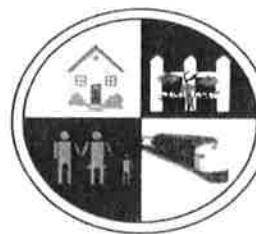


VILLAGE OF ELWOOD, ILLINOIS



Village of Elwood

• *Established 1889* •

Proud of our past, Building our future.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL
YEAR ENDED
APRIL 30, 2014

VILLAGE OF ELWOOD, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
APRIL 30, 2014**

Prepared by Finance Department:

**Jasen Melahn
Treasurer - Interim**

VILLAGE OF ELWOOD, ILLINOIS

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INTRODUCTORY SECTION

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

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

VILLAGE OF ELWOOD, ILLINOIS

List of Principal Officials
April 30, 2014

VILLAGE PRESIDENT

William Offerman – Mayor

VILLAGE BOARD OF TRUSTEES

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

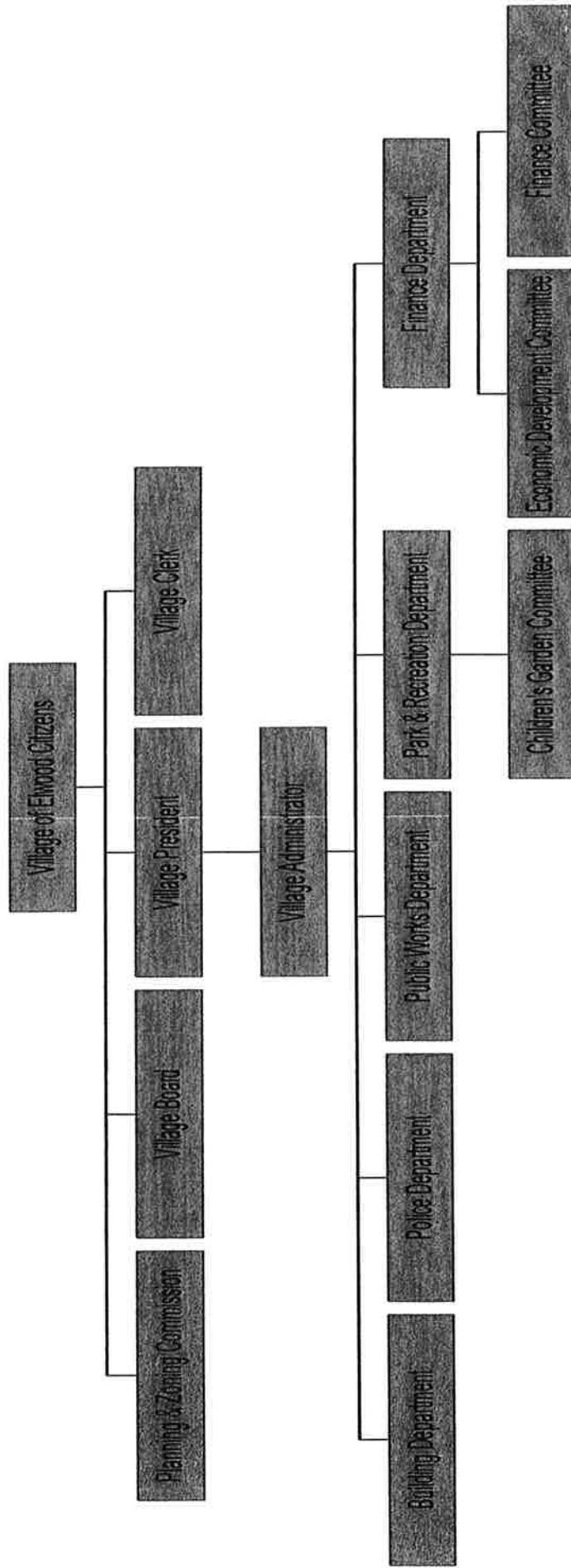
VILLAGE CLERK

Patricia Buchenau

DEPARTMENT HEADS

(Interim) Village Administrator	Nicholas Narducci
(Interim) Village Treasurer	Jasen Melahn
Chief of Police	Fred Hayes
Director of Public Works	Max Bosso

Village of Elwood





Village of Elwood

• *Established 1889* •

Proud of our past, Building our future.

401 E. Mississippi Ave., P.O. Box 435, Elwood, IL 60421 • (815) 423-5011 • Fax: (815) 423-6861

October 22, 2014

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, 2014. 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 seen some positive changes in the Village's economic future. In addition, the largest inter-modal/industrial park in the nation is located in a tax increment financing district within the Village's western border.

The estimated actual value of property in the Village has decreased by 4.02% for tax levy year 2013. The Village has experienced some of the reduction in EAV seen across the nation. Current projections anticipate a leveling in 2014 based on preliminary assessment information and construction in the intermodal/industrial park outside the Tax Increment Financing District. From tax levy year 2004 to tax levy year 2013, the Village's EAV has increased over 700%. There is property in the Village still to be developed, although the industrial park is almost 80% developed; future development will occur on a planned basis.

In FYE 2014, income tax revenue decreased by \$1,261 or less than one percent. This compares to a \$16,500 increase during the previous fiscal year. Utility tax provided approximately 32% of the total General Fund operating revenue in FYE 2014 as compared with 31% in FYE 2013.

OTHER ECONOMIC CONDITIONS EXPECTED

Housing developments as throughout the nation have stalled and the Village has reported a \$11,003 increase in building permits for FYE 2014. In addition, warehouses continue to be developed both in and outside the industrial park.

Currently, unemployment in Will County (7.5%) is slightly lower than the state (6.6%), and slightly higher than the nation (5.8%) as of April 2014. However, the Village with a population of 2,239 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

The Village has accomplished many major initiatives during FYE 2014. Some of the accomplishments that the elected officials and staff are most proud of are described in the following. The Village established the Elwood International Port Authority in order to address the logistics issues in the industrial park. The board of the authority is made up of three (3) Village Trustees, Mayor, and three (3) businesses operating in the industrial park. In addition, the Village Engineer/ Public Works Director has received a certification from the University of Memphis Intermodal Freight Transportation Institute to learn the operation of logistics parks. The Village also hired an intermodal expert to assist with these issues. The Village consistently addressed safety issues caused by the increase in truck traffic.

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.

GENERAL FUND BALANCE The fund balance in the General Fund increased in FYE 2014 by \$58,149. The fund balance is still well above the target of 25% (76% for FYE 2014) of expenditures showing increasing financial stability and a slight improvement in the economy.

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 eight years.

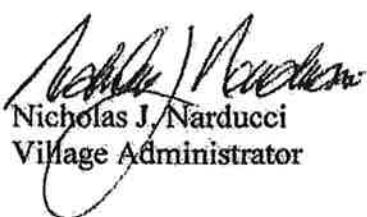
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report meets the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

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,



Nicholas J. Narducci
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, 2013

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

Executive Director/CEO

FINANCIAL SECTION

This section includes:

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

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

October 22, 2014

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, 2014, 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, 2014, 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

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', financial statements as a whole. The introductory section, combining and individual fund financial statements and 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 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 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, 2014

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, 2014. 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. This is the tenth year that the Village is applying GASB Statement No. 34. Therefore, comparative data for the prior year is presented.

FINANCIAL HIGHLIGHTS

- **Excluding all TIF related activity**, the Village reported a **decrease in net position of \$199,773** for the governmental activities.
 - Total assets increased \$372,059. The Village's current and other assets decreased \$111,573 and also **reported an increase to the Village's capital assets of \$483,632**.
 - Total liabilities increased \$571,832 due primarily to an increase in long term debt outstanding.
 - The increase in liabilities was not offset by the \$372,059 increase in assets, resulting in the overall \$199,773 decrease to net position for the governmental activities.
- Net position for the business-type activities decreased \$1,290,322.
- **The General Fund reported an ending fund balance of \$1,237,844, which reflects a \$58,149, or 5 percent increase for the year.**

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

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

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2014

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, 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, 2014

USING THIS ANNUAL REPORT - Continued

Fund Financial Statements - Continued

Governmental Funds – Continued

Data from the other five 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 - 44 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 45 - 47 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 48 - 68 of this report.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

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	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 9,608,878	9,720,451	(2,460,449)	(1,597,079)	7,148,429	8,123,372
Capital Assets	32,461,605	31,977,973	19,563,827	19,999,338	52,025,432	51,977,311
Total Assets	42,070,483	41,698,424	17,103,378	19,363,616	59,173,861	61,062,040
Long-Term Debt Outstanding	16,024,709	15,618,805	9,794,374	10,000,810	25,819,083	25,619,615
Other Liabilities/Deferred Outflows	718,572	552,644	975,197	777,320	1,693,769	1,329,964
Total Liabilities	16,743,281	16,171,449	10,769,571	10,837,064	27,512,852	27,008,513
Net Position						
Net Investment in Capital Assets	19,918,053	19,309,421	11,475,448	11,748,272	31,393,501	31,057,693
Restricted	1,969,900	1,934,012	-	-	1,969,900	1,934,012
Unrestricted (Deficit)	3,439,249	4,283,542	(5,141,641)	(4,124,143)	(1,702,392)	159,399
Total Net Position	25,327,202	25,526,975	6,333,807	8,526,552	31,661,009	33,151,104

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$31.4 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 \$335,808 primarily as a result of various capital improvements within the governmental activities being more than the depreciation expense for the year.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Excluding TIF Activity – Continued

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

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

Changes in Net Position - Excluding TIF Related Activity						
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for Services	\$ 474,759	635,065	945,559	1,028,239	1,420,318	1,663,304
Operating Grants/Contrib.	70,334	61,304	-	-	70,334	61,304
Capital Grants/Contrib.	79,824	451,118	-	-	79,824	451,118
General Revenues						
Property Taxes	1,278,954	1,174,207	-	-	1,278,954	1,174,207
Utility Taxes	597,230	566,718	-	-	597,230	566,718
Sales Taxes	206,567	232,728	-	-	206,567	232,728
Income Taxes	266,484	265,223	-	-	266,484	265,223
Other General Revenues	2,294,849	1,978,750	16,063	4,598	2,310,912	1,983,348
Total Revenues	5,269,001	5,365,113	961,622	1,032,837	6,230,623	6,397,950
Expenses:						
General Government	1,111,439	1,086,004	-	-	1,111,439	1,086,004
Public Safety	1,621,037	1,319,274	-	-	1,621,037	1,319,274
Public Works	2,052,121	2,080,549	-	-	2,052,121	2,080,549
Parks and Recreation	144,163	177,647	-	-	144,163	177,647
Interest on Long-Term Debt	805,944	560,970	-	-	805,944	560,970
Water and Sewer	-	-	1,809,632	1,665,068	1,809,632	1,665,068
Garbage	-	-	176,382	173,592	176,382	173,592
Total Expenses	5,734,704	5,224,444	1,986,014	1,838,660	7,720,718	7,063,104
Change in Net Position Before Transfers	(465,703)	140,669	(1,024,392)	(805,823)	(1,490,095)	(665,154)
Transfers	265,930	-	(265,930)	-	-	-
Change in Net Position	(199,773)	140,669	(1,290,322)	(805,823)	(1,490,095)	(665,154)
Net Position-Beginning	25,526,975	25,386,306	7,624,129	8,429,952	33,151,104	33,816,258
Net Position-Ending	25,327,202	25,526,975	6,333,807	7,624,129	31,661,009	33,151,104

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

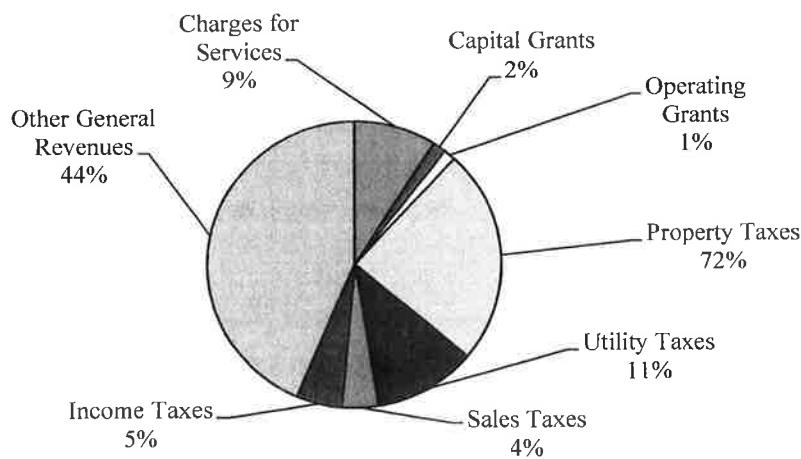
GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Excluding TIF Activity – Continued

In removing all TIF related activity from the entity-wide statements, including capital assets, long-term debt, TIF incremental property taxes, etc. the Village is able to analyze true operational net position and changes in net position. **Excluding the TIF activity, the Village reported a decrease to governmental activities net position of \$199,773** primarily as the result of increased expenses in general government and public safety. 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, 2014 and April 30, 2013.**

Revenues for governmental activities were \$5.3 million for the year, with the largest portion of revenue coming from other general revenues (\$4.6 million). Revenues for the year decreased \$167,327, which includes a decrease of \$96,112 for the governmental activities and a decrease of \$71,215 for the business-type activities. Revenues for the governmental activities decreased primarily from off duty injuries in the Police Department; with only nine police officers, two officers out with injuries have a big impact on fine revenues. In 2013 the business-type activities reported a decrease in the net position of \$805,823 due to increased depreciation and interest costs. In the current year the decrease in net position can also be attributed to increased depreciation, interest costs and also a transfer out of \$265,930. Total expenses for the year were \$2.0 million, reflecting a less than one percent decrease over the prior year. The Village Board and management worked diligently during the year to maintain costs in light of the still recovering economy. The Village reported a \$1,490,095 decrease to total net position for the year. This is in comparison to a decrease of \$805,823 in the prior year, due primarily to additional capital improvement required when we took over management of the water and sewer treatment plants. The following chart shows the diversification of the Village's revenue sources for the year ended April 30, 2014:

**Revenues by Source - Governmental Activities at
April 30, 2014**



VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

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 by \$70.3 million due in large part to the current year accretion expense of \$15,895,036 on the capital appreciation bonds and total outstanding accretion of \$168,250,376. The following table represents the activity of the Village including all TIF related activity:

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	\$ 22,244,286	21,249,896	(2,460,449)	(1,597,079)	19,783,837	19,652,817
Capital Assets	124,654,427	126,419,401	19,563,827	19,999,338	144,218,254	146,418,739
Total Assets	146,898,713	147,669,297	17,103,378	18,402,259	164,002,091	166,071,556
Long-Term Debt Outstanding	153,437,049	158,765,606	9,794,374	10,000,810	163,231,423	168,766,416
Other Liabilities	70,062,858	56,332,622	975,197	777,320	71,038,055	57,109,942
Total Liabilities	223,499,907	215,098,228	10,769,571	10,778,130	234,269,478	225,876,358
Net Position						
Net Investment in Capital Assets	5,827,985	3,913,127	11,475,448	11,748,272	17,303,433	15,661,399
Restricted	1,969,900	1,934,012	-	-	1,969,900	1,934,012
Unrestricted (Deficit)	(84,399,079)	(73,276,070)	(5,141,641)	(4,124,143)	(89,540,720)	(77,400,213)
Total Net Position	(76,601,194)	(67,428,931)	6,333,807	7,624,129	(70,267,387)	(59,804,802)

By far the largest portion of the Village of Elwood's net position reflects its investment in capital assets of \$17.3 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 investment in capital assets net of related debt increased \$1,642,034 as a result of debt retirements of \$19,198,015 on long-term debt, offset by \$2,114,945 in additions to capital assets and depreciation expense of \$4,315,430. Unrestricted net position decreased \$12,140,507 due primarily to \$15,895,036 in accretion expense particularly on the TIF related debt as well as additions to the liabilities for compensated absences and the net other postemployment benefits.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

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

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for Services	\$ 474,759	635,065	945,559	1,028,239	1,420,318	1,663,304
Operating Grants/Contrib.	70,334	61,304	-	-	70,334	61,304
Capital Grants/Contrib.	79,824	451,118	-	-	79,824	451,118
General Revenues						
Property Taxes	9,939,894	8,952,040	-	-	9,939,894	8,952,040
Utility Taxes	597,230	566,718	-	-	597,230	566,718
Sales Taxes	206,567	232,728	-	-	206,567	232,728
Income Taxes	266,484	265,223	-	-	266,484	265,223
Other General Revenues	2,297,647	1,983,873	16,063	4,598	2,313,710	1,988,471
Total Revenues	13,932,739	13,148,069	961,622	1,032,837	14,894,361	14,180,906
Expenses:						
General Government	1,128,996	1,232,453	-	-	1,128,996	1,232,453
Public Safety	1,621,037	1,319,274	-	-	1,621,037	1,319,274
Public Works	4,300,726	4,329,154	-	-	4,300,726	4,329,154
Parks and Recreation	144,163	177,647	-	-	144,163	177,647
Interest on Long-Term Debt	16,176,010	16,415,928	-	-	16,176,010	16,415,928
Water and Sewer	-	-	1,809,632	1,665,068	1,809,632	1,665,068
Garbage	-	-	176,382	173,592	176,382	173,592
Total Expenses	23,370,932	23,474,456	1,986,014	1,838,660	25,356,946	25,313,116
Change in Net Position Before Transfers	(9,438,193)	(10,326,387)	(1,024,392)	(805,823)	(10,462,585)	(11,132,210)
Transfers	265,930	-	(265,930)	-	-	-
Change in Net Position	(9,172,263)	(10,326,387)	(1,290,322)	(805,823)	(10,462,585)	(11,132,210)
Net Position-Beginning	(67,428,931)	(57,102,544)	7,624,129	8,429,952	(59,804,802)	(48,672,592)
Net Position-Ending	(76,601,194)	(67,428,931)	6,333,807	7,624,129	(70,267,387)	(59,804,802)

Net position of the Village of Elwood's governmental activities decreased by \$9,172,263 (negative \$67.4 million compared to negative \$76.6 million). This deficit arose primarily due to the current year accretion on the Capital Appreciation Bonds outstanding amounting to \$15,895,036 and depreciation expense of \$3,735,687, which was offset by long-term debt retirements of \$19,198,015.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

Net position of business-type activities decreased by \$1.3 million (\$7.6 million compared to \$6.3 million) due to depreciation of \$579,743 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

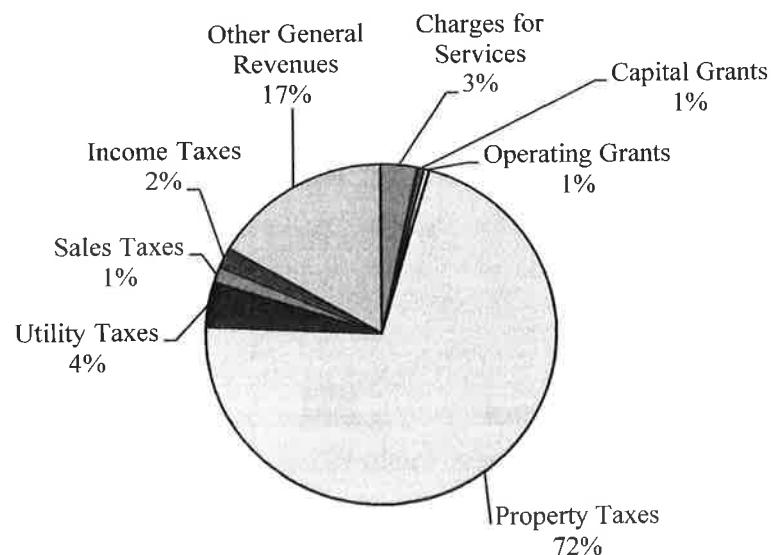
Revenues for governmental activities were \$13.9 million for the year, with the largest portion of revenue coming from property taxes (\$9.9 million), 87.1% of which is collected for retirement of the TIF bonds. Total expenses for the year were \$23.4 million with the largest portion coming from the interest expense on long-term (TIF) debt (\$16.2 million).

Revenues for the governmental activities increased \$784,670, or 6.0%. Major highlights of the changes in revenues include:

- Charges for services totaled \$474,759 at April 30, 2014, a decrease of \$160,306.
- Property taxes increased \$987,854, or 11.0%, due primarily to stable EAV.
- Income taxes increased \$1,261.

Expenses for the governmental activities decreased from the prior year. Total expenses in FY2013 were \$23,474,456, while expenses for FY2014 were \$23,370,932, reflecting a \$103,524 decrease. General government expenses decreased \$103,457 due to less roadway improvements costs and a decrease in interest on long-term debt.

Revenues by Source - Governmental Activities at April 30, 2014



VILLAGE OF ELWOOD, ILLINOIS

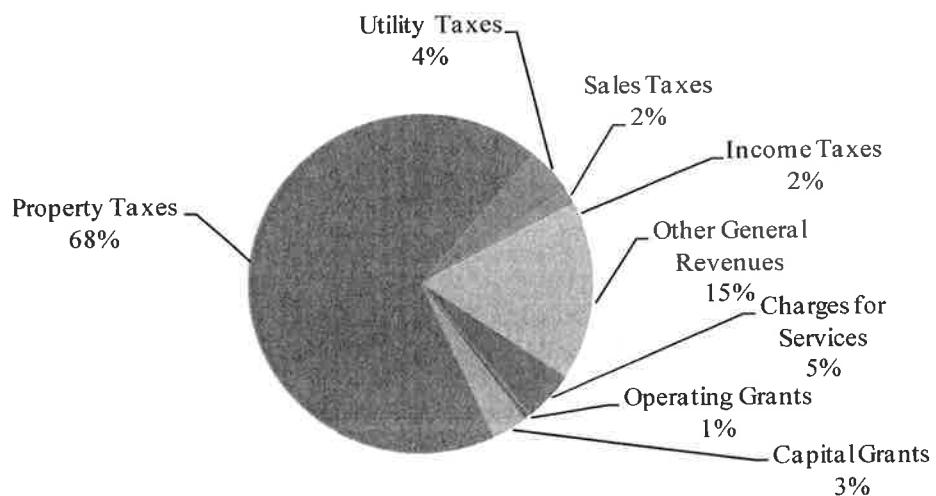
Management's Discussion and Analysis April 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

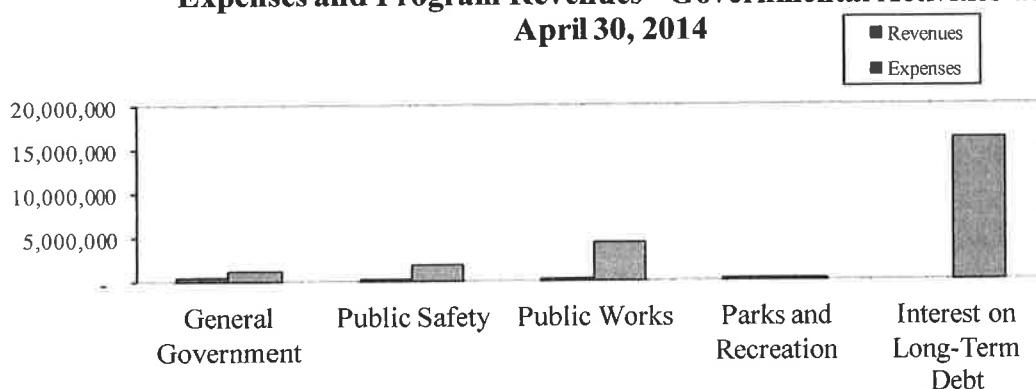
Governmental Activities – Continued

Revenues by Source - Governmental Activities at April 30, 2013



The 'Revenues by Source' Tables graphically depict the major revenue sources of the Village of Elwood for 2014 and 2013. It depicts very clearly the reliance of property taxes "87.1% from the TIF district" to fund governmental activities. It also clearly identifies the minor percentage the Village receives from sales taxes (1.5%). 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, 2014



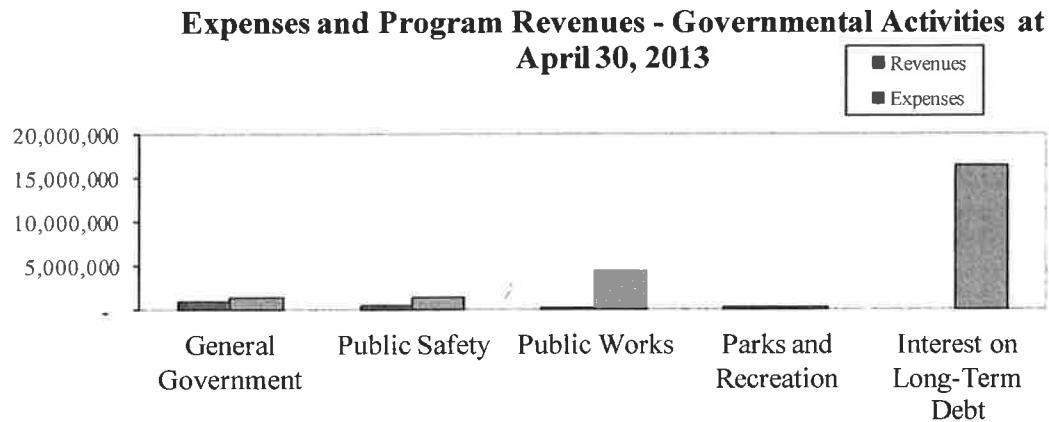
VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

Government-Wide Activities Including TIF Activity – Continued

Governmental Activities – Continued

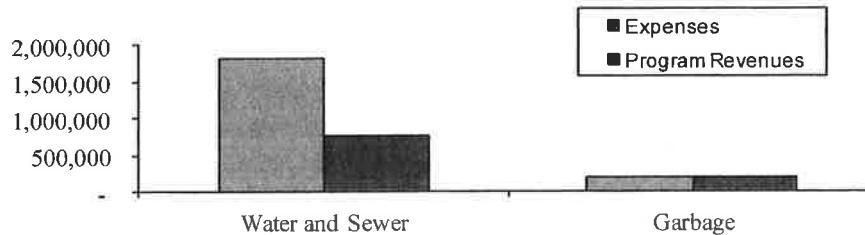


The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. From the table, it can be noted that the general government function has enough revenues to meet program expenses.

Business-Type Activities

Total revenues of the Village's business-type activities were \$.9 million, while expenses were also \$2.0 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, 2014



VILLAGE OF ELWOOD, ILLINOIS

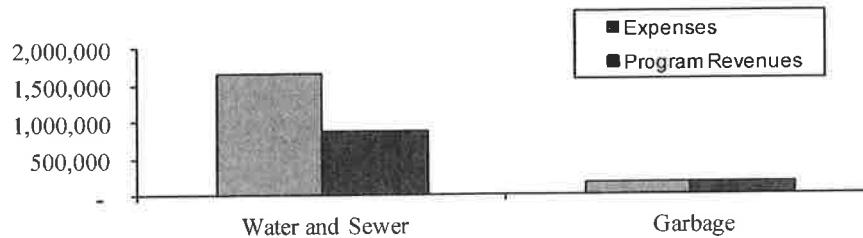
Management's Discussion and Analysis April 30, 2014

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, 2013



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 \$26,523,117, which is \$10,697,831 less than the prior year governmental fund balances deficit of \$15,825,286. **Excluding the Deer Run TIF Fund, the governmental funds would have reported a \$270,997 decrease to fund balances.** A deficit of \$10,426,834 in the Deer Run TIF Fund due to TIF debt retirements exceeding the incremental property taxes collected during the year contributed to the total decrease in fund balance of \$10,426,834. **The General Fund reported a total surplus of \$58,149. The increase in utility tax and income tax revenues for the year coupled with cost controlling measures contributed to the overall increase of \$58,149 in fund balance.**

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis

April 30, 2014

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

Governmental Funds – Continued

The Village spent \$1,923,926 in the Capital Construction Bond. These reductions were expected because balances at the beginning of this year included previous capital related proceeds. 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 \$35.52 for first 2,000 gallons and \$6.88 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 FY2014 the Water and Sewer Fund reported a deficit of \$1,288,601, which includes \$582,056 in non-cash depreciation expense and \$360,826 in interest expense on outstanding Water and Sewer Fund debt.

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no amendments made to the General Fund budget during the year. **The General Fund expenditures were \$114,712 lower than the budgeted amount of \$1,748,336**, due primarily to all expenditure functions being lower than budgeted.

The General Fund revenues were \$64,031 under the budgeted amount of \$1,910,932, due primarily to fines and forfeits being \$273,541 lower than budgeted.

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, 2014 was \$144.2 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 \$2,200,485, which was the result of \$2,114,945 in additions to capital assets offset by \$4,315,430 reported for depreciation expense.

	Capital Assets - Net of Accumulated Depreciation					
	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 3,458,233	3,458,233	1,909,500	1,909,500	5,367,733	5,367,733
Construction in Progress	1,499,433	-	-	-	1,499,433	-
Buildings and Improvements	5,165,019	5,375,251	8,795,058	9,116,943	13,960,077	14,492,194
Machinery & Equipment	341,182	301,078	138,193	129,920	479,375	430,998
Infrastructure	114,190,560	117,284,839	8,721,076	8,842,975	122,911,636	126,127,814
Total	124,654,427	126,419,401	19,563,827	19,999,338	144,218,254	146,418,739

This year's major additions included:

Construction in Progress	\$ 1,499,433
Machinery and Equipment	214,556
Infrastructure	400,956
<hr/> <u>2,114,945</u>	

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

VILLAGE OF ELWOOD, ILLINOIS

Management's Discussion and Analysis April 30, 2014

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

At year-end, the Village had total outstanding bonded debt of \$182.7 million as compared to \$186.2 million the previous year, resulting in a \$3.5 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	
	2014	2013	2014	2013	2014	2013
Village Supported Debt						
General Obligation Bonds	\$ 6,355,000	6,480,000	8,125,000	8,290,000	14,480,000	14,770,000
General Obligation Capital Appreciation Bonds	6,188,552	6,188,522	-	-	6,188,552	6,188,522
Accretion - General Obligation Capital Appreciation Bonds	3,544,958	3,019,987	-	-	3,544,958	3,019,987
Total Village Supported Debt	16,088,510	15,688,509	8,125,000	8,290,000	24,213,510	23,978,509
TIF Supported Debt						
TIF Notes Payable	106,282,890	109,837,722	-	-	106,282,890	109,837,722
Accretion - TIF Notes Payable	52,233,976	52,382,094	-	-	52,233,976	52,382,094
Total TIF Supported Debt	158,516,866	162,219,816	-	-	158,516,866	162,219,816
Total	174,605,376	177,908,325	8,125,000	8,290,000	182,730,376	186,198,325

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

Additional information on the Village's long-term debt can be found in Note 3 on pages 31 - 36 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 2015 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 2015.

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, 2014

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position
April 30, 2014

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 10,135,036	-	10,135,036
Receivables - Net	9,485,643	117,875	9,603,518
Due from Other Governments	11,236	-	11,236
Internal Balances	2,593,439	(2,593,439)	-
Prepays	18,932	15,115	34,047
Total Current Assets	22,244,286	(2,460,449)	19,783,837
Noncurrent Assets			
Capital Assets			
Nondepreciable	4,957,666	1,909,500	6,867,166
Depreciable	150,367,120	23,809,178	174,176,298
Accumulated Depreciation	(30,670,359)	(6,154,851)	(36,825,210)
Total Noncurrent Assets	124,654,427	19,563,827	144,218,254
Total Assets	146,898,713	17,103,378	164,002,091

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

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts Payable	39,585,786	47,757	39,633,543
Deposits Payable	-	34,986	34,986
Accrued Interest Payable	46,091	721,493	767,584
Current Portion of Long-Term Debt	21,249,364	170,961	21,420,325
Total Current Liabilities	60,881,241	975,197	61,856,438
Noncurrent Liabilities			
Compensated Absences Payable	59,350	3,842	63,192
Net Other Post-Employment Benefit Payable	6,849	-	6,849
Unearned Tap-On Revenues	-	1,872,153	1,872,153
General Obligation Bonds Payable - Net	6,225,000	7,918,379	14,143,379
General Obligation Capital Appreciation Bonds Payable	6,188,552	-	6,188,552
Accretion - General Obligation Capital Appreciation Bonds Payable	3,544,958	-	3,544,958
TIF Notes Payable	100,266,996	-	100,266,996
Accretion - TIF Notes Payable	37,145,344	-	37,145,344
Total Noncurrent Liabilities	153,437,049	9,794,374	163,231,423
Total Liabilities	214,318,290	10,769,571	225,087,861
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	9,181,617	-	9,181,617
Total Liabilities and Deferred Inflows of Resources	223,499,907	10,769,571	234,269,478
NET POSITION			
Net Investment in Capital Assets	5,827,985	11,475,448	17,303,433
Restricted - Highways and Streets	1,969,900	-	1,969,900
Unrestricted	(84,399,079)	(5,141,641)	(89,540,720)
Total Net Position	(76,601,194)	6,333,807	(70,267,387)

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, 2014

	Expenses	Program Revenues			
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Primary Government					
Governmental Activities					
General Government	\$ 1,128,996	309,675	-	-	
Public Safety	1,621,037	146,709	-	-	
Public Works	4,300,726	-	70,334	79,824	
Parks and Recreation	144,163	18,375	-	-	
Interest on Long-Term Debt	16,176,010	-	-	-	
Total Governmental Activities	23,370,932	474,759	70,334	79,824	
 Business-Type Activities					
Water and Sewer	1,809,632	770,900	-	-	
Garbage	176,382	174,659	-	-	
Total Business-Type Activities	1,986,014	945,559	-	-	
	25,356,946	1,420,318	70,334	79,824	
 General Revenues					
Taxes					
Property Taxes					
Utility Taxes					
Intergovernmental - Unrestricted					
Sales Taxes					
Income Taxes					
Interest Income					
Miscellaneous					
Transfers - Internal Activity					
 Change in Net Position					
Net Position - Beginning					
Net Position - Ending					

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

Net Expense/Revenue		
Governmental Activities	Business-Type Activities	Total
(819,321)	-	(819,321)
(1,474,328)	-	(1,474,328)
(4,150,568)	-	(4,150,568)
(125,788)	-	(125,788)
(16,176,010)	-	(16,176,010)
<u>(22,746,015)</u>	<u>-</u>	<u>(22,746,015)</u>
-	(1,038,732)	(1,038,732)
-	(1,723)	(1,723)
<u>-</u>	<u>(1,040,455)</u>	<u>(1,040,455)</u>
<u>(22,746,015)</u>	<u>(1,040,455)</u>	<u>(23,786,470)</u>
9,939,894	-	9,939,894
597,230	-	597,230
206,567	-	206,567
266,484	-	266,484
16,040	16,063	32,103
2,281,607	-	2,281,607
265,930	(265,930)	-
<u>13,573,752</u>	<u>(249,867)</u>	<u>13,323,885</u>
(9,172,263)	(1,290,322)	(10,462,585)
<u>(67,428,931)</u>	<u>7,624,129</u>	<u>(59,804,802)</u>
<u>(76,601,194)</u>	<u>6,333,807</u>	<u>(70,267,387)</u>

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

VILLAGE OF ELWOOD, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2014

General

ASSETS

Cash and Investments	\$ 1,041,644
Receivables - Net of Allowances	
Property Taxes	260,849
Accounts	304,026
Due from Other Governments	-
Due from Other Funds	-
Prepays	<u>11,078</u>
 Total Assets	 <u>1,617,597</u>

LIABILITIES

Accounts Payable	118,904
Due to Other Funds	-
Total Liabilities	118,904

DEFERRED INFLOWS OF RESOURCES

Property Taxes	260,849
Total Liabilities and Deferred Inflows of Resources	379,753

FUND BALANCES

Nonspendable	11,078
Restricted	-
Assigned	-
Unassigned	<u>1,226,766</u>
Total Fund Balances	<u>1,237,844</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>1,617,597</u>

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

Deer Run TIF	Capital Construction Bond	Nonmajor Governmental Funds	Total Governmental Funds
3,714,640	3,350,555	2,028,197	10,135,036
8,920,768	-	-	9,181,617
-	-	-	304,026
-	-	11,236	11,236
-	2,593,439	37,498	2,630,937
-	-	7,854	18,932
<u>12,635,408</u>	<u>5,943,994</u>	<u>2,084,785</u>	<u>22,281,784</u>
39,318,992	88,197	59,693	39,585,786
-	-	37,498	37,498
<u>39,318,992</u>	<u>88,197</u>	<u>97,191</u>	<u>39,623,284</u>
8,920,768	-	-	9,181,617
<u>48,239,760</u>	<u>88,197</u>	<u>97,191</u>	<u>48,804,901</u>
-	-	7,854	18,932
-	-	1,969,900	1,969,900
-	5,855,797	107,031	5,962,828
(35,604,352)	-	(97,191)	(34,474,777)
<u>(35,604,352)</u>	<u>5,855,797</u>	<u>1,987,594</u>	<u>(26,523,117)</u>
<u>12,635,408</u>	<u>5,943,994</u>	<u>2,084,785</u>	<u>22,281,784</u>

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, 2014

Total Governmental Fund Balances	\$ (26,523,117)
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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.	124,654,427
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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	(74,188)
Net Other Post-Employment Benefit Obligation Payable	(6,849)
General Obligation Bonds Payable	(6,355,000)
General Obligation Capital Appreciation Bonds Payable	(6,188,552)
Accretion - General Obligation Capital Appreciation Bonds Payable	(3,544,958)
TIF Notes Payable	(106,282,890)
Accretion - TIF Notes Payable	(52,233,976)
Accrued Interest Payable	<u>(46,091)</u>

Net Position of Governmental Activities	<u>(76,601,194)</u>
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VILLAGE OF ELWOOD, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2014**

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, 2014

	<u>General</u>
Revenues	
Taxes	\$ 848,769
Intergovernmental	473,051
Charges for Services	250,969
Licenses and Permits	58,706
Fines and Forfeits	146,709
Interest Income	1,530
Miscellaneous	67,167
Total Revenues	1,846,901
Expenditures	
Current	
General Government	426,586
Public Safety	613,019
Public Works	594,019
Parks and Recreation	-
Capital Outlay	-
Debt Service	-
Principal Retirement	-
Interest and Fiscal Charges	-
Total Expenditures	1,633,624
Excess (Deficiency) of Revenues	
Over (Under) Expenditures	213,277
Other Financing Sources (Uses)	
Transfers In	-
Transfers Out	(155,128)
Net Change in Fund Balances	58,149
Fund Balances - Beginning	1,179,695
Fund Balances - Ending	1,237,844

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

Deer Run TIF	Capital Construction Bond	Nonmajor Governmental Funds	Total Governmental Funds
8,660,940	-	1,027,415	10,537,124
-	-	150,158	623,209
-	-	18,375	269,344
-	-	-	58,706
-	-	-	146,709
2,798	8,466	3,246	16,040
-	2,214,438	2	2,281,607
<u>8,663,738</u>	<u>2,222,904</u>	<u>1,199,196</u>	<u>13,932,739</u>
17,557	1,923,926	-	2,368,069
-	-	937,785	1,550,804
-	-	263,954	857,973
-	-	144,163	144,163
-	-	495,616	495,616
19,073,015	-	125,000	19,198,015
-	-	281,860	281,860
<u>19,090,572</u>	<u>1,923,926</u>	<u>2,248,378</u>	<u>24,896,500</u>
<u>(10,426,834)</u>	<u>298,978</u>	<u>(1,049,182)</u>	<u>(10,963,761)</u>
-	-	565,015	565,015
-	(143,957)	-	(299,085)
<u>-</u>	<u>(143,957)</u>	<u>565,015</u>	<u>265,930</u>
<u>(10,426,834)</u>	<u>155,021</u>	<u>(484,167)</u>	<u>(10,697,831)</u>
<u>(25,177,518)</u>	<u>5,700,776</u>	<u>2,471,761</u>	<u>(15,825,286)</u>
<u>(35,604,352)</u>	<u>5,855,797</u>	<u>1,987,594</u>	<u>(26,523,117)</u>

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, 2014

Net Change in Fund Balances - Total Governmental Funds \$ (10,697,831)

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	1,970,713
Depreciation Expense	(3,735,687)

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.

Additions to Accretion - General Obligation Capital Appreciation Bonds	(524,971)
Additions to Accretion - TIF Notes Payable	(15,370,065)
Retirement of Debt	3,679,832
Retirement of Accretion - TIF Notes Payable	15,518,183
Additions to Compensated Absences Payable	(11,948)
Additions to Net Other Postemployment Benefit Obligation Payable	(1,375)

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.

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Changes in Net Position of Governmental Activities (9,172,263)

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2014

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Statement of Net Position - Proprietary Funds
April 30, 2014

	Business-Type Activities - Enterprise		
	Water and Sewer	Nonmajor Garbage	Totals
ASSETS			
Current Assets			
Receivables - Net of Allowances			
Accounts	\$ 105,280	12,595	117,875
Prepays	485	14,630	15,115
Total Current Assets	<u>105,765</u>	<u>27,225</u>	<u>132,990</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable Capital Assets	1,909,500	-	1,909,500
Depreciable Capital Assets	23,809,178	-	23,809,178
Accumulated Depreciation	<u>(6,154,851)</u>	<u>-</u>	<u>(6,154,851)</u>
Total Noncurrent Assets	<u>19,563,827</u>	<u>-</u>	<u>19,563,827</u>
Total Assets	<u>19,669,592</u>	<u>27,225</u>	<u>19,696,817</u>

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

Business-Type Activities - Enterprise			
Water and Sewer	Nonmajor Garbage	Totals	

LIABILITIES

Current Liabilities

Accounts Payable	\$ 47,757	-	47,757
Deposits Payable	34,986	-	34,986
Due to Other Funds	2,586,403	7,036	2,593,439
Accrued Interest Payable	721,493	-	721,493
Compensated Absences Payable	961	-	961
General Obligation Bonds Payable	170,000	-	170,000
 Total Current Liabilities	 3,561,600	 7,036	 3,568,636

Long-Term Liabilities

Compensated Absences Payable	3,842	-	3,842
Unearned Tap-On Revenues	1,872,153	-	1,872,153
General Obligation Bonds Payable - Net	7,918,379	-	7,918,379
 Total Long-Term Liabilities	 9,794,374	 -	 9,794,374
 Total Liabilities	 13,355,974	 7,036	 13,363,010

NET POSITION

Net Investment in Capital Assets	11,475,448	-	11,475,448
Unrestricted	(5,161,830)	20,189	(5,141,641)
 Total Net Position	 6,313,618	 20,189	 6,333,807

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, 2014

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	Nonmajor Garbage	Totals
Operating Revenues			
Charges for Services	<u>\$ 770,900</u>	<u>174,659</u>	<u>945,559</u>
Operating Expenses			
Water Operations	<u>370,926</u>	<u>-</u>	<u>370,926</u>
Sewer Operations	<u>495,824</u>	<u>-</u>	<u>495,824</u>
Garbage Operations	<u>-</u>	<u>176,382</u>	<u>176,382</u>
Depreciation and Amortization	<u>582,056</u>	<u>-</u>	<u>582,056</u>
Total Operating Expenses	<u>1,448,806</u>	<u>176,382</u>	<u>1,625,188</u>
 Operating (Loss)	 <u>(677,906)</u>	 <u>(1,723)</u>	 <u>(679,629)</u>
 Nonoperating Revenues (Expenses)			
Interest Income	<u>16,061</u>	<u>2</u>	<u>16,063</u>
Interest and Fiscal Charges	<u>(360,826)</u>	<u>-</u>	<u>(360,826)</u>
	<u>(344,765)</u>	<u>2</u>	<u>(344,763)</u>
 Income (Loss) Before Transfers	 <u>(1,022,671)</u>	 <u>(1,721)</u>	 <u>(1,024,392)</u>
 Transfers (Out)	 <u>(265,930)</u>	 <u>-</u>	 <u>(265,930)</u>
 Change in Net Position	 <u>(1,288,601)</u>	 <u>(1,721)</u>	 <u>(1,290,322)</u>
 Net Position - Beginning	 <u>7,602,219</u>	 <u>21,910</u>	 <u>7,624,129</u>
 Net Position - Ending	 <u>6,313,618</u>	 <u>20,189</u>	 <u>6,333,807</u>

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, 2014

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Nonmajor</u>	<u>Totals</u>
	<u>and</u>	<u>Garbage</u>	
Cash Flows from Operating Activities			
Receipts from Customers and Users	\$ 764,966	172,898	937,864
Payments to Employees	(179,261)	-	(179,261)
Payments to Suppliers	334,222	(173,546)	160,676
	<u>919,927</u>	<u>(648)</u>	<u>919,279</u>
Cash Flows from Noncapital Financing Activities			
Transfers Out	(265,930)	-	(265,930)
Cash Flows from Capital and Related Financing Activities			
Purchase of Capital Assets	(144,232)	-	(144,232)
Principal Paid	(165,000)	-	(165,000)
Interest Paid	(360,826)	-	(360,826)
	<u>(670,058)</u>	<u>-</u>	<u>(670,058)</u>
Cash Flows from Investing Activities			
Interest Received	16,061	2	16,063
Net Change in Cash and Cash Equivalents			
	-	(646)	(646)
Cash and Cash Equivalents - Beginning			
	-	646	646
Cash and Cash Equivalents - Ending			
	-	-	-
Reconciliation of Operating Income to Net Cash			
Provided (Used) by Operating Activities			
Operating Income (Loss)	(677,906)	(1,723)	(679,629)
Adjustments to Reconcile Operating Income to			
Net Income to Net Cash			
Provided by (Used in) Operating Activities:			
Depreciation and Amortization Expense	582,056	-	582,056
(Increase) Decrease in Current Assets	(5,934)	(1,761)	(7,695)
Increase (Decrease) in Current Liabilities	1,021,711	2,836	1,024,547
	<u>1,597,833</u>	<u>1,075</u>	<u>1,598,908</u>
Net Cash Provided by (Used in) Operating Activities	919,927	(648)	919,279

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

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, 2014

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, 2014

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.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

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 one major debt service fund, the Deer Run TIF Fund, which accounts 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 one major capital projects fund, the Capital Construction Bond Fund, which accounts 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 one major enterprise fund, the Water and Sewer Fund, which accounts 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, 2014

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, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

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

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

Cash and Investments

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

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

Interfund Receivables, Payables and Activity

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Prepays

Prepays are valued at cost, which approximates market. The cost of governmental fund-type prepays are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepays in both the government-wide and fund financial statements.

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 \$500 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, 2014

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.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Net Position

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

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

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, 2014

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
Park	\$ 6,458
Special Service Area	157,445

DEFICIT FUND EQUITY

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

Fund	Deficit
Deer Run Tax Increment Financing	\$ 35,604,352
Park	16,276
Special Service Area	73,061

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, 2014**

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 \$10,100,646 and the bank balances totaled \$10,275,378. Also at year-end, the Village has \$34,390 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 AAAm 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, 2014, 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, 2014, the Village's investment in the Illinois Funds is noncategorizable.

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, 2014, the Village has no investments over 5 percent of the total cash and investment portfolio.

PROPERTY TAXES

Property taxes for 2013 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, 2014

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 3,458,233	-	-	3,458,233
Construction in Progress	-	1,499,433	-	1,499,433
	<u>3,458,233</u>	<u>1,499,433</u>	-	<u>4,957,666</u>
Depreciable Capital Assets				
Buildings and Improvements	6,585,182	-	-	6,585,182
Machinery and Equipment	1,360,534	169,728	-	1,530,262
Infrastructure	141,950,124	301,552	-	142,251,676
	<u>149,895,840</u>	<u>471,280</u>	-	<u>150,367,120</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,209,931	210,232	-	1,420,163
Machinery and Equipment	1,059,456	129,624	-	1,189,080
Infrastructure	24,665,285	3,395,831	-	28,061,116
	<u>26,934,672</u>	<u>3,735,687</u>	-	<u>30,670,359</u>
Total Net Depreciable Capital Assets	<u>122,961,168</u>	<u>(3,264,407)</u>	-	<u>119,696,761</u>
Total Net Capital Assets	<u>126,419,401</u>	<u>(1,764,974)</u>	-	<u>124,654,427</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 222,701
Public Safety	70,233
Public Works	<u>3,442,753</u>
	<u>3,735,687</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

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
Nondepreciable Capital Assets				
Land	\$ 1,909,500	-	-	1,909,500
Depreciable Capital Assets				
Buildings and Improvements	12,679,708	-	-	12,679,708
Machinery and Equipment	263,012	44,828	-	307,840
Infrastructure	10,722,226	99,404	-	10,821,630
	<u>23,664,946</u>	<u>144,232</u>	-	<u>23,809,178</u>
Less Accumulated Depreciation				
Buildings and Improvements	3,562,765	321,885	-	3,884,650
Machinery and Equipment	133,092	36,555	-	169,647
Infrastructure	1,879,251	221,303	-	2,100,554
	<u>5,575,108</u>	<u>579,743</u>	-	<u>6,154,851</u>
Total Net Depreciable Capital Assets	<u>18,089,838</u>	<u>(435,511)</u>	-	<u>17,654,327</u>
Total Net Capital Assets	<u>19,999,338</u>	<u>(435,511)</u>	-	<u>19,563,827</u>

Depreciation expense was charged to business-type as follows:

Water and Sewer \$ 579,743

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

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	Water and Sewer	\$ 2,586,403
Capital Construction Bond	Nonmajor Business-Type	7,036
Nonmajor Governmental	Nonmajor Governmental	<u>37,498</u>
		<u>2,630,937</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
Nonmajor Governmental	General	\$ 155,128
Nonmajor Governmental	Capital Construction Bond	143,957
Nonmajor Governmental	Water and Sewer	<u>265,930</u>
		<u>565,015</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) 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, 2014

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds Payable

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Bonds of 2005, due in annual installments of \$115,000 to \$165,000, plus interest at 4.20% to 4.50% through March 1, 2023.	\$ 6,480,000	-	125,000	6,355,000
General Obligation Refunding Bonds of 2010A, due in annual installments of \$165,000 to \$310,000, plus interest at 2.00% to 5.10% through March 1, 2030.	3,790,000	-	165,000	3,625,000
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
	<u>14,770,000</u>	<u>-</u>	<u>290,000</u>	<u>14,480,000</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

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.	\$ 109,837,722	-	3,554,832	106,282,890

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

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
Governmental Activities					
Compensated Absences	\$ 62,240	23,896	11,948	74,188	14,838
Net Other Post-Employment Benefit Obligation Payable	5,474	1,375	-	6,849	-
General Obligation Bonds	6,480,000	-	125,000	6,355,000	130,000
General Obligation Capital Appreciation Bonds	6,188,552	-	-	6,188,552	-
Accretion - General Obligation Capital Appreciation Bonds	3,019,987	524,971	-	3,544,958	-
TIF Notes Payable	109,837,722	-	3,554,832	106,282,890	6,015,894
Accretion - TIF Notes Payable	52,382,094	15,370,065	15,518,183	52,233,976	15,088,632
	<u>177,976,069</u>	<u>15,920,307</u>	<u>19,209,963</u>	<u>174,686,413</u>	<u>21,249,364</u>
Business-Type Activities					
Compensated Absences	4,571	464	232	4,803	961
General Obligation Bonds	8,290,000	-	165,000	8,125,000	170,000
Unamortized Bond Discount	(38,934)	-	(2,313)	(36,621)	-
	<u>8,255,637</u>	<u>464</u>	<u>162,919</u>	<u>8,093,182</u>	<u>170,961</u>

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

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 Ending April 30	Governmental Activities				
	General Obligation Bonds		General Obligation Capital Appreciation Bonds		Tax Increment Notes
	Principal	Interest	Principal/Accretion	Principal/Accretion	
2015	\$ 130,000	276,548	(554,899)		6,266,556
2016	540,000	271,022	(586,534)		8,951,042
2017	610,000	248,342	(619,972)		11,507,249
2018	685,000	222,722	(655,316)		13,437,941
2019	765,000	193,610	(692,675)		15,546,339
2020	850,000	160,714	(732,164)		17,852,221
2021	885,000	123,528	(773,904)		20,465,946
2022	925,000	84,588	(818,023)		23,403,500
2023	965,000	43,426	(864,658)		26,600,961
2024	-	-	1,925,584		14,485,111
2025	-	-	2,037,571		-
2026	-	-	2,153,732		-
2027	-	-	2,276,514		-
2028	-	-	2,406,296		-
2029	-	-	2,543,477		-
2030	-	-	2,688,479		-
	<u>6,355,000</u>	<u>1,624,500</u>	<u>9,733,510</u>	<u>158,516,866</u>	

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Debt Service Requirements to Maturity – Continued

Fiscal Year Ending April 30	Business-Type Activities		
	General Obligation		
	Bonds		
2015	\$ 170,000	158,748	
2016	175,000	154,498	
2017	180,000	149,248	
2018	185,000	143,398	
2019	190,000	136,922	
2020	200,000	130,034	
2021	4,705,000	2,276,981	
2022	215,000	114,085	
2023	220,000	105,484	
2024	230,000	96,134	
2025	245,000	84,404	
2026	255,000	71,910	
2027	270,000	58,905	
2028	280,000	45,136	
2029	295,000	30,856	
2030	310,000	15,810	
Total	<u>8,125,000</u>	<u>3,772,553</u>	

Legal Debt Margin

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE CLASSIFICATIONS

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

	General	Deer Run TIF	Capital Construction Bond	Nonmajor	Total
Fund Balances					
Nonspendable - Prepays	\$ 11,078	-	-	7,854	18,932
Restricted					
Motor Fuel Tax	-	-	-	1,969,900	1,969,900
Park	-	-	-	-	-
	-	-	-	1,969,900	1,969,900
Assigned					
Capital Projects	-	-	5,855,797	107,031	5,962,828
Unassigned	1,226,766	(35,604,352)	-	(97,191)	(34,474,777)
Total Fund Balances	1,237,844	(35,604,352)	5,855,797	1,987,594	(26,523,117)

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.

Assigned Fund Balance. The Village's management (Village Administrator) has 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 Board/management expenditures as determined through the annual budget process.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

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, 2014:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 124,654,427
Less Capital Related Debt:	
General Obligation Bonds of 2005	(6,355,000)
General Obligation Capital Appreciation Bonds of 2006	(6,188,552)
Tax Increment Financing Note Payable of 2003	<u>(106,282,890)</u>
Net Investment in Capital Assets	<u>5,827,985</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 19,563,827
Less Capital Related Debt:	
General Obligation Refunding Bonds of 2010A	(3,625,000)
General Obligation Refunding Bonds of 2010B	(4,500,000)
Unamortized Bond Discount	<u>36,621</u>
Net Investment in Capital Assets	<u>11,475,448</u>

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

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

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. The Village lawsuit filed against the Bank of New York Mellon Trust Company, N.A. was settled in favor of the Village.

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.

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.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

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

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Participating members hired before January 1, 2011 who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent for each year thereafter. For participating members hired on or after January 1, 2011 who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$106,800 at January 1, 2011. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Employees participating in the plan are required to contribute 4.50 percent of their annual covered salary to IMRF. The employees' contribution rate is established by state statute. The Village is required to contribute the remaining amount necessary to fund the IMRF plan as specified by statute. The employer contribution rate and the employer annual required contribution rate for calendar year 2013 was 9.20 percent.

Funding Policy and Annual Pension Cost

For April 30, 2014, the Village's annual pension cost of \$117,101 was equal to the Village's actual and required contributions. The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.0% per year depending on age and service, attributable to seniority/merit, (d) post retirement benefit increases of 3.0% annually, and (e) an inflation rate of 4.0%. The actuarial value of the plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2013 was 30 years.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Trend Information

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

<u>Illinois Municipal Retirement</u>		
Annual Pension Cost (APC)	2012	\$ 115,026
	2013	106,030
	2014	117,101
Actual Contributions	2012	\$ 115,026
	2013	106,030
	2014	117,101
Percentage of APC Contributed	2012	100.00%
	2013	100.00%
	2014	100.00%
Net Pension Obligation	2012	N/A
	2013	N/A
	2014	N/A

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Funded Status and Funding Progress

The Village's IMRF funded status for the current year and related information for the plan is as follows:

Actuarial Valuation Date	12/31/13
Percent Funded	95.89%
Actuarial Accrued Liability for Benefits	\$1,523,443
Actuarial Value of Assets	\$1,460,790
Over (Under) Funded Actuarial Accrued Liability (UAAL)	(\$62,653)
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$1,272,834
Ratio of UAAL to Covered Payroll	4.92%

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

In addition to providing the pension benefits described, the Village provides post-employment health care insurance benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's General Fund.

The Village provides post-employment health care benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the Village's retirement plans.

All health care benefits are provided through the Village's health insurance plan and HMO plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2014 the Village had no retirees participating in the plan. Active employees do not contribute to the plan until retirement.

At April 30, 2014, membership consisted of:

Retirees and Beneficiaries Currently Receiving
Benefits and Terminated Employees Entitled
to Benefits but not yet Receiving Them

Active Employees	<u>18</u>
Total	<u>18</u>
Participating Employers	1

The Village does not currently have a funding policy.

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements April 30, 2014

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2014, was calculated as follows:

Annual Required Contribution	\$ 1,421
Interest on the NOPEBO	274
Adjustment to the ARC	<u>(320)</u>
Annual OPEB Cost	1,375
Actual Contribution	<u>-</u>
Change in the NOPEBO	1,375
NOPEBO - Beginning of Year	<u>5,474</u>
NOPEBO - End of Year	<u>6,849</u>

Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2012	\$ 1,488	\$ -	0.00%	\$ 4,167
2013	1,307	-	0.00%	5,474
2014	1,375	-	0.00%	6,849

VILLAGE OF ELWOOD, ILLINOIS

Notes to the Financial Statements

April 30, 2014

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress

The funded status of the plan as of April 30, 2013, the date of the latest actuarial valuation, was as follows:

Actuarial Accrued Liability (AAL)	\$ 5,928
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability (UAAL)	\$ 5,928
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 1,187,526
UAAL as a Percentage of Covered Payroll	0.50%

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

Actuarial Methods and Assumptions

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

In the April 30, 2013 actuarial valuation the entry age actuarial cost method was used. The actuarial assumptions included a 5.0% investment rate of return, including a 3.0% inflation assumption and an initial annual healthcare cost trend rate of 8.0%, with an ultimate rate of 6.0%. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2014, was 30 years.

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 Funding Progress and Employer Contributions
 - Illinois Municipal Retirement Fund (IMRF)
 - Other Post-Employement Benefit Plan
- 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 Funding Progress and Employer Contributions
April 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date Dec. 31	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability		(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
				Actuarial Liability	(2) - (1)		
2008	\$ 512,428	\$ 760,522	67.38%	\$ 248,094	\$ 1,066,502		23.26%
2009	595,478	856,838	69.50%	261,360	1,048,922		24.92%
2010	578,550	858,610	67.38%	280,060	987,555		28.36%
2011	1,017,840	1,076,552	94.55%	58,712	1,133,258		5.18%
2012	1,229,449	1,284,344	95.73%	54,895	1,187,526		4.62%
2013	1,460,790	1,523,443	95.89%	62,653	1,272,834		4.92%

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2009	\$ 98,865	\$ 98,865	100.00%
2010	99,018	99,018	100.00%
2011	98,163	98,163	100.00%
2012	115,026	115,026	100.00%
2013	106,030	106,030	100.00%
2014	117,101	117,101	100.00%

VILLAGE OF ELWOOD, ILLINOIS

Other Post-Employment Benefit Plan

Required Supplementary Information

Schedule of Funding Progress and Employer Contributions

April 30, 2014

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability (AAL) - Entry Age	(1) ÷ (2)	Unfunded (Overfunded)		Annual Covered Payroll	(4) ÷ (5)	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll
				(2)	(3) Funded Ratio			
2009	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	1,160,548	N/A	N/A
2010	-	5,928	-	5,928	5,928	1,187,526	0.51%	N/A
2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	5,928	-	5,928	5,928	1,187,526	0.50%	N/A
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contributions		Percent Contributed
		\$	N/A	
2009	\$ N/A	\$ N/A	N/A	N/A
2010	-	-	1,306	0.00%
2011	-	-	1,341	0.00%
2012	-	-	1,421	0.00%
2013	-	-	1,341	0.00%
2014	-	-	1,421	0.00%

The Village implemented GASB Statement No. 45 for the fiscal year ended April 30, 2010. Information for prior years is not available. The Village is required to have an actuarial study performed triennially.

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, 2014**

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ 677,616	677,616	848,769
Intergovernmental	483,237	483,237	473,051
Charges for Services	264,069	264,069	250,969
Licenses and Permits	10,865	10,865	58,706
Fines and Forfeits	420,250	420,250	146,709
Interest Income	3,500	3,500	1,530
Miscellaneous	51,395	51,395	67,167
Total Revenues	1,910,932	1,910,932	1,846,901
Expenditures			
General Government	430,613	430,613	426,586
Public Safety	655,048	655,048	613,019
Public Works	662,675	662,675	594,019
Total Expenditures	1,748,336	1,748,336	1,633,624
Excess (Deficiency) of Revenues Over (Under) Expenditures	162,596	162,596	213,277
Other Financing (Uses)			
Transfers Out	(153,502)	(153,502)	(155,128)
Net Change in Fund Balance	9,094	9,094	58,149
Fund Balance - Beginning			1,179,695
Fund Balance - Ending			1,237,844

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund

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

Park Fund

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

Special Service Area Fund

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

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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.

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.

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 2005 general obligation bonds.

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.

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.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CAPITAL PROJECTS FUNDS – Continued

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.

PROPRIETARY FUNDS

ENTERPRISE FUNDS

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

Water and Sewer Fund

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

Garbage Fund

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

VILLAGE OF ELWOOD, ILLINOIS

General Fund

**Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Taxes			
Property Taxes	\$ 184,788	184,788	184,880
Personal Property Replacement Tax	828	828	1,111
Road and Bridge Tax	67,000	67,000	65,548
Utility Tax	425,000	425,000	597,230
	677,616	677,616	848,769
Intergovernmental			
Sales Tax	120,000	120,000	136,157
Home Rule Sales Tax	92,400	92,400	70,410
Income Tax	217,417	217,417	217,641
Local Use Tax	53,420	53,420	48,843
	483,237	483,237	473,051
Charges for Services			
Center Point Administrative Fees	129,359	129,359	129,359
Engineering Fees	20,000	20,000	-
Inspection Fees	-	-	5,207
Impact Fees	-	-	984
Overweight Truck Fee	72,000	72,000	76,992
Cable Franchise Fees	7,110	7,110	8,427
Container Stacking Fee	30,000	30,000	30,000
Nicor Franchise Fees	5,600	5,600	-
	264,069	264,069	250,969
Licenses and Permits			
Building Permits	3,000	3,000	43,906
Liquor Licenses	3,690	3,690	6,300
Business Licenses	675	675	1,900
Contractor Registration	3,500	3,500	6,600
	10,865	10,865	58,706
Fines and Forfeits			
Police Fines	420,250	420,250	146,709

VILLAGE OF ELWOOD, ILLINOIS**General Fund****Schedule of Revenues - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Interest Income	\$ 3,500	3,500	1,530
Miscellaneous			
Donations	100	100	500
Lease Agreement	24,314	24,314	24,565
Miscellaneous	26,981	26,981	42,102
	51,395	51,395	67,167
Total Revenues	1,910,932	1,910,932	1,846,901

VILLAGE OF ELWOOD, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
General Government			
Administration			
Salaries	\$ 162,179	162,179	167,660
Administration Benefits	23,017	23,017	20,917
Employee Group Insurance	14,705	14,705	11,084
Financial Consultants	-	-	125
Audit	18,000	18,000	23,315
Engineering Services	1,000	1,000	1,091
Legal Services	100,000	100,000	93,262
Telephone	4,440	4,440	5,134
Electric/Heating	15,600	15,600	17,041
Travel and Meetings	2,500	2,500	2,097
Insurance - Liability/Workers Compensation	13,788	13,788	18,450
Printing/Binding	5,000	5,000	700
Dues and Subscriptions	16,719	16,719	19,510
Office Equipment Maintenance	6,000	6,000	5,060
Office Supplies	11,500	11,500	6,623
Marketing	-	-	75
Postage	4,000	4,000	3,791
Bank Charges	7,600	7,600	7,374
Donations	2,200	2,200	2,236
Miscellaneous	2,915	2,915	2,884
Events	12,000	12,000	11,561
Equipment	1,450	1,450	746
Data Processing Equipment Agreements	6,000	6,000	5,712
	-	-	138
Total Administration	430,613	430,613	426,586
Total General Government	430,613	430,613	426,586

VILLAGE OF ELWOOD, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2014

	Budget		
	Original	Final	Actual
Public Safety			
Police			
Salaries	\$ 420,258	420,258	394,952
Administration Benefits	72,067	72,067	60,142
Employee Group Insurance	54,867	54,867	41,845
Legal Services	22,000	22,000	5,241
Data Processing	400	400	-
Insurance - Liability/Workers Compensation	10,719	10,719	53,850
Printing/Binding	297	297	95
Dues and Subscriptions	1,190	1,190	783
Telephone	2,160	2,160	2,062
Office Equipment Maintenance	1,980	1,980	1,472
Radio Maintenance	1,508	1,508	260
Vehicle Maintenance	4,616	4,616	3,358
Training	1,039	1,039	643
Travel and Meetings	56	56	-
Medical Expenditures	1,600	1,600	222
Animal Control	448	448	440
Rental	246	246	-
Office Supplies	1,464	1,464	3,664
Gas and Oil	5,883	5,883	4,138
Uniforms	3,560	3,560	2,062
Postage	310	310	175
Ammunition	3,376	3,376	3,156
Other Supplies	1,409	1,409	1,992
Agreements	15,287	15,287	15,929
Miscellaneous	520	520	487
Equipment	21,788	21,788	12,475
Data Processing Equipment	6,000	6,000	3,576
 Total Public Safety	 655,048	 655,048	 613,019

VILLAGE OF ELWOOD, ILLINOIS

General Fund

**Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Public Works			
Streets			
Salaries	\$ 202,538	202,538	229,896
Administration Benefits	29,718	29,718	28,624
Employee Group Insurance	17,925	17,925	15,488
Professional Services	2,750	2,750	1,264
Data Processing	500	500	255
Insurance	17,219	17,219	28,826
Uniforms	5,100	5,100	2,978
Street Cleaning	2,000	2,000	1,812
Landfill	4,000	4,000	1,295
Travel and Meetings	4,500	4,500	5,149
Tree Removal	15,000	15,000	14,562
Truck Inspections	500	500	-
Electric	42,000	42,000	32,845
Telephone	3,400	3,400	1,549
Heating	6,000	6,000	7,125
Equipment Rentals	16,500	16,500	727
Communication Repairs	1,500	1,500	306
Building Maintenance	48,500	48,500	62,010
Street Light Maintenance	25,000	25,000	13,683
Vehicle Maintenance	17,250	17,250	19,720
Mosquito Abatement	22,500	22,500	22,722
Office Supplies	3,500	3,500	5,616
Vehicle Supplies	10,125	10,125	8,964
Gas and Oil	15,000	15,000	17,147
Gravel	500	500	-
Asphalt and Sealer	1,000	1,000	-
Operating Supplies	18,150	18,150	12,738
Restoration Materials	2,500	2,500	1,593
Drainage Materials	1,500	1,500	278
Traffic Signs and Safety Materials	12,500	12,500	(120)
Small Tools and Equipment	2,800	2,800	3,130
Miscellaneous	30,000	30,000	408

VILLAGE OF ELWOOD, ILLINOIS**General Fund****Schedule of Expenditures - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2014**

	<u>Budget</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual</u>
Public Works - Continued			
Streets - Continued			
Equipment	\$ 16,200	16,200	9,866
Village Building Improvements	36,000	36,000	39,734
Data Processing Equipment	<u>28,500</u>	<u>28,500</u>	<u>3,829</u>
Total Public Works	<u>662,675</u>	<u>662,675</u>	<u>594,019</u>
Total Expenditures	<u>1,748,336</u>	<u>1,748,336</u>	<u>1,633,624</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, 2014**

	Budget		
	Original	Final	Actual
Revenues			
Interest Income	\$ 19,000	19,000	8,466
Miscellaneous	1,000,000	1,000,000	2,214,438
Total Revenues	1,019,000	1,019,000	2,222,904
Expenditures			
General Government	3,159,723	3,159,723	1,923,926
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,140,723)	(2,140,723)	298,978
Other Financing Sources (Uses)			
Transfers Out	(260,000)	(260,000)	(143,957)
Net Change in Fund Balance	(2,400,723)	(2,400,723)	155,021
Fund Balance - Beginning			5,700,776
Fund Balance - Ending			5,855,797

VILLAGE OF ELWOOD, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2014

	Special Revenue Funds			Capital Projects		Total Nonmajor Governmental Funds
	Motor Fuel Tax	Park	Special Service Area	Debt Service	Brandon/Noel Road Improvements	
ASSETS						
Cash and Investments	\$ 1,921,166	-	-	-	107,031	2,028,197
Due from Other Governments	11,236	-	-	-	-	11,236
Due from Other Funds	37,498	-	-	-	-	37,498
Prepays	-	-	7,854	-	-	7,854
Total Assets	1,969,900	-	7,854	-	107,031	2,084,785
LIABILITIES						
Accounts Payable	-	3,962	55,731	-	-	59,693
Due to Other Funds	-	12,314	25,184	-	-	37,498
Total Liabilities	-	16,276	80,915	-	-	97,191
FUND BALANCES						
Nonspendable	-	-	7,854	-	-	7,854
Restricted	1,969,900	-	-	-	-	1,969,900
Assigned	-	-	-	-	107,031	107,031
Unassigned	-	(16,276)	(80,915)	-	-	(97,191)
Total Fund Balances	1,969,900	(16,276)	(73,061)	-	107,031	1,987,594
Total Liabilities and Fund Balances	1,969,900	-	7,854	-	107,031	2,084,785

VILLAGE OF ELWOOD, ILLINOIS

Nonmajor Governmental Funds

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended April 30, 2014**

	Special Revenue Funds			Debt Service	Capital Projects Brandon/Noel Road Improvements	Total Nonmajor Governmental Funds
	Motor Fuel Tax	Park	Special Service Area			
Revenues						
Taxes	\$ -	-	1,027,415	-	-	1,027,415
Intergovernmental	70,334	-	-	-	79,824	150,158
Charges for Services	-	18,375	-	-	-	18,375
Interest Income	2,798	13	5	-	430	3,246
Miscellaneous	-	2	-	-	-	2
Total Revenues	73,132	18,390	1,027,420	-	80,254	1,199,196
Expenditures						
Public Safety	-	-	937,785	-	-	937,785
Public Works	24,276	-	239,678	-	-	263,954
Parks and Recreation	-	144,163	-	-	-	144,163
Capital Outlay	-	-	-	-	495,616	495,616
Debt Service						
Principal Retirement	-	-	-	125,000	-	125,000
Interest and Fiscal Charges	-	-	-	281,860	-	281,860
Total Expenditures	24,276	144,163	1,177,463	406,860	495,616	2,248,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	48,856	(125,773)	(150,043)	(406,860)	(415,362)	(1,049,182)
Other Financing Sources						
Transfer In	3,027	93,502	61,626	406,860	-	565,015
Net Change in Fund Balances	51,883	(32,271)	(88,417)	-	(415,362)	(484,167)
Fund Balances - Beginning	1,918,017	15,995	15,356	-	522,393	2,471,761
Fund Balances - Ending	1,969,900	(16,276)	(73,061)	-	107,031	1,987,594

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, 2014**

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Motor Fuel Tax Allotments	\$ 53,557	53,557	70,334
Interest Income	325	325	2,798
Total Revenues	<u>53,882</u>	<u>53,882</u>	<u>73,132</u>
Expenditures			
Public Works			
Contractual Services	<u>30,000</u>	<u>30,000</u>	<u>24,276</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,882	23,882	48,856
Other Financing Sources			
Transfer In	<u>-</u>	<u>-</u>	<u>3,027</u>
Net Change in Fund Balance	<u>23,882</u>	<u>23,882</u>	<u>51,883</u>
Fund Balance - Beginning			<u>1,918,017</u>
Fund Balance - Ending			<u>1,969,900</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, 2014**

	Budget		
	<u>Original</u>	<u>Final</u>	<u>Actual</u>
Revenues			
Charges for Services			
Event Fees	\$ 12,500	12,500	12,365
Rental Fees	1,750	1,750	825
Registration Fees	6,500	6,500	5,185
Interest Income	94	94	13
Miscellaneous			
Donations	1,100	1,100	2
Total Revenues	<u>21,944</u>	<u>21,944</u>	<u>18,390</u>
Expenditures			
Parks and Recreation	<u>137,705</u>	<u>137,705</u>	<u>144,163</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(115,761)	(115,761)	(125,773)
Other Financing Sources			
Transfers In	<u>93,502</u>	<u>93,502</u>	<u>93,502</u>
Net Change in Fund Balance	<u>(22,259)</u>	<u>(22,259)</u>	<u>(32,271)</u>
Fund Balance - Beginning			<u>15,995</u>
Fund Balance - Ending			<u>(16,276)</u>

VILLAGE OF ELWOOD, ILLINOIS

Park - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Parks and Recreation			
Salaries	\$ 51,374	51,374	57,062
Administration Benefits	5,549	5,549	5,586
Employee Group Insurance	1,901	1,901	1,939
Repairs and Maintenance	10,000	10,000	12,213
Cleaning	-	-	161
Referees	3,000	3,000	2,150
Legal	500	500	-
Postage	-	-	5
Telephone	1,600	1,600	482
Herbicides	9,500	9,500	5,492
Equipment Maintenance	3,000	3,000	2,939
Vehicle Maintenance	1,500	1,500	2,124
Printing	500	500	-
Fuel	2,500	2,500	2,185
General Supplies	21,650	21,650	23,455
Small Tools	1,000	1,000	949
Miscellaneous	7,250	7,250	3,942
Training/Educational	-	-	1,486
Events	-	-	501
Children's Garden	16,881	16,881	21,492
Total Expenditures	137,705	137,705	144,163

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, 2014**

	<u>Budget</u>		
	<u>Original</u>	<u>Final</u>	<u>Actual</u>
Revenues			
Taxes			
Property Tax	\$ 968,703	968,703	1,027,415
Interest Income	100	100	5
Total Revenues	<u>968,803</u>	<u>968,803</u>	<u>1,027,420</u>
Expenditures			
Public Safety	807,558	807,558	937,785
Public Works	212,460	212,460	239,678
Total Expenditures	<u>1,020,018</u>	<u>1,020,018</u>	<u>1,177,463</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(51,215)	(51,215)	(150,043)
Other Financing Sources			
Transfer In	-	-	61,626
Net Change in Fund Balance	<u>(51,215)</u>	<u>(51,215)</u>	<u>(88,417)</u>
Fund Balance - Beginning			15,356
Fund Balance - Ending			<u>(73,061)</u>

VILLAGE OF ELWOOD, ILLINOIS

Special Service Area - Special Revenue Fund

**Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Public Safety			
Salaries	\$ 395,024	395,024	411,803
Benefits	112,822	112,822	114,886
Training	11,976	11,976	6,175
Uniforms	9,790	9,790	6,947
Insurance	58,593	58,593	59,178
Automotive	90,410	90,410	65,211
Supplies and Materials	8,000	8,000	12,052
Agreements	86,625	86,625	90,265
Miscellaneous Expenditures	1,530	1,530	906
Purchase Vehicle	-	-	123,820
Purchase Equipment	21,788	21,788	34,646
Data Processing Equipment	11,000	11,000	11,896
Total Public Safety	807,558	807,558	937,785
Public Works			
Uniforms	1,800	1,800	1,231
Snow Removal	7,500	7,500	15,795
Vehicle Maintenance	7,750	7,750	8,616
Equipment Maintenance	10,000	10,000	14,953
Administrative/Legal	151,910	151,910	165,927
Retention Pond Maintenance	18,000	18,000	17,582
Roadway Maintenance	6,000	6,000	6,981
Landfill	2,500	2,500	1,101
Purchase Equipment	7,000	7,000	7,492
Total Public Works	212,460	212,460	239,678
Total Expenditures	1,020,018	1,020,018	1,177,463

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, 2014**

	Budget		
	Original	Final	Actual
Revenues			
Taxes	\$ -	-	-
Expenditures			
Debt Service			
Principal Retirement	290,000	290,000	125,000
Interest and Fiscal Charges	443,908	443,908	281,860
Total Expenditures	733,908	733,908	406,860
Excess (Deficiency) of Revenues Over (Under) Expenditures	(733,908)	(733,908)	(406,860)
Other Financing Sources			
Transfers In	733,908	733,908	406,860
Net Change in Fund Balance	-	-	-
Fund Balance - Beginning			
Fund Balance - Ending			

VILLAGE OF ELWOOD, ILLINOIS

Brandon/Noel Road Improvements - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Revenues			
Intergovernmental			
Grants	\$ -	-	79,824
Interest Income	-	-	430
Total Revenues	-	-	80,254
Expenditures			
Capital Outlay	500,000	500,000	495,616
Excess (Deficiency) of Revenues Over (Under) Expenditures	(500,000)	(500,000)	(415,362)
Other Financing (Uses)			
Transfers Out	(21,981)	(21,981)	-
Net Change in Fund Balance	<u>(521,981)</u>	<u>(521,981)</u>	<u>(415,362)</u>
Fund Balance - Beginning			<u>522,393</u>
Fund Balance - Ending			<u>107,031</u>

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, 2014**

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	\$ 800,066	800,066	770,900
Operating Expenses			
Water Operations	387,083	387,083	370,926
Sewer Operations	587,865	587,865	495,824
Depreciation and Amortization	-	-	582,056
Total Operating Expenses	974,948	974,948	1,448,806
Operating Income (Loss)	(174,882)	(174,882)	(677,906)
Nonoperating Revenues (Expenses)			
Interest Income	9,688	9,688	16,061
Interest and Fiscal Charges	-	-	(360,826)
	9,688	9,688	(344,765)
Income (Loss) Before Transfers	(165,194)	(165,194)	(1,022,671)
Transfers Out	(327,048)	(327,048)	(265,930)
Change in Net Position	(492,242)	(165,194)	(1,288,601)
Net Position - Beginning			7,602,219
Net Position - Ending			<u>6,313,618</u>

VILLAGE OF ELWOOD, ILLINOIS**Water and Sewer - Enterprise Fund****Schedule of Operating Revenues - Budget and Actual**
For the Fiscal Year Ended April 30, 2014

	Budget		
	Original	Final	Actual
Charges for Services			
Water Charges	\$ 424,360	424,360	417,778
Sewer Charges	360,706	360,706	340,012
Meter Sales	-	-	943
Capital Expansion Fee	-	-	5,250
Miscellaneous	15,000	15,000	6,917
 Total Operating Revenues	 800,066	 800,066	 770,900

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

**Schedule of Operating Expenses - Budget and Actual
For the Fiscal Year Ended April 30, 2014**

	Budget		
	Original	Final	Actual
Water Operations			
Salaries	\$ 101,196	101,196	82,077
Administration Benefits	17,145	17,145	15,949
Employee Group Insurance	17,038	17,038	18,270
Insurance - Liability/Workers Compensation	8,622	8,622	13,391
Audit	2,813	2,813	1,000
Engineering Services	7,500	7,500	1,353
Legal Services	1,000	1,000	-
Telephone	6,000	6,000	5,521
Electric	72,000	72,000	72,283
Heating	1,000	1,000	3,722
Printing/Binding	-	-	465
Dues and Subscriptions	5,350	5,350	6,060
Building Maintenance	44,000	44,000	39,419
Equipment Maintenance	26,750	26,750	30,513
System Maintenance	42,500	42,500	50,400
Vehicle Maintenance	1,000	1,000	987
Operational Supplies	450	450	2,763
Gas and Oil	500	500	-
Small Tools/Equipment	3,500	3,500	1,736
Postage	1,844	1,844	1,082
Water Supplies	2,000	2,000	1,309
Maintenance Supplies	500	500	196
Vehicle Supplies	1,200	1,200	1,076
Chemicals	12,000	12,000	17,159
Restoration Materials	4,000	4,000	4,084
Miscellaneous	2,000	2,000	111
Water Meters	3,000	3,000	-
Data Processing Equipment	2,175	2,175	-
Total Water Operations	<u>387,083</u>	<u>387,083</u>	<u>370,926</u>

VILLAGE OF ELWOOD, ILLINOIS

Water and Sewer - Enterprise Fund

Schedule of Operating Expenses - Budget and Actual - Continued
For the Fiscal Year Ended April 30, 2014

	Budget		
	Original	Final	Actual
Sewer Operations			
Salaries	\$ 87,045	87,045	97,184
Administration Benefits	14,899	14,899	15,329
Employee Group Insurance	20,806	20,806	13,883
Insurance - Liability/Workers Compensation	7,448	7,448	11,494
Audit	2,813	2,813	1,000
Engineering Services	1,000	1,000	825
Legal Services	1,000	1,000	-
Data Processing	4,000	4,000	-
Telephone	6,300	6,300	4,057
Electric/Heating	52,800	52,800	54,701
Dues and Subscriptions	5,350	5,350	11,823
Building Maintenance	61,500	61,500	68,292
Equipment Maintenance	26,750	26,750	50,177
System Maintenance	65,500	65,500	81,190
Vehicle Maintenance	2,000	2,000	(675)
Operational Supplies	5,000	5,000	2,066
Gas and Oil	500	500	-
Small Tools and Equipment	12,900	12,900	3,015
Postage	1,844	1,844	1,080
Sewer Supplies	10,000	10,000	387
Maintenance Supplies	1,000	1,000	333
Vehicle Supplies	1,700	1,700	1,076
Chemicals	18,000	18,000	10,187
Miscellaneous	1,500	1,500	3,374
Purchase Equipment	116,035	116,035	-
Data Processing Equipment	52,175	52,175	61,035
Water Meters	8,000	8,000	3,991
Total Sewer Operations	587,865	587,865	495,824

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, 2014**

	Budget		
	Original	Final	Actual
Operating Revenues			
Charges for Services	<u>\$ 180,774</u>	<u>180,774</u>	<u>174,659</u>
Operating Expenses			
Garbage Operations			
Garbage Collection	176,670	176,670	175,302
Printing/Binding	100	100	-
Postage	1,260	1,260	1,080
Total Operating Expenses	<u>178,030</u>	<u>178,030</u>	<u>176,382</u>
Operating Income (Loss)	2,744	2,744	(1,723)
Nonoperating Revenue			
Interest Income	74	74	2
Change in Net Position	<u>2,818</u>	<u>2,818</u>	<u>(1,721)</u>
Net Position - Beginning			<u>21,910</u>
Net Position - Ending			<u>20,189</u>

SUPPLEMENTAL SCHEDULES

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Bonds of 2005

April 30, 2014

Date of Issue	March 1, 2005
Date of Maturity	March 1, 2023
Authorized Issue	\$7,500,000
Denomination of Bonds	\$5,000
Interest Rates	4.20% - 4.50%
Interest Dates	September 1 and March 1
Principal Maturity Date	March 1
Payable at	Amalgamated Bank, Joliet IL

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Sep. 1	Amount	Mar. 1	Amount
2015	\$ 130,000	276,548	406,548	2014	138,274	2015	138,274
2016	540,000	271,022	811,022	2015	135,511	2016	135,511
2017	610,000	248,342	858,342	2016	124,171	2017	124,171
2018	685,000	222,722	907,722	2017	111,361	2018	111,361
2019	765,000	193,610	958,610	2018	96,805	2019	96,805
2020	850,000	160,714	1,010,714	2019	80,357	2020	80,357
2021	885,000	123,528	1,008,528	2020	61,764	2021	61,764
2022	925,000	84,588	1,009,588	2021	42,294	2022	42,294
2023	965,000	43,426	1,008,426	2022	21,713	2023	21,713
	<u>6,355,000</u>	<u>1,624,500</u>	<u>7,979,500</u>		<u>812,250</u>		<u>812,250</u>

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010A

April 30, 2014

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
2015	\$ 170,000	158,748	328,748	2014	79,374	2015	79,374
2016	175,000	154,498	329,498	2015	77,249	2016	77,249
2017	180,000	149,248	329,248	2016	74,624	2017	74,624
2018	185,000	143,398	328,398	2017	71,699	2018	71,699
2019	190,000	136,922	326,922	2018	68,461	2019	68,461
2020	200,000	130,034	330,034	2019	65,017	2020	65,017
2021	205,000	122,284	327,284	2020	61,142	2021	61,142
2022	215,000	114,085	329,085	2021	57,042	2022	57,043
2023	220,000	105,484	325,484	2022	52,742	2023	52,742
2024	230,000	96,134	326,134	2023	48,067	2024	48,067
2025	245,000	84,404	329,404	2024	42,202	2025	42,202
2026	255,000	71,910	326,910	2025	35,955	2026	35,955
2027	270,000	58,905	328,905	2026	29,452	2027	29,453
2028	280,000	45,136	325,136	2027	22,568	2028	22,568
2029	295,000	30,856	325,856	2028	15,428	2029	15,428
2030	310,000	15,810	325,810	2029	7,905	2030	7,905
	<u>3,625,000</u>	<u>1,617,856</u>	<u>5,242,856</u>		<u>808,927</u>		<u>808,929</u>

VILLAGE OF ELWOOD, ILLINOIS

Schedule of Long-Term Debt Requirements

General Obligation Refunding Bonds of 2010B April 30, 2014

Date of Issue	July 21, 2010
Date of Maturity	September 8, 2020
Authorized Issue	\$4,500,000
Denomination of Bonds	\$5,000
Interest Rates	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
2015	\$ -	-	-
2016	-	-	-
2017	-	-	-
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>

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, 2014 (Unaudited)

See Following Page

VILLAGE OF ELWOOD, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

	2005	2006	2007
Governmental Activities			
Net Investment in Capital Assets	\$ (4,643,933)	11,652,801	10,793,782
Restricted	1,933,592	1,703,193	1,214,702
Unrestricted	2,753,285	(22,716,974)	(31,705,596)
 Total Governmental Activities Net Position	 42,944	 (9,360,980)	 (19,697,112)
 Business-Type Activities			
Net Investment in Capital Assets	23,252,237	8,970,809	8,777,528
Unrestricted	(12,330,618)	1,410,372	424,368
 Total Business-Type Activities Net Position	 10,921,619	 10,381,181	 9,201,896
 Primary Government			
Net Investment in Capital Assets	18,608,304	20,623,610	19,571,310
Restricted	1,933,592	1,703,193	1,214,702
Unrestricted	(9,577,333)	(21,306,602)	(31,281,228)
 Total Primary Government Net Position	 10,964,563	 1,020,201	 (10,495,216)

Data Source: Village Records

2008	2009	2010	2011	2012	2013	2014
27,266,803	37,380,706	45,118,195	55,923,197	69,703,356	3,913,127	5,827,985
914,820	1,128,961	284,408	186,235	228,407	1,934,012	1,969,900
(54,549,541)	(68,569,077)	(85,744,242)	(104,473,877)	(127,256,105)	(73,276,070)	(84,399,079)
<u>(26,367,918)</u>	<u>(30,059,410)</u>	<u>(40,341,639)</u>	<u>(48,364,445)</u>	<u>(57,324,342)</u>	<u>(67,428,931)</u>	<u>(76,601,194)</u>
8,037,632	7,676,233	7,135,001	12,646,565	12,179,521	11,748,272	11,475,448
320,551	25,064	(379,412)	(3,299,779)	(3,652,969)	(4,124,143)	(5,141,641)
<u>8,358,183</u>	<u>7,701,297</u>	<u>6,755,589</u>	<u>9,346,786</u>	<u>8,526,552</u>	<u>7,624,129</u>	<u>6,333,807</u>
35,304,435	45,056,939	52,253,196	68,569,762	81,882,877	15,661,399	17,303,433
914,820	1,128,961	284,408	186,235	228,407	1,934,012	1,969,900
(54,228,990)	(68,544,013)	(86,123,654)	(107,773,656)	(130,909,074)	(77,400,213)	(89,540,720)
<u>(18,009,735)</u>	<u>(22,358,113)</u>	<u>(33,586,050)</u>	<u>(39,017,659)</u>	<u>(48,797,790)</u>	<u>(59,804,802)</u>	<u>(70,267,387)</u>

VILLAGE OF ELWOOD, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities										
General Government	\$ 917,834	1,582,783	2,697,423	1,816,816	1,040,107	886,566	1,353,265	1,724,469	1,232,453	1,128,996
Public Safety	667,761	1,004,814	769,922	1,317,095	1,130,979	1,187,539	1,319,476	1,486,332	1,319,274	1,621,037
Public Works	416,868	2,938,655	655,478	3,222,603	4,246,091	4,259,360	4,089,740	4,384,492	4,329,154	4,300,726
Parks and Recreation	74,198	69,450	2,939,609	68,958	89,537	111,906	119,869	153,868	177,647	144,163
Interest on Long-Term Debt	11,703,839	13,134,035	14,065,749	14,751,436	15,374,640	15,857,579	16,205,986	16,653,441	16,415,928	16,176,010
Total Governmental Activities Expenses	13,780,500	18,729,787	21,128,181	21,176,908	21,881,354	22,302,950	23,088,336	24,402,602	23,474,456	23,370,932
Business-Type Activities										
Water and Sewer	1,453,781	1,715,996	1,708,927	1,413,463	1,617,887	1,631,487	1,369,765	1,679,573	1,665,068	1,809,632
Garbage	110,181	116,611	124,518	129,659	144,436	148,973	157,912	163,045	173,592	176,382
Total Business-Type Activities Net Position	1,563,962	1,832,607	1,833,445	1,543,122	1,762,323	1,780,460	1,527,677	1,842,618	1,838,660	1,986,014
Total Primary Government Expenses	15,344,462	20,562,394	22,961,626	22,720,030	23,643,677	24,083,410	24,616,013	26,245,220	25,313,116	25,356,946
Program Revenues										
Governmental Activities										
Charges for Services	2,876,547	3,826,513	2,107,835	3,720,168	1,285,420	226,094	232,310	372,036	720,534	309,675
General Government	93,812	116,919	161,322	300,768	216,364	189,060	232,735	376,178	297,009	146,709
Public Safety	33,884	16,658	42,451	36,267	17,683	20,643	15,989	15,946	17,522	18,375
Parks and Recreation	50,837	46,550	87,161	45,157	42,666	39,638	48,018	60,760	61,304	70,334
Operating Grants/Contributions	167,369	50,000	50,000	1,456,400	50,000	2,148,100	125,829	51,118	79,824	
Total Grants/Contributions										
Total Governmental Activities	3,222,449	4,056,640	2,448,769	4,152,360	3,018,533	525,435	2,677,152	950,749	1,147,487	624,917
Program Revenues										
Business-Type Activities										
Charges for Services										
Water and Sewer	528,246	726,974	384,692	451,651	937,735	663,993	728,649	748,583	855,098	770,900
Garbage	100,197	126,847	124,862	135,846	143,171	149,035	156,119	164,742	173,141	174,659
Operating Grants/Contributions	80,718	-	-	-	-	-	-	-	-	-
Capital Grants/Contributions	836,661	376,169	19,500	33,750	-	-	-	-	-	-
Total Business-Type Activities	1,545,822	1,229,990	529,054	621,247	1,080,906	813,028	884,768	913,325	1,028,239	945,559
Program Revenues										
Total Primary Government	4,768,271	5,286,630	2,977,823	4,773,607	4,099,439	1,338,463	3,561,920	1,864,074	2,175,726	1,570,476
Program Revenues										

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense) Revenue										
Governmental Activities										
Business-Type Activities										
Total Primary Government										
Net Revenue (Expense)										
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes										
Utility Taxes										
Intergovernmental - Unrestricted										
Sales Taxes										
Income Taxes										
Reimbursements										
Interest Income										
Miscellaneous										
Transfers										
Total Governmental Activities										
Business-Type Activities										
Investment Income										
Miscellaneous										
Transfers										
Total Business-Type Activities										
Total Primary Government										
Changes in Net Position										
Governmental Activities										
Business-Type Activities										
Total Primary Government										

Data Source: Village Records

VILLAGE OF ELWOOD, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

	2005	2006	2007	2008
General Fund				
Reserved	\$ 48,861	11,603	13,085	25,907
Unreserved	390,273	791,730	933,420	1,655,568
Nonspendable	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	439,134	803,333	946,505	1,681,475
All Other Governmental Funds				
Reserved	1,567,930	1,109,592	469,639	252,981
Unreserved, Reported in:				
Special Revenues Funds	453,528	642,242	793,704	661,839
Debt Service Funds	-	-	-	(556,859)
Capital Projects Funds	2,265,998	11,754,489	4,891,853	1,700,719
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	4,287,456	13,506,323	6,155,196	2,058,680

Data Source: Village Records

The Village implemented GASB 54 in Fiscal Year 2012.

2009	2010	2011	2012	2013	2014
32,230	29,250	41,997	-	-	-
634,903	668,833	654,298	-	-	-
-	-	-	28,389	28,389	11,078
-	-	-	988,986	1,151,306	1,226,766
<u>667,133</u>	<u>698,083</u>	<u>696,295</u>	<u>1,017,375</u>	<u>1,179,695</u>	<u>1,237,844</u>
27,388	16,087	23,098	-	-	-
1,101,573	268,321	160,980	-	-	-
(1,380,598)	(4,766,321)	(9,585,412)	-	-	-
4,568,979	6,316,540	8,212,844	-	-	-
-	-	-	15,614	15,614	7,854
-	-	-	228,407	1,934,012	1,969,900
-	-	-	8,081,237	6,223,169	5,962,828
-	-	-	(16,204,676)	(25,177,776)	(35,701,543)
<u>4,317,342</u>	<u>1,834,627</u>	<u>(1,188,490)</u>	<u>(7,879,418)</u>	<u>(17,004,981)</u>	<u>(27,760,961)</u>

VILLAGE OF ELWOOD, ILLINOIS

General Governmental Revenues By Source - Last Ten Fiscal Years April 30, 2014 (Unaudited)

Source	2005	2006	2007	2008
Taxes	\$ 3,538,069	4,449,755	6,053,597	7,481,986
Intergovernmental	536,664	547,394	1,966,061	1,363,440
Charges for Services	2,737,438	2,802,384	2,071,685	3,557,534
Licenses and Permits	172,993	481,353	78,601	198,901
Fines and Forfeits	93,812	116,919	161,322	300,768
Interest Income	125,668	281,891	338,629	627,199
Miscellaneous	51,434	646,167	73,513	976,274
Total	7,256,078	9,325,863	10,743,408	14,506,102

Includes General, Special Revenue, Debt Service and Capital Projects Funds.

The Village implemented GASB 34 in Fiscal Year 2005. Includes all Governmental Funds.

Data Source: Village Records

2009	2010	2011	2012	2013	2014
9,456,819	9,066,731	9,303,330	9,358,331	9,518,758	10,537,124
670,306	819,126	3,019,381	2,830,153	1,022,873	623,209
1,181,861	216,820	221,043	234,758	288,647	269,344
121,242	29,917	27,256	153,224	49,409	58,706
216,364	189,060	232,735	376,178	297,009	146,709
126,453	63,691	38,357	31,975	24,058	16,040
2,117,261	1,635,376	2,223,428	2,509,604	1,947,315	2,281,607
13,890,306	12,020,721	15,065,530	15,494,223	13,148,069	13,932,739

VILLAGE OF ELWOOD, ILLINOIS**General Governmental Expenditures By Function - Last Ten Fiscal Years**
April 30, 2014 (Unaudited)

Function	2005	2006	2007	2008
General Government	\$ 930,079	1,530,702	2,678,321	1,773,295
Public Safety	689,769	1,011,725	812,160	1,403,992
Public Works	424,632	500,530	556,032	669,301
Parks and Recreation	74,198	69,450	114,429	68,958
Capital Outlay	7,481,335	5,489,388	7,946,124	6,719,544
Debt Service				
Principal	2,282,662	3,732,507	5,544,850	6,932,563
Interest and Fiscal Charges	-	311,129	299,447	299,995
Total	11,882,675	12,645,431	17,951,363	17,867,648

Data Source: Village Records

2009	2010	2011	2012	2013	2014
1,040,363	856,697	3,147,483	4,471,932	2,667,008	2,368,069
1,049,827	1,150,403	1,235,494	1,528,422	1,290,514	1,550,804
867,877	1,035,170	778,573	849,852	950,051	857,973
89,537	111,906	119,869	153,868	177,647	144,163
310,199	153,300	23,695	-	9,782	495,616
8,874,256	10,893,200	12,601,421	14,510,577	16,729,349	19,198,015
296,264	295,085	298,294	297,902	286,960	281,860
12,528,323	14,495,761	18,204,829	21,812,553	22,111,311	24,896,500

VILLAGE OF ELWOOD, ILLINOIS

Changes in Fund Balances for Governmental Funds - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

	2005	2006	2007	2008
Revenues				
Taxes	\$ 3,538,069	4,449,755	6,053,597	7,481,986
Licenses and Permits	172,993	481,353	78,601	198,901
Intergovernmental	536,664	547,394	1,966,061	1,363,440
Charges for Services and Fees	2,737,438	2,802,384	2,071,685	3,557,534
Fines and Forfeits	93,812	116,919	161,322	300,768
Investment Income	125,668	281,891	338,629	627,199
Miscellaneous	51,434	646,167	73,513	976,274
Total Revenues	7,256,078	9,325,863	10,743,408	14,506,102
Expenditures				
General Government	930,079	1,530,702	2,678,321	1,773,295
Public Safety	689,769	1,011,725	812,160	1,403,992
Public Works	424,632	500,530	556,032	669,301
Parks and Recreation	74,198	69,450	114,429	68,958
Capital Outlay	7,481,335	5,489,388	7,946,124	6,719,544
Debt Service				
Principal	2,282,662	3,732,507	5,544,850	6,932,563
Interest and Fiscal Charges	-	311,129	299,447	299,995
Total Expenditures	11,882,675	12,645,431	17,951,363	17,867,648
Excess of Revenues Over (Under) Expenditures	(4,626,597)	(3,319,568)	(7,207,955)	(3,361,546)
Other Financing Sources (Uses)				
Debt Issuance	-	13,037,752	-	-
Discount on Debt Issuance	-	(135,118)	-	-
Transfers In	350,000	10,066,009	527,942	2,174,844
Transfers Out	(350,000)	(10,066,009)	(527,942)	(2,174,844)
Total Other Financing Sources (Uses)	-	12,902,634	-	-
Net Change in Fund Balances	(4,626,597)	9,583,066	(7,207,955)	(3,361,546)
Debt Service as a Percentage of Noncapital Expenditures	51.86%	56.51%	58.41%	69.50%

Data Source: Village Records

2009	2010	2011	2012	2013	2014
9,456,819	9,066,731	9,303,330	9,358,331	9,518,758	10,537,124
121,242	29,917	27,256	153,224	49,409	58,706
670,306	819,126	3,019,381	2,830,153	1,022,873	623,209
1,181,861	216,820	221,043	234,758	288,647	269,344
216,364	189,060	232,735	376,178	297,009	146,709
126,453	63,691	38,357	31,975	24,058	16,040
2,117,261	1,635,376	2,223,428	2,509,604	1,947,315	2,281,607
<u>13,890,306</u>	<u>12,020,721</u>	<u>15,065,530</u>	<u>15,494,223</u>	<u>13,148,069</u>	<u>13,932,739</u>
1,040,363	856,697	3,147,483	4,471,932	2,667,008	2,368,069
1,049,827	1,150,403	1,235,494	1,528,422	1,290,514	1,550,804
867,877	1,035,170	778,573	849,852	950,051	857,973
89,537	111,906	119,869	153,868	177,647	144,163
310,199	153,300	23,695	-	9,782	495,616
8,874,256	10,893,200	12,601,421	14,510,577	16,729,349	19,198,015
296,264	295,085	298,294	297,902	286,960	281,860
<u>12,528,323</u>	<u>14,495,761</u>	<u>18,204,829</u>	<u>21,812,553</u>	<u>22,111,311</u>	<u>24,896,500</u>
<u>1,361,983</u>	<u>(2,475,040)</u>	<u>(3,139,299)</u>	<u>(6,318,330)</u>	<u>(8,963,242)</u>	<u>(10,963,761)</u>
-	23,275	114,394	-	-	-
-	-	-	-	-	-
1,362,006	716,723	331,472	845,393	582,819	565,015
(1,362,006)	(716,723)	(331,472)	(896,911)	(582,819)	(299,085)
-	23,275	114,394	(51,518)	-	265,930
<u>1,361,983</u>	<u>(2,451,765)</u>	<u>(3,024,905)</u>	<u>(6,369,848)</u>	<u>(8,963,242)</u>	<u>(10,697,831)</u>
85.15%	79.23%	78.79%	78.32%	83.65%	84.97%

VILLAGE OF ELWOOD, ILLINOIS**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years**
April 30, 2014 (Unaudited)

Tax Levy Year	Residential Property	Farm
2004	\$ 31,578,434	\$ 290,977
2005	36,627,762	302,243
2006	40,384,258	201,714
2007	45,385,712	200,458
2008	51,007,924	218,002
2009	52,489,876	2,473,024
2010	51,797,707	2,475,304
2011	44,751,700	2,525,300
2012	40,262,651	2,400,666
2013	36,542,364	2,431,639

Data Source: Will County Tax Extension Office

Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Direct Tax Rate
\$ 965,549	\$ 7,994,121	\$ 40,829,081	\$ 45,108	\$ 40,874,189	0.116
988,941	7,309,053	45,227,999	42,489	45,270,488	0.209
1,046,857	7,345,882	48,978,711	42,357	49,021,068	0.202
1,114,810	7,665,210	54,366,190	46,519	54,412,709	0.270
1,326,952	7,665,739	60,218,617	50,873	60,269,490	0.256
1,364,724	7,211,230	63,538,854	61,305	63,600,159	0.255
1,466,163	7,211,230	62,950,404	76,688	63,027,092	0.266
2,642,962	6,477,723	56,397,685	81,499	56,479,184	0.312
2,640,159	6,396,455	51,699,931	92,216	51,792,147	0.357
2,624,559	6,331,261	47,929,823	113,956	48,043,779	0.404

VILLAGE OF ELWOOD, ILLINOIS**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years**
April 30, 2014 (Unaudited)

	2004	2005	2006	2007
Village of Elwood				
Corporate	0.116	0.209	0.202	0.270
Will County	0.529	0.526	0.503	0.483
Will County Forest Preserve District	0.124	0.148	0.137	0.142
Will County Public Building Commission	0.042	0.012	0.013	0.012
Jackson Township	0.248	0.245	0.240	0.228
Village of Elwood Road and Bridge	0.129	0.127	0.125	0.118
Manhattan-Elwood Public Library	0.170	0.178	0.170	0.161
Elwood Fire Protection District	0.507	0.561	0.618	0.666
School District 203	2.699	2.616	2.541	2.429
High School District 204	2.151	2.089	2.024	1.957
Community College District 525	0.214	0.209	0.194	0.190
 Total Tax Rate Per \$100 EAV	 6.928	 6.920	 6.764	 6.655
 Village's Share of Total Tax Rate	 1.67%	 3.02%	 2.98%	 4.06%

Data Source: Office of the Will County Clerk

2008	2009	2010	2011	2012	2013
0.256	0.255	0.266	0.312	0.357	0.404
0.475	0.483	0.508	0.535	0.570	0.599
0.145	0.152	0.157	0.169	0.186	0.197
0.019	0.019	0.020	0.020	0.021	0.022
0.226	0.203	0.219	0.222	0.244	0.264
0.117	0.105	0.114	0.115	0.127	0.137
0.160	0.156	0.164	0.178	0.196	0.210
0.507	0.494	0.515	0.502	0.588	0.624
2.370	2.234	2.311	2.536	2.832	3.078
1.887	1.897	2.056	2.228	2.486	2.703
0.190	0.214	0.227	0.246	0.277	0.296
6.349	6.213	6.555	7.063	7.883	8.533
4.03%	4.10%	4.06%	4.41%	4.53%	4.73%

VILLAGE OF ELWOOD, ILLINOIS

Principal Property Tax Payers - Current Year and Nine Years Ago
April 30, 2014 (Unaudited)

Taxpayer	2014			2005		
	Taxable Assessed Value		Rank	Percentage of Total Village	Taxable Assessed Value	
	Value	Rank	Value	Value	Rank	Value
Wal-Mart Stores	\$ 38,662,800	1	26.82%	\$ N/A	N/A	N/A
Centerpoint Intermodal LLC	14,503,619	2	10.06%	N/A	N/A	N/A
Centerpoint Properties Trust	13,935,160	3	9.67%	N/A	N/A	N/A
Liberty Property	12,322,262	4	8.55%	N/A	N/A	N/A
Georgia-Pacific LLC	10,006,999	5	6.94%	N/A	N/A	N/A
Elwood Energy	6,182,500	6	4.29%	N/A	N/A	N/A
CenterPoint Joliet Terminal	1,156,342	7	0.80%	N/A	N/A	N/A
McCormick 107 LLC	735,038	8	0.51%	N/A	N/A	N/A
PERC Holdings LLC	391,200	9	0.27%	N/A	N/A	N/A
Commonwealth Edison Co	371,127	10	0.26%	N/A	N/A	N/A
	<u>98,267,047</u>		<u>68.18%</u>	<u>N/A</u>		<u>N/A</u>

N/A - Not Available

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, 2014 (Unaudited)

Fiscal Year Ended April 30	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
2005*	2003	\$ 2,735,358	\$ 2,735,367	100.00%	N/A	\$ 2,735,367	100.00%
2006*	2004	3,323,658	3,323,760	100.00%	N/A	3,323,760	100.00%
2007*	2005	4,992,956	4,988,692	99.91%	N/A	4,988,692	99.91%
2008*	2006	6,195,253	6,195,382	100.00%	N/A	6,195,382	100.00%
2009*	2007	8,196,182	8,195,674	99.99%	N/A	8,195,674	99.99%
2010*	2008	7,857,670	7,856,706	99.99%	N/A	7,856,706	99.99%
2011*	2009	8,084,038	8,083,206	99.99%	N/A	8,083,206	99.99%
2012*	2010	8,084,588	8,083,594	99.99%	N/A	8,083,594	99.99%
2013*	2011	8,023,307	8,017,406	99.93%	N/A	8,017,406	99.93%
2014*	2012	8,911,304	8,911,368	100.00%	N/A	8,911,368	100.00%

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, 2014 (Unaudited)

Fiscal Year Ended April 30	Governmental Activities		
	General Obligation Bonds	General Obligation Capital Appreciation	Capital Leases Payable
2005	\$ -	\$ -	\$ -
2006	6,715,000	6,246,538	127,232
2007	6,715,000	6,422,136	103,333
2008	6,715,000	6,979,060	78,049
2009	6,715,000	7,376,930	51,297
2010	6,715,000	7,797,483	41,028
2011	6,715,000	8,242,011	77,925
2012	6,600,000	8,711,881	-
2013	6,480,000	9,208,539	-
2014	6,355,000	9,733,510	-

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			Total Primary Government	Percentage of Personal Income	Per Capita (1)
Tax Increment Notes Payable	General Obligation Bonds	Loans Payable					
\$ 124,947,957	\$ -	\$ 14,500,000		\$ 139,447,957	383.56%	\$ 86,078.99	
133,803,629	-	14,500,000		161,392,399	443.92%	99,624.94	
141,934,229	-	14,500,000		169,674,698	466.70%	104,737.47	
148,811,979	-	14,500,000		177,084,088	487.08%	109,311.17	
154,644,981	-	14,320,000		183,108,208	503.65%	113,029.76	
158,927,266	-	14,320,000		187,800,777	516.56%	115,926.41	
161,862,632	8,290,000	-		185,187,568	509.37%	81,258.26	
163,196,005	8,248,754	-		186,756,640	857.75%	81,946.75	
162,219,816	8,251,066	-		186,159,421	855.01%	81,684.70	
158,516,866	8,088,379	-		182,693,755	390.63%	80,164.00	

VILLAGE OF ELWOOD, ILLINOIS

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

Fiscal Year Ended April 30	Gross General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Equalized Assessed Value (1)	Per Capita (2)
2005	\$ -	\$ -	\$ -	0.00%	\$ -
2006	12,961,538	-	12,961,538	28.63%	8,000.95
2007	13,137,136	-	13,137,136	26.80%	8,109.34
2008	13,694,060	-	13,694,060	25.17%	8,453.12
2009	14,091,930	-	14,091,930	23.38%	8,698.72
2010	14,512,483	-	14,512,483	22.82%	8,958.32
2011	23,247,011	-	23,247,011	36.88%	10,200.53
2012	23,560,635	-	23,560,635	41.72%	10,338.15
2013	23,939,605	-	23,939,605	46.22%	10,504.43
2014	24,176,889	-	24,176,889	50.32%	10,608.55

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, 2014 (Unaudited)

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Elwood	\$ 174,605,376	100.00%	\$ 174,605,376
Will County Forest Preserve District	143,953,104	0.26%	374,278
School District 203	640,000	54.55%	349,120
High School District 204	93,105,000	1.85%	1,722,443
Community College District 525	84,180,000	0.32%	269,376
Subtotal	177,285,000		2,715,217
Totals	351,890,376		177,320,593

(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, 2014 (Unaudited)**

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

VILLAGE OF ELWOOD, ILLINOIS**Pledged-Revenue Coverage - Last Ten Fiscal Years****April 30, 2014 (Unaudited)**

Fiscal Year Ended April 30	Property Tax Revenues	Principal	Interest	Coverage
2005	\$ -	\$ -	\$ -	-
2006	-	-	62,423	-
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-

Data Source: Village Records

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

VILLAGE OF ELWOOD, ILLINOIS

Demographic and Economic Statistics - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

Fiscal Year Ended April 30	(1) Population	Personal Income (in Thousands)	(1) Per Capita Personal Income	(1) Median Age	(2) School Enrollment	(3) Unemployment Rate
2005	1,620	\$ 36,356	\$ 22,442	35	421	1.8
2006	1,620	36,356	22,442	35	426	2.7
2007	1,620	36,356	22,442	35	433	3.0
2008	1,620	36,356	22,442	35	431	3.8
2009	1,620	36,356	22,442	35	430	6.5
2010	1,620	36,356	22,442	35	423	7.0
2011	2,279	36,356	22,442	35	423	7.0
2012	2,279	21,773	13,440	40	395	6.5
2013	2,279	21,773	13,440	40	379	5.7
2014	2,279	46,769	28,870	40	409	N/A

N/A - Not Available

Data Sources:

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

VILLAGE OF ELWOOD, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2014 (Unaudited)

Employer	2014			2005		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Schneider	1,792	1	55.43%	N/A	N/A	N/A
BNSF	801	2	24.78%	N/A	N/A	N/A
DCS Logistics	269	3	8.32%	N/A	N/A	N/A
Potlach	170	4	5.26%	N/A	N/A	N/A
Georgia Pacific	100	5	3.09%	N/A	N/A	N/A
Elwood School District	39	6	1.21%	N/A	N/A	N/A
Village of Elwood	34	7	1.05%	N/A	N/A	N/A
Yale Enforcement Services	28	8	0.87%	N/A	N/A	N/A
	<u><u>3,233</u></u>		<u><u>100.01%</u></u>	<u><u>N/A</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, 2014 (Unaudited)**

Function	2005	2006	2007	2008
General Government				
Administration	2	2	3	3
Finance	2	2	2	2
Public Works	3	4	5	5
Police	5	6	7	12
Water and Sewer	1	1	1	1
Total	13	15	18	23

Data Source: Village Records

2009	2010	2011	2012	2013	2014
3	2	2	2	2	2
1	-	-	-	-	-
5	5	5	4	4	4
11	11	11	11	9	11
2	1	1	2	2	2
22	19	19	19	17	19

VILLAGE OF ELWOOD, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

Function/Program	2005	2006	2007	2008
Public Works				
Forestry				
Number of Parkway Trees Planted	50	131	163	163
Number of Parkway Trees Trimmed	10	100	-	-
Brush Pickup Program (Cubic Yds Collected)	65	80	50	60
Fleet Services				
Number of Vehicles Maintained	7	10	13	18
Preventative Maintenance Services	14	17	20	50
Public Safety				
Police				
Criminal	600	1,200	1,800	591
Quasi Criminal	1,520	1,249	499	556
Calls for Service	1,551	2,880	2,336	2,341
State Tickets Issued	678	1,149	1,632	3,900
Community Development				
Number of Building Permits Issued	26	17	26	11
Number of Building Inspections	78	51	78	33
Highways and Streets				
Sidewalk Replaced (Sq. Ft.)	150	-	-	-
Water and Sewer				
Water Main Breaks	2	-	-	-
Hydrants Flushed	355	536	549	549
Water Meters Read	768	790	830	900
Water Meter Service Requests	60	30	40	192
Water Meters Replaced	531	122	12	-
Total Distribution Pumpage (1,000 Gallons)	96,484	124,866	94,905	91,389
Average Daily Pumpage (1,000 Gallons)	253	254	350	250
Sanitary Sewer Televising (Feet)	N/A	N/A	17,000	-
Sanitary Sewer Repairs	N/A	N/A	1	-

N/A - Not Available

Data Source: Village Records

2009	2010	2011	2012	2013	2014
30	30	11	84	37	N/A
100	50	100	150	150	N/A
70	70	82	82	82	N/A
18	20	20	20	22	N/A
60	80	16	112	118	N/A
375	314	137	112	41	N/A
1,234	591	116	116	77	N/A
1,609	905	3,359	5,537	5,921	N/A
2,792	1,105	1,130	1,095	2,274	N/A
-	-	65	-	58	N/A
-	-	56	-	83	N/A
100	120	210	150	14,544	N/A
1	-	-	1	2	N/A
549	549	700	700	700	N/A
900	900	905	905	905	N/A
192	25	8	22	1	N/A
-	2	4	1	4	N/A
87,096	90,468	87,677	81,030	72,437	N/A
238	249	234	222	199	N/A
-	-	-	12,913	-	N/A
-	-	1	1	1	N/A

VILLAGE OF ELWOOD, ILLINOIS

Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
April 30, 2014 (Unaudited)

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	8	8	8	9	9	10	13	9	10	10
Fire Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (Miles)	41	47	47	50.7	50.7	50.7	50.7	50.7	50.7	50.7
Sidewalks (Miles)	14	15	15	15	15	15	15	15	16	16
Streetlights	48	165	165	165	165	165	165	165	165	165
Water and Sewer										
Water Mains (Miles)	26.19	26.60	26.60	26.60	26.60	28.00	28.00	28.00	28.00	28.00
Fire Hydrants	536	549	549	549	549	549	549	549	557	557
Sanitary Sewers (Miles)	20.45	20.89	20.89	20.89	20.89	22.00	22.00	22.00	22.00	22.00
Manholes	350	391	391	391	391	391	391	391	391	391

Data Source: Village Records