
		Increases	Decreases	
Nondepreciable Capital Assets				
Land	\$ 1,909,500	-	-	1,909,500
Depreciable Capital Assets				
Buildings and Improvements	12,731,090	2,552	-	12,733,642
Machinery and Equipment	414,653	73,675	-	488,328
Infrastructure	10,821,630	-	-	10,821,630
	<u>23,967,373</u>	<u>76,227</u>	<u>-</u>	<u>24,043,600</u>
Less Accumulated Depreciation				
Buildings and Improvements	4,209,961	325,310	-	4,535,271
Machinery and Equipment	215,446	55,523	-	270,969
Infrastructure	2,321,857	221,303	-	2,543,160
	<u>6,747,264</u>	<u>602,136</u>	<u>-</u>	<u>7,349,400</u>
Total Net Depreciable Capital Assets	<u>17,220,109</u>	<u>(525,909)</u>	<u>-</u>	<u>16,694,200</u>
Total Net Capital Assets	<u>19,129,609</u>	<u>(525,909)</u>	<u>-</u>	<u>18,603,700</u>

Depreciation expense was charged to business-type as follows:

Water and Sewer \$ 602,136

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND BALANCES

Interfund balances at year-end consisted of the following:

Receivable Fund	Payable Fund	Amount
Capital Construction Bond	Nonmajor Governmental	\$ 311,672
Capital Construction Bond	Water and Sewer	3,270,245
Capital Construction Bond	Nonmajor Business-Type	10,359
Nonmajor Governmental	Nonmajor Governmental	<u>191,436</u>
		<u>3,783,712</u>

Interfund balances are advances in anticipation of receipts.

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	Capital Construction Bond	\$ 767,061 (1)
Nonmajor Governmental	General	<u>175,000 (2)</u>
		<u>942,061</u>

Transfers are used to (1) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds Payable

Governments issue general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2005, due in annual installments of \$115,000 to \$165,000, plus interest at 4.20% to 4.50% through March 1, 2023.	\$ 6,225,000	-	-	6,225,000 *
General Obligation Refunding Bonds of 2010A, due in annual installments of \$165,000 to \$310,000, plus interest at 2.00% to 5.10% through March 1, 2030.	3,455,000	-	175,000	3,280,000
General Obligation Refunding Bonds of 2010B, due in one payment of \$4,500,000, plus interest at 3.99% on September 8, 2020.	4,500,000	-	-	4,500,000
General Obligation Refunding Bonds of 2015, due in annual installments of \$655,000 to \$935,000, plus interest at 2.45% through March 1, 2023.	-	6,470,000	655,000	5,815,000
	14,180,000	6,470,000	7,055,000	13,595,000

* Refunded

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Capital Appreciation Bonds Payable

Governments issue general obligation capital appreciation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation capital appreciation bonds are direct obligations and pledge the full faith and credit of the government. General obligation capital appreciation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Capital Appreciation Bonds of 2006, due in annual installments of \$729,226 to \$1,052,838 through March 1, 2030.	\$ 6,188,552	-	-	6,188,552

TIF Notes Payable

Tax increment financing notes currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Tax Increment Financing Note of 2003.	\$ 100,266,996	-	8,593,001	91,673,995

Defeased Debt

On June 19, 2015, the Village issued \$6,470,000 par value General Obligation Refunding Bonds of 2015 to refund \$6,225,000 of the General Obligation Bonds of 2005. The Village defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the Village reduced its total debt service by \$370,252 and obtained an economic gain of \$340,667.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 87,905	6,593	13,186	81,312	16,262
Net Pension (Asset)/Liability					
IMRF	(34,957)	280,255	-	245,298	-
Net Other Post-Employment					
Benefit Obligation Payable	8,298	-	8,298	-	-
General Obligation Bonds	6,225,000	6,470,000	6,880,000	5,815,000	665,000
General Obligation Capital					
Appreciation Bonds	6,188,552	-	-	6,188,552	-
Accretion - General Obligation					
Capital Appreciation Bonds	4,099,857	586,535	-	4,686,392	-
TIF Notes Payable	100,266,996	-	8,593,001	91,673,995	11,046,959
Accretion - TIF Notes Payable	51,983,314	14,077,551	14,435,592	51,625,273	13,495,081
	168,824,965	21,420,934	29,930,077	160,315,822	25,223,302
Business-Type Activities					
Compensated Absences	6,446	3,572	1,786	8,232	1,646
Net Pension (Asset)/Liability					
IMRF	(4,976)	39,882	-	34,906	-
General Obligation Bonds	7,955,000	-	175,000	7,780,000	180,000
Unamortized Bond Discount	(34,308)	-	(2,313)	(31,995)	-
	7,922,162	43,454	174,473	7,791,143	181,646

For the governmental activities, the compensated absences, the net pension liability, and net other post-employment benefit obligation are generally liquidated by the General Fund. Payments on the general obligation bonds and the general obligation capital appreciation bonds are made by Debt Service Fund. The Deer Run TIF Fund makes payments on the TIF notes payable.

For business-type activities, the compensated absences and the net pension liability are liquidated by the Water and Sewer Fund. The Water and Sewer Fund makes payments on the general obligation bonds.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities						Business-Type Activities			
	General Obligation Bonds		General Obligation Capital Appreciation Bonds		Tax Increment Notes					
	Principal	Interest	Principal/Accretion		Principal/Accretion	Principal				
2017	\$ 665,000	142,468	(619,972)		11,507,249	180,000	149,248			
2018	735,000	126,176	(655,316)		13,437,941	185,000	143,398			
2019	800,000	108,168	(692,675)		15,546,339	190,000	136,922			
2020	875,000	88,568	(732,164)		17,852,221	200,000	130,034			
2021	890,000	67,130	(773,904)		20,465,946	4,705,000	2,276,981			
2022	915,000	45,326	(818,023)		23,403,500	215,000	114,085			
2023	935,000	22,908	(864,658)		26,600,961	220,000	105,484			
2024	-	-	1,925,584		14,485,111	230,000	96,134			
2025	-	-	2,037,571		-	245,000	84,404			
2026	-	-	2,153,732		-	255,000	71,910			
2027	-	-	2,276,514		-	270,000	58,905			
2028	-	-	2,406,296		-	280,000	45,136			
2029	-	-	2,543,478		-	295,000	30,856			
2030	-	-	2,688,481		-	310,000	15,810			
Totals	<u>5,815,000</u>	<u>600,744</u>	<u>10,874,944</u>		<u>143,299,268</u>	<u>7,780,000</u>	<u>3,459,307</u>			

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides that the General Assembly may limit the amount and require referenda for approval of debt payable from ad valorem property taxes in excess of one percent of assessed valuation. However, no such statute has been enacted as of this date. Therefore, as a home rule municipality, the Village of Elwood, Illinois has no debt limit.

FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the Village considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Village first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS – Continued

Assigned Fund Balance. The Village's Board, through Board resolution, has given authority to management (Village Administrator) to assigned fund balance in the Brandon/Noel Road Improvements Fund, a nonmajor fund and the Capital Construction Bond Fund, a major fund, to improvement projects and equipment and vehicle purchases based on approved management and Board expenditures as determined through the annual budget process.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	Debt Service		Capital Projects			
	General	Debt Service	Deer Run	Capital Construction	Nonmajor	Totals
Fund Balances						
Nonspendable						
Prepays	\$ 15,333	-	-	-	5,691	21,024
Restricted						
Highways and Streets	-	-	-	-	2,047,412	2,047,412
Assigned						
Capital Projects	-	-	-	2,543,516	-	2,543,516
Unassigned	1,398,987	-	(60,733,048)	-	(554,145)	(59,888,206)
Total Fund Balances	1,414,320	-	(60,733,048)	2,543,516	1,498,958	(55,276,254)

NET POSITION RESTATEMENTS

Net position was restated due to the implementation of GASB Statement No. 68. The following is a summary of the net position as originally reported and as restated:

Net Position	As Reported	As Restated	Increase
Governmental Activities	\$ (85,943,844)	(85,799,549)	144,295
Water and Sewer - Business-Type Activities	5,418,951	5,439,483	20,532

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2016:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 122,001,933
Less Capital Related Debt:	
General Obligation Bonds of 2015	(5,815,000)
General Obligation Capital Appreciation Bonds of 2006	(6,188,552)
Tax Increment Financing Note Payable of 2003	<u>(91,673,995)</u>
Net Investment in Capital Assets	<u>18,324,386</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	18,603,700
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2010A	(3,280,000)
General Obligation Refunding Bonds of 2010B	(4,500,000)
Unamortized Bond Discount	<u>31,995</u>
Net Investment in Capital Assets	<u>10,855,695</u>

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through insurance from private insurance companies. The Village currently reports all its risk management activities in the General Fund and Water and Sewer Fund. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES – Continued

Litigation

The Village has filed a lawsuit against CenterPoint Intermodal LLC and CenterPoint Realty Service Inc. The lawsuit relates to the Deer Run Industrial Park redevelopment project and is in the very early stages. The Village does not seek any monetary damages, and no claims for damages have been asserted against the Village. The Village seeks only certain information from Centerpoint concerning how TIF funds were used, and clarification from the court as to the Village's obligation on the repayment of the TIF notes.

In addition, the Village is a defendant in other various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

The Village contributes to one defined benefit pension plan, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Plan Descriptions

Plan Administration. All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. IMRF provides two tiers of pension benefits. 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.

Plan Membership. As of December 31, 2015, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	7
Inactive Plan Members Entitled to but not yet Receiving Benefits	8
Active Plan Members	<u>20</u>
 Total	 <u>35</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 year 2015 was 8.86% of covered payroll.

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2015, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.75% to 14.50%
Cost of Living Adjustments	2.75%
Inflation	2.75%

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates 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 tables was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

A Single Discount Rate of 7.49% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.57%, and the resulting single discount rate is 7.49%.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.49%, 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:

		Current		
	1% Decrease	Discount Rate	1% Increase	
	(6.49%)	(7.49%)	(8.49%)	
Net Pension Liability/(Asset)	\$ 697,940	280,204	(54,696)	

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2014	\$ 2,131,079	2,171,012	(39,933)
Changes for the Year:			
Service Cost	151,367	-	151,367
Interest on the Total Pension Liability	163,745	-	163,745
Difference Between Expected and Actual			
Experience of the Total Pension Liability	100,106	-	100,106
Changes of Assumptions	3,819	-	3,819
Contributions - Employer	-	124,894	(124,894)
Contributions - Employees	-	71,451	(71,451)
Net Investment Income	-	11,228	(11,228)
Benefit Payments, including Refunds			
of Employee Contributions	(46,984)	(46,984)	-
Other (Net Transfer)	-	(108,673)	108,673
Net Changes	372,053	51,916	320,137
Balances at December 31, 2015	<u>2,503,132</u>	<u>2,222,928</u>	<u>280,204</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the fiscal year ended April 30, 2016, the Village recognized pension expense of \$198,312. At April 30, 2016, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 83,822	-	83,822
Change in Assumptions	3,198	-	3,198
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	122,499	-	122,499
Pension Contributions Made Subsequent to the Measurement Date	37,200	-	37,200
Total Deferred Amounts Related to IMRF	246,719	-	246,719

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:

Fiscal Year	Net Deferred Outflows of Resources
2017	\$ 84,730
2018	47,530
2019	47,530
2020	47,529
2021	16,905
Thereafter	<u>2,495</u>
Total	<u>246,719</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2016

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

The Village has evaluated its potential other post-employment benefits liability. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. There are no employees that have chosen to stay in the Village's health insurance plan. As such, there is no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Therefore, the Village has not recorded a liability as of April 30, 2016.

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2016, was calculated as follows:

Annual Required Contribution	\$ -
Interest on the NOPEBO	-
Adjustment to the ARC	<u>(8,298)</u>
Annual OPEB Cost	(8,298)
Actual Contribution	<u>-</u>
Change in the NOPEBO	(8,298)
NOPEBO - Beginning	<u>8,298</u>
NOPEBO - Ending	<u><u>-</u></u>

Trend Information

The Village's annual OPEB cost, actual contributions, the percentage of annual OPEB cost contributed and the net OPEB obligation are as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 1,375	\$ -	0.00%	\$ 6,849
2015	1,449	-	0.00%	8,298
2016	(8,298)	-	0.00%	-

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
General Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF ELWOOD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2016

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 124,894	\$ 124,894	\$ -	\$ 1,409,634	8.86%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	28 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.00%
Salary Increases	4.40% - 16.00%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	RP 2000 Combined Healthy Mortality Table

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF ELWOOD, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

April 30, 2016

12/31/15

Total Pension Liability	
Service Cost	\$ 151,367
Interest	163,745
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	100,106
Change of Assumptions	3,819
Benefit Payments, Including Refunds of Member Contributions	<u>(46,984)</u>
Net Change in Total Pension Liability	372,053
Total Pension Liability - Beginning	<u>2,131,079</u>
Total Pension Liability - Ending	<u>2,503,132</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 124,894
Contributions - Members	71,451
Net Investment Income	11,228
Benefit Payments, Including Refunds of Member Contributions	(46,984)
Administrative Expense	<u>(108,673)</u>
Net Change in Plan Fiduciary Net Position	51,916
Plan Net Position - Beginning	<u>2,171,012</u>
Plan Net Position - Ending	<u>2,222,928</u>
Employer's Net Pension Liability	<u>\$ 280,204</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.81%
Covered-Employee Payroll	\$ 1,409,634
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	19.88%

Note:

This schedule is intended to show information for ten years and additional year's information will be displayed as it becomes available.

VILLAGE OF ELWOOD, ILLINOIS

General Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ 870,530	870,530	874,051
Intergovernmental	587,204	587,204	571,322
Charges for Services	369,527	369,527	330,560
Licenses and Permits	17,365	17,365	77,401
Fines and Forfeits	300,000	300,000	280,546
Interest Income	4,150	4,150	554
Miscellaneous	4,999	4,999	14,759
Total Revenues	2,153,775	2,153,775	2,149,193
Expenditures			
General Government	341,998	341,998	513,917
Public Safety	661,743	661,743	661,492
Public Works	612,486	612,486	623,737
Total Expenditures	1,616,227	1,616,227	1,799,146
Excess (Deficiency) of Revenues Over (Under) Expenditures	537,548	537,548	350,047
Other Financing (Uses)			
Transfers Out	(475,000)	(475,000)	(175,000)
Net Change in Fund Balance	62,548	62,548	175,047
Fund Balance - Beginning			1,239,273
Fund Balance - Ending			1,414,320

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Enterprise Funds

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the revenues received from the Village's allocation of state gasoline taxes and the expenditures for street construction and maintenance, which must be authorized by the Illinois Department of Transportation.

Park Fund

The Park Fund is used to account for revenues received from impact fees and the expenditures for park operations and improvements.

Special Service Area Fund

The Special Service Area Fund is used to account for revenues received from special service area property taxes and expenditures for maintenance within the special service area.

DEBT SERVICE FUNDS

Debt Service Funds are created to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, the principal and interest on the 2015 general obligation bonds.

Deer Run Tax Increment Financing (TIF) Fund

The Deer Run Tax Increment Financing Fund is used to account for revenues received from incremental property taxes and expenditures for debt service payments related to tax increment financing bonds.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CAPITAL PROJECTS FUNDS

Capital Projects Funds are created to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary Funds.

Capital Construction Bond Fund

The Capital Construction Bond Fund is used to account for revenues received from general obligation bond proceeds and expenditures for road improvements and reconstruction.

Brandon/Noel Road Improvements Fund

The Brandon/Noel Road Improvements Fund is used to account for revenues and expenditures relative to the construction of road improvements.

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewer Fund

The Water and Sewer Fund is used to account for revenues and expenses relative to the operation of the water and sewer utilities.

Garbage Fund

The Garbage Fund is used to account for revenues and expenses relative to the disposal of residential solid waste.

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual For the Fiscal Year Ended April 30, 2016

	Budget		
	Original	Final	Actual
Taxes			
Property Taxes	\$ 203,530	203,530	202,885
Personal Property Replacement Tax	1,000	1,000	1,099
Road and Bridge Tax	66,000	66,000	69,551
Utility Tax	600,000	600,000	600,516
	870,530	870,530	874,051
Intergovernmental			
Sales Tax	200,000	200,000	144,277
Home Rule Sales Tax	93,000	93,000	122,127
Income Tax	225,621	225,621	233,111
Local Use Tax	60,213	60,213	63,437
Police/Safety Grants	8,370	8,370	8,370
	587,204	587,204	571,322
Charges for Services			
Center Point Administrative Fees	137,277	137,277	134,585
Engineering Fees	10,000	10,000	-
Lease Agreements	30,000	30,000	-
Police Reports	250	250	498
Inspection Fees	-	-	165
Overweight Truck Fee	150,000	150,000	153,098
Cable Franchise Fees	7,000	7,000	8,329
Container Stacking Fee	30,000	30,000	30,000
Nicor Franchise Fees	5,000	5,000	3,885
	369,527	369,527	330,560
Licenses and Permits			
Building Permits	10,000	10,000	55,906
Liquor Licenses	3,690	3,690	4,400
Business Licenses	675	675	3,095
Contractor Registration	3,000	3,000	14,000
	17,365	17,365	77,401
Fines and Forfeits			
Police Fines	300,000	300,000	280,546

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2016

	Budget		
	Original	Final	Actual
Interest Income	\$ 4,150	4,150	554
Miscellaneous			
Miscellaneous	4,999	4,999	14,759
Total Revenues	2,153,775	2,153,775	2,149,193

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2016

	Budget		
	Original	Final	Actual
General Government			
Administration			
Salaries	\$ 154,594	154,594	135,384
Administration Benefits	18,358	18,358	15,450
Employee Group Insurance	5,849	5,849	4,979
Audit	18,400	18,400	48,400
Legal Services	30,000	30,000	107,287
Telephone	5,400	5,400	8,926
Electric/Heating	18,000	18,000	13,163
Travel and Meetings	3,000	3,000	4,766
Insurance - Liability/Workers Compensation	15,000	15,000	21,399
Printing/Binding	5,000	5,000	1,636
Dues and Subscriptions	17,000	17,000	17,287
Office Equipment Maintenance	6,400	6,400	17,234
Office Supplies	11,500	11,500	16,896
Postage	4,000	4,000	8,833
Bank Charges	7,500	7,500	10,264
Donations	2,200	2,200	3,860
Miscellaneous	2,997	2,997	44,038
Events	12,000	12,000	16,169
Equipment	800	800	3,033
Data Processing Equipment	4,000	4,000	14,913
 Total General Government	 341,998	 341,998	 513,917
 Public Safety			
Police			
Salaries	434,947	434,947	449,116
Administration Benefits	66,942	66,942	73,695
Employee Group Insurance	58,964	58,964	63,365
Legal Services	22,000	22,000	1,940
Educational Reimbursement	3,000	3,000	-
Data Processing	400	400	-
Insurance - Liability/Workers Compensation	10,795	10,795	12,995
Printing/Binding	347	347	182
Dues and Subscriptions	2,796	2,796	642
Telephone	2,180	2,180	3,823
Office Equipment Maintenance	3,363	3,363	4,690

VILLAGE OF ELWOOD, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Public Safety - Continued			
Police - Continued			
Radio Maintenance	\$ 1,508	1,508	1,038
Vehicle Maintenance	3,616	3,616	1,793
Training	1,029	1,029	1,010
Travel and Meetings	68	68	5
Medical Expenditures	1,600	1,600	409
Animal Control	900	900	496
Rental	246	246	-
Office Supplies	1,800	1,800	1,509
Gas and Oil	5,147	5,147	3,354
Uniforms	3,240	3,240	2,629
Postage	350	350	4
Ammunition	3,376	3,376	3,152
Other Supplies	1,419	1,419	2,482
Agreements	21,931	21,931	22,080
Miscellaneous	640	640	567
Equipment	9,139	9,139	10,516
 Total Public Safety	 661,743	 661,743	 661,492

Public Works

Streets

Salaries	200,342	200,342	211,244
Administration Benefits	27,114	27,114	27,877
Employee Group Insurance	31,560	31,560	27,054
Professional Services	3,000	3,000	2,302
Data Processing	2,200	2,200	1,522
Insurance	18,000	18,000	26,406
Uniforms	5,100	5,100	2,246
Street Cleaning	2,000	2,000	1,470
Landfill	5,000	5,000	8,365
Travel and Meetings	6,000	6,000	4,727
Tree Removal	10,000	10,000	25,590
Truck Inspections	2,000	2,000	-
Electric	45,000	45,000	33,511
Telephone	2,620	2,620	3,307
Heating	6,300	6,300	5,061

VILLAGE OF ELWOOD, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Public Works - Continued			
Streets - Continued			
Equipment Rentals	\$ 7,500	7,500	11,077
Communication Repairs	4,500	4,500	468
Building Maintenance	56,200	56,200	45,734
Street Light Maintenance	27,000	27,000	7,004
Vehicle Maintenance	22,500	22,500	25,159
Mosquito Abatement	23,250	23,250	23,512
Office Supplies	4,500	4,500	4,431
Vehicle Supplies	9,000	9,000	7,490
Gas and Oil	16,500	16,500	1,292
Gravel	500	500	-
Asphalt and Sealer	1,000	1,000	1,000
Operating Supplies	13,500	13,500	24,553
Restoration Materials	2,500	2,500	2,235
Drainage Materials	1,500	1,500	254
Traffic Signs and Safety Materials	9,500	9,500	10,972
Small Tools and Equipment	6,800	6,800	9,313
Miscellaneous	10,000	10,000	42,226
Equipment	10,000	10,000	780
Village Building Improvements	20,000	20,000	24,613
Data Processing Equipment	-	-	942
 Total Public Works	 612,486	 612,486	 623,737
 Total Expenditures	 1,616,227	 1,616,227	 1,799,146

VILLAGE OF ELWOOD, ILLINOIS

Debt Service Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$	-	-
Expenditures			
Debt Service			
Principal Retirement	694,498	694,498	655,000
Interest and Fiscal Charges	447,823	447,823	252,416
Total Expenditures	<u>1,142,321</u>	<u>1,142,321</u>	<u>907,416</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,142,321)</u>	<u>(1,142,321)</u>	<u>(907,416)</u>
Other Financing Sources (Uses)			
Debt Issuance	-	-	6,470,000
Payment to Escrow Agent	-	-	(6,329,645)
Transfers In	<u>1,142,321</u>	<u>1,142,321</u>	<u>767,061</u>
	<u>1,142,321</u>	<u>1,142,321</u>	<u>907,416</u>
Net Change in Fund Balance	<u> </u>	<u> </u>	<u> </u>
Fund Balance - Beginning			-
Fund Balance - Ending			-

VILLAGE OF ELWOOD, ILLINOIS

Capital Construction Bond - Capital Projects Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Interest Income	\$ 13,015	13,015	1,825
Miscellaneous	2,000,000	2,000,000	2,664,134
Total Revenues	<u>2,013,015</u>	<u>2,013,015</u>	<u>2,665,959</u>
Expenditures			
General Government	<u>3,432,942</u>	<u>3,432,942</u>	<u>4,114,379</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(1,419,927)	(1,419,927)	(1,448,420)
Other Financing (Uses)			
Transfers Out	<u>(717,321)</u>	<u>(717,321)</u>	<u>(767,061)</u>
Net Change in Fund Balance	<u>(2,137,248)</u>	<u>(2,137,248)</u>	<u>(2,215,481)</u>
Fund Balance - Beginning			<u>4,758,997</u>
Fund Balance - Ending			<u>2,543,516</u>

VILLAGE OF ELWOOD, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2016

	Special Revenue			Capital Projects	
	Motor Fuel Tax	Park	Special Service Area	Brandon/Noel Road Improvements	Totals
ASSETS					
Cash and Investments	\$ 1,850,790	26,885	-	-	1,877,675
Due from Other Governments	5,186	-	-	-	5,186
Due from Other Funds	191,436	-	-	-	191,436
Prepays	-	281	5,410	-	5,691
Total Assets	2,047,412	27,166	5,410	-	2,079,988
LIABILITIES					
Accounts Payable	-	22,356	32,297	-	54,653
Accrued Payroll	-	5,664	17,605	-	23,269
Due to Other Funds	-	-	191,436	311,672	503,108
Total Liabilities	-	28,020	241,338	311,672	581,030
FUND BALANCES					
Nonspendable	-	281	5,410	-	5,691
Restricted	2,047,412	-	-	-	2,047,412
Unassigned	-	(1,135)	(241,338)	(311,672)	(554,145)
Total Fund Balances	2,047,412	(854)	(235,928)	(311,672)	1,498,958
Total Liabilities and Fund Balances	2,047,412	27,166	5,410	-	2,079,988

VILLAGE OF ELWOOD, ILLINOIS

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2016**

	Special Revenue			Capital Projects	
	Motor Fuel Tax	Park	Special Service Area	Brandon/Noel Road Improvements	Totals
Revenues					
Taxes	\$ -	-	1,024,174	-	1,024,174
Intergovernmental	58,294	-	-	-	58,294
Charges for Services	-	9,911	-	-	9,911
Interest Income	922	-	5	-	927
Miscellaneous	-	675	-	-	675
Total Revenues	59,216	10,586	1,024,179	-	1,093,981
Expenditures					
Public Safety	-	-	927,547	-	927,547
Public Works	8,407	-	218,005	-	226,412
Parks and Recreation	-	184,749	-	-	184,749
Total Expenditures	8,407	184,749	1,145,552	-	1,338,708
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,809	(174,163)	(121,373)	-	(244,727)
Other Financing Sources					
Transfers In	-	175,000	-	-	175,000
Net Change in Fund Balances	50,809	837	(121,373)	-	(69,727)
Fund Balances - Beginning	1,996,603	(1,691)	(114,555)	(311,672)	1,568,685
Fund Balances - Ending	2,047,412	(854)	(235,928)	(311,672)	1,498,958

VILLAGE OF ELWOOD, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 56,975	56,975	58,294
Interest Income	6,906	6,906	922
Total Revenues	<u>63,881</u>	<u>63,881</u>	<u>59,216</u>
Expenditures			
Public Works			
Contractual Services	38,000	38,000	8,407
Net Change in Fund Balance	<u>25,881</u>	<u>25,881</u>	<u>50,809</u>
Fund Balance - Beginning			<u>1,996,603</u>
Fund Balance - Ending			<u>2,047,412</u>

VILLAGE OF ELWOOD, ILLINOIS

Park - Special Revenue Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Charges for Services			
Event Fees	\$ 12,115	12,115	3,881
Rental Fees	2,000	2,000	2,540
Registration Fees	6,000	6,000	3,490
Miscellaneous	1,100	1,100	675
Total Revenues	21,215	21,215	10,586
Expenditures			
Parks and Recreation	152,820	152,820	184,749
Excess (Deficiency) of Revenues Over (Under) Expenditures	(131,605)	(131,605)	(174,163)
Other Financing Sources			
Transfers In	175,000	175,000	175,000
Net Change in Fund Balance	43,395	43,395	837
Fund Balance - Beginning			(1,691)
Fund Balance - Ending			(854)

VILLAGE OF ELWOOD, ILLINOIS

Park - Special Revenue Fund

Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2016

	Budget		
	Original	Final	Actual
Parks and Recreation			
Salaries	\$ 55,623	55,623	79,765
Administration Benefits	5,694	5,694	9,295
Employee Group Insurance	3,507	3,507	2,948
Repairs and Maintenance	8,500	8,500	7,052
Referees	1,500	1,500	1,537
Legal	500	500	156
Telephone	1,000	1,000	1,208
Trees/Landscaping	2,500	2,500	2,840
Herbicides	10,500	10,500	5,317
Equipment Maintenance	6,000	6,000	2,209
Vehicle Maintenance	2,000	2,000	1,000
Printing	1,500	1,500	478
Fuel	3,000	3,000	1,164
General Supplies	14,750	14,750	16,062
Maintenance Supplies	19,500	19,500	26,995
Small Tools	1,000	1,000	237
Miscellaneous	998	998	-
Events	-	-	9,745
Children's Garden	14,748	14,748	16,741
 Total Expenditures	 152,820	 152,820	 184,749

VILLAGE OF ELWOOD, ILLINOIS

Special Service Area - Special Revenue Fund

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

	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Tax	\$ 1,010,000	1,010,000	1,024,174
Interest Income	100	100	5
Total Revenues	<u>1,010,100</u>	<u>1,010,100</u>	<u>1,024,179</u>
Expenditures			
Public Safety	874,608	874,608	927,547
Public Works	285,178	285,178	218,005
Total Expenditures	<u>1,159,786</u>	<u>1,159,786</u>	<u>1,145,552</u>
Net Change in Fund Balance	<u>(149,686)</u>	<u>(149,686)</u>	<u>(121,373)</u>
Fund Balance - Beginning			<u>(114,555)</u>
Fund Balance - Ending			<u>(235,928)</u>

VILLAGE OF ELWOOD, ILLINOIS

Special Service Area - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Public Safety			
Salaries	\$ 513,726	513,726	498,103
Benefits	135,660	135,660	133,492
Training	11,644	11,644	8,067
Uniforms	4,860	4,860	6,748
Insurance	-	-	92,954
Automotive	80,983	80,983	51,744
Supplies and Materials	1,500	1,500	27
Agreements	124,275	124,275	125,644
Miscellaneous Expenditures	1,960	1,960	282
Purchase Vehicle	-	-	235
Purchase Equipment	-	-	10,251
 Total Public Safety	 874,608	 874,608	 927,547
 Public Works	 	 	
Uniforms	2,000	2,000	693
Fuel - Mowing	10,500	10,500	6,436
Salt	20,000	20,000	18,865
Vehicle Maintenance	13,750	13,750	13,706
Equipment Maintenance	16,300	16,300	17,483
Administrative/Legal	183,878	183,878	139,807
Retention Pond Maintenance	25,750	25,750	19,530
Roadway Maintenance	8,000	8,000	1,485
Landfill	5,000	5,000	-
 Total Public Works	 285,178	 285,178	 218,005
 Total Expenditures	 1,159,786	 1,159,786	 1,145,552

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 818,618	818,618	786,140
Operating Expenses			
Water Operations	351,071	351,071	321,170
Sewer Operations	448,835	448,835	409,610
Depreciation and Amortization	-	-	604,449
Total Operating Expenses	799,906	799,906	1,335,229
Operating Income (Loss)	18,712	18,712	(549,089)
Nonoperating Revenues (Expenses)			
Interest Income	3,453	3,453	16,197
Interest and Fiscal Charges	-	-	(369,175)
	3,453	3,453	(352,978)
Income (Loss) Before Transfers	22,165	22,165	(902,067)
Transfers Out	(45,000)	(45,000)	-
Change in Net Position	(22,835)	(22,835)	(902,067)
Net Position - Beginning as Restated			5,421,450
Net Position - Ending			4,519,383

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Charges for Services			
Water Charges	\$ 437,091	437,091	431,201
Sewer Charges	371,527	371,527	356,530
Meter Sales	-	-	857
Miscellaneous	10,000	10,000	(2,448)
 Total Operating Revenues	 818,618	 818,618	 786,140

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Water Operations			
Salaries	\$ 76,918	76,918	83,448
Administration Benefits	12,099	12,099	12,280
Employee Group Insurance	13,347	13,347	18,039
Insurance - Liability/Workers Compensation	10,000	10,000	12,736
Audit	2,813	2,813	18,900
Data Processing	5,000	5,000	1,928
Legal Services	-	-	4,284
Telephone	6,000	6,000	10,959
Electric	72,000	72,000	51,012
Heating	1,000	1,000	2,221
Printing/Binding	500	500	207
Dues and Subscriptions	7,150	7,150	5,270
Building Maintenance	25,150	25,150	39,378
Equipment Maintenance	17,750	17,750	6,998
System Maintenance	27,500	27,500	29,851
Vehicle Maintenance	1,000	1,000	1,864
Operational Supplies	750	750	2,146
Gas and Oil	500	500	1,255
Small Tools/Equipment	3,500	3,500	2,756
Postage	1,844	1,844	1,128
Water Supplies	2,000	2,000	1,156
Maintenance Supplies	500	500	341
Vehicle Supplies	1,000	1,000	1,007
Chemicals	15,000	15,000	9,787
Restoration Materials	2,750	2,750	1,264
Miscellaneous	42,000	42,000	13
Water Meters	3,000	3,000	-
Data Processing Equipment	-	-	942
 Total Water Operations	 351,071	 351,071	 321,170

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2016

	Budget		
	Original	Final	Actual
Sewer Operations			
Salaries	\$ 107,976	107,976	119,915
Administration Benefits	17,080	17,080	42,694
Employee Group Insurance	23,722	23,722	21,983
Insurance - Liability/Workers Compensation	10,000	10,000	10,934
Audit	2,813	2,813	18,900
Data Processing	5,000	5,000	5,150
Telephone	6,000	6,000	10,241
Electric/Heating	73,000	73,000	58,677
Dues and Subscriptions	-	-	10,571
Building Maintenance	54,150	54,150	55,226
Equipment Maintenance	38,750	38,750	1,865
System Maintenance	27,500	27,500	9,215
Vehicle Maintenance	1,000	1,000	1,878
Operational Supplies	750	750	3,043
Gas and Oil	500	500	1,293
Small Tools and Equipment	9,000	9,000	2,203
Postage	1,844	1,844	706
Sewer Supplies	2,000	2,000	610
Maintenance Supplies	1,000	1,000	1,038
Vehicle Supplies	500	500	616
Chemicals	23,000	23,000	30,625
Restoration Materials	2,750	2,750	-
Miscellaneous	40,500	40,500	193
Water Meters	-	-	2,034
 Total Sewer Operations	 448,835	 448,835	 409,610

VILLAGE OF ELWOOD, ILLINOIS

Garbage - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2016**

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 200,819	200,819	190,177
Operating Expenses			
Garbage Operations			
Garbage Collection	189,120	189,120	187,187
Printing/Binding	100	100	-
Postage	1,260	1,260	-
Total Operating Expenses	<u>190,480</u>	<u>190,480</u>	<u>187,187</u>
Operating Income	10,339	10,339	2,990
Nonoperating Revenue			
Interest Income	<u>84</u>	<u>84</u>	<u>2</u>
Change in Net Position	<u>10,423</u>	<u>10,423</u>	<u>2,992</u>
Net Position - Beginning			<u>18,033</u>
Net Position - Ending			<u>21,025</u>

SUPPLEMENTAL SCHEDULES

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010A

April 30, 2016

Date of Issue	August 4, 2010
Date of Maturity	March 1, 2030
Authorized Issue	\$3,805,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 5.10%
Interest Dates	September 1 and March 1
Principal Maturity Date	March 1
Payable at	Bond Trust Services Corp, Roseville, MN

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Sep. 1	Amount	Mar. 1	Amount
2017	\$ 180,000	149,248	329,248	2016	74,624	2017	74,624
2018	185,000	143,398	328,398	2017	71,699	2018	71,699
2019	190,000	136,922	326,922	2018	68,461	2019	68,461
2020	200,000	130,034	330,034	2019	65,017	2020	65,017
2021	205,000	122,284	327,284	2020	61,142	2021	61,142
2022	215,000	114,085	329,085	2021	57,042	2022	57,043
2023	220,000	105,484	325,484	2022	52,742	2023	52,742
2024	230,000	96,134	326,134	2023	48,067	2024	48,067
2025	245,000	84,404	329,404	2024	42,202	2025	42,202
2026	255,000	71,910	326,910	2025	35,955	2026	35,955
2027	270,000	58,905	328,905	2026	29,452	2027	29,453
2028	280,000	45,136	325,136	2027	22,568	2028	22,568
2029	295,000	30,856	325,856	2028	15,428	2029	15,428
2030	310,000	15,810	325,810	2029	7,905	2030	7,905
	3,280,000	1,304,610	4,584,610		652,304		652,306

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010B April 30, 2016

Date of Issue	July 21, 2010
Date of Maturity	September 8, 2020
Authorized Issue	\$4,500,000
Denomination of Bonds	\$5,000
Interest Rate	3.99%
Interest Date	September 8
Principal Maturity Date	September 8
Payable at	Centerpoint Properties Trust

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2017	\$ -	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	4,500,000	2,154,697	6,654,697
	4,500,000	2,154,697	6,654,697

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2015 April 30, 2016

Date of Issue	June 19, 2015
Date of Maturity	March 1, 2023
Authorized Issue	\$6,470,000
Denomination of Bonds	\$5,000
Interest Rate	2.45%
Interest Dates	September 1 and March 1
Principal Maturity Date	March 1
Payable at	Bank of New York Mellon, NY

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Sep. 1	Amount	Mar. 1	Amount
2017	\$ 665,000	142,468	807,468	2016	71,234	2017	71,234
2018	735,000	126,176	861,176	2017	63,088	2018	63,088
2019	800,000	108,168	908,168	2018	54,084	2019	54,084
2020	875,000	88,568	963,568	2019	44,284	2020	44,284
2021	890,000	67,130	957,130	2020	33,565	2021	33,565
2022	915,000	45,326	960,326	2021	22,663	2022	22,663
2023	935,000	22,908	957,908	2022	11,454	2023	11,454
	<u>5,815,000</u>	<u>600,744</u>	<u>6,415,744</u>		<u>300,372</u>		<u>300,372</u>

STATISTICAL SECTION (Unaudited)

This part of the comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF ELWOOD, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

	2007	2008	2009	2010
Governmental Activities				
Net Investment in Capital Assets	\$ 10,793,782	27,266,803	37,380,706	45,118,195
Restricted	1,214,702	914,820	1,128,961	284,408
Unrestricted	(31,705,596)	(54,549,541)	(68,569,077)	(85,744,242)
Total Governmental Activities Net Position	(19,697,112)	(26,367,918)	(30,059,410)	(40,341,639)
Business-Type Activities				
Net Investment in Capital Assets	8,777,528	8,037,632	7,676,233	7,135,001
Unrestricted	424,368	320,551	25,064	(379,412)
Total Business-Type Activities Net Position	9,201,896	8,358,183	7,701,297	6,755,589
Primary Government				
Net Investment in Capital Assets	19,571,310	35,304,435	45,056,939	52,253,196
Restricted	1,214,702	914,820	1,128,961	284,408
Unrestricted	(31,281,228)	(54,228,990)	(68,544,013)	(86,123,654)
Total Primary Government Net Position	(10,495,216)	(18,009,735)	(22,358,113)	(33,586,050)

Data Source: Village Records

2011	2012	2013	2014	2015	2016
55,923,197	69,703,356	3,913,127	5,827,985	9,784,755	18,324,386
186,235	228,407	1,934,012	1,969,900	1,996,603	2,047,412
(104,473,877)	(127,256,105)	(73,276,070)	(84,399,079)	(97,725,202)	(113,769,701)
<u>(48,364,445)</u>	<u>(57,324,342)</u>	<u>(67,428,931)</u>	<u>(76,601,194)</u>	<u>(85,943,844)</u>	<u>(93,397,903)</u>
12,646,565	12,179,521	11,748,272	11,475,448	11,208,917	10,855,695
(3,299,779)	(3,652,969)	(4,124,143)	(5,141,641)	(5,789,966)	(6,315,287)
<u>9,346,786</u>	<u>8,526,552</u>	<u>7,624,129</u>	<u>6,333,807</u>	<u>5,418,951</u>	<u>4,540,408</u>
68,569,762	81,882,877	15,661,399	17,303,433	20,993,672	29,180,081
186,235	228,407	1,934,012	1,969,900	1,996,603	2,047,412
(107,773,656)	(130,909,074)	(77,400,213)	(89,540,720)	(103,515,168)	(120,084,988)
<u>(39,017,659)</u>	<u>(48,797,790)</u>	<u>(59,804,802)</u>	<u>(70,267,387)</u>	<u>(80,524,893)</u>	<u>(88,857,495)</u>

VILLAGE OF ELWOOD, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years

April 30, 2016 (Unaudited)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities										
General Government	\$ 2,697,423	1,816,816	1,040,107	886,566	1,353,265	1,724,469	1,232,453	1,128,996	2,194,352	5,306,224
Public Safety	769,922	1,317,095	1,130,979	1,187,539	1,319,476	1,486,332	1,319,274	1,621,037	1,618,937	1,650,714
Public Works	655,478	3,222,603	4,246,091	4,259,360	4,089,740	4,384,492	4,329,154	4,300,726	4,557,730	740,654
Parks and Recreation	2,939,609	68,958	89,537	111,906	119,869	153,868	177,647	144,163	138,880	184,749
Interest on Long-Term Debt	14,065,749	14,751,436	15,374,640	15,857,579	16,205,986	16,653,441	16,415,928	16,176,010	15,670,296	14,999,722
Total Governmental Activities Expenses	21,128,181	21,176,908	21,881,354	22,302,950	23,088,336	24,402,602	23,474,456	23,370,932	24,180,195	22,882,063
Business-Type Activities										
Water and Sewer	1,708,927	1,413,463	1,617,887	1,631,487	1,369,765	1,679,573	1,665,068	1,809,632	1,696,473	1,704,404
Garbage	124,518	129,659	144,436	148,973	157,912	163,045	173,592	176,382	183,494	187,187
Total Business-Type Activities Net Position	1,833,445	1,543,122	1,762,323	1,780,460	1,527,677	1,842,618	1,838,660	1,986,014	1,879,967	1,891,591
Total Primary Government Expenses	22,961,626	22,720,030	23,643,677	24,083,410	24,616,013	26,245,220	25,313,116	25,356,946	26,060,162	24,773,654
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	2,107,835	3,720,168	1,285,420	226,094	232,310	372,036	720,534	309,675	292,152	407,961
Public Safety	161,322	300,768	216,364	189,060	232,735	376,178	297,009	146,709	224,971	280,546
Parks and Recreation	42,451	36,267	17,683	20,643	15,989	15,946	17,522	18,375	17,215	9,911
Operating Grants/Contributions	87,161	45,157	42,666	39,638	48,018	60,760	61,304	70,334	62,887	66,664
Capital Grants/Contributions	50,000	50,000	1,456,400	50,000	2,148,100	125,829	51,118	79,824	-	-
Total Governmental Activities	2,448,769	4,152,360	3,018,533	525,435	2,677,152	950,749	1,147,487	624,917	597,225	765,082
Program Revenues										
Business-Type Activities										
Charges for Services										
Water and Sewer	384,692	451,651	937,735	663,993	728,649	748,583	855,098	770,900	768,299	786,140
Garbage	124,862	135,846	143,171	149,035	156,119	164,742	173,141	174,659	181,314	190,177
Operating Grants/Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants/Contributions	19,500	33,750	-	-	-	-	-	-	-	-
Total Business-Type Activities	529,054	621,247	1,080,906	813,028	884,768	913,325	1,028,239	945,559	949,613	976,317
Program Revenues										
Total Primary Government										
Program Revenues	2,977,823	4,773,607	4,099,439	1,338,463	3,561,920	1,864,074	2,175,726	1,570,476	1,546,838	1,741,399

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense) Revenue										
Governmental Activities	\$ (18,679,412)	(17,024,548)	(18,862,821)	(21,777,515)	(20,411,184)	(23,451,853)	(22,326,969)	(22,746,015)	(23,582,970)	(22,116,981)
Business-Type Activities	(1,304,391)	(921,875)	(681,417)	(967,432)	(642,909)	(929,293)	(810,421)	(1,040,455)	(930,354)	(915,274)
Total Primary Government										
Net Revenue (Expense)	(19,983,803)	(17,946,423)	(19,544,238)	(22,744,947)	(21,054,093)	(24,381,146)	(23,137,390)	(23,786,470)	(24,513,324)	(23,032,255)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	5,714,095	7,038,909	9,107,792	8,653,494	8,951,766	9,018,234	8,952,040	9,939,894	10,926,895	10,656,245
Utility Taxes	339,502	443,077	349,027	413,237	351,564	340,097	566,718	597,230	608,208	600,516
Intergovernmental - Unrestricted										
Sales Taxes	1,365,439	396,246	396,915	369,746	361,917	1,348,180	232,728	206,567	148,733	266,404
Income Taxes	164,319	180,847	178,236	156,146	162,538	260,205	265,223	266,484	295,594	296,548
Reimbursements	299,142	691,190	2,489	203,596	298,808	1,035,179	12,500	-	-	-
Interest Income	338,629	627,199	126,453	63,691	38,357	31,975	24,058	16,040	14,147	19,346
Miscellaneous	73,513	976,274	2,117,261	1,635,376	2,223,428	2,509,604	1,947,315	2,281,607	2,246,743	2,679,568
Transfers	-	-	-	-	-	(51,518)	-	265,930	-	-
Total Governmental Activities	8,294,639	10,353,742	12,278,173	11,495,286	12,388,378	14,491,956	12,000,582	13,573,752	14,240,320	14,518,627
Business-Type Activities										
Investment Income	125,106	78,162	24,531	21,724	11,599	4,834	4,598	16,063	15,498	16,199
Miscellaneous	-	-	-	-	3,222,507	52,707	-	-	-	-
Transfers	-	-	-	-	-	51,518	-	(265,930)	-	-
Total Business-Type Activities	125,106	78,162	24,531	21,724	3,234,106	109,059	4,598	(249,867)	15,498	16,199
Total Primary Government	8,419,745	10,431,904	12,302,704	11,517,010	15,622,484	14,601,015	12,005,180	13,323,885	14,255,818	14,534,826
Changes in Net Position										
Governmental Activities	(10,384,773)	(6,670,806)	(6,584,648)	(10,282,229)	(8,022,806)	(8,959,897)	(10,326,387)	(9,172,263)	(9,342,650)	(7,598,354)
Business-Type Activities	(1,179,285)	(843,713)	(656,886)	(945,708)	2,591,197	(820,234)	(805,823)	(1,290,322)	(914,856)	(899,075)
Total Primary Government	(11,564,058)	(7,514,519)	(7,241,534)	(11,227,937)	(5,431,609)	(9,780,131)	(11,132,210)	(10,462,585)	(10,257,506)	(8,497,429)

Data Source: Village Records

VILLAGE OF ELWOOD, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

	2007	2008	2009	2010
General Fund				
Reserved	\$ 13,085	25,907	32,230	29,250
Unreserved	933,420	1,655,568	634,903	668,833
Nonspendable	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	<u>946,505</u>	<u>1,681,475</u>	<u>667,133</u>	<u>698,083</u>
All Other Governmental Funds				
Reserved	469,639	252,981	27,388	16,087
Unreserved, Reported in:				
Special Revenues Funds	793,704	661,839	1,101,573	268,321
Debt Service Funds	-	(556,859)	(1,380,598)	(4,766,321)
Capital Projects Funds	4,891,853	1,700,719	4,568,979	6,316,540
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>6,155,196</u>	<u>2,058,680</u>	<u>4,317,342</u>	<u>1,834,627</u>
Total Governmental Funds	<u>7,101,701</u>	<u>3,740,155</u>	<u>4,984,475</u>	<u>2,532,710</u>

Data Source: Village Records

The Village implemented GASB 54 in Fiscal Year 2012.

	2011	2012	2013	2014	2015	2016
41,997	-	-	-	-	-	-
654,298	-	-	-	-	-	-
-	28,389	28,389	11,078	12,581	15,333	
-	988,986	1,151,306	1,226,766	1,226,692	1,398,987	
696,295	1,017,375	1,179,695	1,237,844	1,239,273	1,414,320	
23,098	-	-	-	-	-	-
160,980	-	-	-	-	-	-
(9,585,412)	-	-	-	-	-	-
8,212,844	-	-	-	-	-	-
-	15,614	15,614	7,854	5,523	5,691	
-	228,407	1,934,012	1,969,900	1,996,603	2,047,412	
-	8,081,237	6,223,169	5,962,828	4,758,997	2,543,516	
-	(16,204,676)	(25,177,776)	(35,701,543)	(47,504,451)	(61,287,193)	
(1,188,490)	(7,879,418)	(17,004,981)	(27,760,961)	(40,743,328)	(56,690,574)	
(492,195)	(6,862,043)	(15,825,286)	(26,523,117)	(39,504,055)	(55,276,254)	

VILLAGE OF ELWOOD, ILLINOIS

General Governmental Revenues by Source - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Source	2007	2008	2009	2010
Taxes	\$ 6,053,597	7,481,986	9,456,819	9,066,731
Intergovernmental	1,966,061	1,363,440	670,306	819,126
Charges for Services	2,071,685	3,557,534	1,181,861	216,820
Licenses and Permits	78,601	198,901	121,242	29,917
Fines and Forfeits	161,322	300,768	216,364	189,060
Interest Income	338,629	627,199	126,453	63,691
Miscellaneous	<u>73,513</u>	<u>976,274</u>	<u>2,117,261</u>	<u>1,635,376</u>
Totals	<u>10,743,408</u>	<u>14,506,102</u>	<u>13,890,306</u>	<u>12,020,721</u>

Data Source: Village Records

2011	2012	2013	2014	2015	2016
9,303,330	9,358,331	9,518,758	10,537,124	11,535,103	11,256,761
3,019,381	2,830,153	1,022,873	623,209	507,214	629,616
221,043	234,758	288,647	269,344	271,566	340,471
27,256	153,224	49,409	58,706	37,801	77,401
232,735	376,178	297,009	146,709	224,971	280,546
38,357	31,975	24,058	16,040	14,147	19,346
<u>2,223,428</u>	<u>2,509,604</u>	<u>1,947,315</u>	<u>2,281,607</u>	<u>2,246,743</u>	<u>2,679,568</u>
<u>15,065,530</u>	<u>15,494,223</u>	<u>13,148,069</u>	<u>13,932,739</u>	<u>14,837,545</u>	<u>15,283,709</u>

VILLAGE OF ELWOOD, ILLINOIS**General Governmental Expenditures by Function - Last Ten Fiscal Years**
April 30, 2016 (Unaudited)

Function	2007	2008	2009	2010
General Government	\$ 2,678,321	1,773,295	1,040,363	856,697
Public Safety	812,160	1,403,992	1,049,827	1,150,403
Public Works	556,032	669,301	867,877	1,035,170
Parks and Recreation	114,429	68,958	89,537	111,906
Capital Outlay	7,946,124	6,719,544	310,199	153,300
Debt Service				
Principal	5,544,850	6,932,563	8,874,256	10,893,200
Interest and Fiscal Charges	299,447	299,995	296,264	295,085
Totals	<u>17,951,363</u>	<u>17,867,648</u>	<u>12,528,323</u>	<u>14,495,761</u>

Data Source: Village Records

2011	2012	2013	2014	2015	2016
3,147,483	4,471,932	2,667,008	2,368,069	3,341,821	4,636,317
1,235,494	1,528,422	1,290,514	1,550,804	1,556,089	1,589,039
778,573	849,852	950,051	857,973	850,116	850,149
119,869	153,868	177,647	144,163	138,880	184,749
23,695	-	9,782	495,616	418,703	-
12,601,421	14,510,577	16,729,349	19,198,015	6,145,894	9,248,001
298,294	297,902	286,960	281,860	15,366,980	14,688,008
<u>18,204,829</u>	<u>21,812,553</u>	<u>22,111,311</u>	<u>24,896,500</u>	<u>27,818,483</u>	<u>31,196,263</u>

VILLAGE OF ELWOOD, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

	2007	2008	2009	2010
Revenues				
Taxes	\$ 6,053,597	7,481,986	9,456,819	9,066,731
Licenses and Permits	78,601	198,901	121,242	29,917
Intergovernmental	1,966,061	1,363,440	670,306	819,126
Charges for Services and Fees	2,071,685	3,557,534	1,181,861	216,820
Fines and Forfeits	161,322	300,768	216,364	189,060
Investment Income	338,629	627,199	126,453	63,691
Miscellaneous	73,513	976,274	2,117,261	1,635,376
Total Revenues	10,743,408	14,506,102	13,890,306	12,020,721
Expenditures				
General Government	2,678,321	1,773,295	1,040,363	856,697
Public Safety	812,160	1,403,992	1,049,827	1,150,403
Public Works	556,032	669,301	867,877	1,035,170
Parks and Recreation	114,429	68,958	89,537	111,906
Capital Outlay	7,946,124	6,719,544	310,199	153,300
Debt Service				
Principal	5,544,850	6,932,563	8,874,256	10,893,200
Interest and Fiscal Charges	299,447	299,995	296,264	295,085
Total Expenditures	17,951,363	17,867,648	12,528,323	14,495,761
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,207,955)	(3,361,546)	1,361,983	(2,475,040)
Other Financing Sources (Uses)				
Debt Issuance	-	-	-	23,275
Payment to Escrow Agent	-	-	-	-
Transfers In	527,942	2,174,844	1,362,006	716,723
Transfers Out	(527,942)	(2,174,844)	(1,362,006)	(716,723)
				23,275
Net Change in Fund Balances	(7,207,955)	(3,361,546)	1,361,983	(2,451,765)
Debt Service as a Percentage of Noncapital Expenditures	58.41%	69.50%	85.15%	79.23%

Data Source: Village Records

2011	2012	2013	2014	2015	2016
9,303,330	9,358,331	9,518,758	10,537,124	11,535,103	11,256,761
27,256	153,224	49,409	58,706	37,801	77,401
3,019,381	2,830,153	1,022,873	623,209	507,214	629,616
221,043	234,758	288,647	269,344	271,566	340,471
232,735	376,178	297,009	146,709	224,971	280,546
38,357	31,975	24,058	16,040	14,147	19,346
2,223,428	2,509,604	1,947,315	2,281,607	2,246,743	2,679,568
<u>15,065,530</u>	<u>15,494,223</u>	<u>13,148,069</u>	<u>13,932,739</u>	<u>14,837,545</u>	<u>15,283,709</u>
3,147,483	4,471,932	2,667,008	2,368,069	3,341,821	4,636,317
1,235,494	1,528,422	1,290,514	1,550,804	1,556,089	1,589,039
778,573	849,852	950,051	857,973	850,116	850,149
119,869	153,868	177,647	144,163	138,880	184,749
23,695	-	9,782	495,616	418,703	-
12,601,421	14,510,577	16,729,349	19,198,015	6,145,894	9,248,001
298,294	297,902	286,960	281,860	15,366,980	14,688,008
<u>18,204,829</u>	<u>21,812,553</u>	<u>22,111,311</u>	<u>24,896,500</u>	<u>27,818,483</u>	<u>31,196,263</u>
<u>(3,139,299)</u>	<u>(6,318,330)</u>	<u>(8,963,242)</u>	<u>(10,963,761)</u>	<u>(12,980,938)</u>	<u>(15,912,554)</u>
114,394	-	-	-	-	6,470,000
-	-	-	-	-	(6,329,645)
331,472	845,393	582,819	565,015	544,348	942,061
(331,472)	(896,911)	(582,819)	(299,085)	(544,348)	(942,061)
<u>114,394</u>	<u>(51,518)</u>	<u>-</u>	<u>265,930</u>	<u>-</u>	<u>140,355</u>
<u>(3,024,905)</u>	<u>(6,369,848)</u>	<u>(8,963,242)</u>	<u>(10,697,831)</u>	<u>(12,980,938)</u>	<u>(15,772,199)</u>
78.79%	78.32%	83.65%	84.97%	82.11%	85.90%

VILLAGE OF ELWOOD, ILLINOIS**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years**
April 30, 2016 (Unaudited)

Tax Levy Year	Residential Property	Farm
2006	\$ 40,384,258	\$ 201,714
2007	45,385,712	200,458
2008	51,007,924	218,002
2009	52,489,876	2,473,024
2010	51,797,707	2,475,304
2011	44,751,700	2,525,300
2012	40,262,651	2,400,666
2013	36,542,364	2,431,639
2014	36,760,701	2,445,737
2015	36,651,997	2,583,264

Data Source: Will County Tax Extension Office

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 1,046,857	\$ 7,345,882	\$ 48,978,711	\$ 42,357	\$ 49,021,068	0.202
1,114,810	7,665,210	54,366,190	46,519	54,412,709	0.270
1,326,952	7,665,739	60,218,617	50,873	60,269,490	0.256
1,364,724	7,211,230	63,538,854	61,305	63,600,159	0.255
1,466,163	7,211,230	62,950,404	76,688	63,027,092	0.266
2,642,962	6,477,723	56,397,685	81,499	56,479,184	0.312
2,640,159	6,396,455	51,699,931	92,216	51,792,147	0.357
2,624,559	6,331,261	47,929,823	113,956	48,043,779	0.404
2,207,158	6,381,261	47,794,857	118,833	47,913,690	0.425
2,235,433	6,325,081	47,795,775	142,716	47,938,491	0.444

VILLAGE OF ELWOOD, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years
April 30, 2016 (Unaudited)

	2006	2007	2008	2009
Village of Elwood				
Corporate	0.202	0.270	0.256	0.255
Will County	0.503	0.483	0.475	0.483
Will County Forest Preserve District	0.137	0.142	0.145	0.152
Will County Public Building Commission	0.013	0.012	0.019	0.019
Jackson Township	0.240	0.228	0.226	0.203
Jackson Township Road & Bridge	0.000	0.000	0.000	0.000
Village of Elwood Road and Bridge	0.125	0.118	0.117	0.105
Manhattan-Elwood Public Library	0.170	0.161	0.160	0.156
Elwood Fire Protection District	0.618	0.666	0.507	0.494
School District 203	2.541	2.429	2.370	2.234
High School District 204	2.024	1.957	1.887	1.897
Community College District 525	0.194	0.190	0.190	0.214
 Total Tax Rate Per \$100 EAV	 6.764	 6.655	 6.349	 6.213
 Village's Share of Total Tax Rate	 2.98%	 4.06%	 4.03%	 4.10%

Data Source: Office of the Will County Clerk

2010	2011	2012	2013	2014	2015
0.266	0.312	0.357	0.404	0.425	0.444
0.508	0.535	0.570	0.599	0.643	0.614
0.157	0.169	0.186	0.197	0.198	0.194
0.020	0.020	0.021	0.022	0.022	0.022
0.219	0.222	0.244	0.264	0.107	0.102
0.000	0.115	0.127	0.137	0.146	0.148
0.114	0.115	0.127	0.137	0.329	0.148
0.164	0.178	0.196	0.210	0.219	0.220
0.515	0.502	0.588	0.624	0.649	0.658
2.311	2.536	2.832	3.078	3.166	2.781
2.056	2.228	2.486	2.703	2.875	2.868
0.227	0.246	0.277	0.296	0.309	0.307
6.555	7.178	8.009	8.670	9.087	8.503
4.06%	4.41%	4.53%	4.73%	4.75%	5.22%

VILLAGE OF ELWOOD, ILLINOIS

Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Wal-Mart Stores	\$ 38,662,800	1	26.88%			
Centerpoint Intermodal LLC	14,239,714	2	9.90%	\$ 10,592,291	1	23.40%
Centerpoint Properties Trust	13,565,430	3	9.43%			
Liberty Property	12,322,262	4	8.57%			
Georgia-Pacific LLC	10,006,999	5	6.96%			
Elwood Energy	6,183,273	6	4.30%	3,903,686	2	8.62%
CenterPoint Joliet Terminal	1,057,052	7	0.74%			
PERC Holdings LLC	410,655	8	0.29%	344,680	7	0.76%
Commonwealth Edison Co	391,200	9	0.27%	371,127	6	0.82%
Centerpoint Elwood LLC	371,127	10	0.26%	3,028,002	3	6.69%
CJFI, LLC				2,397,198	4	5.30%
Elwood Energy				2,177,015	5	4.81%
PERC Holdings LLC				236,004	8	0.52%
Command Construction, Inc.				195,930	9	0.43%
Centerpoint Intermodal LLC	_____	_____	_____	174,113	10	0.38%
	<u>97,210,512</u>		<u>67.59%</u>	<u>23,420,046</u>		<u>51.73%</u>

Data Source: Office of the County Clerk of Will County

VILLAGE OF ELWOOD, ILLINOIS

Property Tax Levies and Collections - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2007*	2005	\$ 4,992,956	\$ 4,988,692	99.91%	N/A	\$ 4,988,692	99.91%
2008*	2006	6,195,253	6,195,382	100.00%	N/A	6,195,382	100.00%
2009*	2007	8,196,182	8,195,674	99.99%	N/A	8,195,674	99.99%
2010*	2008	7,857,670	7,856,706	99.99%	N/A	7,856,706	99.99%
2011*	2009	8,084,038	8,083,206	99.99%	N/A	8,083,206	99.99%
2012*	2010	8,084,588	8,083,594	99.99%	N/A	8,083,594	99.99%
2013*	2011	8,023,307	8,017,406	99.93%	N/A	8,017,406	99.93%
2014*	2012	8,911,304	8,911,368	100.00%	N/A	8,911,368	100.00%
2015*	2013	9,898,660	9,898,395	100.00%	N/A	9,898,395	100.00%
2016*	2014	9,562,100	9,561,421	99.99%	N/A	9,561,421	99.99%

N/A - Not Available

Data Source: Office of the County Clerk of Will County

* Includes incremental taxes for the Deer Run TIF Fund.

VILLAGE OF ELWOOD, ILLINOIS

Ratios of Outstanding Debt By Type - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

Fiscal Year	Governmental Activities		
	General Obligation Bonds	General Obligation Capital Appreciation	Capital Leases Payable
2007	\$ 6,715,000	\$ 6,422,136	\$ 103,333
2008	6,715,000	6,979,060	78,049
2009	6,715,000	7,376,930	51,297
2010	6,715,000	7,797,483	41,028
2011	6,715,000	8,242,011	77,925
2012	6,600,000	8,711,881	-
2013	6,480,000	9,208,539	-
2014	6,355,000	9,733,510	-
2015	6,225,000	10,288,409	-
2016	5,815,000	10,874,944	-

Data Source: Village's Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Business-Type Activities						
Tax Increment Notes Payable	General Obligation Bonds	Loans Payable	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)	
\$ 141,934,229	\$ -	\$ 14,500,000	\$ 169,674,698	466.70%	\$ 104,737.47	
148,811,979	-	14,500,000	177,084,088	487.08%	109,311.17	
154,644,981	-	14,320,000	183,108,208	503.65%	113,029.76	
158,927,266	-	14,320,000	187,800,777	516.56%	115,926.41	
161,862,632	8,290,000	-	185,187,568	509.37%	81,258.26	
163,196,005	8,248,754	-	186,756,640	857.75%	81,946.75	
162,219,816	8,251,066	-	186,159,421	855.01%	81,684.70	
158,516,866	8,088,379	-	182,693,755	390.63%	80,164.00	
137,412,340	7,920,692	-	161,846,441	346.05%	71,016.43	
143,299,268	7,748,005	-	167,737,217	326.81%	73,601.24	

VILLAGE OF ELWOOD, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Fiscal Year	Gross General Obligation Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2008	\$ 13,137,136	\$ -	\$ 13,137,136	26.80%	\$ 8,109.34
2009	13,694,060	-	13,694,060	25.17%	8,453.12
2010	14,091,930	-	14,091,930	23.38%	8,698.72
2011	14,512,483	-	14,512,483	22.82%	8,958.32
2012	23,247,011	-	23,247,011	36.88%	10,200.53
2013	23,560,635	-	23,560,635	41.72%	10,338.15
2014	23,939,605	-	23,939,605	46.22%	10,504.43
2015	24,176,889	-	24,176,889	50.32%	10,608.55
2016	24,434,101	-	24,434,101	51.00%	10,721.41
2017	24,437,949	-	24,437,949	50.98%	10,723.10

Data Source: Village Records

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

- (1) See the Ratios of Outstanding Debt by Type Schedule for Equalized Assessed Value data (Actual Taxable Value of Property).
- (2) See the Demographic and Economic Statistics Schedule for the Per Capita Income data.

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt
April 30, 2016 (Unaudited)

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Elwood	\$ 159,989,212	100.00%	\$ 159,989,212
Will County Forest Preserve District	159,917,928	0.26%	415,787
School District 203	-	54.55%	-
High School District 204	95,760,000	1.85%	1,771,560
Community College District 525	<u>221,235,049</u>	0.32%	<u>707,952</u>
Subtotal	<u>316,995,049</u>		<u>2,895,299</u>
Totals	<u>476,984,261</u>		<u>162,884,511</u>

(1) Determined by the ratio of assessed value of property in the Village of Elwood subject to taxation by the Governmental Unit to the total assessed value of property of the Governmental Unit.

Data Source: Will County Clerk's Office

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Legal Debt Margin

April 30, 2016 (Unaudited)

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides that the General Assembly may limit the amount and require referenda for approval of debt payable from ad valorem property taxes in excess of one percent of assessed valuation. However, no such statute has been enacted as of this date. Therefore, as a home rule municipality, the Village of Elwood, Illinois has no debt limit.

VILLAGE OF ELWOOD, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

Fiscal Year	(1) Population	Personal Income (in Thousands)	(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
2007	1,620	\$ 36,356	\$ 22,442	35	433	3.0
2008	1,620	36,356	22,442	35	431	3.8
2009	1,620	36,356	22,442	35	430	6.5
2010	1,620	36,356	22,442	35	423	7.0
2011	2,279	36,356	22,442	35	423	7.0
2012	2,279	21,773	13,440	40	395	6.5
2013	2,279	21,773	13,440	40	379	5.7
2014	2,279	46,769	28,870	40	409	9.4
2015	2,279	46,769	28,870	40	380	7.5
2016	2,279	51,325	31,682	42	380	6.2

Data Sources:

- (1) U.S. Census Bureau
- (2) Annual School Census
- (3) Illinois Department of Employment Security

VILLAGE OF ELWOOD, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2016 (Unaudited)

Employer	2016			2007		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Schneider	1,700	1	N/A			
BNSF	800	2	N/A			
DCS Logistics	275	3	N/A			
Clearwater Paper	175	4	N/A	170	3	N/A
Georgia Pacific	400	5	N/A			
Elwood School District	40	6	N/A	45	4	N/A
Village of Elwood	34	7	N/A	32	5	N/A
Yale Enforcement Services	28	8	N/A			
Wal-Mart			2,000	1		N/A
Stephan Chemical Co.			425	2		N/A
Sanyo Logistics			20	6		N/A
Masterblend International,LLC			12	7		N/A
Sign-Sational Signs	_____	_____	1	8	_____	N/A
	<u><u>3,452</u></u>		<u><u>N/A</u></u>	<u><u>2,705</u></u>		<u><u>N/A</u></u>

N/A - Not Available

Data Sources: Village Community Development Department Records and U.S. Census Bureau.

VILLAGE OF ELWOOD, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Function	2007	2008	2009	2010
General Government				
Administration	3	3	3	2
Finance	2	2	1	-
Public Works	5	5	5	5
Police	7	12	11	11
Water and Sewer	1	1	2	1
Totals	<u>18</u>	<u>23</u>	<u>22</u>	<u>19</u>

Data Source: Village Records

2011	2012	2013	2014	2015	2016
2	2	2	2	2	3
-	-	-	-	-	-
5	4	4	4	4	4
11	11	9	11	11	13
1	2	2	2	2	3
19	19	17	19	19	23

VILLAGE OF ELWOOD, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2016 (Unaudited)

Function/Program	2007	2008	2009
Public Works			
Forestry			
Number of Parkway Trees Planted	163	163	30
Number of Parkway Trees Trimmed	0	-	100
Brush Pickup Program (Cubic Yds. Collected)	50	60	70
Fleet Services			
Number of Vehicles Maintained	13	18	18
Preventative Maintenance Services	20	50	60
Public Safety			
Police			
Criminal	1,800	591	375
Quasi Criminal	499	556	1,234
Calls for Service	2,336	2,341	1,609
State Tickets Issued	1,632	3,900	2,792
Community Development			
Number of Building Permits Issued	26	11	-
Number of Building Inspections	78	33	-
Highways and Streets			
Sidewalk Replaced (Sq. Ft.)	-	-	100
Water and Sewer			
Water Main Breaks	-	-	1
Hydrants Flushed	549	549	549
Water Meters Read	830	900	900
Water Meter Service Requests	40	192	192
Water Meters Replaced	12	-	-
Total Distribution Pumpage (1,000 Gallons)	94,905	91,389	87,096
Average Daily Pumpage (1,000 Gallons)	350	250	238
Sanitary Sewer Televising (Feet)	17,000	-	-
Sanitary Sewer Repairs	1	-	-

N/A - Not Available

Data Source: Village Records

2010	2011	2012	2013	2014	2015	2016
30	11	84	37	N/A	N/A	8
50	100	150	150	N/A	N/A	175
70	82	82	82	N/A	N/A	98
20	20	20	22	N/A	N/A	21
80	16	112	118	N/A	N/A	98
314	137	112	41	22	29	N/A
591	116	116	77	166	103	N/A
905	3,359	5,537	5,921	7,125	6,766	N/A
1,105	1,130	1,095	2,274	2,626	4,250	N/A
-	65	-	58	N/A	N/A	N/A
-	56	-	83	N/A	N/A	N/A
120	210	150	14,544	N/A	N/A	998
-	-	1	2	N/A	N/A	2
549	700	700	700	N/A	N/A	460
900	905	905	905	N/A	N/A	955
25	8	22	1	N/A	N/A	125
2	4	1	4	N/A	N/A	13
90,468	87,677	81,030	72,437	N/A	N/A	75,228
249	234	222	199	N/A	N/A	203
-	-	12,913	-	N/A	N/A	-
-	1	1	1	N/A	N/A	1

VILLAGE OF ELWOOD, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2016 (Unaudited)

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	8	9	9	10	13	9	10	10	10	10
Fire Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (Miles)	47.00	50.70	50.70	50.70	50.70	50.70	50.70	50.70	50.70	50.70
Sidewalks (Miles)	15.00	15.00	15.00	15.00	15.00	15.00	16.00	16.00	16.00	16.00
Streetlights	165	165	165	165	165	165	165	165	165	165
Water and Sewer										
Water Mains (Miles)	26.60	26.60	26.60	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Fire Hydrants	549	549	549	549	549	549	557	557	557	557
Sanitary Sewers (Miles)	20.89	20.89	20.89	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Manholes	391	391	391	391	391	391	391	391	391	391

Data Source: Village Records