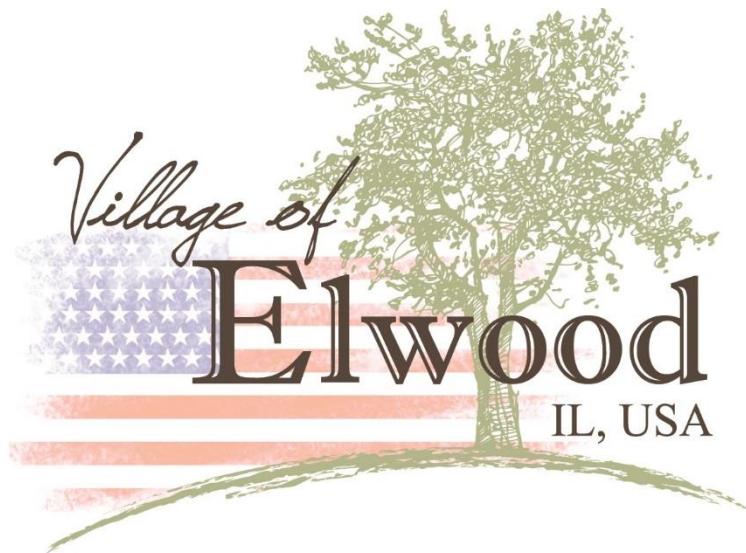


# VILLAGE OF ELWOOD, ILLINOIS

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED  
APRIL 30, 2017

**VILLAGE OF ELWOOD, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
APRIL 30, 2017**

Prepared by Finance Department:

Roberta Day  
Finance Director

# 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, 2017**

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**May 1, 2016 – April 30, 2017**

#### **VILLAGE PRESIDENT**

Todd Matichak

#### **VILLAGE BOARD OF TRUSTEES**

Doug Jenco	Mary Matichak
Darryl Lab	Dean Lowrance
Don LaPaglia	Jasen Melahn

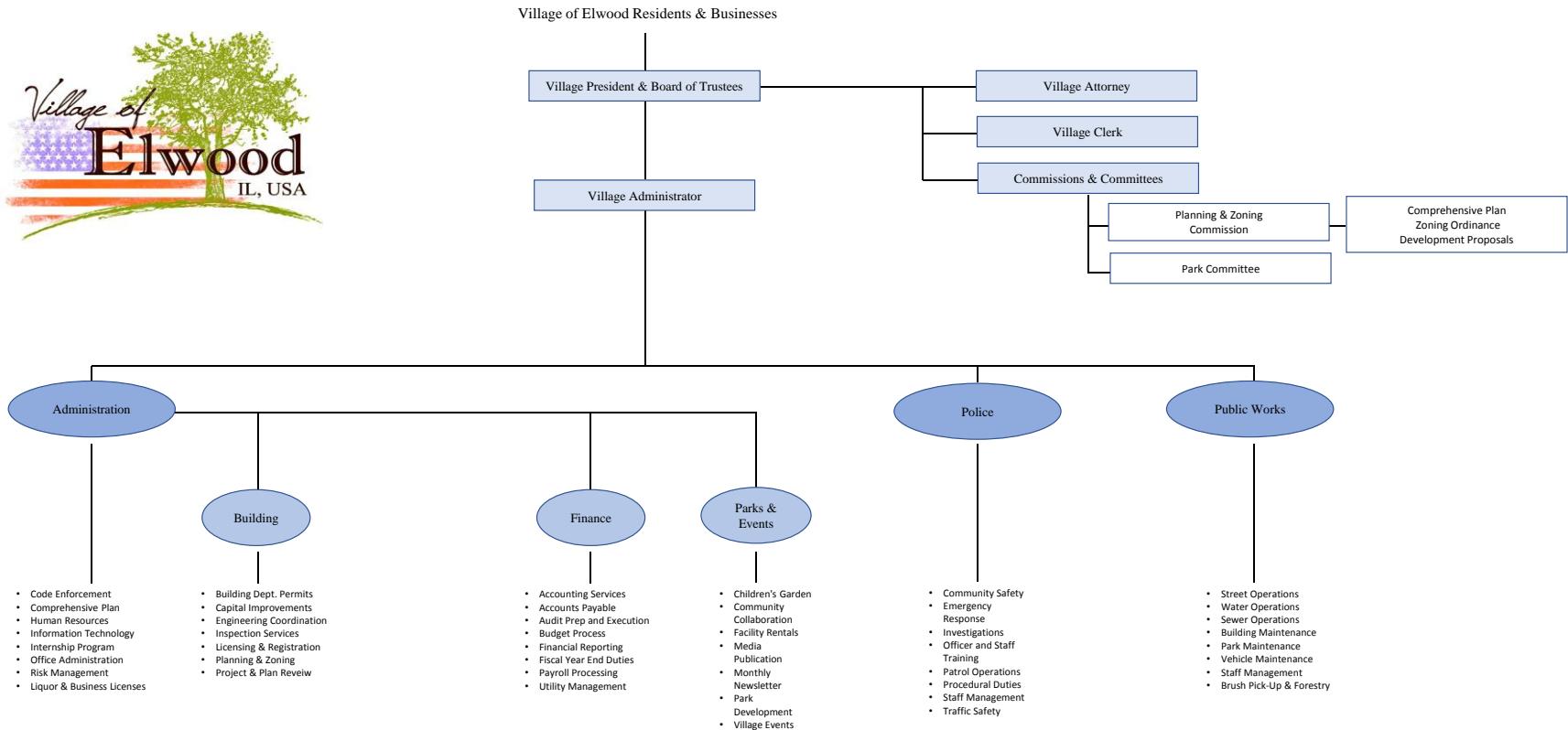
#### **VILLAGE CLERK**

Julie Freibele

#### **DEPARTMENT HEADS**

Village Administrator	Marian Gibson
Chief of Police	Fred Hayes
Finance Director	Roberta Day
Superintendent of Public Works	Larry Lohmar

## Village of Elwood Organizational Chart Department Overview and Breakdown





September 29, 2017

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, 2017. 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 increased by 4.3% for tax levy year 2016. The Village has experienced some increase in EAV after a reduction in EAV seen across the nation last year. From tax levy year 2006 to tax levy year 2016, the Village's EAV has decreased 8.2%. 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 \$16,017, or 5.4%. This compares to a \$15,086 decrease during the previous fiscal year. Utility tax provided approximately 20% of the total General Fund operating revenue in FYE 2017 as compared with 28% in FYE 2016.

## **OTHER ECONOMIC CONDITIONS EXPECTED**

Housing developments began to pull out of a prior stall and the Village has reported \$55,906 in building permits for FYE 2016 and \$197,362 for FYE 2017. In addition, warehouses continue to be developed both in and outside the industrial park.

The current unemployment rate is 6.3%. 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 2017. Major initiatives included the completion of the closure of Walter Strawn at IL Route 53 to enhance safety; continued progress on the St. Louis Street re-alignment project at IL Route 53, and completion of the truck scales located along Elwood International Port to assist the Village Police Department with enforcement of overweight vehicles on Village roadways. In conjunction with the St. Louis Street realignment project, planning is ongoing for watermain improvements along the existing St. Louis Street right of way to improve water flows to the Shady Nook sub-division.

## **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, 2016**

A handwritten signature in black ink that reads "Jeffrey R. Enos". The signature is fluid and cursive, with "Jeffrey" on the top line and "R. Enos" 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
- Supplemental Schedules

## **INDEPENDENT AUDITORS' REPORT**

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



## INDEPENDENT AUDITORS' REPORT

September 29, 2017

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, 2017, 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, 2017, 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, 2017**

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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, 2017. 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 an **increase in net position of \$1,295,807** for the governmental activities.
  - Total liabilities/deferred inflows decreased \$1,800,396 due primarily to a decrease in long term debt outstanding.
  - The decrease in liabilities/deferred inflows was offset by the \$504,589 decrease in assets/deferred outflows, resulting in the overall \$1,295,087 increase to net position for the governmental activities.
- Net position for the business-type activities decreased \$774,404.

## **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, 2017**

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#### **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, 2017**

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#### **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 - 66 of this report.

# VILLAGE OF ELWOOD, ILLINOIS

## Management's Discussion and Analysis April 30, 2017

### 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	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 8,582,095	7,742,226	(3,329,358)	(3,120,914)	5,252,737	4,621,312
Capital Assets	32,995,284	34,306,322	18,030,546	18,603,700	51,025,830	52,910,022
Total Assets	41,577,379	42,048,548	14,701,188	15,482,786	56,278,567	57,531,334
Deferred Outflows	182,565	215,985	27,995	30,734	210,560	246,719
Total Assets/Deferred Outflows	41,759,944	42,264,533	14,729,183	15,513,520	56,489,127	57,778,053
Long-Term Debt Outstanding	16,159,223	16,335,292	9,290,326	9,481,650	25,449,549	25,816,942
Other Liabilities	998,376	2,706,643	1,662,099	1,491,462	2,660,475	4,198,105
Total Liabilities	17,157,599	19,041,935	10,952,425	10,973,112	28,110,024	30,015,047
Deferred Inflows	367,736	283,796	10,754	-	378,490	283,796
Total Liabilities/Deferred Inflows	17,525,335	19,325,731	10,963,179	10,973,112	28,488,514	30,298,843
Net Position						
Net Investment in Capital Assets	16,350,367	17,616,380	10,460,228	10,855,695	26,810,595	28,472,075
Restricted	2,102,206	2,047,412	-	-	2,102,206	2,047,412
Unrestricted (Deficit)	5,782,036	3,275,010	(6,694,224)	(6,315,287)	(912,188)	(3,040,277)
Total Net Position	24,234,609	22,938,802	3,766,004	4,540,408	28,000,613	27,479,210

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$26.8 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 \$1.7 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, 2017

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Government-Wide Activities Excluding TIF Activity – Continued

An additional portion or \$2.1 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	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 839,914	698,418	1,066,943	976,317	1,906,857	1,674,735
Operating Grants/Contrib.	65,949	66,664	-	-	65,949	66,664
Capital Grants/Contrib.	-	-	30,000	-	30,000	-
General Revenues						
Property Taxes	1,326,973	1,297,709	-	-	1,326,973	1,297,709
Utility Taxes	479,043	600,516	-	-	479,043	600,516
Sales Taxes	98,271	266,404	-	-	98,271	266,404
Income Taxes	263,762	280,508	-	-	263,762	280,508
Other General Revenues	4,083,403	2,698,914	16,906	16,199	4,100,309	2,715,113
Total Revenues	<u>7,157,315</u>	<u>5,909,133</u>	<u>1,113,849</u>	<u>992,516</u>	<u>8,271,164</u>	<u>6,901,649</u>
<b>Expenses</b>						
General Government	3,127,307	3,049,598	-	-	3,127,307	3,049,598
Public Safety	1,659,873	1,650,714	-	-	1,659,873	1,650,714
Public Works	636,749	740,654	-	-	636,749	740,654
Parks and Recreation	134,796	184,749	-	-	134,796	184,749
Interest on Long-Term Debt	302,783	922,170	-	-	302,783	922,170
Water and Sewer	-	-	1,664,995	1,704,404	1,664,995	1,704,404
Garbage	-	-	223,258	187,187	223,258	187,187
Total Expenses	<u>5,861,508</u>	<u>6,547,885</u>	<u>1,888,253</u>	<u>1,891,591</u>	<u>7,749,761</u>	<u>8,439,476</u>
Change in Net Position	1,295,807	(638,752)	(774,404)	(899,075)	521,403	(1,537,827)
Net Position-Beginning	<u>22,938,802</u>	<u>23,577,554</u>	<u>4,540,408</u>	<u>5,439,483</u>	<u>27,479,210</u>	<u>29,017,037</u>
Net Position-Ending	<u>24,234,609</u>	<u>22,938,802</u>	<u>3,766,004</u>	<u>5,418,951</u>	<u>28,000,613</u>	<u>27,479,210</u>

## VILLAGE OF ELWOOD, ILLINOIS

### Management's Discussion and Analysis April 30, 2017

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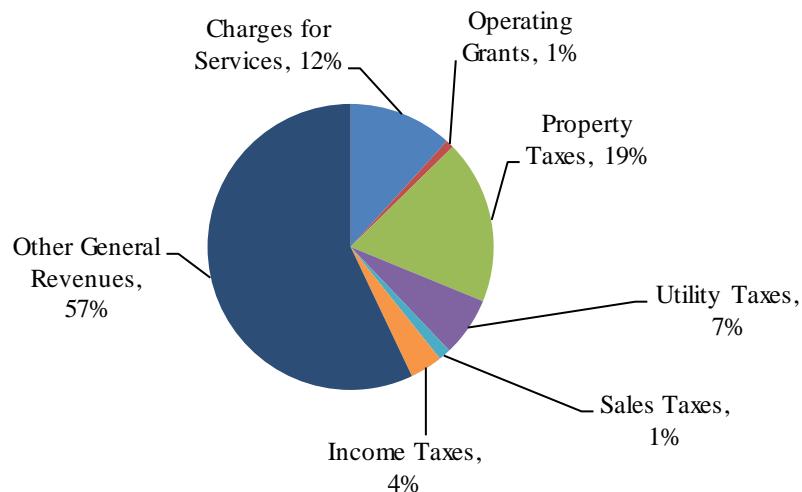
#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### 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 an increase to governmental activities net position of \$1,295,807** primarily as the result of a decrease in interest expense. 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, 2017 and April 30, 2016.**

Revenues for governmental and business-type activities were \$8.3 million for the year, with the largest portion of revenue coming from other general revenues (\$4.1 million). Revenues for the year increased \$1,369,515, which includes an increase of \$1,248,182 for the governmental activities and an increase of \$121,333 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 decrease 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 \$521,403 increase to total net position for the year. This is in comparison to a decrease of \$1,537,827 in the prior year. The following chart shows the diversification of the Village's revenue sources for the year ended April 30, 2017:

**Revenues by Source - Governmental Activities at  
April 30, 2017**



# VILLAGE OF ELWOOD, ILLINOIS

## Management's Discussion and Analysis April 30, 2017

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### 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 \$93.2 million due in large part to the current year accretion expense of \$13,654,763 on the capital appreciation bonds and total outstanding accretion of \$56,471,347. The following table represents the activity of the Village including all TIF related activity:

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 23,858,957	21,992,290	(3,329,358)	(3,120,914)	20,529,599	18,871,376
Capital Assets	118,442,290	122,001,933	18,030,546	18,603,700	136,472,836	140,605,633
Total Assets	142,301,247	143,994,223	14,701,188	15,482,786	157,002,435	159,477,009
Deferred Outflows	182,565	215,985	27,995	30,734	210,560	246,719
Total Assets/Deferred Outflows	142,483,812	144,210,208	14,729,183	15,513,520	157,212,995	159,723,728
Long-Term Debt Outstanding	122,703,906	135,092,520	9,290,326	9,481,650	131,994,232	144,574,170
Other Liabilities	105,456,626	92,958,531	1,662,099	1,491,462	107,118,725	94,449,993
Total Liabilities	228,160,532	228,051,051	10,952,425	10,973,112	239,112,957	239,024,163
Deferred Inflows	11,257,090	9,557,060	10,754	-	11,267,844	9,557,060
Total Liabilities/Deferred Inflows	239,417,622	237,608,111	10,963,179	10,973,112	250,380,801	248,581,223
Net Position						
Net Investment in Capital Assets	26,476,702	18,324,386	10,460,228	10,855,695	36,936,930	29,180,081
Restricted	2,102,206	2,047,412	-	-	2,102,206	2,047,412
Unrestricted (Deficit)	(125,512,718)	(113,769,701)	(6,694,224)	(6,315,287)	(132,206,942)	(120,084,988)
Total Net Position	(96,933,810)	(93,397,903)	3,766,004	4,540,408	(93,167,806)	(88,857,495)

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$36.9 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 \$7,756,849 as a result of debt retirements of \$11,891,959 on long-term debt, offset by \$408,961 in additions to capital assets and depreciation expense of \$4,541,758. Unrestricted net position decreased \$12,121,954 due primarily to accretion expense, particularly on the TIF related debt.

## VILLAGE OF ELWOOD, ILLINOIS

### Management's Discussion and Analysis April 30, 2017

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

#### Government-Wide Activities Including TIF Activity – Continued

An additional portion or \$2.1 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. The following table represents the activity of the Village including all TIF related activity:

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 839,914	698,418	1,066,943	976,317	1,906,857	1,674,735
Operating Grants/Contrib.	65,949	66,664	-	-	65,949	66,664
Capital Grants/Contrib.	-	-	30,000	-	30,000	-
General Revenues						
Property Taxes	11,899,162	10,656,245	-	-	11,899,162	10,656,245
Utility Taxes	479,043	600,516	-	-	479,043	600,516
Sales Taxes	98,271	266,404	-	-	98,271	266,404
Income Taxes	280,531	296,548	-	-	280,531	296,548
Other General Revenues	4,083,403	2,698,914	16,906	16,199	4,100,309	2,715,113
Total Revenues	<b>17,746,273</b>	<b>15,283,709</b>	<b>1,113,849</b>	<b>992,516</b>	<b>18,860,122</b>	<b>16,276,225</b>
<b>Expenses:</b>						
General Government	5,052,898	5,306,224	-	-	5,052,898	5,306,224
Public Safety	1,659,873	1,650,714	-	-	1,659,873	1,650,714
Public Works	636,749	740,654	-	-	636,749	740,654
Parks and Recreation	134,796	184,749	-	-	134,796	184,749
Interest on Long-Term Debt	13,797,864	14,999,722	-	-	13,797,864	14,999,722
Water and Sewer	-	-	1,664,995	1,704,404	1,664,995	1,704,404
Garbage	-	-	223,258	187,187	223,258	187,187
Total Expenses	<b>21,282,180</b>	<b>22,882,063</b>	<b>1,888,253</b>	<b>1,891,591</b>	<b>23,170,433</b>	<b>24,773,654</b>
Change in Net Position	(3,535,907)	(7,598,354)	(774,404)	(899,075)	(4,310,311)	(8,497,429)
Net Position-Beginning	<b>(93,397,903)</b>	<b>(85,799,549)</b>	<b>4,540,408</b>	<b>5,439,483</b>	<b>(88,857,495)</b>	<b>(80,360,066)</b>
Net Position-Ending	<b>(96,933,810)</b>	<b>(93,397,903)</b>	<b>3,766,004</b>	<b>4,540,408</b>	<b>(93,167,806)</b>	<b>(88,857,495)</b>

Net position of the Village of Elwood's governmental activities decreased by \$3,535,907 (negative \$96.9 million compared to negative \$93.4 million). This deficit arose primarily due to the current year accretion on the Capital Appreciation Bonds outstanding amounting to \$13,654,763 and depreciation expense of \$3,938,604, which was offset by long-term debt retirements of \$25,294,682.

## VILLAGE OF ELWOOD, ILLINOIS

### Management's Discussion and Analysis April 30, 2017

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Government-Wide Activities Including TIF Activity – Continued

Net position of business-type activities decreased by \$.8 million (\$3.7 million compared to \$4.5 million) due to depreciation of \$603,154 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

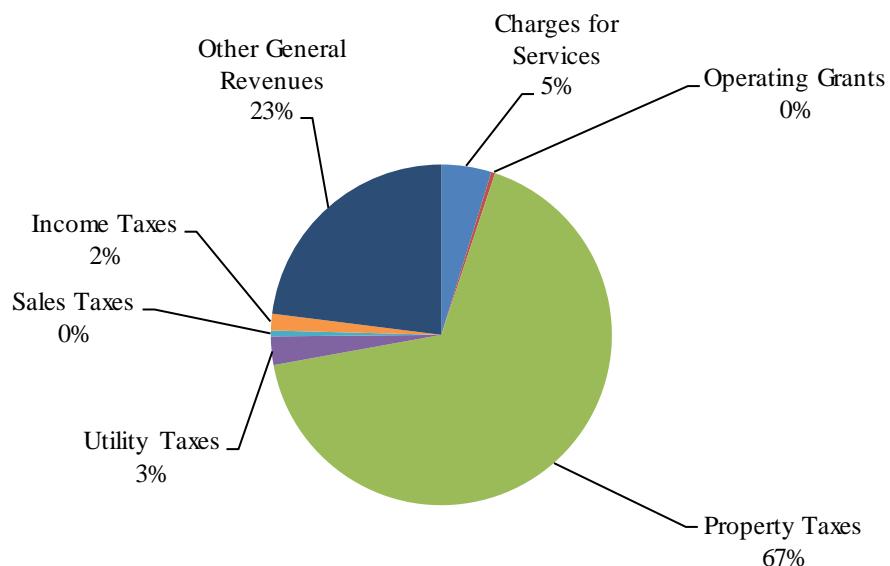
Revenues for governmental activities were \$17.7 million for the year, with the largest portion of revenue coming from property taxes (\$11.9 million), 88.8% of which is collected for retirement of the TIF bonds. Total expenses for the year were \$21.3 million with the largest portion coming from the interest expense on long-term (TIF) debt (\$13.5 million).

Revenues for the governmental activities increased \$2,462,564, or 16.1%. Major highlights of the changes in revenues include:

- Charges for services totaled \$839,914 at April 30, 2017, an increase of \$141,496.
- Property taxes increased \$1,242,917, or 11.7%.

Expenses for the governmental activities decreased from the prior year. Total expenses in FY2016 were \$22.9 million, while expenses for FY2017 were \$21.3 million, reflecting a \$1,599,883 decrease.

##### Revenues by Source - Governmental Activities at April 30, 2017



## VILLAGE OF ELWOOD, ILLINOIS

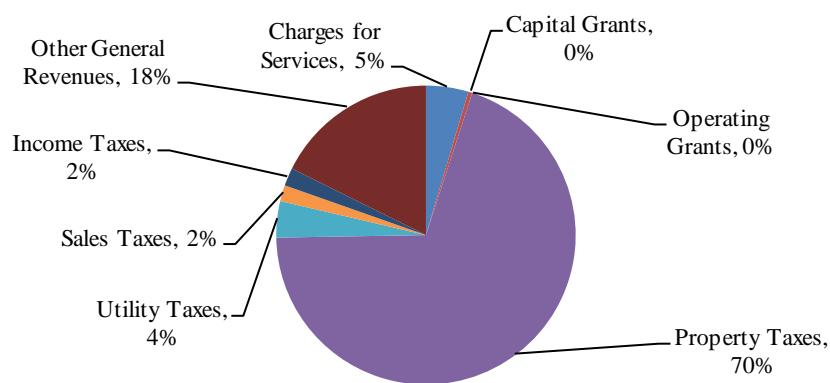
### Management's Discussion and Analysis April 30, 2017

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Government-Wide Activities Including TIF Activity – Continued

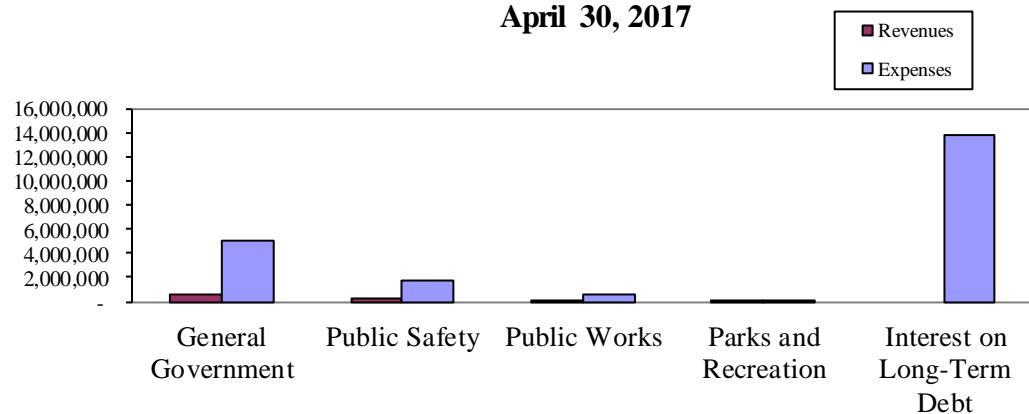
###### Governmental Activities – Continued

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



The 'Revenues by Source' Tables graphically depict the major revenue sources of the Village of Elwood for 2017 and 2016. It depicts very clearly the reliance of property taxes "88.8% 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, 2017**



## VILLAGE OF ELWOOD, ILLINOIS

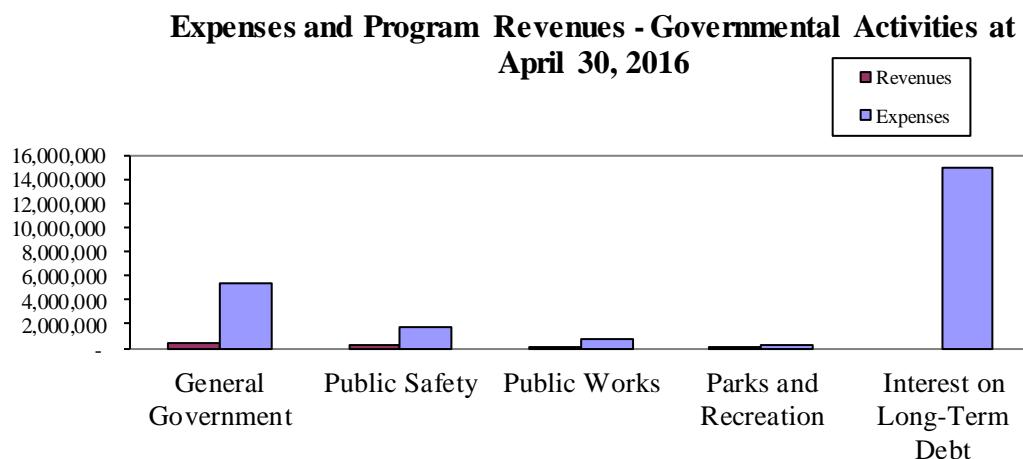
### Management's Discussion and Analysis April 30, 2017

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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Government-Wide Activities Including TIF Activity – Continued

##### Governmental Activities – Continued

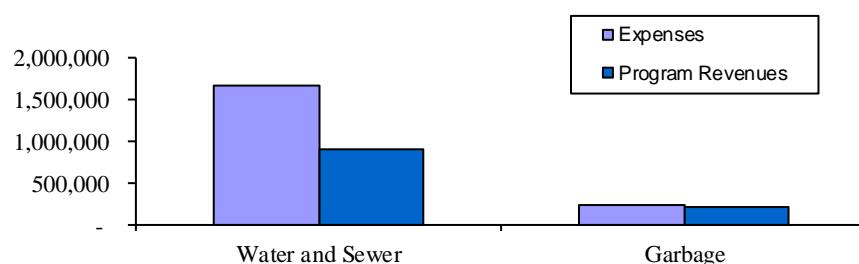


The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. From the table, it can be noted that the general government function has enough revenues to meet program expenses.

##### Business-Type Activities

Total revenues of the Village's business-type activities were \$1.1 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, 2017**



## VILLAGE OF ELWOOD, ILLINOIS

### Management's Discussion and Analysis April 30, 2017

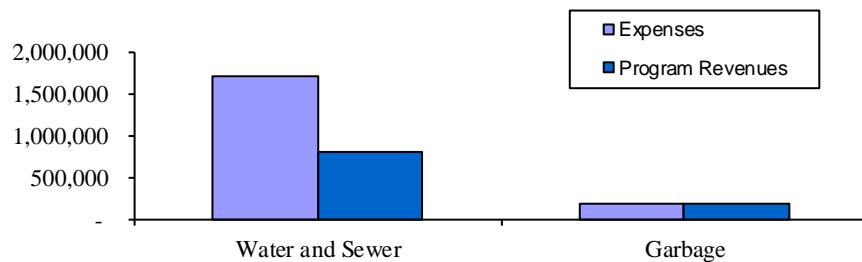
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#### GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

##### Government-Wide Activities Including TIF Activity – Continued

##### Business-Type Activities – Continued

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



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 \$66,762,049, which is \$11,485,795 less than the prior year governmental fund balances deficit of \$55,276,254. **Excluding the Deer Run TIF Fund, the governmental funds would have reported a \$2,604,564 increase to fund balances.** A deficit of \$14,090,359 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.

## **VILLAGE OF ELWOOD, ILLINOIS**

### **Management's Discussion and Analysis**

**April 30, 2017**

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### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued**

#### **Governmental Funds – Continued**

The Village spent \$729,757 in the Capital Construction Bond Fund. 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 \$42.73 for first 2,000 gallons and \$7.52 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 FY2017 the Water and Sewer Fund reported a deficit of \$755,790, which includes \$603,154 in non-cash depreciation expense and \$335,721 in interest expense on outstanding Water and Sewer Fund debt.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

There were amendments made to the General Fund budget during the year. The General Fund expenditures were \$20,894 lower than the budgeted amount of \$1,941,121, due to the general government and public safety functions coming in over budget and being offset by the public works function coming in under budget.

The General Fund revenues were \$122,243 over the budgeted amount of \$2,242,929, due primarily to revenues for licenses and permits.

# VILLAGE OF ELWOOD, ILLINOIS

## Management's Discussion and Analysis April 30, 2017

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### 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, 2017 was \$136.5 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 \$4,132,797, which was the result of \$408,961 in additions to capital assets offset by \$4,541,758 reported for depreciation expense.

	Capital Assets - Net of Accumulated Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 3,458,233	3,458,233	1,939,500	1,909,500	5,397,733	5,367,733
Construction in Progress	-	-	-	-	-	-
Buildings and Improvements	4,886,470	5,135,830	7,872,890	8,198,371	12,759,360	13,334,201
Machinery & Equipment	558,112	579,714	160,989	217,359	719,101	797,073
Infrastructure	109,539,475	112,828,156	8,057,167	8,278,470	117,596,642	121,106,626
<b>Total</b>	<b>118,442,290</b>	<b>122,001,933</b>	<b>18,030,546</b>	<b>18,603,700</b>	<b>136,472,836</b>	<b>140,605,633</b>

This year's major additions included:

Land	\$ 30,000
Machinery and Equipment	102,662
Infrastructure	276,299
	<b>408,961</b>

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, 2017

#### CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

##### Debt Administration

**At year-end, the Village had total outstanding bonded debt of \$156.0 million as compared to \$167.8 million the previous year, resulting in a \$11.7 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	
	2017	2016	2017	2016	2017	2016
<b>Village Supported Debt</b>						
General Obligation Bonds	\$ 5,150,000	5,815,000	7,600,000	7,780,000	12,750,000	13,595,000
General Obligation Capital Appreciation Bonds	6,188,552	6,188,552	-	-	6,188,552	6,188,552
Accretion - General Obligation Capital Appreciation Bonds	5,306,365	4,686,392	-	-	5,306,365	4,686,392
<b>Total Village Supported Debt</b>	<b>16,644,917</b>	<b>16,689,944</b>	<b>7,600,000</b>	<b>7,780,000</b>	<b>24,244,917</b>	<b>24,469,944</b>
<b>TIF Supported Debt</b>						
TIF Notes Payable	80,627,036	91,673,995	-	-	80,627,036	91,673,995
Accretion - TIF Notes Payable	51,164,982	51,625,273	-	-	51,164,982	51,625,273
<b>Total TIF Supported Debt</b>	<b>131,792,018</b>	<b>143,299,268</b>	<b>-</b>	<b>-</b>	<b>131,792,018</b>	<b>143,299,268</b>
<b>Total</b>	<b>148,436,935</b>	<b>159,989,212</b>	<b>7,600,000</b>	<b>7,780,000</b>	<b>156,036,935</b>	<b>167,769,212</b>

The Village of Elwood had previously been rated by Standard & Poor's in 2010 at A+ for general obligation debt. 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 2018 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 2018.

#### 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, 2017**

	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 9,051,758	-	9,051,758
Receivables - Net of Allowances	11,301,300	147,878	11,449,178
Due from Other Governments	4,990	-	4,990
Internal Balances	3,481,837	(3,481,837)	-
Prepays	19,072	4,601	23,673
<b>Total Current Assets</b>	<b>23,858,957</b>	<b>(3,329,358)</b>	<b>20,529,599</b>
Noncurrent Assets			
Capital Assets			
Nondepreciable	3,458,233	1,939,500	5,397,733
Depreciable	156,900,587	24,043,600	180,944,187
Accumulated Depreciation	(41,916,530)	(7,952,554)	(49,869,084)
<b>Total Noncurrent Assets</b>	<b>118,442,290</b>	<b>18,030,546</b>	<b>136,472,836</b>
Total Assets	142,301,247	14,701,188	157,002,435
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	182,565	27,995	210,560
<b>Total Assets and Deferred Outflows of Resources</b>	<b>142,483,812</b>	<b>14,729,183</b>	<b>157,212,995</b>

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

	Governmental Activities	Business-Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 79,370,973	86,179	79,457,152
Accrued Payroll	63,071	7,628	70,699
Deposits Payable	-	54,785	54,785
Accrued Interest Payable	21,029	1,326,903	1,347,932
Current Portion of Long-Term Debt	26,001,553	186,604	26,188,157
Total Current Liabilities	<b>105,456,626</b>	<b>1,662,099</b>	<b>107,118,725</b>
Noncurrent Liabilities			
Compensated Absences Payable	76,872	6,414	83,286
Net Pension Liability - IMRF	172,434	26,441	198,875
Unearned Tap-On Revenues	-	1,872,153	1,872,153
General Obligation Bonds Payable - Net	4,415,000	7,385,318	11,800,318
General Obligation Capital Appreciation Bonds Payable	6,188,552	-	6,188,552
Accretion - General Obligation Capital Appreciation Bonds Payable	5,306,365	-	5,306,365
TIF Notes Payable	67,726,613	-	67,726,613
Accretion - TIF Notes Payable	38,818,070	-	38,818,070
Total Noncurrent Liabilities	<b>122,703,906</b>	<b>9,290,326</b>	<b>131,994,232</b>
Total Liabilities	<b>228,160,532</b>	<b>10,952,425</b>	<b>239,112,957</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	11,186,962	-	11,186,962
Deferred Items - IMRF	70,128	10,754	80,882
Total Deferred Inflows of Resources	<b>11,257,090</b>	<b>10,754</b>	<b>11,267,844</b>
Total Liabilities and Deferred Inflows of Resources	<b>239,417,622</b>	<b>10,963,179</b>	<b>250,380,801</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	26,476,702	10,460,228	36,936,930
Restricted - Highways and Streets	2,102,206	-	2,102,206
Unrestricted (Deficit)	(125,512,718)	(6,694,224)	(132,206,942)
Total Net Position	<b>(96,933,810)</b>	<b>3,766,004</b>	<b>(93,167,806)</b>

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, 2017**

	<b>Program Revenues</b>		
	<b>Charges for Services</b>	<b>Operating Grants/ Contributions</b>	<b>Capital Grants/ Contributions</b>
	<b>Expenses</b>		
<b>Primary Government</b>			
<b>Governmental Activities</b>			
General Government	\$ 5,052,898	639,376	-
Public Safety	1,659,873	183,395	8,184
Public Works	636,749	-	57,765
Parks and Recreation	134,796	17,143	-
Interest on Long-Term Debt	<u>13,797,864</u>	-	-
<b>Total Governmental Activities</b>	<u>21,282,180</u>	<u>839,914</u>	<u>65,949</u>
<b>Business-Type Activities</b>			
Water and Sewer	1,664,995	862,299	-
Garbage	<u>223,258</u>	<u>204,644</u>	-
<b>Total Business-Type Activities</b>	<u>1,888,253</u>	<u>1,066,943</u>	<u>30,000</u>
<b>Total Primary Government</b>	<u>23,170,433</u>	<u>1,906,857</u>	<u>65,949</u>
<b>General Revenues</b>			
<b>Taxes</b>			
Property Taxes			
Utility Taxes			
<b>Intergovernmental - Unrestricted</b>			
Sales Taxes			
Income Taxes			
<b>Interest Income</b>			
<b>Miscellaneous</b>			
<b>Change in Net Position</b>			
<b>Net Position - Beginning</b>			
<b>Net Position - Ending</b>			

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

Net (Expense)/Revenue		
Governmental Activities	Business-Type Activities	Totals
(4,413,522)	-	(4,413,522)
(1,468,294)	-	(1,468,294)
(578,984)	-	(578,984)
(117,653)	-	(117,653)
(13,797,864)	-	(13,797,864)
<u>(20,376,317)</u>	<u>-</u>	<u>(20,376,317)</u>
-	(772,696)	(772,696)
-	(18,614)	(18,614)
<u>-</u>	<u>(791,310)</u>	<u>(791,310)</u>
<u>(20,376,317)</u>	<u>(791,310)</u>	<u>(21,167,627)</u>
11,899,162	-	11,899,162
479,043	-	479,043
98,271	-	98,271
280,531	-	280,531
22,349	16,906	39,255
4,061,054	-	4,061,054
<u>16,840,410</u>	<u>16,906</u>	<u>16,857,316</u>
(3,535,907)	(774,404)	(4,310,311)
<u>(93,397,903)</u>	<u>4,540,408</u>	<u>(88,857,495)</u>
<u>(96,933,810)</u>	<u>3,766,004</u>	<u>(93,167,806)</u>

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

**VILLAGE OF ELWOOD, ILLINOIS****Balance Sheet - Governmental Funds****April 30, 2017**General**ASSETS**

Cash and Investments	\$ 1,776,657
Receivables - Net of Allowances	
Property Taxes	297,608
Accounts	114,338
Due from Other Governments	-
Due from Other Funds	-
Prepays	<u>13,157</u>
 Total Assets	 <u>2,201,760</u>

**LIABILITIES**

Accounts Payable	102,857
Accrued Payroll	59,182
Due to Other Funds	-
Total Liabilities	<u>162,039</u>

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes	<u>297,608</u>
Total Liabilities and Deferred Inflows of Resources	<u>459,647</u>

**FUND BALANCES**

Nonspendable	13,157
Restricted	-
Assigned	-
Unassigned	<u>1,728,956</u>
Total Fund Balances	<u>1,742,113</u>

Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>2,201,760</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
-	4,387,508	937,217		1,950,376	9,051,758
-	10,889,354		-	-	11,186,962
-	-	-	-	-	114,338
-	-	-	-	4,990	4,990
-	-	3,793,509		152,195	3,945,704
-	-		57	5,858	19,072
-	15,276,862	4,730,783		2,113,419	24,322,824
<hr/>					
-	79,210,915	38,174		19,027	79,370,973
-	-	3,889		-	63,071
-	-	-		463,867	463,867
-	79,210,915	42,063		482,894	79,897,911
<hr/>					
-	10,889,354	-		-	11,186,962
-	90,100,269	42,063		482,894	91,084,873
<hr/>					
-	-	57		5,858	19,072
-	-	-		2,102,206	2,102,206
-	-	4,688,663		-	4,688,663
-	(74,823,407)	-		(477,539)	(73,571,990)
-	(74,823,407)	4,688,720		1,630,525	(66,762,049)
<hr/>					
-	15,276,862	4,730,783		2,113,419	24,322,824

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, 2017**

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<b>Total Governmental Fund Balances</b>	\$ (66,762,049)
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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.	118,442,290
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Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	112,437
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(96,090)
Net Pension Liability - IMRF	(172,434)
General Obligation Bonds Payable	(5,150,000)
General Obligation Capital Appreciation Bonds Payable	(6,188,552)
Accretion - General Obligation Capital Appreciation Bonds Payable	(5,306,365)
TIF Notes Payable	(80,627,036)
Accretion - TIF Notes Payable	(51,164,982)
Accrued Interest Payable	<u>(21,029)</u>

<b>Net Position of Governmental Activities</b>	<u><u>(96,933,810)</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, 2017**

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**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, 2017**

	<u>General</u>
Revenues	
Taxes	\$ 771,047
Intergovernmental	386,986
Charges for Services	417,089
Licenses and Permits	222,287
Fines and Forfeits	183,395
Interest Income	1,742
Miscellaneous	382,626
Total Revenues	<u>2,365,172</u>
Expenditures	
Current	
General Government	698,917
Public Safety	772,262
Public Works	449,048
Parks and Recreation	-
Debt Service	
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	<u>1,920,227</u>
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	<u>444,945</u>
Other Financing Sources (Uses)	
Sale of Capital Assets	-
Transfers In	-
Transfers Out	<u>(117,152)</u>
	<u>(117,152)</u>
Net Change in Fund Balances	327,793
Fund Balances - Beginning	<u>1,414,320</u>
Fund Balances - Ending	<u>1,742,113</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
-	10,572,189	-	1,034,969	12,378,205
-	-	-	57,765	444,751
-	-	-	17,143	434,232
-	-	-	-	222,287
-	-	-	-	183,395
-	16,769	2,350	1,488	22,349
-	-	3,677,928	500	4,061,054
-	10,588,958	3,680,278	1,111,865	17,746,273
-	137,277	729,757	-	1,565,951
-	-	-	824,593	1,596,855
-	-	-	138,061	587,109
-	-	-	134,796	134,796
665,000	11,046,959	-	-	11,711,959
145,817	13,495,081	-	-	13,640,898
810,817	24,679,317	729,757	1,097,450	29,237,568
(810,817)	(14,090,359)	2,950,521	14,415	(11,491,295)
-	-	5,500	-	5,500
810,817	-	-	117,152	927,969
-	-	(810,817)	-	(927,969)
810,817	-	(805,317)	117,152	5,500
-	(14,090,359)	2,145,204	131,567	(11,485,795)
-	(60,733,048)	2,543,516	1,498,958	(55,276,254)
-	(74,823,407)	4,688,720	1,630,525	(66,762,049)

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, 2017**

**Net Change in Fund Balances - Total Governmental Funds** \$ (11,485,795)

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	378,961
Depreciation Expense	(3,938,604)
Disposals - Cost	(15,825)
Disposals - Accumulated Depreciation	15,825

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

Change in Deferred Items - IMRF (103,548)

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.

Increase to Compensated Absences Payable	(14,778)
Decrease to Net Pension Liability - IMRF	72,864
Retirement of Debt	11,711,959
Increase to Accretion - General Obligation Capital Appreciation Bonds	(619,973)
Increase to Accretion - TIF Notes Payable	(13,034,790)
Retirement of Accretion - TIF Notes Payable	13,495,081

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.

2,716

## **Changes in Net Position of Governmental Activities**

(3,535,907)

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, 2017**

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**See Following Page**

**VILLAGE OF ELWOOD, ILLINOIS**

**Statement of Net Position - Proprietary Funds**  
**April 30, 2017**

	Business-Type Activities - Enterprise		
	Water and Sewer	Nonmajor Garbage	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ -	- -	- -
Receivables - Net of Allowances			
Accounts	113,775	34,103	147,878
Prepays	4,601	- -	4,601
Total Current Assets	<u>118,376</u>	<u>34,103</u>	<u>152,479</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,939,500	- -	1,939,500
Depreciable	24,043,600	- -	24,043,600
Accumulated Depreciation	<u>(7,952,554)</u>	<u>- -</u>	<u>(7,952,554)</u>
Total Noncurrent Assets	<u>18,030,546</u>	<u>- -</u>	<u>18,030,546</u>
Total Assets	18,148,922	34,103	18,183,025
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	<u>27,995</u>	<u>- -</u>	<u>27,995</u>
Total Assets and Deferred Outflows of Resources	<u>18,176,917</u>	<u>34,103</u>	<u>18,211,020</u>

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

		Business-Type Activities - Enterprise		
		Water and Sewer	Nonmajor Garbage	Totals
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 67,428	18,751		86,179
Accrued Payroll	7,628	-		7,628
Deposits Payable	54,785	-		54,785
Due to Other Funds	3,468,896	12,941		3,481,837
Accrued Interest Payable	1,326,903	-		1,326,903
Compensated Absences Payable	1,604	-		1,604
General Obligation Bonds Payable	185,000	-		185,000
<b>Total Current Liabilities</b>	<b>5,112,244</b>	<b>31,692</b>		<b>5,143,936</b>
Noncurrent Liabilities				
Unearned Tap-On Revenues	1,872,153	-		1,872,153
Compensated Absences Payable	6,414	-		6,414
Net Pension Liability - IMRF	26,441	-		26,441
General Obligation Bonds Payable - Net	7,385,318	-		7,385,318
<b>Total Noncurrent Liabilities</b>	<b>9,290,326</b>	<b>-</b>		<b>9,290,326</b>
<b>Total Liabilities</b>	<b>14,402,570</b>	<b>31,692</b>		<b>14,434,262</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	10,754	-		10,754
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>14,413,324</b>	<b>31,692</b>		<b>14,445,016</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	10,460,228	-		10,460,228
Unrestricted (Deficit)	(6,696,635)	2,411		(6,694,224)
<b>Total Net Position</b>	<b>3,763,593</b>	<b>2,411</b>		<b>3,766,004</b>

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, 2017**

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Operating Revenues			
Charges for Services	\$ 862,299	204,644	1,066,943
Operating Expenses			
Water Operations	351,288	-	351,288
Sewer Operations	374,832	-	374,832
Garbage Operations	-	223,258	223,258
Depreciation and Amortization	603,154	-	603,154
Total Operating Expenses	1,329,274	223,258	1,552,532
Operating Income (Loss)	(466,975)	(18,614)	(485,589)
Nonoperating Revenues (Expenses)			
Interest Income	16,906	-	16,906
Interest and Fiscal Charges	(335,721)	-	(335,721)
	(318,815)	-	(318,815)
Income (Loss) Before Contributions	(785,790)	(18,614)	(804,404)
Capital Contributions	30,000	-	30,000
Change in Net Position	(755,790)	(18,614)	(774,404)
Net Position - Beginning	4,519,383	21,025	4,540,408
Net Position - Ending	3,763,593	2,411	3,766,004

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, 2017**

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 874,968	201,925	1,076,893
Payments to Employees	(211,592)	-	(211,592)
Payments to Suppliers	(365,525)	(204,507)	(570,032)
	<u>297,851</u>	<u>(2,582)</u>	<u>295,269</u>
Cash Flows from Noncapital Financing Activities			
Interfunds	<u>198,651</u>	<u>2,582</u>	<u>201,233</u>
Cash Flows from Capital and Related Financing Activities			
Principal Paid	(177,687)	-	(177,687)
Interest Paid	(335,721)	-	(335,721)
	<u>(513,408)</u>	<u>-</u>	<u>(513,408)</u>
Cash Flows from Investing Activities			
Interest Received	<u>16,906</u>	<u>-</u>	<u>16,906</u>
Net Change in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents - Beginning	-	-	-
Cash and Cash Equivalents - Ending	-	-	-
Reconciliation of Operating Income to Net Cash			
Provided (Used) by Operating Activities			
Operating Income (Loss)	<u>(466,975)</u>	<u>(18,614)</u>	<u>(485,589)</u>
Adjustments to Reconcile Operating Income to Net Income to Net Cash			
Provided by (Used in) Operating Activities:			
Depreciation and Amortization Expense	603,154	-	603,154
(Increase) Decrease in Current Assets	12,669	(2,719)	9,950
Increase (Decrease) in Current Liabilities	149,003	18,751	167,754
	<u>764,826</u>	<u>16,032</u>	<u>780,858</u>
Net Cash Provided by (Used in) Operating Activities	<u>297,851</u>	<u>(2,582)</u>	<u>295,269</u>
Noncash Activity - Capital Contributions	<u>30,000</u>	<u>-</u>	<u>30,000</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, 2017**

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#### **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, 2017**

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### **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, 2017**

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#### **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, 2017**

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#### **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, 2017**

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#### **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, 2017**

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#### **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 generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the Village's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

##### **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, 2017**

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#### **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, 2017**

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#### **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 of resources (expense)/inflow of resources (revenue) until that future time.

## **VILLAGE OF ELWOOD, ILLINOIS**

### **Notes to the Financial Statements** **April 30, 2017**

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#### **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 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, 2017**

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#### **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
Garbage	\$ 26,981
Deer Run TIF	14,679,317

#### **DEFICIT FUND BALANCE**

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

Fund	Deficit
Deer Run TIF	\$ 74,823,407
Park	855
Special Service Area	159,154
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, 2017**

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#### **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 \$8,044,724 and the bank balances totaled \$8,156,051. Also at year-end, the Village has \$1,007,034 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, 2017, 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, 2017, 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, 2017, the Village has no investments over 5 percent of the total cash and investment portfolio.

##### **PROPERTY TAXES**

Property taxes for 2016 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, 2017

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### 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
Depreciable Capital Assets				
Buildings and Improvements	6,976,457	-	-	6,976,457
Machinery and Equipment	1,745,734	102,662	15,825	1,832,571
Infrastructure	147,815,260	276,299	-	148,091,559
	<u>156,537,451</u>	<u>378,961</u>	<u>15,825</u>	<u>156,900,587</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,840,627	249,360	-	2,089,987
Machinery and Equipment	1,166,020	124,264	15,825	1,274,459
Infrastructure	34,987,104	3,564,980	-	38,552,084
	<u>37,993,751</u>	<u>3,938,604</u>	<u>15,825</u>	<u>41,916,530</u>
Total Net Depreciable Capital Assets	<u>118,543,700</u>	<u>(3,559,643)</u>	<u>-</u>	<u>114,984,057</u>
Total Net Capital Assets	<u>122,001,933</u>	<u>(3,559,643)</u>	<u>-</u>	<u>118,442,290</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 3,820,446
Public Safety	63,018
Public Works	<u>55,140</u>
	<u>3,938,604</u>

## **VILLAGE OF ELWOOD, ILLINOIS**

## **Notes to the Financial Statements April 30, 2017**

### **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	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 1,909,500	30,000	-	1,939,500
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	12,733,642	-	-	12,733,642
Machinery and Equipment	488,328	-	-	488,328
Infrastructure	10,821,630	-	-	10,821,630
	24,043,600	-	-	24,043,600
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	4,535,271	325,481	-	4,860,752
Machinery and Equipment	270,969	56,370	-	327,339
Infrastructure	2,543,160	221,303	-	2,764,463
	7,349,400	603,154	-	7,952,554
<b>Total Net Depreciable Capital Assets</b>	<b>16,694,200</b>	<b>(603,154)</b>	<b>-</b>	<b>16,091,046</b>
<b>Total Net Capital Assets</b>	<b>18,603,700</b>	<b>(573,154)</b>	<b>-</b>	<b>18,030,546</b>

Depreciation expense was charged to business-type as follows:

Water and Sewer \$ 603,154

## **VILLAGE OF ELWOOD, ILLINOIS**

### **Notes to the Financial Statements April 30, 2017**

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#### **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	3,468,896
Capital Construction Bond	Nonmajor Business-Type	12,941
Nonmajor Governmental	Nonmajor Governmental	<u>152,195</u>
		<u>3,945,704</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	\$ 810,817 (1)
Nonmajor Governmental	General	<u>117,152 (2)</u>
		<u>927,969</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, 2017

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### 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 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.	\$ 3,280,000	-	180,000	3,100,000
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.	5,815,000	-	665,000	5,150,000
	13,595,000	-	845,000	12,750,000

# VILLAGE OF ELWOOD, ILLINOIS

## Notes to the Financial Statements April 30, 2017

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### 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.	\$ 91,673,995	-	11,046,959	80,627,036

# VILLAGE OF ELWOOD, ILLINOIS

## Notes to the Financial Statements April 30, 2017

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### 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	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 81,312	29,556	14,778	96,090	19,218
Net Pension Liability - IMRF	245,298	-	72,864	172,434	-
General Obligation Bonds	5,815,000	-	665,000	5,150,000	735,000
General Obligation Capital Appreciation Bonds	6,188,552	-	-	6,188,552	-
Accretion - General Obligation Capital Appreciation Bonds	4,686,392	619,973	-	5,306,365	-
TIF Notes Payable	91,673,995	-	11,046,959	80,627,036	12,900,423
Accretion - TIF Notes Payable	51,625,273	13,034,790	13,495,081	51,164,982	12,346,912
	<b>160,315,822</b>	<b>13,684,319</b>	<b>25,294,682</b>	<b>148,705,459</b>	<b>26,001,553</b>
<b>Business-Type Activities</b>					
Compensated Absences	8,232	214	428	8,018	1,604
Net Pension Liability - IMRF	34,906	-	8,465	26,441	-
General Obligation Bonds	7,780,000	-	180,000	7,600,000	185,000
Unamortized Bond Discount	(31,995)	-	(2,313)	(29,682)	-
	<b>7,791,143</b>	<b>214</b>	<b>186,580</b>	<b>7,604,777</b>	<b>186,604</b>

For the governmental activities, the compensated absences and the net pension liability 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, payments on the compensated absences, the net pension liability and the general obligation bonds are made by the Water and Sewer Fund.

# VILLAGE OF ELWOOD, ILLINOIS

## Notes to the Financial Statements April 30, 2017

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### 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	Bonds	Principal/Accretion	Principal	Interest	
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		14,485,110	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	-	-		2,543,479		-	295,000	30,856
2030	-	-		2,688,481		-	310,000	15,810
<b>Totals</b>	<b>5,150,000</b>	<b>458,276</b>		<b>11,494,917</b>		<b>131,792,018</b>	<b>7,600,000</b>	<b>3,310,059</b>

#### 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, 2017

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### 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:

	General	Debt Service			Capital Projects		Capital Construction Bond	Nonmajor	Totals			
		Debt Service	Deer Run		Capital Construction Bond							
			TIF									
<b>Fund Balances</b>												
Nonspendable												
Prepays	\$ 13,157		-		-	57	5,858	19,072				
<b>Restricted</b>												
Highways and Streets		-	-	-	-	-	2,102,206	2,102,206				
<b>Assigned</b>												
Capital Projects		-	-	-	4,688,663	-	4,688,663					
Unassigned	1,728,956		-	(74,823,407)		-	(477,539)	(73,571,990)				
<b>Total Fund Balances</b>	<b>1,742,113</b>		<b>-</b>	<b>(74,823,407)</b>	<b>4,688,720</b>	<b>1,630,525</b>	<b>(66,762,049)</b>					

# **VILLAGE OF ELWOOD, ILLINOIS**

## **Notes to the Financial Statements** **April 30, 2017**

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### **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, 2017:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 118,442,290
Less Capital Related Debt:	
General Obligation Bonds of 2015	(5,150,000)
General Obligation Capital Appreciation Bonds of 2006	(6,188,552)
Tax Increment Financing Note Payable of 2003	<u>(80,627,036)</u>
Net Investment in Capital Assets	<u>26,476,702</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	18,030,546
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2010A	(3,100,000)
General Obligation Refunding Bonds of 2010B	(4,500,000)
Unamortized Bond Discount	<u>29,682</u>
Net Investment in Capital Assets	<u>10,460,228</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, 2017**

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#### **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](http://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, 2017

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### NOTE 4 – OTHER INFORMATION – Continued

#### 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, 2016, 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>19</u>
 Total	 <u>34</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 2016 was 8.37% of covered payroll.

# VILLAGE OF ELWOOD, ILLINOIS

## Notes to the Financial Statements April 30, 2017

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

##### Illinois Municipal Retirement Fund (IMRF) – Continued

###### Plan Descriptions – Continued

*Net Pension Liability.* The Village's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2016, 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 2012). 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 2012). 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 2012). 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, 2017**

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### **NOTE 4 – OTHER INFORMATION – Continued**

#### **EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued**

##### **Illinois Municipal Retirement Fund (IMRF) – Continued**

###### **Discount Rate**

The discount rate used to measure the total pension liability was 7.50% and the discount rate in the prior valuation was 7.49%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

###### **Discount Rate Sensitivity**

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, 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	
	(6.50%)	(7.50%)	(8.50%)	
Net Pension Liability/(Asset)	\$ 637,237	198,875	(154,164)	

# VILLAGE OF ELWOOD, ILLINOIS

## Notes to the Financial Statements April 30, 2017

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### 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

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2015	\$ 2,503,132	2,222,928	280,204
Changes for the Year:			
Service Cost	162,781	-	162,781
Interest on the Total Pension Liability	191,572	-	191,572
Difference Between Expected and Actual Experience of the Total Pension Liability	(92,413)	-	(92,413)
Changes of Assumptions	(4,025)	-	(4,025)
Contributions - Employer	-	119,072	(119,072)
Contributions - Employees	-	64,018	(64,018)
Net Investment Income	-	155,775	(155,775)
Benefit Payments, including Refunds of Employee Contributions	(53,627)	(53,627)	-
Other (Net Transfer)	-	379	(379)
Net Changes	204,288	285,617	(81,329)
Balances at December 31, 2016	2,707,420	2,508,545	198,875

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

For the fiscal year ended April 30, 2017, the Village recognized pension expense of \$153,504. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

# VILLAGE OF ELWOOD, ILLINOIS

## Notes to the Financial Statements April 30, 2017

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### 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 – Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 67,538	(77,506)	(9,968)
Change in Assumptions	2,577	(3,376)	(799)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>104,525</u>	-	<u>104,525</u>
Total Expenses to be Recognized in Future Periods	174,640	(80,882)	93,758
Pension Contributions Made Subsequent to the Measurement Date	<u>35,920</u>	-	<u>35,920</u>
Total Deferred Amounts Related to IMRF	<u>210,560</u>	(80,882)	<u>129,678</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2018	\$ 35,137
2019	35,137
2020	35,136
2021	4,511
2022	(13,061)
Thereafter	<u>(3,102)</u>
Total	<u><u>93,758</u></u>

## **VILLAGE OF ELWOOD, ILLINOIS**

### **Notes to the Financial Statements** **April 30, 2017**

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#### **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. However, there is minimal participation. As the Village provides no explicit benefit, and there is minimal participation, there is no material 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, 2017.

## **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, 2017

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Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution			Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
		Contribution	Excess/ (Deficiency)	Covered-Employee Payroll		
2016	\$ 124,894	\$ 124,894	\$ -	\$ 1,409,634		8.86%
2017	119,112	119,072	(40)	1,423,079		8.37%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	27 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% to 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

#### 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, 2017

	12/31/15	12/31/16
<b>Total Pension Liability</b>		
Service Cost	\$ 151,367	162,781
Interest	163,745	191,572
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	100,106	(92,413)
Change of Assumptions	3,819	(4,025)
Benefit Payments, Including Refunds of Member Contributions	<u>(46,984)</u>	<u>(53,627)</u>
 Net Change in Total Pension Liability	 372,053	 204,288
 Total Pension Liability - Beginning	 <u>2,131,079</u>	 <u>2,503,132</u>
 Total Pension Liability - Ending	 <u>2,503,132</u>	 <u>2,707,420</u>
 <b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 124,894	119,072
Contributions - Members	71,451	64,018
Net Investment Income	11,228	155,775
Benefit Payments, Including Refunds of Member Contributions	(46,984)	(53,627)
Administrative Expense	<u>(108,673)</u>	<u>379</u>
 Net Change in Plan Fiduciary Net Position	 51,916	 285,617
 Plan Net Position - Beginning	 <u>2,171,012</u>	 <u>2,222,928</u>
 Plan Net Position - Ending	 <u>2,222,928</u>	 <u>2,508,545</u>
 <b>Employer's Net Pension Liability</b>	 <u>\$ 280,204</u>	 <u>198,875</u>
 <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	 88.81%	 92.65%
 <b>Covered-Employee Payroll</b>	 \$ 1,409,634	 1,423,079
 <b>Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll</b>	 19.88%	 13.97%

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, 2017**

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	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ 889,100	889,100	771,047
Intergovernmental	588,362	588,362	386,986
Charges for Services	365,277	365,277	417,089
Licenses and Permits	111,690	111,690	222,287
Fines and Forfeits	275,000	275,000	183,395
Interest Income	3,000	3,000	1,742
Miscellaneous	10,500	10,500	382,626
Total Revenues	<u>2,242,929</u>	<u>2,242,929</u>	<u>2,365,172</u>
Expenditures			
General Government	556,031	640,231	698,917
Public Safety	680,360	680,360	772,262
Public Works	590,030	620,530	449,048
Total Expenditures	<u>1,826,421</u>	<u>1,941,121</u>	<u>1,920,227</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	416,508	301,808	444,945
Other Financing (Uses)			
Transfers Out	(415,000)	(415,000)	(117,152)
Net Change in Fund Balance	<u>1,508</u>	<u>(113,192)</u>	<u>327,793</u>
Fund Balance - Beginning			<u>1,414,320</u>
Fund Balance - Ending			<u>1,742,113</u>

## **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**

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## **GENERAL FUND**

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

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## **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.

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## **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.

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## **COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

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### **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.

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### **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.

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## VILLAGE OF ELWOOD, ILLINOIS

### General Fund

#### Schedule of Revenues - Budget and Actual For the Fiscal Year Ended April 30, 2017

	Budget		
	Original	Final	Actual
<b>Taxes</b>			
Property Taxes	\$ 213,000	213,000	212,768
Personal Property Replacement Tax	1,100	1,100	1,154
Road and Bridge Tax	75,000	75,000	70,662
Video Gaming Tax	-	-	7,420
Utility Tax	600,000	600,000	479,043
	<b>889,100</b>	<b>889,100</b>	<b>771,047</b>
<b>Intergovernmental</b>			
Sales Tax	155,000	155,000	59,279
Home Rule Sales Tax	130,000	130,000	38,992
Income Tax	225,621	225,621	214,882
Local Use Tax	69,557	69,557	65,649
Police/Safety Grants	8,184	8,184	8,184
	<b>588,362</b>	<b>588,362</b>	<b>386,986</b>
<b>Charges for Services</b>			
Center Point Administrative Fees	137,277	137,277	137,277
Engineering Fees	10,000	10,000	2,508
Lease Agreements	15,000	15,000	-
Police Reports	500	500	331
Overweight Truck Fee	160,000	160,000	243,319
Cable Franchise Fees	8,500	8,500	-
Container Stacking Fee	30,000	30,000	30,000
Nicor Franchise Fees	4,000	4,000	3,654
	<b>365,277</b>	<b>365,277</b>	<b>417,089</b>
<b>Licenses and Permits</b>			
Building Permits	100,000	100,000	197,362
Liquor Licenses	3,690	3,690	6,100
Business Licenses	1,000	1,000	3,025
Contractor Registration	7,000	7,000	15,800
	<b>111,690</b>	<b>111,690</b>	<b>222,287</b>
<b>Fines and Forfeits</b>			
Police Fines	275,000	275,000	183,395

## VILLAGE OF ELWOOD, ILLINOIS

### General Fund

#### Schedule of Revenues - Budget and Actual - Continued For the Fiscal Year Ended April 30, 2017

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	Budget		
	Original	Final	Actual
Interest Income	\$ 3,000	3,000	1,742
Miscellaneous			
Miscellaneous	10,500	10,500	382,626
Total Revenues	2,242,929	2,242,929	2,365,172

## VILLAGE OF ELWOOD, ILLINOIS

### General Fund

#### Schedule of Expenditures - Budget and Actual For the Fiscal Year Ended April 30, 2017

	Budget		
	Original	Final	Actual
<b>General Government</b>			
Administration			
Salaries	\$ 154,020	154,020	152,326
Administration Benefits	20,122	20,122	16,034
Employee Group Insurance	9,465	9,465	3,855
Audit	17,625	17,625	17,250
Engineering and Building Services	85,200	153,200	180,870
Legal Services	100,000	100,000	145,472
Telephone	8,599	8,599	12,593
Electric/Heating	15,600	15,600	16,043
Travel and Meetings	5,800	5,800	6,273
Insurance - Liability/Workers Compensation	22,000	22,000	19,575
Printing/Binding	3,000	3,000	3,095
Dues and Subscriptions	17,000	17,000	10,795
Office Equipment Maintenance	23,500	23,500	28,606
Utilities	-	-	2,241
Office Supplies	25,000	25,000	23,856
Marketing	-	-	55
Postage	8,000	8,000	7,207
Bank Charges	5,000	5,000	8,921
Donations	4,000	4,000	3,150
Miscellaneous	3,000	3,000	2,194
Events	24,000	24,000	17,513
Equipment	3,300	3,300	2,078
Data Processing Equipment	1,800	18,000	18,915
 Total General Government	 556,031	 640,231	 698,917

#### Public Safety

##### Police

Salaries	438,572	438,572	499,666
Administration Benefits	70,936	70,936	74,206
Employee Group Insurance	45,995	45,995	48,666
Legal Services	23,000	23,000	19,787
Data Processing	888	888	289
Insurance - Liability/Workers Compensation	10,795	10,795	46,305
Printing/Binding	403	403	223
Dues and Subscriptions	2,540	2,540	1,937

**VILLAGE OF ELWOOD, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**  
**For the Fiscal Year Ended April 30, 2017**

		<b>Budget</b>		
		<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>Public Safety - Continued</b>				
Police - Continued				
Telephone	\$ 4,920	4,920	4,878	
Office Equipment Maintenance	4,113	4,113	6,987	
Radio Maintenance	1,508	1,508	1,246	
Vehicle Maintenance	3,616	3,616	4,748	
Training	1,113	1,113	747	
Travel and Meetings	68	68	32	
Medical Expenditures	1,600	1,600	299	
Animal Control	900	900	608	
Rental	246	246	-	
Office Supplies	2,000	2,000	1,494	
Gas and Oil	5,148	5,148	4,866	
Uniforms	3,240	3,240	2,410	
Postage	350	350	2,558	
Ammunition	3,376	3,376	2,476	
Other Supplies	1,419	1,419	1,113	
Agreements	25,112	25,112	26,515	
Miscellaneous	639	639	302	
Equipment	26,163	26,163	17,259	
Data Processing Equipment	1,700	1,700	2,645	
 Total Public Safety	 680,360	 680,360	 772,262	

**Public Works**

Streets			
Salaries	187,008	187,008	135,611
Administration Benefits	25,986	25,986	17,697
Employee Group Insurance	18,301	18,301	22,542
Professional Services	3,000	36,000	34,680
Data Processing	2,200	2,200	1,656
Insurance	28,000	28,000	22,365
Uniforms	5,100	5,100	1,477
Street Cleaning	2,000	2,000	-
Landfill	5,000	2,500	-
Travel and Meetings	6,000	6,000	1,156
Tree Removal	10,000	10,000	450
Electric	40,000	40,000	37,515

**VILLAGE OF ELWOOD, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**  
**For the Fiscal Year Ended April 30, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>Public Works - Continued</b>			
Streets - Continued			
Telephone	\$ 4,000	4,000	2,934
Heating	6,300	6,300	4,451
Equipment Rentals	7,500	7,500	4,887
Communication Repairs	500	500	523
Building Maintenance	72,200	72,200	44,120
Street Light Maintenance	17,000	17,000	6,512
Vehicle Maintenance	22,500	22,500	10,681
Mosquito Abatement	23,250	23,250	23,867
Utilities	-	-	4,636
Office Supplies	4,500	4,500	3,879
Vehicle Supplies	9,000	9,000	17
Gas and Oil	16,500	16,500	9,245
Gravel	500	500	-
Asphalt and Sealer	1,000	1,000	-
Operating Supplies	10,000	10,000	203
Restoration Materials	2,500	2,500	50
Drainage Materials	500	500	-
Traffic Signs and Safety Materials	12,600	12,600	9,927
Small Tools and Equipment	4,850	4,850	7,591
Miscellaneous	10,000	10,000	12,285
Equipment	8,235	8,235	8,232
Village Building Improvements	20,000	20,000	16,237
Data Processing Equipment	4,000	4,000	3,622
 Total Public Works	 590,030	 620,530	 449,048
 Total Expenditures	 1,826,421	 1,941,121	 1,920,227

**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, 2017**

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ -	- -	- -
Expenditures			
Debt Service			
Principal Retirement	845,000	845,000	665,000
Interest and Fiscal Charges	295,516	295,516	145,817
Total Expenditures	<u>1,140,516</u>	<u>1,140,516</u>	<u>810,817</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,140,516)	(1,140,516)	(810,817)
Other Financing Sources			
Transfers In	<u>905,516</u>	<u>872,516</u>	<u>810,817</u>
Net Change in Fund Balance	<u>(235,000)</u>	<u>(268,000)</u>	- -
Fund Balance - Beginning			- -
Fund Balance - Ending			- -

**VILLAGE OF ELWOOD, ILLINOIS**

**Deer Run TIF - Debt Service Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2017**

	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Taxes	\$ -	10,000,000	10,572,189
Interest	- -	- -	16,769
Total Revenues	<hr/> 10,000,000	<hr/> 10,588,958	
Expenditures			
General Government	- -	- -	137,277
Debt Service			
Principal Retirement	- -	- -	11,046,959
Interest and Fiscal Charges	- -	10,000,000	13,495,081
Total Expenditures	<hr/> - -	<hr/> 10,000,000	24,679,317
Net Change in Fund Balance	<hr/> - -	<hr/> - -	(14,090,359)
Fund Balance - Beginning			<u>(60,733,048)</u>
Fund Balance - Ending			<u>(74,823,407)</u>

**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, 2017**

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	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>Revenues</b>			
Interest Income	\$ 4,000	4,000	2,350
Miscellaneous	2,700,000	2,700,000	3,677,928
<b>Total Revenues</b>	<b>2,704,000</b>	<b>2,704,000</b>	<b>3,680,278</b>
<b>Expenditures</b>			
General Government	955,862	955,862	729,757
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,748,138</b>	<b>1,748,138</b>	<b>2,950,521</b>
<b>Other Financing (Uses)</b>			
Sale of Capital Assets	-	-	5,500
Transfers Out	(625,516)	(625,516)	(810,817)
	<b>(625,516)</b>	<b>(625,516)</b>	<b>(805,317)</b>
<b>Net Change in Fund Balance</b>	<b>1,122,622</b>	<b>1,122,622</b>	<b>2,145,204</b>
<b>Fund Balance - Beginning</b>			<b>2,543,516</b>
<b>Fund Balance - Ending</b>			<b>4,688,720</b>

## VILLAGE OF ELWOOD, ILLINOIS

### Nonmajor Governmental Funds

#### Combining Balance Sheet

April 30, 2017

	Special Revenue			Capital Projects	
	Motor Fuel Tax	Park	Special Service Area	Brandon/Noel Road Improvements	Totals
<b>ASSETS</b>					
Cash and Investments	\$ 1,945,021	5,355	-	-	1,950,376
Due from Other Governments	4,990	-	-	-	4,990
Due from Other Funds	152,195	-	-	-	152,195
Prepays	-	224	5,634	-	5,858
<b>Total Assets</b>	<b>2,102,206</b>	<b>5,579</b>	<b>5,634</b>	<b>-</b>	<b>2,113,419</b>
<b>LIABILITIES</b>					
Accounts Payable	-	6,434	12,593	-	19,027
Due to Other Funds	-	-	152,195	311,672	463,867
<b>Total Liabilities</b>	<b>-</b>	<b>6,434</b>	<b>164,788</b>	<b>311,672</b>	<b>482,894</b>
<b>FUND BALANCES</b>					
Nonspendable	-	224	5,634	-	5,858
Restricted	2,102,206	-	-	-	2,102,206
Unassigned	-	(1,079)	(164,788)	(311,672)	(477,539)
<b>Total Fund Balances</b>	<b>2,102,206</b>	<b>(855)</b>	<b>(159,154)</b>	<b>(311,672)</b>	<b>1,630,525</b>
<b>Total Liabilities and Fund Balances</b>	<b>2,102,206</b>	<b>5,579</b>	<b>5,634</b>	<b>-</b>	<b>2,113,419</b>

**VILLAGE OF ELWOOD, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended April 30, 2017**

	Special Revenue			Capital Projects	
	Motor Fuel Tax	Park	Special Service Area	Brandon/Noel Road Improvements	Totals
<b>Revenues</b>					
Taxes	\$ -	-	1,034,969	-	1,034,969
Intergovernmental	57,765	-	-	-	57,765
Charges for Services	-	17,143	-	-	17,143
Interest Income	1,474	-	14	-	1,488
Miscellaneous	-	500	-	-	500
<b>Total Revenues</b>	<b>59,239</b>	<b>17,643</b>	<b>1,034,983</b>	<b>-</b>	<b>1,111,865</b>
<b>Expenditures</b>					
Public Safety	-	-	824,593	-	824,593
Public Works	4,445	-	133,616	-	138,061
Parks and Recreation	-	134,796	-	-	134,796
<b>Total Expenditures</b>	<b>4,445</b>	<b>134,796</b>	<b>958,209</b>	<b>-</b>	<b>1,097,450</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	54,794	(117,153)	76,774	-	14,415
<b>Other Financing Sources</b>					
Transfers In	-	117,152	-	-	117,152
<b>Net Change in Fund Balances</b>	<b>54,794</b>	<b>(1)</b>	<b>76,774</b>	<b>-</b>	<b>131,567</b>
<b>Fund Balances - Beginning</b>	<b>2,047,412</b>	<b>(854)</b>	<b>(235,928)</b>	<b>(311,672)</b>	<b>1,498,958</b>
<b>Fund Balances - Ending</b>	<b>2,102,206</b>	<b>(855)</b>	<b>(159,154)</b>	<b>(311,672)</b>	<b>1,630,525</b>

**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, 2017**

	Budget		
	Original	Final	Actual
<b>Revenues</b>			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 59,026	59,026	57,765
Interest Income	2,800	2,800	1,474
Total Revenues	<u>61,826</u>	<u>61,826</u>	<u>59,239</u>
<b>Expenditures</b>			
Public Works			
Contractual Services	18,000	18,000	4,445
Capital Outlay	475,000	475,000	-
Total Expenditures	<u>493,000</u>	<u>493,000</u>	<u>4,445</u>
Net Change in Fund Balance	<u>(431,174)</u>	<u>(431,174)</u>	<u>54,794</u>
Fund Balance - Beginning			<u>2,047,412</u>
Fund Balance - Ending			<u>2,102,206</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, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
Revenues			
Charges for Services			
Event Fees	\$ 10,010	10,010	4,988
Rental Fees	2,500	2,500	7,775
Registration Fees	4,000	4,000	4,380
Miscellaneous	1,100	1,100	500
Total Revenues	17,610	17,610	17,643
Expenditures			
Parks and Recreation	205,249	205,249	134,796
Excess (Deficiency) of Revenues Over (Under) Expenditures	(187,639)	(187,639)	(117,153)
Other Financing Sources			
Transfers In	315,000	315,000	117,152
Net Change in Fund Balance	127,361	127,361	(1)
Fund Balance - Beginning			(854)
Fund Balance - Ending			<u>(855)</u>

**VILLAGE OF ELWOOD, ILLINOIS**

**Park - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual**  
**For the Fiscal Year Ended April 30, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
Parks and Recreation			
Salaries	\$ 82,184	82,184	76,731
Administration Benefits	11,489	11,489	10,089
Employee Group Insurance	1,897	1,897	2,754
Repairs and Maintenance	12,500	12,500	1,253
Referees	2,000	2,000	976
Legal	1,500	1,500	-
Telephone	1,579	1,579	1,056
Trees/Landscaping	3,000	3,000	2,394
Herbicides	9,500	9,500	5,625
Equipment Maintenance	6,000	6,000	2,458
Vehicle Maintenance	2,000	2,000	204
Printing	1,500	1,500	408
Fuel	3,000	3,000	2,427
General Supplies	32,750	32,750	10,118
Maintenance Supplies	20,000	20,000	(162)
Small Tools	400	400	119
Miscellaneous	1,000	1,000	91
Children's Garden	12,950	12,950	18,255
 Total Expenditures	 205,249	 205,249	 134,796

**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, 2017**

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	Budget		
	Original	Final	Actual
Revenues			
Taxes			
Property Tax	\$ 1,025,000	1,025,000	1,034,969
Interest Income	-	-	14
Total Revenues	<u>1,025,000</u>	<u>1,025,000</u>	<u>1,034,983</u>
Expenditures			
Public Safety	950,289	950,289	824,593
Public Works	180,905	160,296	133,616
Total Expenditures	<u>1,131,194</u>	<u>1,110,585</u>	<u>958,209</u>
Net Change in Fund Balance	<u>(106,194)</u>	<u>(85,585)</u>	<u>76,774</u>
Fund Balance - Beginning			<u>(235,928)</u>
Fund Balance - Ending			<u>(159,154)</u>

**VILLAGE OF ELWOOD, ILLINOIS**

**Special Service Area - Special Revenue Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>Public Safety</b>			
Salaries	\$ 522,307	522,307	446,991
Benefits	128,877	128,877	77,561
Training	12,400	12,400	6,210
Uniforms	8,610	8,610	3,579
Insurance	25,188	25,188	89,498
Automotive	80,983	80,983	39,389
Supplies and Materials	1,500	1,500	1,215
Agreements	142,301	142,301	146,840
Miscellaneous Expenditures	1,960	1,960	420
Purchase Equipment	26,163	26,163	12,890
 Total Public Safety	 950,289	 950,289	 824,593
 <b>Public Works</b>	 	 	 
Uniforms	2,000	2,000	2,462
Fuel - Mowing	5,000	5,000	2,802
Salt	20,000	20,000	6,912
Vehicle Maintenance	16,500	13,500	27,003
Equipment Maintenance	14,300	14,300	15,216
Administrative/Legal	72,305	74,196	51,455
Retention Pond Maintenance	17,750	17,750	19,599
Roadway Maintenance	8,000	8,000	7,695
Landfill	3,000	3,000	-
Data Processing Equipment	2,550	2,550	472
Purchase Equipment	19,500	-	-
 Total Public Works	 180,905	 160,296	 133,616
 Total Expenditures	 1,131,194	 1,110,585	 958,209

**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, 2017**

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	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 754,500	754,500	862,299
Operating Expenses			
Water Operations	396,759	396,759	351,288
Sewer Operations	486,849	506,849	374,832
Depreciation and Amortization	-	-	603,154
Total Operating Expenses	883,608	903,608	1,329,274
Operating Income (Loss)	(129,108)	(149,108)	(466,975)
Nonoperating Revenues (Expenses)			
Interest Income	3,400	3,400	16,906
Interest and Fiscal Charges	-	-	(335,721)
	3,400	3,400	(318,815)
Income (Loss) Before Contributions	(125,708)	(145,708)	(785,790)
Capital Contributions	-	-	30,000
Change in Net Position	(125,708)	(145,708)	(755,790)
Net Position - Beginning			4,519,383
Net Position - Ending			3,763,593

**VILLAGE OF ELWOOD, ILLINOIS**

**Water and Sewer - Enterprise Fund**

**Schedule of Operating Revenues - Budget and Actual  
For the Fiscal Year Ended April 30, 2017**

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	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
Charges for Services			
Water Charges	\$ 400,000	400,000	468,175
Sewer Charges	350,000	350,000	379,171
Meter Sales	2,500	2,500	3,037
Miscellaneous	2,000	2,000	11,916
 Total Operating Revenues	 754,500	 754,500	 862,299

**VILLAGE OF ELWOOD, ILLINOIS**

**Water and Sewer - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual**  
**For the Fiscal Year Ended April 30, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
Water Operations			
Salaries	\$ 83,651	83,651	98,833
Administration Benefits	13,658	13,658	18,612
Employee Group Insurance	17,959	17,959	18,299
Insurance - Liability/Workers Compensation	15,000	15,000	10,749
Audit	2,938	2,938	(150)
Professional Services	-	16,500	19,808
Data Processing	3,500	3,500	2,754
Legal Services	15,000	15,000	4,742
Telephone	6,425	6,425	11,637
Electric	60,000	60,000	57,940
Heating	2,500	2,500	2,530
Printing/Binding	750	750	158
Dues and Subscriptions	7,150	7,150	3,628
Building Maintenance	42,250	42,250	12,071
Equipment Maintenance	37,250	37,250	31,979
System Maintenance	12,500	12,500	10,922
Vehicle Maintenance	2,000	2,000	2,257
Utilities	-	-	4,809
Operational Supplies	800	800	2,550
Gas and Oil	1,500	1,500	1,526
Small Tools/Equipment	3,500	3,500	775
Postage	1,928	1,928	1,823
Water Supplies	2,000	2,000	554
Maintenance Supplies	500	500	1,195
Vehicle Supplies	1,000	1,000	17
Chemicals	12,000	12,000	19,134
Restoration Materials	4,000	4,000	69
Miscellaneous	42,000	25,500	601
Water Meters	3,000	3,000	8,319
Data Processing Equipment	2,000	2,000	3,147
 Total Water Operations	 396,759	 396,759	 351,288

**VILLAGE OF ELWOOD, ILLINOIS**

**Water and Sewer - Enterprise Fund**

**Schedule of Operating Expenses - Budget and Actual - Continued**  
**For the Fiscal Year Ended April 30, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
<b>Sewer Operations</b>			
Salaries	\$ 118,345	118,345	112,759
Administration Benefits	19,434	19,434	15,718
Employee Group Insurance	28,368	28,368	21,642
Insurance - Liability/Workers Compensation	15,000	15,000	9,225
Audit	2,938	2,938	12,550
Professional Services	-	16,500	21,073
Data Processing	5,500	5,500	1,067
Legal Services	1,000	1,000	-
Telephone	6,386	6,386	8,975
Electric	60,000	60,000	68,840
Heating	1,100	1,100	784
Printing/Binding	500	500	218
Dues and Subscriptions	7,150	7,150	11,352
Building Maintenance	78,650	78,650	17,179
Equipment Maintenance	43,250	63,250	30,296
System Maintenance	16,500	16,500	18,134
Vehicle Maintenance	2,000	2,000	574
Utilities	-	-	6,379
Operational Supplies	800	800	1,319
Gas and Oil	-	-	841
Small Tools and Equipment	9,000	9,000	1,670
Postage	1,928	1,928	1,644
Maintenance Supplies	1,000	1,000	583
Vehicle Supplies	1,000	1,000	17
Chemicals	25,000	25,000	11,760
Restoration Materials	1,500	1,500	-
Miscellaneous	40,500	24,000	233
 Total Sewer Operations	 486,849	 506,849	 374,832

**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, 2017**

	<b>Budget</b>		
	<b>Original</b>	<b>Final</b>	<b>Actual</b>
Operating Revenues			
Charges for Services	\$ 202,487	202,487	204,644
Operating Expenses			
Garbage Operations			
Garbage Collection	194,917	194,917	221,942
Printing/Binding	100	100	-
Postage	1,260	1,260	1,316
Total Operating Expenses	<u>196,277</u>	<u>196,277</u>	<u>223,258</u>
Operating Income (Loss)	6,210	6,210	(18,614)
Nonoperating Revenue			
Interest Income	<u>50</u>	<u>50</u>	<u>-</u>
Change in Net Position	<u>6,260</u>	<u>6,260</u>	<u>(18,614)</u>
Net Position - Beginning			<u>21,025</u>
Net Position - Ending			<u>2,411</u>

## **SUPPLEMENTAL SCHEDULES**

**VILLAGE OF ELWOOD, ILLINOIS**

**Schedule of Long-Term Debt Requirements**

**General Obligation Refunding Bonds of 2010A**

**April 30, 2017**

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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
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
	<u>3,100,000</u>	<u>1,155,362</u>	<u>4,255,362</u>		<u>577,680</u>		<u>577,682</u>

## VILLAGE OF ELWOOD, ILLINOIS

### Schedule of Long-Term Debt Requirements

#### General Obligation Refunding Bonds of 2010B April 30, 2017

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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
2018	\$ -	-	-
2019	-	-	-
2020	-	-	-
2021	4,500,000	2,154,697	6,654,697
	<u>4,500,000</u>	<u>2,154,697</u>	<u>6,654,697</u>

## VILLAGE OF ELWOOD, ILLINOIS

### Schedule of Long-Term Debt Requirements

#### General Obligation Refunding Bonds of 2015 April 30, 2017

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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
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>5,150,000</u>	<u>458,276</u>	<u>5,608,276</u>		<u>229,138</u>		<u>229,138</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, 2017 (Unaudited)**

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**See Following Page**

**VILLAGE OF ELWOOD, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years**  
**April 30, 2017 (Unaudited)**

	2008	2009	2010	2011
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 27,266,803	37,380,706	45,118,195	55,923,197
Restricted	914,820	1,128,961	284,408	186,235
Unrestricted	(54,549,541)	(68,569,077)	(85,744,242)	(104,473,877)
<b>Total Governmental Activities Net Position</b>	<b>(26,367,918)</b>	<b>(30,059,410)</b>	<b>(40,341,639)</b>	<b>(48,364,445)</b>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	8,037,632	7,676,233	7,135,001	12,646,565
Unrestricted	320,551	25,064	(379,412)	(3,299,779)
<b>Total Business-Type Activities Net Position</b>	<b>8,358,183</b>	<b>7,701,297</b>	<b>6,755,589</b>	<b>9,346,786</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	35,304,435	45,056,939	52,253,196	68,569,762
Restricted	914,820	1,128,961	284,408	186,235
Unrestricted	(54,228,990)	(68,544,013)	(86,123,654)	(107,773,656)
<b>Total Primary Government Net Position</b>	<b>(18,009,735)</b>	<b>(22,358,113)</b>	<b>(33,586,050)</b>	<b>(39,017,659)</b>

Data Source: Village Records

2012	2013	2014	2015	2016	2017
69,703,356	3,913,127	5,827,985	9,784,755	18,324,386	26,476,702
228,407	1,934,012	1,969,900	1,996,603	2,047,412	2,102,206
(127,256,105)	(73,276,070)	(84,399,079)	(97,725,202)	(113,769,701)	(125,512,718)
<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>	<u>(96,933,810)</u>
12,179,521	11,748,272	11,475,448	11,208,917	10,855,695	10,460,228
(3,652,969)	(4,124,143)	(5,141,641)	(5,789,966)	(6,315,287)	(6,694,224)
<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>	<u>3,766,004</u>
81,882,877	15,661,399	17,303,433	20,993,672	29,180,081	36,936,930
228,407	1,934,012	1,969,900	1,996,603	2,047,412	2,102,206
(130,909,074)	(77,400,213)	(89,540,720)	(103,515,168)	(120,084,988)	(132,206,942)
<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>	<u>(93,167,806)</u>

**VILLAGE OF ELWOOD, ILLINOIS**

**Changes in Net Position - Last Ten Fiscal Years**

April 30, 2017 (Unaudited)

	#	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>											
Governmental Activities											
General Government	\$	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	5,052,898
Public Safety		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	1,659,873
Public Works		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	636,749
Parks and Recreation		68,958	89,537	111,906	119,869	153,868	177,647	144,163	138,880	184,749	134,796
Interest on Long-Term Debt		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	13,797,864
Total Governmental Activities Expenses		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	21,282,180
Business-Type Activities											
Water and Sewer		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	1,664,995
Garbage		129,659	144,436	148,973	157,912	163,045	173,592	176,382	183,494	187,187	223,258
Total Business-Type Activities Net Position		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	1,888,253
Total Primary Government Expenses		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	23,170,433
<b>Program Revenues</b>											
Governmental Activities											
Charges for Services											
General Government		3,720,168	1,285,420	226,094	232,310	372,036	720,534	309,675	292,152	407,961	639,376
Public Safety		300,768	216,364	189,060	232,735	376,178	297,009	146,709	224,971	280,546	183,395
Parks and Recreation		36,267	17,683	20,643	15,989	15,946	17,522	18,375	17,215	9,911	17,143
Operating Grants/Contributions		45,157	42,666	39,638	48,018	60,760	61,304	70,334	62,887	66,664	65,949
Capital Grants/Contributions		50,000	1,456,400	50,000	2,148,100	125,829	51,118	79,824	-	-	-
Total Governmental Activities		4,152,360	3,018,533	525,435	2,677,152	950,749	1,147,487	624,917	597,225	765,082	905,863
Program Revenues											
Business-Type Activities											
Charges for Services											
Water and Sewer		451,651	937,735	663,993	728,649	748,583	855,098	770,900	768,299	786,140	862,299
Garbage		135,846	143,171	149,035	156,119	164,742	173,141	174,659	181,314	190,177	204,644
Operating Grants/Contributions		-	-	-	-	-	-	-	-	-	-
Capital Grants/Contributions		33,750	-	-	-	-	-	-	-	-	30,000
Total Business-Type Activities		621,247	1,080,906	813,028	884,768	913,325	1,028,239	945,559	949,613	976,317	1,096,943
Program Revenues											
Total Primary Government											
Program Revenues		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	2,002,806

	#	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (Expense) Revenue											
Governmental Activities		\$ (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)	(20,376,317)
Business-Type Activities		(921,875)	(681,417)	(967,432)	(642,909)	(929,293)	(810,421)	(1,040,455)	(930,354)	(915,274)	(791,310)
Total Primary Government											
Net Revenue (Expense)											
		(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)	(21,167,627)
General Revenues and Other Changes in Net Position											
Governmental Activities											
Taxes											
Property Taxes		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	11,899,162
Utility Taxes		443,077	349,027	413,237	351,564	340,097	566,718	597,230	608,208	600,516	479,043
Intergovernmental - Unrestricted											
Sales Taxes		396,246	396,915	369,746	361,917	1,348,180	232,728	206,567	148,733	266,404	98,271
Income Taxes		180,847	178,236	156,146	162,538	260,205	265,223	266,484	295,594	296,548	280,531
Reimbursements		691,190	2,489	203,596	298,808	1,035,179	12,500	-	-	-	-
Interest Income		627,199	126,453	63,691	38,357	31,975	24,058	16,040	14,147	19,346	22,349
Miscellaneous		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	4,061,054
Transfers		-	-	-	-	(51,518)	-	265,930	-	-	-
Total Governmental Activities		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	16,840,410
Business-Type Activities											
Investment Income		78,162	24,531	21,724	11,599	4,834	4,598	16,063	15,498	16,199	16,906
Miscellaneous		-	-	-	3,222,507	52,707	-	-	-	-	-
Transfers		-	-	-	-	51,518	-	(265,930)	-	-	-
Total Business-Type Activities		78,162	24,531	21,724	3,234,106	109,059	4,598	(249,867)	15,498	16,199	16,906
Total Primary Government		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	16,857,316
Changes in Net Position											
Governmental Activities		(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)	(3,535,907)
Business-Type Activities		(843,713)	(656,886)	(945,708)	2,591,197	(820,234)	(805,823)	(1,290,322)	(914,856)	(899,075)	(774,404)
Total Primary Government		(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)	(4,310,311)

Data Source: Village Records

**VILLAGE OF ELWOOD, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years**

**April 30, 2017 (Unaudited)**

	2008	2009	2010	2011
<b>General Fund</b>				
Reserved	\$ 25,907	32,230	29,250	41,997
Unreserved	1,655,568	634,903	668,833	654,298
Nonspendable	-	-	-	-
Unassigned	-	-	-	-
<b>Total General Fund</b>	<b>1,681,475</b>	<b>667,133</b>	<b>698,083</b>	<b>696,295</b>
<b>All Other Governmental Funds</b>				
Reserved	252,981	27,388	16,087	23,098
Unreserved, Reported in:				
Special Revenues Funds	661,839	1,101,573	268,321	160,980
Debt Service Funds	(556,859)	(1,380,598)	(4,766,321)	(9,585,412)
Capital Projects Funds	1,700,719	4,568,979	6,316,540	8,212,844
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total All Other Governmental Funds</b>	<b>2,058,680</b>	<b>4,317,342</b>	<b>1,834,627</b>	<b>(1,188,490)</b>
<b>Total Governmental Funds</b>	<b>3,740,155</b>	<b>4,984,475</b>	<b>2,532,710</b>	<b>(492,195)</b>

Data Source: Village Records

The Village implemented GASB 54 in Fiscal Year 2012.

2012	2013	2014	2015	2016	2017
-	-	-	-	-	-
-	-	-	-	-	-
28,389	28,389	11,078	12,581	15,333	13,157
988,986	1,151,306	1,226,766	1,226,692	1,398,987	1,728,956
<u>1,017,375</u>	<u>1,179,695</u>	<u>1,237,844</u>	<u>1,239,273</u>	<u>1,414,320</u>	<u>1,742,113</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
15,614	15,614	7,854	5,523	5,691	5,915
228,407	1,934,012	1,969,900	1,996,603	2,047,412	2,102,206
8,081,237	6,223,169	5,962,828	4,758,997	2,543,516	4,688,663
(16,204,676)	(25,177,776)	(35,701,543)	(47,504,451)	(61,287,193)	(75,300,946)
(7,879,418)	(17,004,981)	(27,760,961)	(40,743,328)	(56,690,574)	(68,504,162)
(6,862,043)	(15,825,286)	(26,523,117)	(39,504,055)	(55,276,254)	(66,762,049)

**VILLAGE OF ELWOOD, ILLINOIS****General Governmental Revenues by Source - Last Ten Fiscal Years**  
**April 30, 2017 (Unaudited)**

Source	2008	2009	2010	2011
Taxes	\$ 7,481,986	9,456,819	9,066,731	9,303,330
Intergovernmental	1,363,440	670,306	819,126	3,019,381
Charges for Services	3,557,534	1,181,861	216,820	221,043
Licenses and Permits	198,901	121,242	29,917	27,256
Fines and Forfeits	300,768	216,364	189,060	232,735
Interest Income	627,199	126,453	63,691	38,357
Miscellaneous	<u>976,274</u>	<u>2,117,261</u>	<u>1,635,376</u>	<u>2,223,428</u>
Totals	<u>14,506,102</u>	<u>13,890,306</u>	<u>12,020,721</u>	<u>15,065,530</u>

Data Source: Village Records

2012	2013	2014	2015	2016	2017
9,358,331	9,518,758	10,537,124	11,535,103	11,256,761	12,378,205
2,830,153	1,022,873	623,209	507,214	629,616	444,751
234,758	288,647	269,344	271,566	340,471	434,232
153,224	49,409	58,706	37,801	77,401	222,287
376,178	297,009	146,709	224,971	280,546	183,395
31,975	24,058	16,040	14,147	19,346	22,349
2,509,604	1,947,315	2,281,607	2,246,743	2,679,568	4,061,054
<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>	<u>17,746,273</u>

**VILLAGE OF ELWOOD, ILLINOIS****General Governmental Expenditures by Function - Last Ten Fiscal Years**  
**April 30, 2017 (Unaudited)**

Function	2008	2009	2010	2011
General Government	\$ 1,773,295	1,040,363	856,697	3,147,483
Public Safety	1,403,992	1,049,827	1,150,403	1,235,494
Public Works	669,301	867,877	1,035,170	778,573
Parks and Recreation	68,958	89,537	111,906	119,869
Capital Outlay	6,719,544	310,199	153,300	23,695
Debt Service				
Principal	6,932,563	8,874,256	10,893,200	12,601,421
Interest and Fiscal Charges	299,995	296,264	295,085	298,294
Totals	<u>17,867,648</u>	<u>12,528,323</u>	<u>14,495,761</u>	<u>18,204,829</u>

Data Source: Village Records

2012	2013	2014	2015	2016	2017
4,471,932	2,667,008	2,368,069	3,341,821	4,636,317	1,565,951
1,528,422	1,290,514	1,550,804	1,556,089	1,589,039	1,596,855
849,852	950,051	857,973	850,116	850,149	587,109
153,868	177,647	144,163	138,880	184,749	134,796
-	9,782	495,616	418,703	-	-
14,510,577	16,729,349	19,198,015	6,145,894	9,248,001	11,711,959
297,902	286,960	281,860	15,366,980	14,688,008	13,640,898
<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>29,237,568</u>

**VILLAGE OF ELWOOD, ILLINOIS**

**Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years**  
**April 30, 2017 (Unaudited)**

	2008	2009	2010	2011
<b>Revenues</b>				
Taxes	\$ 7,481,986	9,456,819	9,066,731	9,303,330
Licenses and Permits	198,901	121,242	29,917	27,256
Intergovernmental	1,363,440	670,306	819,126	3,019,381
Charges for Services and Fees	3,557,534	1,181,861	216,820	221,043
Fines and Forfeits	300,768	216,364	189,060	232,735
Investment Income	627,199	126,453	63,691	38,357
Miscellaneous	976,274	2,117,261	1,635,376	2,223,428
<b>Total Revenues</b>	<b>14,506,102</b>	<b>13,890,306</b>	<b>12,020,721</b>	<b>15,065,530</b>
<b>Expenditures</b>				
General Government	1,773,295	1,040,363	856,697	3,147,483
Public Safety	1,403,992	1,049,827	1,150,403	1,235,494
Public Works	669,301	867,877	1,035,170	778,573
Parks and Recreation	68,958	89,537	111,906	119,869
Capital Outlay	6,719,544	310,199	153,300	23,695
Debt Service				
Principal	6,932,563	8,874,256	10,893,200	12,601,421
Interest and Fiscal Charges	299,995	296,264	295,085	298,294
<b>Total Expenditures</b>	<b>17,867,648</b>	<b>12,528,323</b>	<b>14,495,761</b>	<b>18,204,829</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,361,546)</b>	<b>1,361,983</b>	<b>(2,475,040)</b>	<b>(3,139,299)</b>
<b>Other Financing Sources (Uses)</b>				
Debt Issuance	-	-	23,275	114,394
Sale of Capital Asset	-	-	-	-
Payment to Escrow Agent	-	-	-	-
Transfers In	2,174,844	1,362,006	716,723	331,472
Transfers Out	(2,174,844)	(1,362,006)	(716,723)	(331,472)
	-	-	23,275	114,394
<b>Net Change in Fund Balances</b>	<b>(3,361,546)</b>	<b>1,361,983</b>	<b>(2,451,765)</b>	<b>(3,024,905)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>69.50%</b>	<b>85.15%</b>	<b>79.23%</b>	<b>78.79%</b>

Data Source: Village Records

2012	2013	2014	2015	2016	2017
9,358,331	9,518,758	10,537,124	11,535,103	11,256,761	12,378,205
153,224	49,409	58,706	37,801	77,401	222,287
2,830,153	1,022,873	623,209	507,214	629,616	444,751
234,758	288,647	269,344	271,566	340,471	434,232
376,178	297,009	146,709	224,971	280,546	183,395
31,975	24,058	16,040	14,147	19,346	22,349
2,509,604	1,947,315	2,281,607	2,246,743	2,679,568	4,061,054
<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>	<u>17,746,273</u>
4,471,932	2,667,008	2,368,069	3,341,821	4,636,317	1,565,951
1,528,422	1,290,514	1,550,804	1,556,089	1,589,039	1,596,855
849,852	950,051	857,973	850,116	850,149	587,109
153,868	177,647	144,163	138,880	184,749	134,796
-	9,782	495,616	418,703	-	-
14,510,577	16,729,349	19,198,015	6,145,894	9,248,001	11,711,959
297,902	286,960	281,860	15,366,980	14,688,008	13,640,898
<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>29,237,568</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>	<u>(11,491,295)</u>
-	-	-	-	6,470,000	-
-	-	-	-	-	5,500
-	-	-	-	(6,329,645)	-
845,393	582,819	565,015	544,348	942,061	927,969
(896,911)	(582,819)	(299,085)	(544,348)	(942,061)	(927,969)
(51,518)	-	265,930	-	140,355	5,500
<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>	<u>(11,485,795)</u>
78.32%	83.65%	84.97%	82.11%	85.90%	87.85%

**VILLAGE OF ELWOOD, ILLINOIS****Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years**  
**April 30, 2017 (Unaudited)**

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Tax Levy Year	Residential Property	Farm
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
2016	38,623,085	2,687,788

Data Source: Will County Tax Extension Office

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 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
2,194,934	6,325,081	49,830,888	145,215	49,976,103	0.448

**VILLAGE OF ELWOOD, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years**  
**April 30, 2017 (Unaudited)**

	2007	2008	2009	2010
Village of Elwood				
Corporate	0.270	0.256	0.255	0.266
Will County	0.483	0.475	0.483	0.508
Will County Forest Preserve District	0.142	0.145	0.152	0.157
Will County Public Building Commission	0.012	0.019	0.019	0.020
Jackson Township	0.228	0.226	0.203	0.219
Jackson Township Road & Bridge	0.000	0.000	0.000	0.000
Village of Elwood Road and Bridge	0.118	0.117	0.105	0.114
Manhattan-Elwood Public Library	0.161	0.160	0.156	0.164
Elwood Fire Protection District	0.666	0.507	0.494	0.515
School District 203	2.429	2.370	2.234	2.311
High School District 204	1.957	1.887	1.897	2.056
Community College District 525	0.190	0.190	0.214	0.227
 Total Tax Rate Per \$100 EAV	 6.655	 6.349	 6.213	 6.555
 Village's Share of Total Tax Rate	 4.06%	 4.03%	 4.10%	 4.06%

Data Source: Office of the Will County Clerk

2011	2012	2013	2014	2015	2016
0.312	0.357	0.404	0.425	0.444	0.448
0.535	0.570	0.599	0.643	0.614	0.612
0.169	0.186	0.197	0.198	0.194	0.194
0.020	0.021	0.022	0.022	0.022	0.003
0.222	0.244	0.264	0.107	0.102	0.102
0.115	0.127	0.137	0.146	0.148	0.184
0.115	0.127	0.137	0.329	0.148	0.148
0.178	0.196	0.210	0.219	0.220	0.214
0.502	0.588	0.624	0.649	0.658	0.669
2.536	2.832	3.078	3.166	2.781	2.742
2.228	2.486	2.703	2.875	2.868	2.803
0.246	0.277	0.296	0.309	0.307	0.310
7.178	8.009	8.670	9.087	8.503	8.428
4.41%	4.53%	4.73%	4.75%	5.22%	5.31%

**VILLAGE OF ELWOOD, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Ten Fiscal Years Ago**  
**April 30, 2017 (Unaudited)**

Taxpayer	2017			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	\$ 19,940,829	1	13.87%			
Wal-Mart Stores	18,721,971	2	13.02%			
Centerpoint Intermodal LLC	12,797,246	3	8.90%	\$ 10,592,291	1	23.40%
Liberty Property LP	10,017,534	4	6.97%			
Georgia-Pacific LLC	10,006,999	5	6.96%			
Centerpoint Properties Trust	6,867,350	6	4.78%			
Centerpoint Properties Trust	6,698,080	7	4.66%			
Elwood Energy LLC	4,020,797	8	2.80%	3,903,686	2	8.62%
Centerpoint Intermodal LLC	3,366,477	9	2.34%	3,028,002	3	6.69%
Liberty Property LP	2,304,728	10	1.60%			
CJFI, LLC				2,397,198	4	5.30%
Elwood Energy				2,177,015	5	4.81%
Commonwealth Edison				371,127	6	0.82%
PERC Holdings LLC				344,680	7	0.76%
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>94,742,011</u>		<u>65.88%</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, 2017 (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
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%
2017*	2015	10,785,227	10,784,956	100.00%	N/A	10,784,956	100.00%

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, 2017 (Unaudited)**

Fiscal Year	Governmental Activities		
	General Obligation Bonds	General Obligation Capital Appreciation	Capital Leases Payable
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	-
2017	5,150,000	11,494,917	-

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)	
\$ 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	
131,792,018	7,570,318	-	156,007,253	289.50%	68,454.26	

**VILLAGE OF ELWOOD, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years**  
**April 30, 2017 (Unaudited)**

Fiscal Year	Gross General Obligation Bonds	Less: Amounts Available in Debt Service	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
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
2018	24,215,235	-	24,215,235	48.45%	10,625.38

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, 2017 (Unaudited)**

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Elwood	\$ 148,436,935	100.00%	\$ 148,436,935
Will County Forest Preserve District	117,788,575	0.26%	306,250
School District 203	-	54.55%	-
High School District 204	95,760,000	1.85%	1,771,560
Community College District 525	<u>76,660,000</u>	0.32%	<u>245,312</u>
Subtotal	<u>172,420,000</u>		<u>2,323,122</u>
Totals	<u><u>320,856,935</u></u>		<u><u>150,760,057</u></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, 2017 (Unaudited)**

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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, 2017 (Unaudited)

Fiscal Year	(1) Population	Personal Income (in Thousands)	(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
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
2017	2,279	53,889	28,374	41	342	6.3

#### Data Sources:

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

## VILLAGE OF ELWOOD, ILLINOIS

### Principal Employers - Prior Fiscal Year and Ten Fiscal Years Ago April 30, 2017 (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, 2017 (Unaudited)**

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**See Following Page**

## **VILLAGE OF ELWOOD, ILLINOIS**

### **Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years April 30, 2017 (Unaudited)**

Function	2008	2009	2010	2011
General Government				
Administration	3	3	2	2
Finance	2	1	-	-
Public Works	5	5	5	5
Police	12	11	11	11
Water and Sewer	1	2	1	1
<b>Totals</b>	<b>23</b>	<b>22</b>	<b>19</b>	<b>19</b>

Data Source: Village Records

2012	2013	2014	2015	2016	2017
2	2	2	2	3	3
-	-	-	-	-	-
4	4	4	4	4	4
11	9	11	11	13	11
2	2	2	2	3	2
<b>19</b>	<b>17</b>	<b>19</b>	<b>19</b>	<b>23</b>	<b>20</b>

## VILLAGE OF ELWOOD, ILLINOIS

### Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2017 (Unaudited)

Function/Program	2008	2009	2010
<b>Public Works</b>			
Forestry			
Number of Parkway Trees Planted	163	30	30
Number of Parkway Trees Trimmed	-	100	50
Brush Pickup Program (Cubic Yds. Collected)	60	70	70
Fleet Services			
Number of Vehicles Maintained	18	18	20
Preventative Maintenance Services	50	60	80
<b>Public Safety</b>			
Police			
Criminal	591	375	314
Quasi Criminal	556	1,234	591
Calls for Service	2,341	1,609	905
State Tickets Issued	3,900	2,792	1,105
<b>Community Development</b>			
Number of Building Permits Issued	11	-	-
Number of Building Inspections	33	-	-
<b>Highways and Streets</b>			
Sidewalk Replaced (Sq. Ft.)	-	100	120
<b>Water and Sewer</b>			
Water Main Breaks	-	1	-
Hydrants Flushed	549	549	549
Water Meters Read	900	900	900
Water Meter Service Requests	192	192	25
Water Meters Replaced	-	-	2
Total Distribution Pumpage (1,000 Gallons)	91,389	87,096	90,468
Average Daily Pumpage (1,000 Gallons)	250	238	249
Sanitary Sewer Televising (Feet)	-	-	-
Sanitary Sewer Repairs	-	-	-

N/A - Not Available

Data Source: Village Records

	2011	2012	2013	2014	2015	2016	2017
11	84	37	N/A	N/A	8	20	
100	150	150	N/A	N/A	175	60	
82	82	82	N/A	N/A	98	140	
20	20	22	N/A	N/A	21	24	
16	112	118	N/A	N/A	98	72	
137	112	41	22	29	N/A	28	
116	116	77	166	103	N/A	N/A	
3,359	5,537	5,921	7,125	6,766	N/A	5,041	
1,130	1,095	2,274	2,626	4,250	N/A	2,516	
65	-	58	N/A	N/A	N/A	N/A	
56	-	83	N/A	N/A	N/A	N/A	
210	150	14,544	N/A	N/A	998	175	
-	1	2	N/A	N/A	2	3	
700	700	700	N/A	N/A	460	557	
905	905	905	N/A	N/A	955	N/A	
8	22	1	N/A	N/A	125	N/A	
4	1	4	N/A	N/A	13	15	
87,677	81,030	72,437	N/A	N/A	75,228	74,360	
234	222	199	N/A	N/A	203	204	
-	12,913	-	N/A	N/A	-	-	
1	1	1	N/A	N/A	1	2	

**VILLAGE OF ELWOOD, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years**  
**April 30, 2017 (Unaudited)**

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	9	9	10	13	9	10	10	10	10	10
Fire Stations	1	1	1	1	1	1	1	1	1	1
<b>Public Works</b>										
Streets (Miles)	50.70	50.70	50.70	50.70	50.70	50.70	50.70	50.70	50.70	52.00
Sidewalks (Miles)	15.00	15.00	15.00	15.00	15.00	16.00	16.00	16.00	16.00	19.50
Streetlights	165	165	165	165	165	165	165	165	165	168
<b>Water and Sewer</b>										
Water Mains (Miles)	26.60	26.60	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Fire Hydrants	549	549	549	549	549	557	557	557	557	557
Sanitary Sewers (Miles)	20.89	20.89	22.00	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