VILLAGE OF FOREST PARK, ILLINOIS

ANNUAL FINANCIAL REPORT

Year Ended April 30, 2018

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CONTENTS

CONTENTS

CONTENTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
And Council of Commissioners
Village of Forest Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Forest Park (the "Village"), as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Forest Park Public Library (the "Library"), which represents the entire discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Library, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village, as of April 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, historical pension and retirees' health plan information, and budgetary comparison information for the General Fund and Major Special Revenue Funds, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplemental data as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The supplemental data has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Crowe LLP

Crowe LLP

Oak Brook, Illinois
December 26, 2018

The management of the Village of Forest Park presents the financial statements with narrative overview and analysis of the financial activities for the fiscal year ended April 30, 2018. The Management's Discussion and Analysis ("MD&A") is designed to focus on the current year's activities, resulting changes in net position, and currently known facts. It should be read in conjunction with the auditor's opinion beginning on page 1 and the Village's financial statements beginning on page 16.

Financial Highlights

As presented on the Statement of Net Activities, FY2018 recognized an increase in total assets by 5.7%. Cash and current assets reflect a collective decrease of (6.8%) compared to prior year while capital assets show a gain of 12.4%. Capital assets for FY2018 include infrastructure projects, and purchases of replacement equipment and vehicles. Current and long term liabilities overall increased 1.6%. GASB 68 requires governments providing defined benefit pensions to recognize the long-term obligation as a liability on the government wide financial statement. This was adopted by Forest Park in FY2016. The long-term net pension liability for the combined Police Pension and Firefighters' Pension as of fiscal year end is $59,553,616 and Illinois Municipal Retirement Fund shows a net pension asset of $1,201,118 at fiscal year end. This is a net increase of $1,006,299, or 1.7% from prior year. Overall net position in the Village's primary government (Governmental activities and Business type activities) shows an ending balance of ($331,795). Investment in assets and infrastructure, declining revenues, and recognition of long term pension obligations have resulted in a decline of net position for consecutive fiscal years.

Governmental fund revenues in conjunction with other financing sources did not exceed expenditures, resulting in a loss in fund balances of ($2,283,023) as shown on Statement 5. Infrastructure improvement projects were budgeted utilizing fund reserves as well as current year revenue, adding to this decrease in fund balances. Proprietary fund reflects a gain of $1,284,172 in net position as shown on Statement 8. Fund detail is as follows:

The General fund recognized a loss of ($1,811,750). Collected General fund revenues (excluding operating transfers and other financing sources) in FY2018 increased by 2.1% or $346,344 from FY2017, and reached 89.0% of budget expectation, short by ($2,068,528). Principal shortfalls of budget to actual include:

- Property tax collections ($226,169) or (5.0%) short of budget; increased by $19,814 over prior year
- Local share of state sales and income taxes short of budget by ($432,482) or (9.0%), reduced ($7,687) from FY2017 allocations
- Fines and Penalties were ($357,189) or (26.9%) short of budget, with collections reduced by ($327,392) or (25.2%) less than prior year revenues
- Grants not awarded or suspended by the State during FY2018 reduced budgeted revenues by ($955,443)

Expenditures in the General fund reached 91.0% of expectation, under budget by ($1,941,964). This is a nominal increase of $24,157 or 0.1% from prior year. As has been consecutive years' results, departments within the General fund remained under budget. Expenditure variances include:

- Office of Public Affairs ended at 92.6% of budget. Reductions were associated with consultant fees, deferred computer equipment, and initial consolidated dispatch costs less than projected
- Office of Accounts and Finance ended at 85.7% of budget. Costs associated with insurance premiums, equipment, and office expenses were reduced. Grants were not awarded or deferred until FY2019.
- Offices of Streets and Public Improvement and Health and Safety each reached 97% of budgeted expenditures; Office of Public Property ended at 105.7% of budget due to maintenance of buildings, vehicles and equipment, and salt
- Wages and benefits were budgeted at a 3.6% increase from FY2017 year-end in consideration of full staffing and eligible retirements. Compared to prior year, wages and benefits decreased by ($10,376) due to fewer than anticipated retirements and short-term personnel vacancies.

Other financing sources in the General fund include the annual operating transfer from the Water fund to cover the approximate cost of unallocated expenses, and proceeds from loans. In FY2018, other financing sources totaled $906,500.

The VIP fund recognized a decline in Non-Home Rule sales tax revenues, down ($21,981) or (1.2%) from prior fiscal year and (2.5%) under budget. Operating transfers for construction related costs from the Motor Fuel Tax fund were recognized at $501,902 for current year. Financing sources from an inter-governmental agreement with the Village of River Forest for their portion of the Madison Street (DesPlaines to Park Avenue) project has been deferred again due to delays from State of Illinois invoicing. Expenditures were ($976,243) or (38.4%) under budget. VIP infrastructure expenses were reduced by ($1,263,476) or (59.5%) from prior year as more projects occurred through TIF funding in FY2018. Net result is a $764,456 gain to fund balance.

Property tax revenues in the Major TIF funds were short of budget expectations by ($389,032), and ($159,771) or (10.1%) less than prior year Major funds. The Mall TIF collected the final year of incremental tax revenues in FY2018 as the TIF expired. Collective expenditures for the TIF funds were under budget expectation by ($1,462,053) or (33.9%). The Roosevelt Road project and additional infrastructure improvement projects were recognized in the Mall and Roosevelt Hannah TIF expenditures. As these projects were funded by current year revenues and reserves, the collective fund balances for the TIF funds reflect a loss of ($1,388,140).

In the Non-major Special Revenue funds, revenues met or exceeded budget expectation in all funds. The Roosevelt Road Corridor TIF recognized the first year of disbursement, with $272,035 in incremental tax revenue. Expenditures and operating transfers remained at or under budget expectation. The 911 fund was terminated in FY2018 due to state mandated consolidated dispatch; this fund balance was depleted due to costs associated with merging into West Suburban Consolidated Dispatch. The collective change in fund balance for these Non-Major funds was $131,775.

In the proprietary fund (Statement 8), the Water fund revenues were ($547,702) or (8.2%) under budget expectation, and reduced ($255,021) or (4.0%) from FY2017. Revenues are based on charges for services, investment earnings, sales of assets, and grant revenues. Charges for services vary both by rates and consumption. Rates charged to users from the Village have not increased since January 1, 2015. Consumption for all service rates decreased from FY2017, reducing the revenue and also reducing the gallons purchased from the City of Chicago by (4.2%). Water fund actual expenditures relating to watermain, sewer improvement projects, and asset maintenance were reduced per the audit by ($569,727) in order to recognize the capital asset gain from infrastructure improvements. Note 4 of this report reflects the changes in capital assets. With these adjustments, the water fund recognized a net gain of $1,284,172. This increase in net position will secure continued infrastructure improvements.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements (Statements 1 and 2) are designed to provide readers with a broad overview of Village finances in a manner similar to a private-sector business. The statement of net position presents information on all of the 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 serve as a useful indicator of whether the financial position of the Village is improving or declining.

The statement of activities presents information showing how the Village'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 result in cash flows in future fiscal periods.

The Governmental Activities reflect the Village's basic services: administration (which includes wages and benefits), public safety, streets and alleys, and community outreach. Property taxes, shared state taxes, and local utility taxes finance the majority of these services. The Business-Type Activities (also called Proprietary Funds) reflect private sector-type operations, where the fees for services typically cover all or most of the costs of operations, including depreciation. The component unit, shown only in the Government-wide financials, is the Forest Park Public Library. Though a separate legal entity, the Library is included because by statute the Village is financially accountable for it.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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. 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 Village'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 this comparison between governmental funds and governmental activities.

During FY2018, the Village maintained thirteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for six major governmental funds: General fund, Brown Street Station TIF, Roosevelt/Hannah TIF, 2002 Bond fund (Mall TIF), Illinois Municipal Retirement Fund, and the VIP fund. Seven special revenue funds, which includes the Roosevelt Road Corridor TIF, are considered to be Non-major funds. FY2018 reflects the final reporting on the 911 fund as the fund was terminated due to state mandated consolidation. Individual fund information for these Non-major governmental funds is provided in Exhibits 8 through 16.

The Village maintains one type of proprietary fund to account for water and sewer operations, the Water fund. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The proprietary fund financial statement provides separate information for the Water fund, which is considered to be a major operating fund of the Village.

Fiduciary funds are used to account for resources held for the benefit of others, in this case for Fire and Police retirees. Fiduciary fund activities are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used by proprietary funds.

Notes to the Financial Statements

The notes are an integral part of the basic financial statements. They provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements this report also includes certain required supplementary information related to budgetary information and the Village's progress in funding its obligation to provide pension benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following chart reflects the condensed Statement of Net Position (in thousands):

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Assets						
Cash and investments	$ 12,569.4	$ 13,046.7	$ 2,879.6	$ 3,761.4	$ 15,449.0	$ 16,808.1
Current assets	5,203.4	5,333.8	811.8	882.6	6,015.2	6,216.4
Noncurrent assets	38,119.5	33,246.2	10,163.3	9,704.0	48,282.8	42,950.2
Total assets	55,892.3	51,626.7	13,854.7	14,348.0	69,747.0	65,974.7
Deferred Outflows of Resources						
Deferred loss on refunding	229.6	260.2	-	-	229.6	260.2
Deferred Pension Outflows	8,660.1	12,593.7	46.6	-	8,706.6	12,593.7
Liabilities						
Current liabilities	5,568.1	3,925.1	(613.4)	832.2	4,954.8	4,757.3
Noncurrent liabilities	67,051.9	65,731.0	1,590.8	1,974.4	68,642.6	67,705.4
Total liabilities	72,620.0	69,656.1	977.4	2,806.6	73,597.4	72,462.7
Deferred Inflows of Resources						
Unavailable property tax revenue	2,613.9	2,524.5	-	-	2,613.9	2,524.5
Deferred Pension inflows	2,705.3	1,005.5	98.3	-	2,803.7	1,005.5
Net Position						
Invested in capital assets, net	29,323.8	24,620.5	8,132.1	7,366.7	37,456.0	31,987.2
Restricted	12,291.0	13,067.7	-	-	12,291.0	13,067.7
Unrestricted	(54,772.1)	(46,393.8)	4,693.4	4,174.7	(50,078.7)	(42,219.2)
Total Net Position	$ (13,157.3)	$ (8,705.5)	$ 12,825.5	$ 11,541.3	$ (331.8)	$ 2,835.8

Source: Statement 1

Total assets have increased by $3,772,263 or 5.7%, over prior year due to infrastructure improvements and equipment. Current liabilities have increased $197,467 or 4.2%. Cash and current assets of $21,464,178 are 4.3 times current liabilities of $4,954,763, a ratio consistent with prior fiscal years. This ratio shows that the Village's ability to pay current bills in a timely fashion has continued. The increase in pension and post-employment benefit obligations are recognized in long-term liabilities on the government-wide statement. Net position is represented by capital assets such as buildings and other structures, parking lots, and infrastructure net of any outstanding debt, and funds that are restricted for debt service and construction projects. Unrestricted assets can be used to finance day-to-day operations without constraints established by legal requirements.

The following chart reflects the condensed Statement of Activities (in thousands):

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Revenues						
Program Revenues:						
Charges for services	$ 5,019.7	$ 4,926.3	$ 6,101.6	$ 6,360.0	$ 11,121.4	$ 11,286.3
Operating grants/contributions	717.4	109.2	-	-	717.4	109.2
Capital grants/contributions	2,114.6	1,196.4	-	-	2,114.6	1,196.4
General Revenues:						
Property taxes	6,909.1	7,097.7	-	-	6,909.1	7,097.7
Other taxes	7,363.5	7,565.9	-	-	7,363.5	7,565.9
Intergovernmental revenues	1,410.8	1,467.3	-	-	1,410.8	1,467.3
Other revenues	115.9	104.0	7.5	4.1	123.3	108.1
Total Revenues	23,650.9	22,466.7	6,109.1	6,364.1	29,760.0	28,830.9
Expenses						
General government	7,962.1	7,677.0	-	-	7,962.1	7,677.0
Police protection	9,763.9	9,848.8	-	-	9,763.9	9,848.8
Fire protection	5,063.6	5,621.0	-	-	5,063.6	5,621.0
Health and safety	381.0	350.1	-	-	381.0	350.1
Community outreach	498.6	873.8	-	-	498.6	873.8
Public works	5,094.2	4,026.8	-	-	5,094.2	4,026.8
Interest on debt	239.3	271.2	-	-	239.3	271.2
Water and sewer	-	-	3,924.9	4,066.5	3,924.9	4,066.5
Total Expenses	29,002.7	28,668.8	3,924.9	4,066.5	32,927.6	32,735.3
Transfers Out / (In)	900.0	936.5	(900.0)	(936.5)	-	-
Change in Net Position	$ (4,451.8)	$ (5,265.6)	$ 1,284.2	$ 1,361.1	$ (3,167.6)	$ (3,904.5)
Net position beginning balance	(8,705.5)	(3,440.0)	11,541.3	10,180.3	2,835.8	6,740.3
Net position end of year	(13,157.3)	(8,705.5)	12,825.5	11,541.3	(331.8)	2,835.8

Source: Statement 2

Governmental Activities revenue increased by 5.3% or $1,184,203 compared to fiscal year 2017. Gains in operating and capital grants are the base of the increase as all tax categories recognized reductions in revenues. The principle sources of revenue for the Governmental Activities are state taxes at 32.2%, property taxes at 29.2%, and fees/fines/charges for services at 21.2%. Local share of state sales tax across all funds decreased ($115,158), or (2.3%) from prior year. Property tax collections government-wide decreased ($188,539) compared to prior year. Total expenses in Governmental Activities increased by $333,891 or 1.2%, attributed to infrastructure improvements in Public Works. The categories of Police protection and Fire protection comprise 45.0% of the total Primary Government expenses; Public works accounts for 15.5%; other governmental expenses including debt service comprise 27.6%. Business-type Activities (Water fund) revenues from charges for services, investment earnings, and other revenues decreased by (4.0%) or ($255,021) and expenses including debt and depreciation decreased by (3.5%) or ($141,581). The Water fund accounts for 11.9% of total Primary Government expenses. While the overall net position declined, the gain in Governmental Activities revenue and reduction in Business-type expenses reduced the overall loss compared to prior year activities.

Governmental Funds

Basic services of the Village are reported in the General fund, which is the primary major fund in the governmental group. Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs.

The changes in the various governmental funds balances are shown (in thousands) below:

	Major Funds						Non-major Funds		
	General Fund	Brown Street Station TIF	Roosevelt/Hannah TIF	2002 Bond Fund	Illinois Municipal Retirement Fund	VIP Fund	Special Revenue Funds	Total Governmental Funds	As of 4/30/17 Total Governmental Funds
Revenues	$ 16,809.41	$ 468.46	$ 647.01	$ 346.83	$ 282.83	$ 1,831.86	$ 1,562.71	$ 21,949.12	$ 21,911.84
Expenditures	19,527.63	42.54	149.38	2,658.53	262.19	1,569.31	929.03	25,138.61	24,913.48
Excess (deficiency) of revenues over expenditures	(2,718.22)	425.92	497.63	(2,311.69)	20.64	262.55	633.68	(3,189.49)	(3,001.64)
Transfer in (out)	900.00	-	-	-	-	501.90	(501.90)	900.00	936.53
Loan Proceeds	6.47	-	-	-	-	-	-	6.47	471.41
Net change in fund balances	(1,811.75)	425.92	497.63	(2,311.69)	20.64	764.46	131.78	(2,283.02)	(1,593.70)
Beginning fund balance	1,536.91	4,221.29	3,285.07	2,485.85	(522.16)	779.37	1,542.22	13,328.55	14,922.25
End of year fund balances	$ (274.84)	$ 4,647.21	$ 3,782.71	$ 174.16	$ (501.53)	$ 1,543.83	$ 1,674.00	$ 11,045.53	$ 13,328.55

Proprietary Funds

Proprietary funds are business-type activities where customers pay for the services provided. The proprietary fund is the Water fund and is considered a major operating fund.

The change in the net position of the proprietary fund is shown below (in thousands):

	2018 Water Fund	2017 Water Fund	% change 2018 from 2017
Total revenues	$ 6,109.1	$ 6,364.1	-4.0%
Total expenses	3,924.9	4,066.5	-3.5%
Excess (deficiency) of revenues over expenditures	2,184.2	2,297.6	-4.9%
Transfers in (out)	(900.0)	(936.5)	-3.9%
Contribution revenue	-	-	-
Special items	-	-	-
Net change in net position	1,284.2	1,361.1	-5.7%
Net position at beginning of year	11,541.3	10,180.3	13.4%
Net position at end of year	$ 12,825.5	$ 11,541.3	11.1%

Source: Statement 8

Water fund revenues reflect billable consumption, grant revenues, meter installation charges, late fee penalties, and investment earnings. For FY2018, overall revenues were down ($255,021) or (4.0%). Revenues from water billing will vary both by rates and consumption. Billed consumption decreased (4.2%) from FY2017. While the rate structure charged by the Village has not increased since January 1, 2015, service rates on properties are subject to change, such as de-conversion from multi-family to single, rate reduction when eligible for senior classification, and suspended accounts due to vacancies. The Village absorbed the rate increases imposed by the City of Chicago for fiscal year 2018 of 1.83%. Water fund expenses include purchased water from the City of Chicago, debt service, infrastructure maintenance and improvement, depreciation, personnel, and grants. Operating expenses decreased ($141,581) or (3.5%), primarily due to less water purchased. Transfers from the Water fund to the General fund cover the approximate cost to the Village of unallocated expenses, such as liability insurance, pension, payroll taxes, and other employment benefits and costs, and intangible property rights. For fiscal year 2018 the transfer out was $900,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following chart reflects the condensed Budgetary Comparison Schedule (in thousands):

	2018			2017		
	Final Budget	Actual	Variance	Final Budget	Actual	Variance
Revenues:						
Taxes	$ 11,821.0	$ 11,080.0	$ (741.0)	$ 12,127.4	$ 11,036.8	$ (1,090.6)
Licenses and permits	1,395.2	1,411.2	16.1	1,322.3	1,273.9	(48.4)
Fees for services	2,197.3	2,157.3	(40.0)	2,139.6	2,172.7	33.1
Grant revenue	1,458.9	503.4	(955.4)	981.1	30.6	(950.5)
Parking revenue	495.7	529.5	33.8	543.5	485.5	(58.0)
Fines	1,330.0	972.8	(357.2)	2,210.2	1,300.2	(910.0)
Interest on investment	9.8	15.5	5.6	5.6	9.5	3.9
Other	170.0	139.7	(30.3)	92.4	154.0	61.6
Total Revenues	18,877.9	16,809.4	(2,068.5)	19,422.0	16,463.1	(2,958.9)
Expenditures:						
Office of the Mayor	7,522.0	6,968.6	553.4	7,398.0	7,095.8	302.2
Office of Accounts & Finance	9,964.4	8,542.7	1,421.7	9,321.2	8,171.3	1,149.8
Office of Public Property	1,587.3	1,677.0	(89.7)	1,895.9	1,764.4	131.6
Office of Streets & Public Improvement	1,467.0	1,423.1	43.9	1,836.3	1,604.5	231.8
Office of Health & Safety	384.3	370.6	13.7	415.3	325.0	90.3
Debt Service Payments	544.6	545.5	(0.9)	558.7	542.5	16.2
Total Expenditures	21,469.6	19,527.6	1,942.0	21,425.3	19,503.5	1,921.9
Excess (deficiency) of revenues over expenditures:	(2,591.7)	(2,718.2)	(126.6)	(2,003.4)	(3,040.4)	(1,037.0)
Other financing sources:						
Operating Transfers In / (Out)	900.0	900.0	-	1,403.6	1,252.7	(150.8)
Loan Proceeds	6.5	6.5	(0.0)	600.8	471.4	(129.4)
Total other financing sources	906.5	906.5	(0.0)	2,004.4	1,724.1	(280.2)
Net Change to Fund Balance	(1,685.2)	(1,811.8)	(126.6)	1.0	(1,316.3)	(1,317.3)

Source: RSI-10

FY2018 General fund revenues met 89.0% of budget expectation, and expenditures met 91.0%. Revenues were $346,344 or 2.1% greater than prior year. FY2018 budget to actual revenue variations resulted from lower than expected collections in all categories except licenses and permits, parking revenue, and investment interest. Several rates within these categories were re-structured during FY2018. Expenditures increased $24,157 or 0.1% compared to prior year. The Office of Accounts and Finance had an additional $494,320 in Federal Assistance to Firefighter grants, and an additional $157,415 paid to Police and Fire Pension funds. Health and Safety permit and development review costs are now recovered with permit fees, showing as an increase in revenue as prior practice reduced the department expenditure. The net result for current year is a loss of ($1,811,750). Declining revenues along with the increasing costs of operating expenses, personnel, and pension obligations are the factors for consecutive years' losses.

CAPITAL ASSET AND DEBT ADMINISTRATION

Governmental Activities Change in Capital Assets (in thousands)

	Balance as of April 30, 2017	Net Additions/ (Deletions)	Balance as of April 30, 2018
Non-Depreciable Assets			
Land	$ 5,365.4	-	$ 5,365.4
Construction in Progress	860.4	(759.2)	101.2
Non-Depreciable Assets Total	6,225.9	(759.2)	5,466.6
Other Capital Assets			
Infrastructure	43,556.8	4,959.7	48,516.5
Buildings and improvements	4,943.0	-	4,943.0
Fixtures/Equipment	5,420.7	328.4	5,749.1
Accum. Depreciation	(26,900.2)	(856.7)	(27,756.8)
Net Capital Assets	$ 33,246.2	$ 3,672.2	$ 36,918.4

Source: Note 4

Infrastructure additions include the Roosevelt Road streetscape project from Harlem to DesPlaines; a resurfacing project; and completion of the alleys from the 2017 alley improvement program. Construction in progress is comprised of preliminary work on three alleys for the 2018 alley program. Replacement equipment includes a fire engine and power load stretcher, computer server, and Police Department vehicle. Funding resources included federal and state grants, VIP, MFT, General fund, TIF funds, and the Police Seizure fund. Proceeds from sales of depreciated assets partially offset the expense of the replacement equipment.

Business-Type Activities Change in Capital Assets (in thousands)

	Balance as of April 30, 2017	Net Additions/ (Deletions)	Balance as of April 30, 2018
Non-Depreciable Assets			
Construction in Progress	$ -	$ 32.3	$ 32.3
Other Capital Assets			
Infrastructure	11,851.2	274.8	12,125.9
Buildings and improvements	681.9	-	681.9
Fixtures/Equipment	257.3	-	257.3
Accum. Depreciation	(3,086.3)	(159.8)	(3,246.2)
Net Capital Assets	$ 9,704.0	$ 147.3	$ 9,851.3

Source: Note 4

Infrastructure additions include watermain replacement, and watermain and sewer improvements in conjunction with the resurfacing project and alley improvement projects.

Debt Administration

At April 30, 2018, the Village had following long term obligations:

		Ending balance		Principal due within one year
Governmental Activities				
G.O. Alternative Revenue Refunding, 2012		5,010,000		565,000
Premium on Bonds		197,090		-
Total Bonds	$	5,207,090	$	565,000
G.O. Debt Certificate Series 2011		1,097,244		264,852
Loans Payable		1,290,240		211,286
Net Pension Obligations		58,293,935		-
Other Post Employment Benefits		894,319		-
Compensated Absences		857,181		806,694
Total Governmental Long-term Debt	$	67,640,009	$	1,847,832
Business-type Activities				
G.O. Debt Certificate Series 2011	$	207,756	$	50,148
Loan Payable		1,765,330		334,431
Compensated Absences		13,087		10,843
Total Business-type Long-term Debt	$	1,986,173	$	395,422

Source: Note 5

The governmental G.O. bond principal payment of $565,000 due in fiscal year 2019 is payable from the VIP fund which is financed through one percent Non-Home Rule sales tax. Interest rates on the bond range from 2.0 to 3.0 percent, and the debt expires 12/2025. The G.O. Debt Certificate Series 2011 is split between the General fund (84.1%) and Water fund (15.9%) with interest rates ranging from 2.0 to 3.0 percent. This debt expires 11/2021. Bank loans payable include the FY2014 LED loan at a term of ten years at 3.25 percent interest; five vehicles financed in FY2015 at terms of 3.5 years at 2.9 percent interest; and replacement vehicles and assets financed in FY2017, at terms of 7.5 years at 3.25 percent. These loans are all paid from General fund. The Business type (Water fund) loan is the IL EPA water main project, a 20 year term at 2.675 percent that expires in 02/2023.

The actuarial value of net pension obligations and other post-employment benefits are required under the Governmental Accounting Standards Board (GASB) to be reported. These amounts will vary as actuarial experience in the various retirement funds fluctuate from year to year. FY2018 year-end net pension obligation allocation is as follows: Police Pension comprises 62.6% of obligation, Fire Pension at 39.6%, and Illinois Municipal Retirement Fund at (2.2%).

Under Illinois law, the Village's outstanding debt is limited to 8.625% of the assessed valuations in our jurisdiction. Assessed valuation per the 2017 levy is $361,111,661. The Village's debt limit under this law is $31,145,881 compared to legal debt outstanding at April 30, 2018, of $6,315,000.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Fiscal year 2018 final numbers and the budget projections for 2019 continue to present many challenges to Forest Park. In late 2017 the Village participated in the grand opening of the long vacant Kmart site with a new home improvement retailer, HOBO. Within a year, HOBO fell into bankruptcy; this equate to a loss of approximately $100,000 in annual sales tax revenue to the General and VIP funds. In late 2016, the Village Council passed an ordinance to allow video gaming. After two full years of revenue from licensing fees and municipal share of state distributed taxes, a referendum was passed by voters in November 2018 to prohibit video gaming, reversing this Council action. This stands to subtract approximately $300,000 from Village revenue annually, and will have an impact on local establishments. Pension obligations for all labor unions continue to grow, and the Village currently commits 50% of the annual levy to fund these obligations. Without help from the State of Illinois and some additional revenue streams the downward trend is likely to continue. In FY2018 the Village implemented some revenue enhancers, such as commuter parking rates, parking permits, tickets and fines, building permits and compliance fees, ambulance rates, and charges for refuse services. FY2019 will reflect the first full year of these enhancements. Additionally labor contracts for FY2019 have been negotiated with favorable terms. These items when taken in totality have helped, however expenses continue to grow.

On the positive side, unemployment numbers nationwide continue to decrease. Housing in Forest Park continues its upward trend and in many cases Forest Park has seen a higher increase in home sale prices than many other suburban Chicago locations. The 1.0% Non-Home Rule tax approved by voters is directly tied to the sales tax and for the first time in several years the sales projections are trending upward. With this dedicated revenue source, the Village continues to be very aggressive in planning infrastructure improvements. Since 2005 more than 50 million dollars in infrastructure projects has occurred throughout the Village using a combination of grants, VIP, MFT, TIFs and Water fund. Use of these funds has relieved pressure on the General fund, and the combination of funds used to complete annual infrastructure projects will ensure that Forest Park is properly poised to attract and keep sales tax producing businesses. In fiscal year 2018 the Village completed more than 7 million dollars of work with the largest share being a 5 million dollar project along Roosevelt Road from Harlem Avenue to DesPlaines Avenue. The beautification project on Roosevelt Road has made the street and surrounding area much more pedestrian friendly and the combination of new lighting, enhanced crosswalks, and landscaping will draw people to the area and increase the sales tax base. In an effort to spur development the Village expanded the TIF areas along Roosevelt Road between Harlem and DesPlaines, making the entire corridor a TIF area. The newly established TIF is the Roosevelt Road Corridor TIF; FY2018 recorded the first disbursement of incremental revenue to this fund. This positive action has helped to fund the extensive reconstruction along Roosevelt Road. There is direct evidence that this type of project is beneficial as the recently completed corridor along our central business district continues to attract good retail businesses and restaurants. In May 2018, Living Fresh Market, a 72,000 square foot grocery store, opened in the mall on Roosevelt Road, replacing Ultra Foods which closed in June 2017. Early projections on sales are promising. In fiscal year 2018 the Village Council approved additional funds for the Chamber of Commerce, and continued work with an economic development consultant. These two actions continue to produce demonstrable results as several new businesses are opening within the business district. In other areas of town, several new housing developments have started in FY2019; a 17 unit townhome development, a 56 unit senior living center, and a 36 unit apartment building located in the downtown business district. This new construction is an indicator that Forest Park remains a desirable place to invest, live, and work.

The Village continues to explore many cost-saving methods, including reductions in insurance premiums, fuel, telephone, and credit card fees. Favorable terms were negotiated for the Village's general liability carrier and health insurance carrier for FY2019, and discussions occur on an ongoing basis with all vendors. All emergency dispatch services for the Village have been moved to a third party vendor per state mandate, which will hopefully provide the benefit of reduced expense.

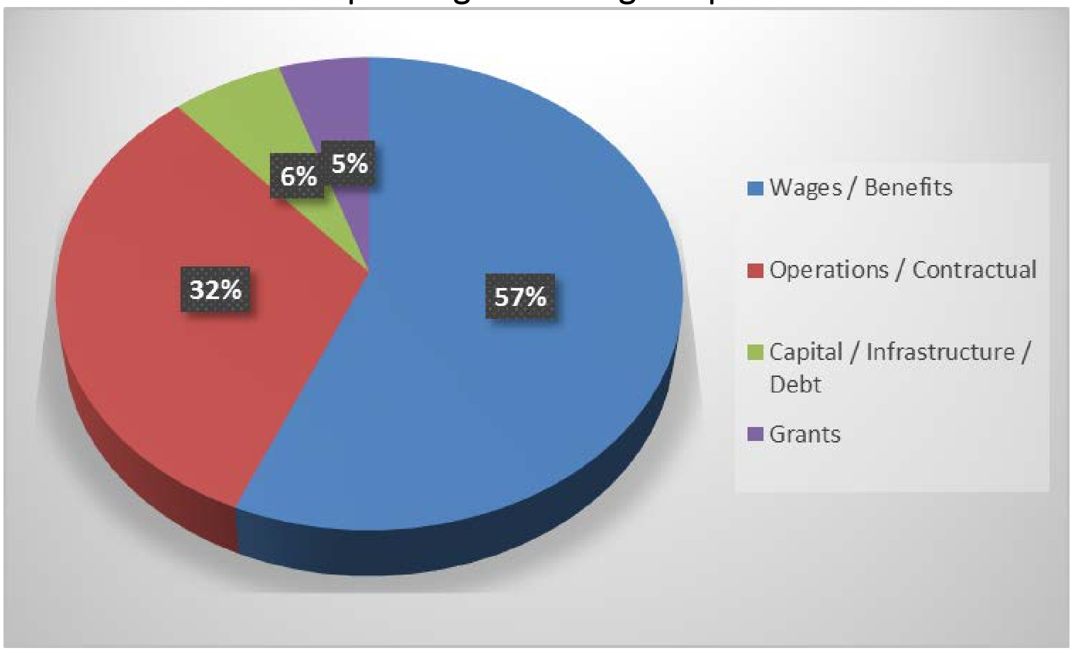
The Village's major operating fund is comprised of the General and Water funds. Operating revenues and other financing sources for FY2019 were budgeted with an overall 7.4% increase from FY2018 year end. General fund revenues were budgeted with an 11.2% increase. All categories reflect additional budgeted revenues due to action taken during FY2018 for rate restructures. Over half of this increase is from grant revenues that were not awarded in FY2018 and have been budgeted again for FY2019. State shared revenues remain flat or have been budgeted with conservative increases. The recent Supreme Court ruling will require internet sellers to register and collect use tax from Illinois customers. This collection will begin in October 2018. Early estimates from Illinois Department of Revenue indicate approximately $38,000 in additional revenue annually as the Village's share of these collections. Property tax revenues for FY2019 were budgeted with the 2.1% CPI increase, as well as the recoupment of Mall TIF incremental revenue due to the TIF termination. The Water fund reflects a reduction of (3.6%) in budgeted revenues as the Village will no longer supply water to Brookfield-North Riverside beginning late fall 2018. Water fund revenues will always fluctuate with consumption. For the first time since 2015, rates charged to users in Forest Park will reflect the increase passed on from the City of Chicago. Effective June 2018, the rates will increase 1.54%

As a Non-Home Rule community, the Village of Forest Park is limited in the ability and resources to generate additional revenues and relies on taxes for more than half of the required revenues to fund day to day operations. Losing more than 50% of the tax levy to pensions is a crippling blow each year. Home rule municipalities can simply raise property taxes to cover this ever expanding drain of revenue but Forest Park is tied to CPI in accordance with State of Illinois law. In each of the last several fiscal years the new money from property tax levy has been less than $200,000. Property taxes and state-shared revenues each represent approximately 25.0% of General fund revenues. Shared taxes are in continual threat of reduction from the State. Local Government Distributive Fund revenues were reduced in State FY2018 by 10%; this has been amended to 5% for SFY2019 revenues. The 2% collection fee for Non-Home Rule sales tax in SFY2018 has been reduced to 1.5% for SFY2019. This reduction in revenue paired with increase in expenses is not sustainable in its current form. Additionally the Village is required to comply with State enforced unfunded mandates. Future Councils and staff will have to explore more revenue enhancing options and lobby with the State for some additional Non-Home rule abilities

Operating fund expenditures for FY2019 were budgeted with an overall 11.0% increase from FY2018 year-end. General fund expenditure reflect a 10.6% increase, attributed to one time grant expenditures, computer equipment and assets, potential retirements, pension contributions, and general increases in costs to provide services. Water fund is budgeted with an additional 2.8% in expenses in infrastructure improvements, grants, and operating costs. Purchased water has been reduced as Brookfield-North Riverside will no longer purchase water from Forest Park.

Wages and benefits continue to be the major portion of the Operating fund expenditures. The budgeted increase in overall wages for FY2019 is 4.8% or $454,086 compared to FY2018 year-end. This incorporates potential retirements, and full staffing. Benefits are budgeted at an increase of 15.1% or $704,207 from prior year-end due to increased pension contributions, contractual benefits, and increased insurance premiums. The chart below represents the FY2019 operating budget expenditures broken down by wages and benefits, operations and contractual, capital, infrastructure and debt, and grants. Over fifty percent of total operating expenditures represent employment costs, including taxes, pensions, and insurance. Of this, 98% of employment costs are paid from General fund. This percentage has remained fairly level over the last seven years.

FY2019 Operating Fund Budget Expenditures



In the other funds, VIP revenues for FY2019 were budgeted with a 29.9% increase from FY2018 year-end due to intergovernmental revenue, and grant revenues. For FY2018 the 2% administrative fee imposed by the State for collection and remittance of the 1% Non-Home Rule sales tax equaled $34,078. This will see a reduction for FY2019 to approximately $25,600. The Major TIF funds collectively were budgeted in FY2019 with a (32.1%) reduction in revenues due to the Mall TIF termination. Non-major funds were budgeted for FY2019 with a collective (27.2%) reduction in revenues due to termination of the 911 fund, and reductions in budgeted police seizure fees.

For FY2019, the VIP budgeted expenditures increased by 39.4% from FY2018 year-end for additional infrastructure improvements. Collective Major TIF expenditures were budgeted at a (61.2%) reduction FY2018 year-end as the majority of the infrastructure improvement along Roosevelt Road is complete. Non-major funds collectively reflect a nominal increase of 0.8% for the FY2019 budget.

Budget and funding strategies must be constantly assessed Village-wide. While the largest expense recognized by the Village is personnel, any reduction in personnel would equate to reduction in services. In the midst of economic recovery, the Village has reluctantly increased fees paid by residents, most of these for the first time in a decade. However the need to provide quality services and safety that our residents expect made this decision inevitable. Staff continues to aggressively seek lower costs and will continue to negotiate contracts to reduce expenses for the future. It is incumbent upon the Village to review other revenue options to sustain the level of safety and service to the community. In all, infrastructure updates, economic development efforts, and continued strong support of the business community will ensure a continued solid sales tax base. Through these combined efforts Forest Park will continue to thrive.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, investors, and creditors with a general overview of the Village's finances. Questions concerning this report or requests for additional financial information should be directed to the Village Clerk, Village of Forest Park, at 517 DesPlaines Avenue, Forest Park, Illinois, 60130.

VILLAGE OF FOREST PARK, ILLINOIS

STATEMENT OF NET POSITION
April 30, 2018

	Primary Government			
	Governmental Activities	Business-type Activities	Total Primary Government	Component Unit
ASSETS				
Current assets:				
Cash and investments	$ 12,569,425	$ 2,879,594	$ 15,449,019	$ 2,622,807
Receivables:				
Property tax receivable	2,613,934	-	2,613,934	891,252
Due from other governments	1,827,469	-	1,827,469	17,709
Accounts receivable	367,790	811,776	1,179,566	-
Prepaid items	394,190	-	394,190	10,282
Total current assets	17,772,808	3,691,370	21,464,178	3,542,050
Noncurrent assets:				
Net pension asset	1,201,118	58,066	1,259,184	297,745
Capital assets not being depreciated	5,466,630	32,328	5,498,958	134
Capital assets being depreciated, net	31,451,765	10,072,889	41,524,654	1,226,882
Total noncurrent assets	38,119,513	10,163,283	48,282,796	1,524,761
Total assets	55,892,321	13,854,653	69,746,974	5,066,811
DEFERRED OUTFLOW OF RESOURCES				
Deferred loss on refunding	229,556	-	229,556	-
Deferred pension outflows	8,660,066	46,567	8,706,633	53,016
Total deferred outflow of resources	8,889,622	46,567	8,936,189	53,016
LIABILITIES				
Current liabilities:				
Accounts payable	1,311,808	278,673	1,590,481	-
Accrued payroll	44,156	-	44,156	8,550
Other liabilities	35,943	10,296	46,239	-
Unearned revenue	893,317	44,206	937,523	-
Interfund payable (receivable)	1,356,744	(1,356,744)	-	-
Interest payable	78,318	14,792	93,110	-
Long-term obligations, due within one year				
Compensated absences	806,694	10,843	817,537	-
Bonds payable	565,000	-	565,000	-
Debt certificates payable	264,852	50,148	315,000	-
Loans payable	211,286	334,431	545,717	-
Total current liabilities	5,568,118	(613,355)	4,954,763	8,550
Noncurrent liabilities:				
Long-term obligations, due in more than one year				
Compensated absences	50,487	2,244	52,731	-
Bonds payable	4,642,090	-	4,642,090	-
Debt certificates payable	832,392	157,608	990,000	-
Loans payable	1,078,954	1,430,899	2,509,853	-
Net pension liabilities	59,553,616	-	59,553,616	-
Other post employment benefit obligation	894,319	-	894,319	-
Total noncurrent liabilities	67,051,858	1,590,751	68,642,609	-
Total liabilities	72,619,976	977,396	73,597,372	8,550
DEFERRED INFLOW OF RESOURCES				
Property tax revenue	2,613,934	-	2,613,934	891,252
Deferred pension inflows	2,705,347	98,305	2,803,652	412,037
Total deferred inflow of resources	5,319,281	98,305	5,417,586	1,303,289
NET POSITION				
Net investment in capital assets	29,323,821	8,132,131	37,455,952	1,227,016
Restricted for:				
Debt service	95,837	-	95,837	-
Capital projects	1,543,825	-	1,543,825	-
Public safety	603,139	-	603,139	-
Playground/Recreation	651,025	-	651,025	-
Economic development	8,429,919	-	8,429,919	-
Streets & highway	967,249	-	967,249	-
Other purposes	-	-	-	120,650
Unrestricted	(54,772,129)	4,693,388	(50,078,741)	2,460,322
Total net position	$ (13,157,314)	$ 12,825,519	$ (331,795)	$ 3,807,988

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

STATEMENT OF ACTIVITIES
Year Ended April 30, 2018

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions/Programs	Expenses	Fees, Fines & Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Unit
Primary government:								
Governmental activities:								
General government	$ 7,962,139	$ 3,698,091	$ -	$ -	$ (4,264,048)		$ (4,264,048)	
Police protection	9,763,939	399,524	612,343	-	(8,752,072)		(8,752,072)	
Fire protection	5,063,555	-	24,299	413,145	(4,626,111)		(4,626,111)	
Health and safety	380,950	-	-	-	(380,950)		(380,950)	
Community outreach	498,598	4,365	-	-	(494,233)		(494,233)	
Public works	5,094,235	917,730	80,755	1,701,447	(2,394,303)		(2,394,303)	
Interest on debt	239,293	-	-	-	(239,293)		(239,293)	
Total governmental activities	29,002,709	5,019,710	717,397	2,114,592	(21,151,010)		(21,151,010)	
Business-type activities:								
Water operations	3,884,372	6,101,640	-	-	-	$ 2,217,268	2,217,268	
Sewer operations	40,567	-	-	-	-	(40,567)	(40,567)	
Total business-type activities:	3,924,939	6,101,640	-	-	-	2,176,701	2,176,701	
Total primary government	$ 32,927,648	$ 11,121,350	$ 717,397	$ 2,114,592	(21,151,010)	2,176,701	(18,974,309)	
Component unit								
Public library	$ 1,733,184	$ 29,846	$ 26,319	$ -				$ (1,677,019)
General revenues:								
Property taxes					6,909,130	-	6,909,130	1,742,351
Sales tax					4,918,886	-	4,918,886	-
Income tax					1,289,112	-	1,289,112	-
Utility tax					1,155,453	-	1,155,453	-
Intergovernmental revenue					1,410,765	-	1,410,765	33,081
Investment earnings					80,508	7,471	87,979	20,220
Gain on sale of capital assets					-	-	-	-
Other general revenues					35,370	-	35,370	3,344
Transfers					900,000	(900,000)	-	-
Total general revenues and transfers					16,699,224	(892,529)	15,806,695	1,798,996
Change in net position					(4,451,786)	1,284,172	(3,167,614)	121,977
Net position, beginning of year					(8,705,528)	11,541,347	2,835,819	3,686,011
Net position, end of year					$ (13,157,314)	$ 12,825,519	$ (331,795)	$ 3,807,988

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

GOVERNMENTAL FUNDS
BALANCE SHEET
April 30, 2018

	Major Funds							
	General Fund	Brown Street Station TIF Fund	Roosevelt / Hannah TIF Fund	2002 Bond Fund	Illinois Municipal Retirement Fund	VIP Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and investments	$ -	$ 4,648,200	$ 3,802,291	$ 1,077,245	$ -	$ 1,304,441	$ 1,737,248	$ 12,569,425
Receivables:								
Property tax receivable	2,307,555	-	-	-	140,127	-	166,252	2,613,934
Due from other governments	1,318,721	-	-	-	-	446,458	62,290	1,827,469
Accounts receivable	363,145	-	-	-	-	-	4,645	367,790
Interfund receivable	509,267	-	-	-	-	-	-	509,267
Advances receivable	117,613	-	-	-	-	-	-	117,613
Prepaid items	394,190	-	-	-	-	-	-	394,190
Total assets	$ 5,010,491	$ 4,648,200	$ 3,802,291	$ 1,077,245	$ 140,127	$ 1,750,899	$ 1,970,435	$ 18,399,688
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE								
Liabilities								
Accounts payable	$ 322,586	$ 986	$ 19,586	$ 903,090	$ -	$ 60,727	$ 4,833	$ 1,311,808
Accrued payroll	44,156	-	-	-	-	-	-	44,156
Other liabilities	35,943	-	-	-	-	-	-	35,943
Unearned revenue	893,317	-	-	-	-	-	-	893,317
Interfund payable	1,356,744	-	-	-	383,914	-	125,353	1,866,011
Advances payable	-	-	-	-	117,613	-	-	117,613
Total liabilities	2,652,746	986	19,586	903,090	501,527	60,727	130,186	4,268,848
Deferred inflow of resources								
Property taxes	2,307,555	-	-	-	140,127	-	166,252	2,613,934
Unavailable revenue	325,028	-	-	-	-	146,347	-	471,375
Total deferred inflow of resources	2,632,583	-	-	-	140,127	146,347	166,252	3,085,309
Fund balance								
Nonspendable								
Prepaid items	394,190	-	-	-	-	-	-	394,190
Advances	117,613	-	-	-	-	-	-	117,613
Restricted								
Economic development	-	4,647,214	3,782,705	-	-	-	228,962	8,658,881
Public safety	-	-	-	-	-	-	603,139	603,139
Streets & highways	-	-	-	-	-	1,543,825	967,249	2,511,074
Debt service	-	-	-	174,155	-	-	-	174,155
Playground/Recreation	651,025	-	-	-	-	-	-	651,025
Unassigned	(1,437,666)	-	-	-	(501,527)	-	(125,353)	(2,064,546)
Total fund balance	(274,838)	4,647,214	3,782,705	174,155	(501,527)	1,543,825	1,673,997	11,045,531
Total liabilities, deferred inflow of resources and fund balance	$ 5,010,491	$ 4,648,200	$ 3,802,291	$ 1,077,245	$ 140,127	$ 1,750,899	$ 1,970,435	$ 18,399,688

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO STATEMENT OF NET POSITION
April 30, 2018

Total fund balances - governmental funds		$ 11,045,531
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:		
Capital assets	$ 64,675,229	
Accumulated depreciation	(27,756,834)	
Net capital assets		36,918,395
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable in the funds:		
Sales taxes receivable	325,028	
Other taxes receivable	144,986	
Intergovernmental receivable	1,361	
Total unavailable revenue		471,375
Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due.		(78,318)
Long term debt activities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities and deferred outflows in governmental funds. These consist of :		
Bonds payable	(5,207,090)	
Debt certificates payable	(1,097,244)	
Deferred outflow - loss on refunding	229,556	
Loans payable	(1,290,240)	
Compensated absences	(857,181)	
Net pension liabilities	(58,352,498)	
Deferred outflow - pension activities	8,660,066	
Deferred inflow - pension activities	(2,705,347)	
Other post employment benefit obligation	(894,319)	
Total long-term liabilities and deferred outflows		(61,514,297)
Net position of governmental activities		$ (13,157,314)

See accompanying notes to the financial statements.

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2018

	Major Funds							
	General Fund	Brown Street Station TIF Fund	Roosevelt / Hannah TIF Fund	2002 Bond Fund	Illinois Municipal Retirement Fund	VIP Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Property tax	$ 4,597,251	$ 451,479	$ 632,104	$ 337,385	$ 273,490	$ -	$ 617,421	$ 6,909,130
Sales tax	3,092,692	-	-	-	-	1,820,183	-	4,912,875
Income tax	1,289,112	-	-	-	-	-	-	1,289,112
Utility taxes	1,436,727	-	-	-	-	-	-	1,436,727
Intergovernmental	664,211	-	-	-	9,338	-	588,336	1,261,885
Licenses and permits	1,411,230	-	-	-	-	-	-	1,411,230
Fees for services	2,157,284	-	-	-	-	-	-	2,157,284
Grant revenue	503,448	-	-	-	-	-	323,896	827,344
Parking revenue	529,488	-	-	-	-	-	-	529,488
Fines	972,811	-	-	-	-	-	-	972,811
Interest on investments	15,463	16,984	14,909	9,446	-	11,678	12,028	80,508
Other revenue	139,697	-	-	-	-	-	21,027	160,724
Total revenues	16,809,414	468,463	647,013	346,831	282,828	1,831,861	1,562,708	21,949,118
Expenditures								
Current:								
Office of public affairs	6,968,622	-	-	-	-	-	535,198	7,503,820
Office of accounts and finance	8,030,659	-	-	17,743	262,192	-	328,981	8,639,575
Office of public property	1,677,000	-	-	-	-	-	-	1,677,000
Office of streets and public improvement	1,423,134	42,542	-	-	-	-	10,751	1,476,427
Office of health and safety	370,638	-	-	-	-	-	-	370,638
Capital Outlay	512,046	-	149,380	2,640,782	-	858,557	54,101	4,214,866
Debt service:								
Principal retired	461,111	-	-	-	-	555,000	-	1,016,111
Interest and charges	84,420	-	-	-	-	155,750	-	240,170
Total expenditures	19,527,630	42,542	149,380	2,658,525	262,192	1,569,307	929,031	25,138,607
Excess (deficiency) of revenues over expenditures	(2,718,216)	425,921	497,633	(2,311,694)	20,636	262,554	633,677	(3,189,489)
Other financing sources (uses)								
Transfers in	900,000	-	-	-	-	501,902	-	1,401,902
Transfers out	-	-	-	-	-	-	(501,902)	(501,902)
Loan proceeds	6,466	-	-	-	-	-	-	6,466
Total other financing sources (uses)	906,466	-	-	-	-	501,902	(501,902)	906,466
Net change in fund balances	(1,811,750)	425,921	497,633	(2,311,694)	20,636	764,456	131,775	(2,283,023)
Fund balances at beginning of year	1,536,912	4,221,293	3,285,072	2,485,849	(522,163)	779,369	1,542,222	13,328,554
Fund balances at end of year	$ (274,838)	$ 4,647,214	$ 3,782,705	$ 174,155	$ (501,527)	$ 1,543,825	$ 1,673,997	$ 11,045,531

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
Year Ended April 30, 2018

Net change in total fund balances		$ (2,283,023)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.		
Sales taxes received from the state of Illinois	$ 6,011	
Other taxes received	(5,653)	
Total change in unavailable revenues		358
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Change in net pension liability and deferred items	(6,639,780)	
Change in other postemployment benefit obligation	(174,057)	
Change in compensated absences	(38,003)	
Change in accrued interest on debt	10,046	
Amortization of deferred loss on refunding	(30,608)	
Amortization of bond premium	21,439	
Total expenses of non-current resources		(6,850,963)
Governmental funds report purchases of capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital expenditures	4,279,212	
Depreciation	(1,835,270)	
Capital expenditures in excess of depreciation		2,443,942
The original cost of assets disposed of had a net value greater than the disposal proceeds. The difference has been recorded in the statement of activities.		(473,192)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Donated asset		1,701,447
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the statement of net position.		
General obligation bonds	555,000	
Debt certificates payable	256,444	
Loans payable	204,667	
Total retirement of debt		1,016,111
In governmental funds, long-term debt is considered an other financing source (use), but in the statement of net position, debt is reported as a liability. In the current period, proceeds were received from:		
Loans		(6,466)
Change in net position of governmental activities		$ (4,451,786)

VILLAGE OF FOREST PARK, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
April 30, 2018

	Major Fund
	Water Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 2,879,594
Receivables:	
Accounts receivable	811,776
Interfund receivable	1,356,744
Prepaids	-
Total current assets	5,048,114
Noncurrent assets:	
Net pension asset	58,066
Capital assets not being depreciated	32,328
Capital assets being depreciated, net	10,072,889
Total noncurrent assets	10,105,217
Total assets	$ 15,211,397
DEFERRED OUTFLOW OF RESOURCES	
Deferred pension outflows	46,567
Liabilities	
Current liabilities:	
Accounts payable	$ 278,673
Accrued payroll	-
Other liabilities	10,296
Compensated absences	10,843
Debt certificates payable	50,148
Loans payable	334,431
Interfund payable	-
Interest payable	14,792
Total current liabilities	743,389
Noncurrent liabilities:	
Compensated absences	2,244
Debt certificates payable	157,608
Loans payable	1,430,899
Total noncurrent liabilities	1,590,751
Total liabilities	2,334,140
DEFERRED INFLOW OF RESOURCES	
Deferred pension inflows	98,305
Net position	
Net Investment in capital assets	8,132,131
Unrestricted	4,693,388
Total net position	12,825,519
Total liabilities, deferred inflow of resources, and net position	$ 15,257,964

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended April 30, 2018

	Major Fund
	Water Fund
Operating revenues	
Charges for services	$ 6,101,640
Total operating revenues	6,101,640
Operating expenses	
Operations	3,693,870
Depreciation	166,488
Total operating expenses	3,860,358
Operating income (loss)	2,241,282
Nonoperating revenues and (expenses)	
Interest revenue	7,471
Interest expense	(62,565)
Loss on disposal of capital assets	(2,016)
Total nonoperating revenues and (expenses)	(57,110)
Income (loss) before transfers	2,184,172
Transfers out	(900,000)
Change in net position	1,284,172
Net position at beginning of year	11,541,347
Net position at end of year	$ 12,825,519

VILLAGE OF FOREST PARK, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2018

	Major Fund
	Water Fund
Cash flows from operating activities:	
Cash received from customers	$ 6,168,969
Cash payments for goods and services	(3,483,748)
Cash payments to employees for services	(313,102)
Net cash provided by operating activities:	2,372,119
Cash flows from noncapital financing activities:	
Transfers out	(900,000)
Interfund borrowing	(1,356,744)
Net cash used for noncapital financing activities:	(2,256,744)
Cash flows from capital and related financing activities:	
Purchase of capital assets	(569,726)
Principal paid on debt	(364,218)
Interest paid on debt	(70,706)
Net cash used for capital and related financing activities:	(1,004,650)
Cash flows from investing activities:	
Interest received	7,471
Net cash provided by investing activities:	7,471
Net increase (decrease) in cash and cash equivalents	(881,804)
Cash and cash equivalents, beginning of year	3,761,398
Cash and cash equivalents, end of year	$ 2,879,594
Reconciliation of operating income to Net cash provided by operating activities:	
Operating income (loss)	$ 2,241,282
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:	
Depreciation	166,488
Decrease (increase) in accounts receivable	67,329
Decrease (increase) in prepaids	3,477
Decrease (increase) in net pension asset	(58,066)
Decrease (increase) in deferred outflow - pension	(46,567)
Increase (decrease) in accounts payable	(100,221)
Increase (decrease) in compensated absences	92
Increase (decrease) in deferred inflow - pension	98,305
Total adjustments	130,837
Net cash provided by (used for) operating activities:	$ 2,372,119

See accompanying notes to the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
April 30, 2018

ASSETS	
Cash and cash equivalents	$ 2,338,187
Investments	
Corporate bonds	1,943,660
Government securities	10,240,590
Mutual funds	16,308,935
Insurance contracts	6,117,192
Total investments	34,610,377
Interest receivable	59,112
Prepaid items	9,299
Total assets	37,016,975
LIABILITIES	
Accounts payable	12,065
Total liabilities	12,065
NET POSITION	
Net Position restricted for pensions	$ 37,004,910

See accompanying notes the financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION
PENSION TRUST FUNDS
Year Ended April 30, 2018

ADDITIONS	
Contributions	
Employer	$ 1,831,393
Plan members	553,096
Total contributions	2,384,489
Investment earnings	
Net change in fair value of investments	518,278
Interest	1,225,954
Less investment expense	(37,202)
Net investment income	1,707,030
Total additions	4,091,519
DEDUCTIONS	
Benefits and refunds	3,677,161
Administrative expenses	106,480
Total deductions	3,783,641
Change in plan net position	307,878
Plan net position at beginning of year	36,697,032
Plan net position at end of year	$ 37,004,910

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Forest Park (Village) was incorporated in 1856 under the provisions of the Illinois Revised Statutes, as amended. The Village operates under a Mayor-Commissioner form of government. Education and social services are provided by separate governing bodies that are beyond the direct or indirect control of the Village's government. The accounting policies of the Village of Forest Park conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies.

Financial Reporting Entity: The Village has adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 61, under which these basic financial statements include all organizations, activities, functions and component units for which the Village is financially accountable, or that are fiscally dependent upon the Village or that would cause these financial statements to be misleading to exclude. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (1) the Village's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden with the Village.

In conformity with GAAP, the Village's Police and Firefighters' Pension Funds have been included as fiduciary component units in the Village's basic financial statements. Although they are separate legal entities, these funds exist to provide pension benefits for the Village's police officers and firefighters. Thus, their financial information has been included within the Village's basic financial statements as fiduciary funds.

The Forest Park Public Library is included in the reporting entity because of its operational and financial relationship with the Village of Forest Park. The Forest Park Public Library meets the criteria for discrete presentation and is shown in the component unit column in the Government-wide financial statements. The Forest Park Public Library is reported in a separate column to emphasize that it is legally separate from the Village of Forest Park. The Forest Park Public Library has issued separate financial statements for the year ended April 30, 2018. Separate financial statements can be obtained by contacting its office at 7555 Jackson Boulevard, Forest Park, Illinois 60130.

Basis of Presentation: The Village's basic financial statements consist of Government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information. The Government-wide focus is more on the sustainability of the Village as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the Village as a whole. In the Government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (proprietary funds), which rely to a significant extent on fees and charges for support. The Government-wide statement of activities reflects both the direct expenses and net cost of each function of the Village's governmental activities and business-type activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the Village, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the Village.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements – The financial transactions of the Village are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as nonmajor funds.

Measurement Focus and Basis of Accounting:

Government-wide Financial Statements – The Government-wide financial statements, component unit financial statements, fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows, deferred inflows and liabilities (whether current or non-current) are included on the balance sheet and the operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounts, revenues are recognized when earned, if measurable, and expenses are recognized as incurred, regardless of the timing of related cash flows.

The Village has reported three categories of program revenues in the statement of activities: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. Program revenues are derived directly from the program itself or from external sources, such as the State of Illinois; they reduce the net cost of each function to be financed from the Village's general revenues. For identifying the function to which program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is the function to which the revenues are restricted.

Eliminations have been made in the statement of net position to remove the "grossing up" effect on assets and liabilities within the governmental activities column for amounts reported in the individual funds as interfund receivables and payables and advances. Similarly, transfers between funds have been eliminated in the statement of activities. Amounts reported in the governmental funds as receivable from or payable to fiduciary funds have been reclassified in the statement of net position as accounts receivable or payable to external parties.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village reports differences between expected and actual experience, changes in pension assumptions, and loss on pension investments. Differences between expected and actual experience and changes in pension plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan. Loss on pension investments are deferred and amortized over five years.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Village has only one type of item which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: other taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Under the full accrual basis of accounting, in accordance with the requirements of GASB Statement No. 65, property tax revenues that are levied but intended to fund future periods are considered to be deferred inflows of resources. Additionally, certain amounts related to pensions must be deferred. Differences between expected and actual experience and changes in pension plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan.

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues accrued at the end of the year include charges for services, licenses and permits, fines and forfeitures, intergovernmental revenues, investment earnings, property taxes, sales taxes, and income taxes. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary funds separate all activity into two categories: operating revenues and expenses and non-operating revenues and expenses. Operating revenues and expenses result from providing services and producing and delivering goods. Non-operating revenues and expenses entail all other activity not included in operating revenues and expenses. Non-operating revenues and expenses include capital and noncapital financing activities and investing activities. When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Village's policy to apply restricted resources first, then unrestricted resources as needed.

Differences occur from the manner in which the governmental activities and the Government-wide financial statements are prepared because of the inclusion of capital asset and long-term debt activity. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the Government-wide statements and the statements for governmental funds.

The Village reports the following major governmental funds:

General Fund – The General Fund, sometimes referred to by the Village as the General Corporate 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.

Brown Street Station TIF Fund – This TIF fund is a special revenue fund used to accumulate incremental property tax revenues from the area in far north Forest Park. This is a mixed of commercial and residential area TIF and funds will be used to improve streetscapes and for future development.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Roosevelt / Hannah TIF Fund – This TIF fund is a special revenue fund used to accumulate incremental property tax revenues from its specific area in Forest Park. This is a commercial area TIF and funds will be used to improve streetscapes and for future development.

2002 Bond Fund – The 2002 Bond Account is a debt service fund used to pay principal and interest on a $5,765,000 general obligation bond. The original TIF was divided in 2001 and currently comprises the Wal-Mart property, including the parking lot. The bond debt service is totally funded by incremental property taxes paid by Wal-Mart.

Illinois Municipal Retirement Fund – This is a special revenue fund used to account for pension contributions to the Illinois Municipal Retirement Fund. Revenue to finance the contributions is derived primarily from local property taxes.

VIP Program Fund – This is a capital projects fund with pledged revenues from the Non-Home Rule Municipal Sales Taxes, at 1.0%. These revenues are committed to public infrastructure improvements and debt service on the $6,745,000 General Obligation Refunding Bonds, Series 2012 current principal from the refunded $9,600,000 General Obligation Bonds (Alternate Revenue Source) Series 2005.

Proprietary Funds: Proprietary funds are used to account for those Village activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The Village reports the following major proprietary funds:

Water Fund – This fund accounts for the revenues and expenses related to the operation of the Village's water and sewer. Revenues are generated through charges to users based upon water and sewer consumption.

Governmental Funds: In addition to the general fund type mentioned above, the Village uses the following governmental fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Debt Service Funds – The Debt Service Funds are used to account for the Village's accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs.

Fiduciary Funds: Fiduciary Funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, other governments, or other funds. These include the pension trust funds.

Cash, Cash Equivalents, and Investments

Separate checking accounts are maintained to satisfy legal restrictions or as authorized by the Village Council. The Village maintains a cash checking account pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is included on the combined balance sheet as "cash." The deposits and investments of the pension trust funds are held separately from those of other funds.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All investments are reported at fair value, which generally represents quoted market price as of the last business day of the year. Gains or losses on the sale or maturity of investments are recorded as current investment income at the date of sale or maturity. Cash equivalents are stated at cost.

The Village maintains an investment pool that is available for use by all funds except the pension trust funds. Village investments are in either certificates of deposit with local financial institutions or deposits with the Illinois Funds Money Market Fund.

The value of the Illinois Funds Money Market Fund and Illinois Metropolitan Investment Fund equates to the number of shares owned as of April 30, 2018. These deposits are regulated by the Comptroller of the State of Illinois.

Cash Flows: For purposes of the statement of cash flows for the Proprietary Funds, the Village considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Capital Assets: Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the Government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than $10,000 and a useful life of more than one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

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

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis as described below.

Public domain infrastructure capital assets including roads, curbs and gutters, drainage systems, and lighting systems are also capitalized. Depreciation of the assets listed below is computed using the straight-line method over the following estimated useful lives:

Buildings	100	Years
Equipment	3-20	Years
Infrastructure - roads	30-40	Years
Infrastructure - water	100	Years
Building improvement	100	Years

Accrued Vacation: Per the Village's policy, full-time permanent employees of the Village other than firefighters in the Fire Department, police officers in the Police Department, and members of the Local 705 Teamsters Union shall be entitled to paid vacations based on the following years of service:

Less than 1 year	Nothing
After 1 year	10 working days
After 8 years	15 working days
After 15 years	20 working days

For each year of service over 15 years, one additional vacation day up to a maximum of 25 working days.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Vacation time must be taken within one year in which the time is earned.

Members of the firefighters and police officers unions and Local 705 Teamsters union are entitled to and receive vacation benefits as stated in the current contracts.

Unavailable Revenue: The Village reports unavailable revenues on its financial statements. Unavailable revenues arise when potential revenue does not meet both the measureable and available criteria for recognition in the current period. Unavailable revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unavailable revenue is removed from the balance sheet or statement of net position and revenue is recognized.

Net Position and Fund Balances: Net position represents the difference between assets and deferred outflows and deferred inflows and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Fund Balance - The components of fund balance include the following line items:

a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.

b) Restricted fund balance is externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation. Restricted fund balances reported on the Village's Governmental Funds Balance Sheet mainly include restricted property tax levies, bond proceeds, and grant awards.

c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. Fund Balance of the Village may be committed for a specific source by passing of a Board Resolution by the Village Council. Amendments or modifications of the committed fund balance must be also by approved by passing of a Board Resolution by the Village Council.

d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the Village Council designated for that purpose. The intended use is established by an official designated for that purpose. The Village has not designated anyone for this purpose. However, GASB 54 has outlined that fund balance outside of the general fund is to fall in this category if there is not a deficit fund balance for the fund.

e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, if there is a deficit balance in another governmental fund, it will be reported as a negative amount in that fund's unassigned classification.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balance will be spent first, followed by committed fund balance, and then restricted fund balance. If there is an expenditure incurred for purposes for which restricted or unrestricted fund position could be used, then the Village will consider restricted fund position to be spent first, then unrestricted fund position.

Proprietary fund equity is classified the same as in the government-wide statements.

Fiduciary net position is classified as held in trust for employee's pension benefits on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the Village believes it is in compliance with all significant restrictions.

Post-Employment Health Care Benefits: The Village provides health insurance to its retired employees, with over 20 years of service, at their own expense.

Interfund Receivables and Payables: Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" for the current portion of interfund loans or "advances to/from other funds" for the non-current portion of interfund loans. All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-wide financial statements as "internal balances." All receivables are shown net of an allowance for uncollectibles.

Long-Term Debt: In the Government-wide financial statements and in the proprietary funds in the fund financial statements, 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 amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed 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 are reported as expenditures.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Police Pension Plan and additions to/deductions from the Police Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Police Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Firefighters' Pension Plan and additions to/deductions from the Firefighters' Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Fire Pension Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village reports deferred loss on refunding of debt, change in pension assumptions, loss on pension investments, differences between expected and actual experience and contributions subsequent to the measurement date. Changes in pension plan assumptions and differences between expected and actual experience are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan. Losses on pension investments are deferred and amortized over five years. Contributions subsequent to the measurement date are recognized in the next year.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has an item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Certain amounts related to pensions must be deferred. Differences between expected and actual experience are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan.

Use of Estimates: The preparation of the basic financial statements in conformity with GAAP requires Village's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and/or the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates, but the Village believes that the differences will be insignificant.

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Village

At year end, the carrying amount of the Village's (excluding the Police and Firefighters' Pension Funds) deposits were $15,446,456. In addition, the Village maintained four petty cash accounts with a carrying value of $2,563. The balances in the bank were $15,426,539.

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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's policy requires all fixed income investments to be of investment grade quality or

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of “investment grade” quality (that is, at the time of purchases, rated no lower than “Baa” by Moody’s and no lower than “BBB” by Standard & Poor’s).

The Village Council, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Custodial Credit Risk – For an investment, custodial credit risk 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 securities that are in the possession of an outside party. The Village’s investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor’s, Moody’s or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. As of April 30, 2018 the Village bank balances were fully collateralized.

Concentration of Credit Risk – The Village places no limit on the amount it may invest in any one issuer.

The following is a reconciliation between Note 2 and the basic financial statements of the primary government:

Note 2		Financial Statements	
Carrying value of cash and cash equivalents	$ 15,446,456	Statement 1 (Primary Government) Cash and investments	$ 15,449,019
Petty cash	2,563	Total financial statements	$ 15,449,019
Total notes	$ 15,449,019		

Police Pension Fund

At year end, the Police Pension Fund’s carrying amount of cash was $1,131,855, while the bank balances were $1,136,268. As of April 30, 2018, the full bank balance was collateralized with securities of the U.S. government held in the Police Pension Fund’s name by a financial institution acting as the fund’s agent. The Police Pension Fund is authorized to invest in Illinois Funds Money Market deposits, deeply discounted federal securities (strips, etc.), certificates of deposit, guaranteed investment contracts, and stocks and mutual funds.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Police Pension Fund’s investments at April 30, 2018:

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

		Investment Maturities			
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
GNMA	$ 1,973,871	$ -	$ 178	$ 3,974	$ 1,969,719
FHLMC	3,636,223	-	-	-	3,636,223
FNMA	2,408,200	-	-	-	2,408,200
Mutual funds	6,417,195	6,417,195	-	-	-
Insurance contracts	6,117,192	6,117,192	-	-	-
Total investments	$ 20,552,681	$ 12,534,387	$ 178	$ 3,974	$ 8,014,142

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Police Pension Fund's policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality (that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard & Poor's). The Police Pension Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate. One of the U.S. Treasury Department's objectives for conservatorships is to protect bondholders. As such, declines in fair value below cost for investments in Freddie Mac and Fannie Mae bonds (that is, debt securities) may be treated as temporary. At year end the Pension Fund's intent is to hold the bonds until they recover.

Credit ratings for the Police Pension Fund's investments in debt securities at April 30, 2018 (excluding investments explicitly guaranteed by the U.S. Government and investments in mutual funds, which are not considered to have credit risk) were as follows:

Disclosure Ratings for Debt Securities (S&P/Moody's)
(As a percentage of total fair value for debt securities)

Investment Type	AA/Aaa
Federal Home Loan Mortgage Corporation	100%
Federal National Mortgage Association	100%
Insurance Contracts	N/R

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Custodial Credit Risk – For an investment, custodial credit risk 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 securities that are in the possession of an outside party. The Police Pension Fund's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Village investment or any other high-quality, interest-bearing security rated at least AAA/Aaa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization. The Police Pension Fund was fully collateralized as of April 30, 2018.

Concentration of Credit Risk – The Village places no limit on the amount the Police Pension Fund may invest in any one issuer. More than 5% of the Police Pension Fund's investments are in invested in American Fundamental Investors Class A (5.44%), Jackson National Life (6.53%), Lincoln Benefit Life (6.56%), and AIG Life/American General Annuity (8.69%).

Firefighters' Pension Fund

At year end, the Firefighters' Pension Fund's carrying amount of demand deposits was $1,174,070, while the bank balances were $1,174,070. As of April 30, 2018, the full bank balance was collateralized.

The Firefighters' Pension Fund is authorized to invest in Illinois Funds Money Market deposits, deeply discounted federal securities (strips, etc.), certificates of deposit, guaranteed investment contracts, and stocks and mutual funds.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Firefighters' Pension Fund's investments at April 30, 2018.

		Investment Maturities			
	Fair Value	Less Than One Year	One to Five Years	Six to Ten Years	Greater Than Ten Years
GNMA	1,943,660	169,032	929,835	774,405	70,388
Corporate Bonds	1,722,531	147,648	1,195,423	379,460	-
Treasury Securities	499,765	-	-	313,031	186,734
Equity Mutual Funds	9,891,740	9,891,740	-	-	-
Total investments	$14,057,696	$10,208,420	$2,125,258	$1,466,896	$ 257,122

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Firefighters' Pension Fund's investment policy, the fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities; additionally the fixed income portfolio is structured allowing for duration between three and eight years.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Firefighters' Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements the Illinois Pension Code. The Firefighters' Pension Fund's investment policy also prescribes "that investments be made in a prudent manner. That is, with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person would use considering the primary objective of preserving one's capital."

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Credit ratings for the Firefighters' Pension Fund's investments in debt securities at April 30, 2018 (excluding investments explicitly guaranteed by the U.S. Government and investments in mutual funds, which are not considered to have credit risk) were as follows:

Disclosure Ratings for Debt Securities (S&P/Moody's)
(As a percentage of total fair value for debt securities)

Investment Type	A/A	AA/AA	AAA/AAA	BBB/BAA	NR/NR
Corporate Bonds	35%	11%	0%	55%	0%
Treasury Securities	0%	0%	71%	0%	29%

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the Firefighters' Pension Fund's deposits may not be returned to it. At year end, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Firefighters' Pension Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the fund's deposits with financial institutions.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of the Firefighters' Pension Fund's investment in a single issuer. The Fund does not have a formal written policy with regards to concentration of credit risk for investments. At April 30, 2018, the Firefighters' Fund has over 5% of plan net position invested in Artisan International Value Fund (13.62%), S&P 500 Index Fund (32.88%), and Thornburg International Value Fund (5.95%).

The Fund's investment policy has a stated target that 55 to 75 percent of its portfolio be in fixed income securities, 35 to 45 percent target in equities with the remaining 2 to 10 percent cash and equivalents.

The following is a reconciliation between the Note 2 and the basic financial statements of the fiduciary funds:

Note 2		Financial Statements	
Carrying value of cash and cash equivalents (police $1,131,885 fire $1,206,302)	$ 2,338,187	Statement 10 Cash and cash equivalents	$ 2,338,187
Carrying value of investments (police $20,552,681, fire $14,057,696)	34,610,377	Investments	34,610,377
Total notes	$ 36,948,564	Total financial statements	$ 36,948,564

(Continued)

NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Fair Value Measurement and Application

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation of inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. To value mortgage-backed securities, pricing vendors use a variety of techniques to estimate value. These estimates may be based on certain factors that affect the value of the security, including liquidity risk. The Police Pension's insurance contracts are valued using cash surrender values. The fair value of corporate bonds is determined using recently executed transactions, market price quotations, bond spreads, credit default swap spreads, or at the money volatility and/or volatility skew, adjusted for any basis difference between cash and derivative instruments. The fair value of agency mortgage pass-through pool securities, which are classified within federal agencies in the table below, is model-driven based on spreads of a comparable to-be-announced security. As of April 30, 2018, the fiduciary funds' investments are valued as follows:

		Fair Value Measurements Using		
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Police Pension				
Mortgage-backed securities	$ 8,018,294	$ -	$ 8,018,294	$ -
Mutual funds	6,417,195	6,417,195	-	-
Insurance contracts	6,117,192	-	-	6,117,192
Police pension investment Total	20,552,681	6,417,195	8,018,294	6,117,192
Fire Pension				
Corporate bonds	1,943,660	-	1,943,660	-
Treasury securities	1,722,531	1,722,531	-	-
Federal agencies	499,765	-	499,765	-
Equity mutual funds	9,891,740	9,891,740	-	-
Fire pension investment Total	14,057,696	11,614,271	2,443,425	-
Totals	$ 34,610,377	$ 18,031,466	$ 10,461,719	$ 6,117,192

NOTE 3 - PROPERTY TAX REVENUE RECOGNITION

Property taxes for 2017 were attached as an enforceable lien upon Board approval on December 18, 2017 on property values assessed as of January 1, 2017. Taxes are levied by December of the subsequent year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 and August 1 and are payable in two installments on or about March 1 and September 1. The County collects such taxes and remits them to the Village periodically. The Village receives the majority of its real estate taxes in March and October. The property tax revenue in the financial statements represents approximately one-half of the 2016 and one-half of the 2017 property tax levies.

NOTE 3 - PROPERTY TAX REVENUE RECOGNITION (Continued)

Property taxes for the current 2017 tax levy are received in two installments in March 2018 and August 2018.

Property taxes receivable, constituting primarily the second installment due in August 2018, is recorded as unavailable revenue since the Village budgets for these revenues to be used to finance the operations of fiscal year 2019.

In the final tax extension, the County Clerk provides for an allowance for loss and cost of 3% for all tax levying funds except debt service, which has a 5% factor. All uncollected taxes over six years old are written off. An allowance for uncollectible taxes is established for all uncollected taxes over two years old. The receivable for uncollected taxes from the current levy is offset by a liability for unavailable revenue property taxes.

The Public Library (Library) receives its own distribution of real estate taxes directly from the Cook County Collector to the Library's own money market account.

NOTE 4 - CAPITAL ASSETS

A summary of changes in the Village's capital assets for the period from May 1, 2017 through April 30, 2018 follows:

	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 5,365,407	$ -	$ -	$ 5,365,407
Construction in Progress	860,447	101,223	860,447	101,223
Total capital assets not being depreciated, net	6,225,854	101,223	860,447	5,466,630
Capital assets being depreciated:				
Infrastructure	43,556,798	6,171,497	1,211,754	48,516,541
Building and improvements	4,942,977	-	-	4,942,977
Fixtures and equipment	5,420,725	568,386	240,030	5,749,081
Subtotal	53,920,500	6,739,883	1,451,784	59,208,599
Accumulated depreciation				
Infrastructure	(20,908,103)	(1,492,761)	(805,187)	(21,595,677)
Building and improvements	(2,230,914)	(47,006)	-	(2,277,920)
Fixtures and equipment	(3,761,139)	(295,503)	(173,405)	(3,883,237)
Total accumulated depreciation	(26,900,156)	(1,835,270)	(978,592)	(27,756,834)
Total capital assets being depreciated, net	27,020,344	4,904,613	473,192	31,451,765
Governmental activities, net	$ 33,246,198	$ 5,005,836	$ 1,333,639	$ 36,918,395

Depreciation expense of $1,835,270 and $169,294 for the Village's governmental and business-type activities, respectively, was charged to the following functions:

(Continued)

NOTE 4 - CAPITAL ASSETS (Continued)

Governmental Activities	Amount
General government	$ 50,246
Health and public safety	15,813
Parking	11,172
Public works	1,568,668
Police protection	62,461
Fire protection	126,910
Total depreciation expense	$ 1,835,270

Business-Type Activities	Amount
Water	$ 169,294
Total depreciation expense	$ 169,294

	Balance at Beginning of Year	Additions	Deletions	Balance at End of Year
Business-type activities:				
Capital assets not being depreciated:				
Construction in Progress	$ -	$ 32,328	$ -	$ 32,328
Capital assets being depreciated:				
Building and improvements	681,887	-	-	681,887
Fixtures and equipment	257,262	-	-	257,262
Infrastructure	11,851,191	286,236	11,485	12,125,942
Subtotal	12,790,340	286,236	11,485	13,065,091
Accumulated depreciation				
Building and improvements	(294,001)	(7,790)	-	(301,791)
Fixtures and equipment	(193,378)	(11,560)	-	(204,938)
Infrastructure	(2,598,966)	(149,944)	(9,469)	(2,739,441)
Total accumulated depreciation	(3,086,345)	(169,294)	(9,469)	(3,246,170)
Total capital assets being depreciated, net	9,703,995	116,942	2,016	9,818,921
Business-type activities, net	$ 9,703,995	$ 149,270	$ 2,016	$ 9,851,249

(Continued)

NOTE 5 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligation transactions of the Village for the year ended April 30, 2018:

	Balance Beginning of Year	Additions	Deletions	Balance End of Year	Principal Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds:					
G.O. Alternative Revenue Refunding, 2012	5,565,000	-	555,000	5,010,000	565,000
Premium on Bonds	218,529	-	21,439	197,090	-
Total Bonds	5,783,529	-	576,439	5,207,090	565,000
G.O. Debt Certificates Series 2011	1,353,688	-	256,444	1,097,244	264,852
Loans Payable	1,488,441	6,466	204,667	1,290,240	211,286
Net Pension Liability - Police Pension	34,026,629	2,432,536	-	36,459,165	-
Net Pension Liability - Fire Pension	22,045,622	1,048,829	-	23,094,451	-
Net Pension (Asset) Liability - IMRF	1,215,385	-	2,475,066	(1,259,681)	-
Other Post Employment Benefits	720,262	174,057	-	894,319	-
Compensated Absences	819,178	802,177	764,174	857,181	806,694
Total Governmental Long-Term Debt	$ 67,452,734	$ 4,464,065	$ 4,276,790	$ 67,640,009	$ 1,847,832
BUSINESS-TYPE ACTIVITIES					
G.O. Debt Certificates Series 2011	$ 256,312	$ -	$ 48,556	$ 207,756	$ 50,148
Loan Payable	2,080,992	-	315,662	1,765,330	334,431
Compensated Absences	12,995	11,761	11,669	13,087	10,843
Total Business-type Long-Term Debt	$ 2,350,299	$ 11,761	$ 375,887	$ 1,986,173	$ 395,422

<u>Components of Long-Term Obligations</u>: Long-term obligations of the governmental activities at April 30, 2018 consist of the following individual issues:

General Obligation Debt Certificates Series 2011 $3,055,000 principal to current refund the General Obligation Debt Certificates Series 2001, due in annual installments, interest payable each May 1 and November 1, matures serially through November 1, 2021, with interest ranging from 2% to 3%. The principal is payable from the General Fund and Water Fund (Enterprise Fund). The amount outstanding of the defeased bonds are $0.

General Obligation Refunding Bonds Series 2012 $6,745,000 principal to current refund the General Obligation Bonds series 2005, due in annual installments, interest payable each June 1 and December 1, matures serially through December 1, 2025, with interest ranging from 2% to 3%. The amount outstanding of the defeased bonds are $5,265,000.

Loan Payable $1,303,292 principal is for the purchase of street lights, formerly due May 15, 2013 with an interest rate of 3.25% was refinanced into a $1,291,407 loan, due in installments of $76,148, principal and interest payable semiannually, with an interest rate of 3.25%. Final maturity is on March 30, 2024. The principal is payable from the General Fund.

Loan Payable of $151,444 principal is for the purchase of two 2014 Ford Transit Connect Wagons and four 2015 Ford Explorers, due in installments of $3,798, principal and interest payable monthly, with an interest rate of 2.92%. Final maturity is on November 10, 2018. The principal is payable from the General Fund.

(Continued)

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

Loan Payable $471,407 principal is for the purchase of equipment including an ambulance, trailer, chipper, loader, telephone system, and vehicle. Formerly due June 1, 2017 with an interest rate of 3.50%, it was refinanced into a $471,407 loan, due in installments of $5,989, principal and interest payable monthly, with an interest rate of 3.25%. Final maturity is on February 25, 2025. The principal is payable from the General Fund.

Debt Service Requirements to Maturity

A schedule of all future principal and interest obligations for the Village's general obligation bonds and debt certificates is as follows:

Year Ending	Debt Certificates 2011 *		GO Refunding Bonds 2012	
April 30,	Principal	Interest	Principal	Interest
2019	315,000	37,575	565,000	144,650
2020	320,000	29,700	580,000	133,350
2021	330,000	20,100	600,000	115,950
2022	340,000	10,200	615,000	97,950
2023-2026	-	-	2,650,000	201,600
Totals	$ 1,305,000	$ 97,575	$ 5,010,000	$ 693,500

*The repayment schedule for the Debt Certificates is for both governmental and business-type activities.

A schedule of future principal and interest for equipment loans of the Village is as follows:

Year Ending	Six Ford Vehicles		LED Lights	
April 30,	Principal	Interest	Principal	Interest
2019	26,328	257	126,523	25,774
2020	-	-	130,626	21,671
2021	-	-	134,986	17,311
2022	-	-	139,371	12,925
2023-2025	-	-	292,588	12,007
Totals	$ 26,328	$ 257	$ 824,094	$ 89,688

(Continued)

NOTE 5 - LONG-TERM OBLIGATIONS (Continued)

Year Ending	FY17 Equipment		Total Loans Payable	
April 30,	Principal	Interest	Principal	Interest
2019	58,431	13,432	211,282	39,463
2020	60,341	11,524	190,967	33,195
2021	62,370	9,496	197,356	26,807
2022	64,410	7,455	203,781	20,380
2023-2025	187,799	9,354	480,387	21,361
Totals	$ 433,351	$ 51,261	$ 1,283,773	$ 141,206

Legal Debt Margin: Villages under Illinois law are subject to a debt limit since they are not home-rule units. Currently, the total outstanding debt of non-referendum bonding of Illinois villages is 8.625% of their assessed valuations. The Village at April 30, 2018 satisfies this requirement as follows:

Assessed valuation for 2017		$ 361,111,661
At maximum outstanding debt rate		8.625%
Maximum debt		31,145,881
Legal debt outstanding at April 30, 2018		
Series 2011	$ 1,305,000	
Series 2012	5,010,000	
Legal debt outstanding at April 30, 2018		6,315,000
Remaining Legal Debt Margin		$ 24,830,881

Business-Type Long-Term Debt: I.E.P.A. Loans issued June 13, 2002, and February 1, 2005 principal and interest payable each October 29 and April 29, matures serially starting October 29, 2003 through April 29, 2023, with an interest rate of 2.675%. The Village has been approved to borrow a total of $8,076,363. The principal and interest are payable from the Water Fund. A schedule of all future debt obligations follows:

EPA Loan Schedule

Year Ending April 30,	Principal	Interest
2019	334,431	44,983
2020	343,437	35,978
2021	352,686	26,729
2022	362,183	17,232
2023	372,593	7,478
Totals	$ 1,765,330	$ 132,400

(Continued)

NOTE 6 – INTERFUND ACTIVITY

The following interfund/advance balances existed as of April 30, 2018:

	Advance/ Due From	Advance/ Due To
Major Governmental Fund - General Fund	$ 117,613	$ -
Nonmajor Governmental Funds	-	-
Major Governmental Fund - IMRF	-	117,613
Total Advances	$ 117,613	$ 117,613
Major Governmental Fund - General Fund	$ 509,267	$ 1,356,744
Major Governmental Fund - IMRF	-	383,914
Nonmajor Governmental Funds	-	125,353
Proprietary Fund - Water Fund	1,356,744	-
Total Interfunds	$ 1,866,011	$ 1,866,011

All interfund balances are temporary balances resulting mainly from funds being loaned by the General Fund for expenditures.

The following transfers occurred during fiscal year 2018:

	Transfer In	Transfer Out
Major Governmental Fund - General Fund	$ 900,000	$ -
Major Governmental Fund - Harlem / Harrison TIF Fund	-	-
Major Governmental Fund - 2002 Bond Fund	-	-
Major Governmental Fund - VIP Program Fund	501,902	-
Major Governmental Fund - IMRF Fund	-	-
Nonmajor Governmental Funds	-	501,902
Major Enterprise Fund - Water Fund	-	900,000
Total Transfers	$ 1,401,902	$ 1,401,902

The transfers represent both routine and non-routine items. Generally, routine transfers occur to meet the operating purposes of another fund, such as the transfers by the Water of $900,000, to the General Fund for unallocated operating and overhead expenses. Other routine transfers occur to reimburse the General Fund for road repair and maintenance expenditures covered by the Motor Fuel Tax and expenditures on behalf of TIF districts and debt service funds. Transfers to/from other funds offset one another and are therefore not reported in the Government-wide statement of activities.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS

ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF)

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

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

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

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms: As of December 31, 2017 the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	188
Active Plan Members – Village	55
Active Plan Members – Library	19
Total	262

Contributions: As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village and Library's annual required contribution rate for calendar year 2017 were 9.27%. For the fiscal year ended

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

April 30, 2018, the Village contributed $284,338 and the Library contributed $67,131 to the plan. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability: The Village's net pension liability for IMRF was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.50%
Salary Increases	3.39% to 14.525%
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016
Mortality	For non-disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, and IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2017 Illinois Municipal Retirement Fund annual actuarial valuation. The investment rate of return of 7.50% is unchanged from the prior year rate. There were no other significant changes in assumptions. There were no benefit changes since the prior measurement date. The Village is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability.

Expected return on pension plan investments: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	37.00%	6.85%
International Equity	18.00%	6.75%
Fixed Income	28.00%	3.00%
Real Estate	9.00%	5.75%
Alternative Investments	7.00%	N/A
Cash Equivalents	1.00%	2.25%
	100.00%	

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

(1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits and

2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2017 to arrive at the discount rates used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.31%, and the resulting single discount rate is 7.50%, which is unchanged from the previous measurement date. The last year the plan is expected to be fully funded is December 31, 2117.

Changes in the Net Pension Liability for the IMRF plan - Village

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset)/Liability (a) - (b)
Balances at 12/31/16	18,748,456	17,474,508	1,273,948
		-	
Changes for the year:		-	
Service Cost	347,611	-	347,611
Interest	1,375,979	-	1,375,979
Actuarial Experience	(591,540)	-	(591,540)
Assumption Changes	(556,468)	-	(556,468)
Contributions - Employer	-	284,338	(284,338)
Contributions - Employee	-	143,165	(143,165)
Net Investment Income	-	2,972,420	(2,972,420)
Benefit payments, including refunds	(769,712)	(769,712)	-
Other (net Transfer)	-	(291,209)	291,209
Net Changes	(194,130)	2,339,002	(2,533,132)
Balances at 12/31/17	18,554,326	19,813,510	(1,259,184)

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Changes in the Net Pension Liability for the IMRF plan - Component Unit - Library

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset)/Liability (a) - (b)
Balances at 12/31/16	$ 4,564,778	$ 4,292,554	$ 272,224
Changes for the year:			
Service Cost	82,069	-	82,069
Interest	352,948	-	352,948
Actuarial Experience	(139,659)	-	(139,659)
Assumption Changes	(131,379)	-	(131,379)
Contributions - Employer	-	67,131	(67,131)
Contributions - Employee	-	33,800	(33,800)
Net Investment Income	-	701,770	(701,770)
Benefit payments, including refunds	(181,724)	(181,724)	-
Other (net Transfer)	-	(68,753)	68,753
Net Changes	(17,745)	552,224	(569,969)
Balances at 12/31/17	$ 4,547,033	$ 4,844,778	$ (297,745)

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Village, calculated using the discount rate of 7.50%, as well as what the Village's net pension liability for IMRF plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

IMRF Plan	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Village's Net Pension (Asset)/Liability	$ 1,096,390	$ (1,259,184)	$ (3,170,045)
Component Unit - Library's Net Pension (Asset)/Liability	258,851	(297,745)	(748,428)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2018 the Village recognized pension income of $505 and the Library recognized pension expense of $24,565 for the IMRF plan. At April 30, 2018, the Village reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

	Village		Component Unit - Library	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 564,899	$ -	$ 130,104
Changes of assumptions	2,077	392,584	511	92,631
Change in proportionate share	39,785	67,815	28,030	-
Net difference between projected and actual earnings on pension plan investments	-	817,007	-	189,302
Total Deferred amounts to be recognized in pension expense in future periods	41,862	1,842,305	28,541	412,037
Pension Contributions made subsequent to the Measurement Date	95,030	-	24,475	-
Total Deferred Amounts Related to Pensions	$ 136,892	$ 1,842,305	$ 53,016	$ 412,037

$95,030 and $24,475 reported as deferred outflows of resources related to pensions resulting from Village and Library contributions subsequent to the measurement date, respectively, will be recognized as a reduction of net pension liability in the reporting year ended April 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending April 30	Village Net Deferred Outflows of Resources	Component Unit - Library Net Deferred Outflows of Resources
2019	(600,069)	(114,463)
2020	(462,826)	(96,334)
2021	(402,555)	(93,487)
2022	(334,993)	(79,212)
Total	$ (1,800,443)	$ (383,496)

POLICE PENSION

Plan Description: Police sworn personnel are covered by the Police Pension Fund plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. There is no separate, audited GAAP-basis Police Pension Plan report available.

At April 30, 2018, the Police Pension Fund plan membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	35
Inactive employees entitled to but not yet receiving benefits	4
Active Employees	38
Total	77

The following is a summary of the Police Pension Fund plan as provided for in Illinois Compiled Statutes.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly pension of a police officer who retires with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed $106,800 however, that amount shall increase annually by the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Covered employees are required to contribute 9.91% of their base salary to the Police Pension Fund plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee-contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings. Employer contributions for fiscal year 2018 were $1,049,386. According to the State Statute, effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. Schedules of funding progress and employer contributions are presented in the RSI. For the year ended April 30, 2018, the Village's contribution was 30.14% of covered payroll. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Basis of Accounting - The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan assets are recorded when earned and deductions from net plan assets are recorded when the time related liabilities are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments - Fixed-income securities are reported at fair market value. Short-term investments are reported a cost which approximates market value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any,

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

are reported at estimated fair value. Gains and losses of investments represent the increase (decrease) of cost over market value.

Net Pension Liability: The Village's net pension liability for the Police Pension plan was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (economic)	
Actuarial cost method	Entry Age Normal - Percentage of Pay
Asset valuation method	Five-year linear smoothing
Compensation increase	0-2 years, 8.00%; 3+years, 4.00%
Projected increase in total payroll	4.00%
Inflation	2.50%
Investment rate of return	6.00%
Cost of living increases	1.25% per annual simple increase for Tier II
Compensation limit increase	2.50% per annum increase for benefits for Tier II
Administrative expenses	$54,000, assumed to increase at the inflation rate in future years

Mortality rates were based on the RP-2014 Blue Collar Mortality Table Adjusted to 2006 for healthy participants and RP-2014 Disabled Retiree Mortality Table Adjusted to 2006 for disabled retirees, and both were projected generationally with mortality improvement scale MP-2017.

Assumption changes: The assumed administrative expenses payable from the Fund was increased from $45,000 to $54,000. The mortality table assumption was changed from the RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2016 to the RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2017.

Expected return on pension plan investments: The long-term expected rate of return on the Fund's investments has been selected as the best estimate of future investment return experience over the life of the Fund (from a participant's hire through the satisfaction of all benefit payments to the participants). The assumption was determined using a building-block approach based upon best-estimate ranges of expected future rates of return developed for each significant asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. The expected rate of return provided represent geometric averages. The expected rate of return and target allocation for each significant asset class has been provided by the professional investment advisor for the Fund and are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	40.07%	4.24%
Fixed Income	50.77%	2.34%
Cash	9.16%	-1.37%
Total	100.00%	

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Discount rate: The discount rate is 6.00%. For each future year, the fiduciary net position of the Fund is determined by accounting for all projected future cash flows into and out of the Fund. Projected contributions into the Fund reflect current employee contribution rates (which are assumed to be unchanged) and expected employer contributions (based upon projected actuarially determined contributions under the funding contribution policy and actual historical and expected contribution patterns for the employer). To the extent the fiduciary net position of the Fund is sufficient to provide for the projected benefit payments in a given future year, the benefit payments are discounted using the long-term expected rate of return. If the fiduciary net position of the Fund is not sufficient to provide for the projected benefit payments in a given future year, the benefit payments are discounted using the municipal bond rate. The discount rate assumption is the single equivalent discount rate which would result in the same discounted value of future benefit payments determined pursuant to the description above. Because the Fund's projected fiduciary net position is always projected to be sufficient to cover the projected benefit payment of the Fund, the discount rate is equal to the long-term expected rate of return.

Changes in the Net Pension Liability for the Police Pension plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at May 1, 2017	$ 55,736,513	$ 21,709,885	$ 34,026,628
Changes for the year:			
Service cost	1,201,235	-	1,201,235
Interest	3,288,138	-	3,288,138
Actuarial experience	191,576	-	191,576
Differences between expected and actual experience	(374,376)	-	(374,376)
Contributions - employer	-	1,049,386	(1,049,386)
Contributions - employee	-	348,019	(348,019)
Net investment income	-	547,914	(547,914)
Benefit payments, including refunds	(1,868,414)	(1,868,414)	-
Administrative expense	-	(71,282)	71,282
Net changes	2,438,159	5,623	2,432,536
Balances at April 30, 2018	$ 58,174,672	$ 21,715,508	$ 36,459,164

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Village, calculated using the discount rate of 6.00%, as well as what the Village's net pension liability for Police Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
Police Net Pension Liability	$ 46,108,677	$ 36,459,164	$ 28,764,528

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2018 the Village recognized pension expense of $5,604,459 for the Police Pension plan. At April 30, 2018, the Village reported deferred inflows or resources and deferred outflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 153,261	$ 482,190
Changes of assumptions	5,035,247	299,501
Net difference between projected and actual earnings on investments	1,064,280	-
Total	$ 6,252,788	$ 781,691

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

Year Ended April 30	
2019	$ 2,678,149
2020	2,678,147
2021	3,679
2022	111,122
Total	$ 5,471,097

Rate of Return: For the year ended April 30, 2018, the annual money-weighted rate of return on Police pension plan investments, net of pension plan investment expense, was 2.52 percent. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

FIREFIGHTERS' PENSION

Plan Description: Firefighter sworn personnel are covered by the Firefighters' Pension Fund plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contributions levels are mandated by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. There is no separate audited Firefighter's Pension Plan report available.

At April 30, 2018, the Firefighters' Pension Fund plan membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	31
Inactive employees entitled to but not yet receiving benefits	0
Active Employees	23
Total	54

The following is a summary of the Firefighters' Pension Fund plan as provided for in Illinois State Statutes.

Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at $106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Covered employees are required to contribute 9.455% of their salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts (not less than 9 1/4%) necessary to finance the plan as actuarially determined by an enrolled actuary. Administrative costs are financed through investment earnings. Employer contributions for 2018 were $782,007. According to the State Statute, effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan. For the year ended April 30, 2018, the Village's contribution was 37.70% of covered payroll. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Basis of Accounting: The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan assets are recorded when earned and deductions from net plan assets are recorded when the time related liabilities are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments: Fixed-income securities are reported at fair market values. Short-term investments are reported at cost which approximates market value. Investment income is recognized when earned. 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. Gains and losses of investments represent the increase (decrease) of cost over market value.

Net Pension Liability: The Village's net pension liability for the Firefighters' Pension plan was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Actuarial assumptions: The total pension liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (economic)	
Actuarial cost method	Entry Age Normal - Percentage of Pay
Asset valuation method	Five-year linear smoothing
Compensation increase	0-2 years, 8.00%; 3+ years, 4.00%
Projected increase in total payroll	4.00%
Inflation	2.50%
Investment rate of return	7.00%
Cost of living increases	1.25% per annual simple increase for Tier II
Compensation limit increase	2.50% per annum increase for benefits for Tier II
Administrative expense	$31,000, assumed to increase at the inflation rate in future years

Mortality rates were based on the RP-2014 Blue Collar Mortality Table Adjusted to 2006 for healthy participants and RP-2014 Disabled Retiree Mortality Table Adjusted to 2006 for disabled retirees and projected generationally with mortality improvement scale MP-2017.

Assumption changes: The assumed administrative expenses payable from the Fund was updated from $32,000 to $31,000. The mortality table assumption was changed from the RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2016 to the RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2017.

Expected return on pension plan investments: The long-term expected rate of return on the Fund's investments has been selected as the best estimate of future investment return experience over the life of the Fund (from a participant's hire through the satisfaction of all benefit payments to the participants). The assumption was determined using a building-block approach based upon best-estimate ranges of expected future rates of return developed for each significant asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. The expected rate of return provided represent geometric averages. The expected rate of return and target allocation for each significant asset class has been provided by the professional investment advisor for the Fund and are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	27%	6.71%
U.S. Mid Cap Equity	3%	7.38%
U.S. Small Cap Equity	3%	7.87%
International Equity	16%	6.30%
Emerging Markets Equity	8%	8.86%
Real Estate Investment Trust	3%	5.61%
Fixed Income	37%	2.44%
Cash	3%	1.03%
Total	100%	

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Discount rate: The discount rate is 7.00%. For each future year, the fiduciary net position of the Fund is determined by accounting for all projected future cash flows into and out of the Fund. Projected contributions into the Fund reflect current employee contribution rates (which are assumed to be unchanged) and expected employer contributions (based upon projected actuarially determined contributions under the funding contribution policy and actual historical and expected contribution patterns for the employer). To the extent the fiduciary net position of the Fund is sufficient to provide for the projected benefit payments in a given future year, the benefit payments are discounted using the long-term expected rate of return. If the fiduciary net position of the Fund is not sufficient to provide for the projected benefit payments in a given future year, the benefit payments are discounted using the municipal bond rate. The discount rate assumption is the single equivalent discount rate which would result in the same discounted value of future benefit payments determined pursuant to the description above. Because the Fund's projected fiduciary net position is always projected to be sufficient to cover the projected benefit payment of the Fund, the discount rate is equal to the long-term expected rate of return.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at May 1, 2017	$ 37,032,769	$ 14,987,147	$ 22,045,622
Changes for the year:			
Service cost	660,667	-	660,667
Interest	2,528,988	-	2,528,988
Differences between expected and actual experience	194,745	-	194,745
Changes in assumptions	(224,570)	-	(224,570)
Contributions - employer	-	782,007	(782,007)
Contributions - employee	-	205,077	(205,077)
Net investment income	-	1,158,264	(1,158,264)
Benefit payments, including refunds	(1,808,746)	(1,808,746)	-
Administrative expense	-	(34,347)	34,347
Net changes	1,351,084	302,255	1,048,829
Balances at April 30, 2018	$ 38,383,853	$ 15,289,402	$ 23,094,451

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Village, calculated using the discount rate of 7.00%, as well as what the Village's net pension liability for the Firefighters' Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Village's net pension liability for the Firefighters' Net Pension Liability	$ 28,479,645	$ 23,094,451	$ 18,703,074

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2018 the Village recognized pension expense of $3,145,147 for the Firefighters' Pension plan.

At April 30, 2018, the Village reported deferred inflows or resources and deferred outflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 531,017	$ -
Changes of assumptions	1,659,310	179,656
Net difference between projected and actual earnings on investments	126,626	-
Total	$ 2,316,953	$ 179,656

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

Year Ended April 30	
2019	$ 1,145,362
2020	1,145,362
2021	(119,641)
2022	(33,786)
Total	$ 2,137,297

Rate of Return: For the year ended April 30, 2018, the annual money-weighted rate of return on the Firefighters' pension plan investments, net of pension plan investment expense, was 8.07 percent. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Pension Plan Information

Fiduciary Net Position:

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ASSETS			
Cash and cash equivalents	$ 1,131,885	$ 1,206,302	$ 2,338,187
Investments			
Corporate bonds	-	1,943,660	1,943,660
Government securities	8,018,294	2,222,296	10,240,590
Mutual funds	6,417,195	9,891,740	16,308,935
Insurance contracts	6,117,192	-	6,117,192
Total investments	20,552,681	14,057,696	34,610,377
Interest receivable	26,299	32,813	59,112
Prepaid items	6,193	3,106	9,299
Total assets	21,717,058	15,299,917	37,016,975
LIABILITIES			
Accounts payable	1,550	10,515	12,065
Total liabilities	1,550	10,515	12,065
NET POSITION			
Net position restricted for pensions	$ 21,715,508	$ 15,289,402	$ 37,004,910

Changes in Plan Net Position:

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ADDITIONS			
Contributions			
Employer	$ 1,049,386	$ 782,007	$ 1,831,393
Plan members	348,019	205,077	553,096
Total contributions	1,397,405	987,084	2,384,489
Investment earnings			
Net Change in Fair Value of Investments	(172,377)	690,655	518,278
Interest	721,383	504,571	1,225,954
Less investment Expense	(240)	(36,962)	(37,202)
Net investment income	548,766	1,158,264	1,707,030
Total additions	1,946,171	2,145,348	4,091,519
DEDUCTIONS			
Benefits and refunds	1,868,415	1,808,746	3,677,161
Administrative expenses	72,133	34,347	106,480
Total deductions	1,940,548	1,843,093	3,783,641
Increase (decrease) in net position	5,623	302,255	307,878
Plan net position at beginning of year	21,709,885	14,987,147	36,697,032
Plan net position at end of year	$ 21,715,508	$ 15,289,402	$ 37,004,910

(Continued)

NOTE 7 - DEFINED BENEFIT PENSION PLANS (Continued)

Summary:

	IMRF	Police	Firefighters'	Total
Net Pension Asset	$ 1,556,929	$ -	$ -	$ 1,556,929
Net Pension Liability	-	36,459,165	23,094,451	59,553,616
Deferred Outflows of Resources	189,908	6,252,788	2,316,953	8,759,649
Deferred Inflows of Resources	2,254,342	781,691	179,656	3,215,689
Pension Expense	24,060	5,604,459	3,145,147	8,773,666

	Governmental Activities	Business-Type Activities	Library	Total
Net Pension Asset	$ 1,201,118	$ 58,066	$ 297,745	$ 1,556,929
Net Pension Liability	59,553,616	-	-	59,553,616
Deferred Outflows of Resources	8,660,066	46,567	53,016	8,759,649
Deferred Inflows of Resources	2,705,347	98,305	412,037	3,215,689
Pension Expense	8,742,393	6,708	24,565	8,773,666

NOTE 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description. The Village provides the continuation of health care benefits and life insurance to Police, Fire, and Municipal employees who retire from the Village in accordance with Illinois Compiled Statutes. Employees who terminate after reaching retirement eligibility in the plan are eligible to elect to continue their health care coverage by paying the monthly premium rate. Because the actuarial cost of health benefits for retirees exceeds the average amount paid by retirees, the additional cost is paid by the Village and is the basis for the OPEB obligation is accounted for under GASB Statement 45. The Village Council has the authority of establishing and amending benefits offered by this plan. The OPEB plan is a single-employer plan. There is no separate, audited GAAP-basis postemployment benefit plan report available. At May 1, 2016 (the most recent actuarial valuation date), the OPEB plan membership consisted of:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	-
Active employees	95
Total	111

Funding Policy. Funding is provided by the Village on a pay-as-you-go basis. Retirees and their dependents may continue coverage under The Village of Forest Park's group health program by contributing a monthly premium. They may participate in any of the plans available to active employees. The Village pays the difference between the actuarial cost of the health coverage for retirees and the blended average employee group cost. The Village's contribution on behalf of the employees to the insurance provider was $97,169 for 2018.

Annual OPEB Cost and Net OPEB Obligation. The Village's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the *Entry Age actuarial method,* an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following table shows the components of the Village's annual OPEB cost for fiscal year 2018, the amount actually contributed to the plan, and changes in the Village's net OPEB obligation:

(Continued)

NOTE 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation	April 30, 2018
Annual required contribution	$ 266,425
Interest on net OPEB obligation	28,810
Adjustment to annual required contribution	(24,009)
Annual OPEB cost	271,226
Contributions made	97,169
Increase (decrease) in net OPEB obligation	174,057
Net OPEB obligation beginning of year	720,262
Net OPEB obligation end of year	$ 894,319

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2018 was as follows:

Three Year Trend Information

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/2016	$ 165,459	44.7%	$ 547,357
4/30/2017	270,074	36.0%	720,262
4/30/2018	271,226	35.8%	894,319

Funded Status and Funding Progress. As of May 1, 2016 (the most recent actuarial valuation date), the plan was unfunded. The actuarial accrued liability for benefits was $2,585,629.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2016	$ -	$ 2,585,629	$ 2,585,629	0.0%	$ 9,326,113	27.7%
4/30/2017*	-	2,585,629	2,585,629	0.0%	9,326,113	27.7%
4/30/2018*	-	2,585,629	2,585,629	0.0%	9,326,113	27.7%

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 trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types

(Continued)

NOTE 8 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2017 actuarial valuation, the entry age normal – level percentage of pay actuarial cost method was used. The actuarial assumptions included a 4.0 percent discount rate and an annual healthcare cost trend rate of 6.5 percent initially, reduced by decrements to an ultimate rate of 4.0 percent. Both rates included a 2.5 percent inflation assumption. The plan is not funded, and therefore, there is no actuarial value of assets methodology applied. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2018, was thirty years.

NOTE 9 - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. Medical and liability risks are covered by commercial insurance purchased from independent third parties. There has been no significant change in coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

NOTE 10 - FUND BALANCES

Restricted for Separate Tax Levies

Included in the General Fund's balance are the financial position and results of operations of five separate tax levies. The Village considers these five tax levies as departments of the General Fund since none of these "funds" are self-sufficient. The changes in the fund balances of these tax levies for the fiscal year ended April 30, 2018 are as follows:

	Restricted Fund Balance	Revenue			Restricted Fund Balance
	5/1/2017	Specified	Subsidized	Expenditures	4/30/2018
Fire Protection	$ -	$ 1,425,000	$ 1,525,225	$ 2,950,225	$ -
Trees and Forestry	-	75,000	146,769	221,769	-
Insurance	-	300,000	653,457	953,457	-
Playground/Recreation	659,419	-	-	8,395	651,024
Police Protection	-	1,680,000	3,147,688	4,827,688	-
Totals	$ 659,419	$ 3,480,000	$ 5,473,139	$ 8,961,534	$ 651,024

Subsidized revenue, per above, is the subsidy needed from the Village to fund the total expenditures of the five separate tax levies.

Deficit Fund Equity: The following funds had deficit fund balances/net position as of April 30, 2018. These balances are expected to be reduced through future revenues or transfers

General Fund	$ 274,838
Illinois Municipal Retirement Fund	501,527
Social Security Fund	125,353

(Continued)

NOTE 11 - FRANCHISE FEES

The Village has granted two franchises, one to AT&T (formerly SBC/Ameritech) for telephone service and one to AT&T Comcast (formerly Media One of Northern Illinois, Inc., a division of AT&T).

The AT&T franchise agreement dated November 19, 1984 provides that the Village will share in the aggregate franchise payment AT&T pays to all Illinois municipalities (except Chicago). The aggregate franchise fee is negotiated between the State and AT&T. The franchise fee is allocated to the Village based on the number of access lines into the community. Franchise fees are paid monthly to the Village. The franchise can be terminated by either party with 60-day written notice.

The Media One of Northern Illinois, Inc., a division of AT&T, franchise agreement dated June 12, 2000, is a 15-year agreement for the operation of cable television in the Village. The contract is continued under the successor company, Comcast Corp. As of 2002, the franchise fee is 5% of gross revenues and is paid to the Village quarterly for sales in the preceding quarter.

NOTE 12 - TAX INCREMENT FINANCING

Forest Park Mall TIF

The Village issued $6,200,000 of General Obligation Tax Increment Bonds Series 1994 to fund certain eligible costs within its Forest Park Mall Tax Increment Financing (TIF) District. The original Series 1994 was refunded in fiscal year 2003 with General Obligation Refunding Tax Increment Bonds Series 2002. The principal economic activity stimulated was the construction and subsequent opening of a Wal-Mart Store.

The redevelopment agreement and the bond ordinance for the 1994 bonds allocate the proceeds of the bond issue as follows:

$4,500,000	(Plus one-half of the total amount of interest having accrued in the escrow) To Wal-Mart Stores, Inc., payable no later than 30 days after the store opens and conducts sales activity.
$600,000	To Teachers Retirement System or the State of Illinois, the developer, payable once Wal-Mart Stores, Inc. acquires title to the property.
$935,500	For capitalized interest payment made semiannually starting June 1, 1994 through December 1, 1996.
$164,500	For bond issuance costs.

All construction activity and payouts under the tax increment financing were completed in 1995 and that Capital Projects Fund was closed. Debt service commitments were fulfilled in 2016.

Covenants: The bond ordinance required the Village to establish and fund separate accounts held by U.S. Bank as trustee for the principal and interest payments on the bond issue. Three separate accounts have been established.

(Continued)

NOTE 12 - TAX INCREMENT FINANCING (Continued)

The second account is for the deposit of the TIF real estate taxes received on all parcels within the redevelopment area. TIF real estate taxes represent additional real estate taxes assessed because of the increase in the Equalized Assessed Valuation prior to the effective date of the TIF establishment. That is, all taxing entities (i.e., County, Village, Schools, etc.) continue to receive their share of taxes attributable to the 1993 Equalized Assessed Valuation in effect at the TIF establishment. The Village receives the entire portion of incremental real estate taxes, if any, because of the increase in the Equalized Assessed Valuation in 1993 and subsequent years, solely for deposit into a Special Tax Allocation Fund. All TIF real estate taxes are to be used first for the retirement of principal and interest. If TIF real estate tax collections exceed principal and interest requirements plus other redevelopment costs, under state law the Village is required to declare a "surplus" and send to Cook County, any such monies for the purpose of distribution to all relevant taxing entities (County, Schools, Park District, etc.).

Amalgamated Bank of Chicago, the successor to U.S. Bank, as the bond trustee, is to make an accounting each November of the available funds in the various trustee accounts. The bond ordinance requires a sufficient fund balance first from the incremental property taxes account and then from the sales tax account to meet the next three semi-annual principal and interest payments. If the accounting determines that excess funds are available beyond the next three payments, then the trustee can transfer any excess sales taxes to the Village for its unrestricted use. Also, the bond issue does provide for early retirement under certain conditions. If a proper accounting determines that insufficient funds are available to meet the next three payments then the trustee informs the Village of the deficiency amount, which should then be deposited into the third account. The elected Village officials decide whether to fund the deficiency from other available resources or by not fully abating property taxes secured by the bonds.

Roosevelt-Hannah TIF

The Village entered into a redevelopment agreement with the Living Word Christian Center (LWCC) to redevelop what was then known as the Forest Park Mall. The area comprising the shopping plaza was a part of the original Forest Park Mall TIF which at the time was used to make debt service payments on the original debt (see above). The shopping plaza acquired by LWCC was separated from the Forest Park Mall TIF area in 2002 and the area east of the Wal-Mart to Hannah Avenue was named the Roosevelt-Hannah TIF.

Upon satisfaction of the conditions contained in the agreement, the Village agrees to reimburse eligible costs from TIF funds to LWCC annually as follows: 50% of tax increment; and 50% of municipal sales taxes (MST) generated by new businesses opening in the shopping plaza. This agreement expired upon payment of a total of $4,900,000.

In addition, the TIF funds are used to make debt service payments on the Series 2003A Bond, which financed initial eligible costs.

In an additional business development agreement with SVT, LLC, doing business as Ultra Foods, the Village agreed to pay to SVT $78,000 per year for two years, and 50% of MST generated in years 10 through 20 of the lease with LWCC, not to exceed $1,260,000.

Brown Street Station TIF

In 2000, the Village formed the Brown Street Station TIF for the far northeast area of town to Harlem Avenue and south along Harlem to Dixon. Property Tax increment has been accumulating and at the beginning of fiscal year 2016 totaled $5 million. There is currently an agreement between the Village and Nunley LLC Elite Tire.

(Continued)

NOTE 12 - TAX INCREMENT FINANCING (Continued)

During fiscal year 2018, the Brown Street Station area was enhanced at the cost of $14,429 for redevelopment improvements. Further infrastructure improvements will be made as necessary in anticipation of the area being developed.

NOTE 13 - BUSINESS DEVELOPMENT AGREEMENTS AND TAX ABATEMENTS

Bed Bath and Beyond, Inc.: In February, 2004, the Village entered into an agreement with NWC Harlem Washington LLC to facilitate the redevelopment, remodeling and upgrading of the property to be leased by Bed Bath and Beyond at the corner of Washington and Harlem in Forest Park. The property was subsequently sold to Bed Bath and Beyond of Forest Park, LLC and the agreement was assigned. Under the terms, the Village agrees to rebate 50% of municipal sales taxes generated for 13 years up to a maximum of $400,000.

As of April 30, 2018, the Village has paid $385,189 to Bed Bath and Beyond of Forest Park, LLC.

Currie Motors Chevrolet: On May 1, 2010, the Village entered into an agreement with Currie Motors Chevrolet to reimburse Currie for costs associated with opening a new expanded facility on Roosevelt Road. Under the terms, the Village agrees to rebate 50% of municipal sales taxes generated above $50,000 per year for 15 years up to maximum of $1,250,000.

As of April 30, 2018, the Village has paid $1,250,000 to Currie Motors Chevrolet.

Hawk Chrysler Dodge Jeep: On March 12, 2012, the Village entered into an agreement with Hawk Chrysler Dodge Jeep to reimburse the company for costs associated with expanding their current facility on Roosevelt Road. Under the terms, the Village agrees to rebate 60% of municipal sales taxes generated (above a base sales tax revenue amount of $195,000) for years 1 through 7, and 35% of municipal sales taxes generated for years 8 through 10, up to a maximum of $700,000.

As of April 30, 2018, the Village has paid $539,235 to Hawk Chrysler Dodge Jeep.

Grand Appliance, Inc.: On March 27, 2012, the Village entered into an agreement with 7436-40 Madison Street, LLC to facilitate the redevelopment, remodeling and upgrading of the property to be leased by Grand Appliance, Inc. located at 7436-7440 Madison Street in Forest Park. Under the terms, the Village agrees to rebate 60% of municipal sales taxes generated (above an annual base sales tax revenue amount of $500,000) for years 1 through 7, and 35% of municipal sales taxes generated for years 8 through 10, up to a maximum of $300,000.

As of April 30, 2018, the Village has paid $89,401 to Grand Appliance, Inc.

Cook County Class 6b Property Tax Incentive Program: Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

(Continued)

NOTE 13 - BUSINESS DEVELOPMENT AGREEMENTS AND TAX ABATEMENTS (Continued)

The Village is affected by Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

Municipalities have granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the Village and the other impacted taxing districts than would have been generated if the development had not occurred. The Village's tax revenues are reduced due to the agreements entered into by these municipalities.

For the fiscal year ending April 30, 2018, the Village's share of the abatement granted to the Class 6b properties was approximately $47,000.

NOTE 14 - FOREST PARK PUBLIC LIBRARY

<u>Cash and Investments</u>

Permitted Deposits and Investments – Statutes authorize the Library 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 the 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.

<u>Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration Risk</u>

Deposits – At year end, the carrying amount of the Library's deposits totaled $849,138 and the bank balances totaled $902,097. Additionally, at year end the Library has $1,773,669 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 Library's investment policy states that investments will be made only in securities guaranteed by the U.S. government, or in FDIC insured institutions including SAIF of the FDIC. The policy further states that the fund should maintain sufficient liquidity to meet current obligations and those reasonably to be anticipated. Specifically, investments should be managed to meet liquidity needs for the current month plus one month (based on forecasted needs) and any reasonably anticipated special needs. The Library's investment in the Illinois Funds has a maturity of less than one year.

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in instruments authorized under state statute, the Library's investment policy states that investments are to be limited to securities guaranteed by the U.S. government, or in FDIC insured institutions including SAIF of the FDIC. At year end, the Library's investment in the Illinois Funds is rated AAAm by Standard & Poor's.

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy states deposit accounts in banks or savings and loan institutions will not exceed the amount insured by FDIC coverage unless adequately collateralized pursuant to regulations of the Federal Reserve regarding custody and safekeeping of collateral. At year end, the entire amount of the bank balance of deposits was 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 Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library's investment policy does not specifically address custodial credit risk for investments. At year end, the Library's investment in the Illinois Funds is not subject to custodial credit risk.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. The Library's investment policy states funds should be diversified appropriately to the nature and amount of the funds. At year end, the Library's investment in the Illinois Funds represents more than 5% of the total cash and investments portfolio.

Property Taxes

The Library submits its tax levy to the Village Council of the Village of Forest Park, Illinois for approval. Once approved, the Village submits the Library's tax levy to the Cook County Clerk's office. The Library's property taxes are levied each calendar year on all taxable real property located within the Library District and accrued as unavailable revenue in the fiscal year of levy. Property taxes due within the current fiscal year and collected within 60 days subsequent to year-end are recorded as revenue. The Cook County Assessor is responsible for assessment of all taxable real property within Cook County.

The Cook County Clerk computes the annual tax for each parcel of real property and prepares tax books used by the Cook County Collector as the basis for issuing tax bills to Cook County taxpayers. The Cook County Collector collects all property taxes and submits them to the County Treasurer, who remits them to the Library. Taxes must be levied by the last Tuesday in December and are payable in two installments, on March 1 and August 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1 of the levy year.

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Capital Assets

	Balance at May 1, 2017	Additions	Deletions	Balance at April 30, 2018
Capital assets not being depreciated:				
Land	$ 134	$ -	$ -	$ 134
Capital assets being depreciated:				
Buildings	1,563,936		-	1,563,936
Furniture and equipment	226,447	-	-	226,447
Computer equipment	224,270		-	224,270
Collections	1,111,504	241,842	221,422	1,131,924
Subtotal	3,126,157	241,842	221,422	3,146,577
Accumulated depreciation				
Buildings	(911,535)	(51,990)	-	(963,525)
Furniture and equipment	(193,442)	(4,710)	-	(198,152)
Computer equipment	(180,766)	(10,438)	-	(191,204)
Collections	(563,894)	(224,342)	(221,422)	(566,814)
Subtotal	(1,849,637)	(291,480)	(221,422)	(1,919,695)
Total capital assets being depreciated, net	1,276,520	(49,638)	-	1,226,882
Capital assets, net	$ 1,276,654	$ (49,638)	$ -	$ 1,227,016

Depreciation expense of $291,480 was charged to the public library function.

Long-Term Debt

	Balance Beginning	Additions	Deletions	Ending Balance	Principal Due Within One Year
Net Pension (Asset) Liability - IMRF	$ 272,224	$ -	$ 569,969	$ (297,745)	$ -

Net Position Restrictions

The following is a summary of the changes in restricted net position during the year:

	Beginning Balances	Increases	Decreases	Ending Balances
General Fund				
Unemployment Insurance	$ 2,284	$ 14	$ -	$ 2,298
Workers Compensation	43,238	-	7,285	35,953
Special Revenue Funds				
Audit	2,482	-	428	2,054
Social Security	12,767	1,716	-	14,483
IMRF	59,258	6,604	-	65,862
Total	$ 120,029	$ 8,334	$ 7,713	$ 120,650

(Continued)

NOTE 14 - FOREST PARK PUBLIC LIBRARY (Continued)

Risk Management

The Library is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Library carries commercial insurance for all risks of loss including worker's compensation and employee health insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past fiscal year.

Employee Retirement System – Defined Benefit Pension Plan

Illinois Municipal Retirement System: See Note 8 for disclosures.

NOTE 15 - NEW GOVERNMENT ACCOUNTING STANDARDS

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The requirements of this Statement are effective for the Village's financial year ending April 30, 2019. This statement will have an effect on the financial statements of the Village and the OPEB liability will be added to the Statement of Net Position.

In November 2016, the GASB issued Statement 83, *Certain Asset Retirement Obligations*. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). This Statement is effective for the Village's fiscal year ended April 30, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.

In January 2017, the GASB issued Statement 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement is effective for the Village's fiscal year ended April 30, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.

In March 2017, the GASB issued Statement 85, *Omnibus 2017*. The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. This Statement is effective for the Village's fiscal year ended April 30, 2019. Management has not determined what impact, if any, this statement will have on its financial statements.

(Continued)

NOTE 15 - NEW GOVERNMENT ACCOUNTING STANDARDS (Continued)

In March 2017, the GASB issued Statement 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources (resources other than the proceeds of refunding debt) are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the Village's fiscal year ended April 30, 2019. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2017, the GASB issued Statement 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This Statement is effective for the Village's fiscal year ended April 30, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

In April 2018, GASB issued Statement No. 88 *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this Statement is effective for the Village's fiscal year ended April 30, 2020. Management has not yet determined the impact of this statement on its financial statements.

In June 2018, GASB issued Statement No. 89 *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement is effective for the Village's fiscal year ended April 30, 2021. Management has not yet determined the impact of this statement on its financial statements.

In August 2018, GASB issued State No. 90 *Majority Equity Interest*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization to improve the relevance of financial statement information. The requirements of this Statement is effective for the Village's fiscal year ended April 30, 2020. Management has not determined what impact, if any, this statement will have on its financial statements.

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS
Year Ended April 30, 2018

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
4/30/18*	$ -	$ 2,585,629	0.0%	$ 2,585,629	$ 9,326,113	27.7%
4/30/17*	-	2,585,629	0.0%	2,585,629	9,326,113	27.7%
4/30/16	-	2,585,629	0.0%	2,585,629	9,326,113	27.7%
4/30/15*	-	2,791,372	0.0%	2,791,372	8,770,768	31.8%
4/30/14*	-	2,791,372	0.0%	2,791,372	8,770,768	31.8%
4/30/13	-	2,791,372	0.0%	2,791,372	8,770,768	31.8%
4/30/12	-	2,035,510	0.0%	2,035,510	8,046,576	25.3%

*Results from prior year

Actuarial valuation date	May 1, 2016
Actuarial cost method	Entry Age
Amortization method	Level % payroll, open
Remaining amortization period	30 years
Actuarial valuation method	Not applied as plan is not funded
Significant actuarial assumptions:	
Investment rate of return*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	6.50% initial 4.00% ultimate
Employer Provided Benefit	Current Health Insurance Premium for Retired Employees ($496/month starting for employees up to $1,814/month for employees and family)
*Includes inflation at	2.50%

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND NET POSTIION
AND RELATED RATIOS
Last Three Fiscal Years

	2018	2017	2016
Total Pension Liability			
Service Cost	$ 429,680	$ 406,200	$ 429,801
Interest	1,728,927	1,680,274	1,600,638
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(731,199)	(519,230)	(41,693)
Changes of Assumptions	(687,847)	(29,593)	28,247
Benefit Payments and Refunds	(951,436)	(909,773)	(917,151)
Net Change in Total Pension Liability	(211,875)	627,878	1,099,842
Total Pension Liability - Beginning	23,313,234	22,685,356	21,585,514
Total Pension Liability - Ending (a)	$ 23,101,359	$ 23,313,234	$ 22,685,356
Plan Fiduciary Net Position			
Contributions - Employer	$ 351,469	$ 363,038	$ 371,684
Contributions - Employee	176,965	173,610	173,145
Net Investment Income	3,674,190	1,468,842	107,707
Benefit Payments and Refunds	(951,436)	(909,773)	(917,151)
Other	(359,962)	(498,946)	(292,733)
Net Change in Plan Fiduciary Net Position	2,891,226	596,771	(557,348)
Plan Fiduciary Net Position - Beginning	21,767,062	21,170,291	21,727,639
Plan Fiduciary Net Position - Ending (b)	$ 24,658,288	$ 21,767,062	$ 21,170,291
Village's Net Pension Liability (a-b)	$ (1,556,929)	$ 1,546,172	$ 1,515,065
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	106.74%	93.37%	93.32%
Covered-Employee Payroll	$ 3,791,476	$ 3,857,997	$ 3,847,656
Village's Net Pension Liability as a Percentage of Covered Employee Payroll	-41.06%	40.08%	39.38%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Note to the Required Supplementary Information:
There were no significant changes in the methods and assumptions used to determine the total pension liability.

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
Year Ended April 30, 2018

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	$ 348,083	$ 365,399	$ 364,675	$ 413,686	$ 342,681	$ 415,230	$ 432,089	$ 362,867	$ 332,615	$ 277,756
Contributions in relation to the actuarially determined contribution	348,083	365,399	364,675	413,686	342,681	415,230	432,089	354,321	303,029	277,756
Contribution deficency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,546	$ 29,586	$ -
Covered-employee payroll	$ 3,756,331	$ 3,900,958	$ 3,808,302	$ 4,304,781	$ 3,913,496	$ 3,770,504	$ 3,652,956	$ 3,564,667	$ 3,634,262	$ 3,602,540
Contributions as a percentage of covered-employee payroll	9.27%	9.37%	9.58%	9.61%	8.76%	11.01%	11.83%	9.94%	8.34%	7.71%

Notes to Schedule

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

Methods and assumptions used to determine 2016 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	Taxing bodies: 26-year closed period
Asset valuation method	5-year smoothed market, 20% corridor
Wage growth	3.50%
Price inflation	2.75% - approximate; No explicit price inflation assumption is used in this valuation
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other information:

Changes	There were no benefit changes during the year

The calculation of the 2016 contribution rate is based on valuation assumptions used in the December 31, 2015 actuarial valuation.

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
Year Ended April 30, 2018

	2018	2017	2016	2015
Total pension liability				
Service cost	$ 1,201,235	$ 1,213,889	$ 722,375	$ 716,672
Interest	3,288,138	3,170,137	2,899,286	2,764,614
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	191,576	(607,425)	(294,336)	8,846
Changes of assumptions	(374,376)	-	12,588,119	-
Benefit payments, including refunds of member contributions	(1,868,414)	(1,751,422)	(1,722,513)	(1,666,508)
Net change in total pension liability	2,438,159	2,025,179	14,192,931	1,823,624
Total pension liability - beginning	55,736,514	53,711,335	39,518,404	37,694,780
Total pension liability - ending (a)	$ 58,174,673	$ 55,736,514	$ 53,711,335	$ 39,518,404
Plan fiduciary net position				
Contributions - employer	$ 1,049,386	$ 897,068	$ 860,422	$ 672,901
Contributions - employee	348,019	489,953	319,101	311,953
Net investment income	547,914	1,174,243	478,339	1,161,181
Benefit payments, including refunds of member contributions	(1,868,414)	(1,751,422)	(1,722,513)	(1,666,508)
Administrative expense	(71,280)	(46,091)	(38,865)	(42,381)
Other	-	-	-	-
Net change in plan fiduciary net position	5,625	763,751	(103,516)	437,146
Plan fiduciary net position - beginning	21,709,885	20,946,134	21,049,650	20,612,504
Plan fiduciary net position - ending (b)	$ 21,715,510	$ 21,709,885	$ 20,946,134	$ 21,049,650
Village's net pension liability (a-b)	$ 36,459,163	$ 34,026,629	$ 32,765,201	$ 18,468,754
Plan fiduciary net position as a percentage of the total pension liability	37.33%	38.95%	39.00%	53.27%
Covered-employee payroll	$ 3,384,468	$ 3,384,468	$ 3,381,383	$ 3,135,346
Plan's net pension liability (asset) as a percentage of covered-employee payroll	1077.25%	1005.38%	968.99%	589.05%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS
Year Ended April 30, 2018

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	$ 2,540,486	$ 1,326,465	$ 1,224,046	$ 938,198	$ 837,292	$ 771,013	$ 870,729	$ 810,717	$ 661,659	$ 561,697
Contributions in relation to the actuarially determined contribution	1,049,386	897,068	860,422	672,901	689,370	674,566	730,836	654,205	496,890	421,385
Contribution deficency (excess)	$ 1,491,100	$ 429,397	$ 363,624	$ 265,297	$ 147,922	$ 96,447	$ 139,893	$ 156,512	$ 164,769	$ 140,312
Covered-employee payroll	$ 3,482,238	$ 3,384,468	$ 3,381,383	$ 3,135,346	$ 3,044,271	$ 3,031,936	$ 2,968,822	$ 2,824,862	$ 2,698,737	$ 2,698,737
Contributions as a percentage of covered-employee payroll	30.14%	26.51%	25.45%	21.46%	22.64%	22.25%	24.62%	23.16%	18.41%	15.61%

Notes to Schedule:

Methods and addumption used to determine contribution rates:

Actuarial valuation date	May 1, 2018
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Pay
Remaining amortization period	23 years
Asset valuation method	To determine the actuarial value of assets, the current market value of assets is adjusted by a declining percentage of the unexpected asset gains or losses over the past four years.
Inflation	2.50%
Salary increases	0-2 years of service, 8.00% 3+ years of service, 4.00%
Investment rate of return	6.00%
Mortality	RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2017.

Notes to Police Pension Required Supplementary Information:

Assumption Changes : The mortality table changed from RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2016 to RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2017.

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND INVESTMENT RATE OF RETURN
Year Ended April 30, 2018

	2018	2017	2016	2015
Annual money-weighted rate of return net of investment expense	2.52%	5.96%	2.29%	10.36%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
Year Ended April 30, 2018

	2018	2017	2016	2015
Total pension liability				
Service cost	$ 660,667	$ 670,034	$ 522,439	$ 535,303
Interest	2,528,988	2,430,804	2,159,539	2,110,395
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	194,745	95,603	794,650	(431,107)
Changes of assumptions	(224,570)	-	4,148,272	-
Benefit payments, including refunds of member contributions	(1,808,746)	(1,778,885)	(1,607,085)	(1,511,573)
Net change in total pension liability	1,351,084	1,417,556	6,017,815	703,018
Total pension liability - beginning	37,032,769	35,615,213	29,597,398	28,894,380
Total pension liability - ending (a)	$ 38,383,853	$ 37,032,769	$ 35,615,213	$ 29,597,398
Plan fiduciary net position				
Contributions - employer	$ 782,007	$ 776,911	$ 683,363	$ 528,964
Contributions - employee	205,077	196,805	198,332	197,766
Net investment income	1,158,264	1,498,233	(260,226)	1,013,984
Benefit payments, including refunds of member contributions	(1,808,746)	(1,778,885)	(1,607,085)	(1,511,573)
Administrative expense	(34,347)	(27,818)	(26,689)	(36,669)
Other	-	-	-	-
Net change in plan fiduciary net position	302,255	665,246	(1,012,305)	192,472
Plan fiduciary net position - beginning	14,987,147	14,321,901	15,334,206	15,141,734
Plan fiduciary net position - ending (b)	$ 15,289,402	$ 14,987,147	$ 14,321,901	$ 15,334,206
Village's net pension liability (a-b)	$ 23,094,451	$ 22,045,622	$ 21,293,312	$ 14,263,192
Plan fiduciary net position as a percentage of the total pension liability	39.83%	40.47%	40.21%	51.81%
Covered-employee payroll	$ 2,190,397	$ 2,104,007	$ 2,109,431	$ 2,115,924
Plan's net pension liability (asset) as a percentage of covered-employee payroll	1054.35%	1047.79%	1009.43%	674.09%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS
Year Ended April 30, 2018

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	$ 1,700,695	$ 1,107,822	$ 1,079,005	$ 851,483	$ 757,390	$ 687,404	$ 770,226	$ 744,133	$ 517,235	$ 455,200
Contributions in relation to the actuarially determined contribution	782,007	776,911	683,363	528,694	547,776	531,069	554,789	488,470	530,165	460,437
Contribution deficency (excess)	$ 918,688	$ 330,911	$ 395,642	$ 322,789	$ 209,614	$ 156,335	$ 215,437	$ 255,663	$ (12,930)	$ (5,237)
Covered-employee payroll	$ 2,190,397	$ 2,104,007	$ 2,109,431	$ 2,115,924	$ 2,097,819	$ 2,038,299	$ 1,952,345	$ 1,846,667	$ 1,745,299	$ 1,768,587
Contributions as a percentage of covered-employee payroll	35.70%	36.93%	32.40%	24.99%	26.11%	26.05%	28.42%	26.45%	30.38%	26.03%

Notes to Schedule:

Methods and addumption used to determine contribution rates:

Actuarial valuation date	May 1, 2018
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Pay
Remaining amortization period	23 years
Asset valuation method	To determine the actuarial value of assets, the current market value of assets is adjusted by a declining percentage of the unexpected asset gains or losses over the past four years.
Inflation	2.50%
Salary increases	0-2 years of service, 8.00% 3+ years of service, 4.00%
Investment rate of return	7.00%
Mortality	RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2017.

Notes to Firefighters' Pension Required Supplementary Information:

Assumption Changes : The mortality table changed from RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2016 to RP-2014 Blue Collar Mortality Table Adjusted to 2006 and projected generationally with mortality improvement Scale MP-2017.

VILLAGE OF FOREST PARK, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND INVESTMENT RATE OF RETURN
Year Ended April 30, 2018

	2018	2017	2016	2015
Annual money-weighted rate of return net of investment expense	8.07%	10.98%	-1.82%	7.15%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
Year Ended April 30, 2018

	GENERAL FUND			SPECIAL REVENUE FUNDS BROWN STREET STATION TIF FUND		
	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues						
Property tax	$ 4,823,420	$ 4,597,251	$ (226,169)	$ 385,000	$ 451,479	$ 66,479
Personal property replacement tax	165,850	142,168	(23,682)	-	-	-
Sales tax	3,389,666	3,092,692	(296,974)	-	-	-
Intergovernmental	502,485	522,043	19,558	-	-	-
Income tax	1,424,620	1,289,112	(135,508)	-	-	-
Utility taxes	1,515,000	1,436,727	(78,273)	-	-	-
Licenses and permits	1,395,151	1,411,230	16,079	-	-	-
Fees for services	2,197,291	2,157,284	(40,007)	-	-	-
Grant revenue	1,458,891	503,448	(955,443)	-	-	-
Parking revenue	495,738	529,488	33,750	-	-	-
Fines	1,330,000	972,811	(357,189)	-	-	-
Interest on investments	9,830	15,463	5,633	15,000	16,984	1,984
Other revenue	170,000	139,697	(30,303)	-	-	-
Total revenues	18,877,942	16,809,414	(2,068,528)	400,000	468,463	68,463
Expenditures						
Current:						
Office of public affairs	7,521,974	6,968,622	553,352	-	-	-
Office of accounts and finance	9,964,399	8,542,705	1,421,694	-	-	-
Office of public property	1,587,267	1,677,000	(89,733)	-	-	-
Office of streets and public improvement	1,467,028	1,423,134	43,894	685,000	42,542	642,458
Office of health and safety	384,340	370,638	13,702	-	-	-
Debt service:						
Principal retired	460,981	461,111	(130)	-	-	-
Interest and charges	83,605	84,420	(815)	-	-	-
Total expenditures	21,469,594	19,527,630	1,941,964	685,000	42,542	642,458
Excess (deficiency) of revenues over expenditures	(2,591,652)	(2,718,216)	(126,564)	(285,000)	425,921	710,921
Other financing sources (uses)						
Transfers in	900,000	900,000	-	-	-	-
Transfers out	-	-	-	-	-	-
Loan proceeds	6,500	6,466	(34)	-	-	-
Total other financing sources (uses)	906,500	906,466	(34)	-	-	-
Net change in fund balances	$ (1,685,152)	(1,811,750)	$ (126,598)	$ (285,000)	425,921	$ 710,921
Fund balances at beginning of year		1,536,912			4,221,293	
Fund balances at end of year		$ (274,838)			$ 4,647,214	

See accompanying notes to the budgetary comparison schedule.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
Year Ended April 30, 2018

	SPECIAL REVENUE FUNDS					
	ROOSEVELT / HANNAH TIF FUND			ILLINOIS MUNICIPAL RETIREMENT FUND		
	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)	Original and Final Budget	Actual	Variance from Final Budget Positive (Negative)
Revenues						
Property tax	$ 800,000	$ 632,104	$ (167,896)	$ 280,070	$ 273,490	$ (6,580)
Personal property replacement tax	-	-	-	9,055	9,338	283
Sales tax	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Income tax	-	-	-	-	-	-
Utility taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-
Grant revenue	-	-	-	-	-	-
Parking revenue	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Interest on investments	11,500	14,909	3,409	-	-	-
Other revenue	-	-	-	-	-	-
Total revenues	811,500	647,013	(164,487)	289,125	282,828	(6,297)
Expenditures						
Current:						
Office of public affairs	-	-	-	-	-	-
Office of accounts and finance	-	-	-	305,000	262,192	42,808
Office of public property	-	-	-	-	-	-
Office of streets and public improvement	567,500	149,380	418,120	-	-	-
Office of health and safety	-	-	-	-	-	-
Debt service:						
Principal retired	-	-	-	-	-	-
Interest and charges	-	-	-	-	-	-
Total expenditures	567,500	149,380	418,120	305,000	262,192	42,808
Excess (deficiency) of revenues over expenditures	244,000	497,633	253,633	(15,875)	20,636	36,511
Other financing sources (uses)						
Transfers in	-	-	-	21,250	-	(21,250)
Transfers out	-	-	-	-	-	-
Loan proceeds	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	21,250	-	(21,250)
Net change in fund balances	$ 244,000	497,633	$ 253,633	$ 5,375	20,636	$ 15,261
Fund balances at beginning of year		3,285,072			(522,163)	
Fund balances at end of year		$ 3,782,705			$ (501,527)	

See accompanying notes to the budgetary comparison schedule.

Budgetary Data:

1. The Village Budget Officer submits to the Village Council, in early May, a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them.

2. The budget document is available for public inspection for at least 30 days prior to the Village Council's passage of the Annual Appropriations Ordinance.

3. The Village Council must hold at least one public hearing on the budget prior to its passage.

4. The budget is legally enacted through the passage of the Annual Appropriations Ordinance.

5. The Village Council by a two-thirds vote is authorized to transfer budgeted amounts among departments within any fund. The Village Council must approve any revisions, which alter the total expenditures of any fund. The budget information stated in the financial statements includes adjustments made during the year.

6. The level of control where expenditures may not exceed the budget is the department level of activity. Unspent budgetary amounts lapse at year end and, therefore, are not carried over to succeeding years.

7. The Village prepares budgets for the following funds in accordance with accounting principles generally accepted in the United States of America (GAAP):

General Fund	Emergency 911 Fund
IMRF Fund	Social Security Fund
Motor Fuel Tax Fund	2002 Bond Fund
VIP Program Fund	Brown Street Station TIF Fund
Roosevelt / Hannah TIF Fund	Water Fund
Narcotics Fund	U.S. Customs Fund
Roosevelt Road Corridor TIF Fund	Foreign Fire Insurance Fund

8. The following funds had expenditures/expenses in excess of budget:

Fund	Excess over Budget
Emergency 911 Fund	$ 153,163
Foreign Fire Insurance	8,776

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Final Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 4,823,420	$ 4,597,251	$ (226,169)
Personal property replacement tax	165,850	142,168	(23,682)
Sales tax	3,389,666	3,092,692	(296,974)
Intergovernmental			
Use tax	358,425	372,641	14,216
Foreign fire insurance tax	30,000	31,067	1,067
Pull tabs/jar games	1,000	886	(114)
Charitable games	100	-	(100)
Video gaming	80,960	85,500	4,540
Auto rental tax	32,000	31,949	(51)
Total intergovernmental revenues	502,485	522,043	19,558
Local share-income tax	1,424,620	1,289,112	(135,508)
Utility taxes			
Telephone utility tax	435,000	408,267	(26,733)
Electric utility tax	595,000	558,268	(36,732)
Franchise tax - cable	290,000	274,095	(15,905)
Gas utility tax	195,000	196,097	1,097
Total utility taxes	1,515,000	1,436,727	(78,273)
Licenses and permits			
Liquor license	100,000	93,892	(6,108)
Liquor license application fee	2,000	4,002	2,002
Business license	52,000	47,337	(4,663)
Sidewalk use permit	4,000	3,325	(675)
Solicitor's license	600	995	395
Raffle license	-	50	50
Amusement devises	20,000	16,433	(3,567)
Amusement tax video rental	8,800	6,453	(2,347)
Vending machines	3,000	3,123	123
Tobacco license	4,000	4,000	-
Gasoline stations' license	8,600	8,600	-
Taxicabs' license	12,000	7,850	(4,150)
Scavenger services' license	17,500	17,500	-
Contractors' license	22,000	14,465	(7,535)
Vehicle license	342,001	308,535	(33,466)
Animal license	4,100	3,587	(513)
Video gaming license	76,900	79,641	2,741
Building permits	176,150	153,429	(22,721)
Electric permits	30,000	26,199	(3,801)
Plumbing permits	22,000	33,214	11,214
HVAC permits	1,500	1,368	(132)
Water permit fees	2,000	8,000	6,000
Private property maintenance	4,000	634	(3,366)
Sign permits	35,000	33,546	(1,454)
Dumpster permits	3,000	2,300	(700)
Parking permits	275,000	332,041	57,041
Garage sale permits	1,000	615	(385)
Plan review fees	3,500	18,487	14,987
Elevator inspection fees	16,500	15,665	(835)
Food service inspection fees	24,000	31,825	7,825
Certificate of compliance fees	120,000	114,363	(5,637)
Zoning application fees	1,000	148	(852)
Conditional certificate fees	-	16,725	16,725

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Final Budget	Actual	Variance from Budget Positive (Negative)
Dog park permits	3,000	2,883	(117)
Total licenses and permits	1,395,151	1,411,230	16,079
Fees for services			
Ambulance charges	$ 395,000	$ 413,145	$ 18,145
Highway maintenance - IDOT	78,992	80,755	1,763
Refuse collection charges	758,665	760,318	1,653
Recycling fees	102,964	102,065	(899)
Yard waste fees	56,000	55,347	(653)
Accident reports	4,500	4,716	216
SORA registration fees	10	10	-
Water towers	208,010	206,899	(1,111)
Real estate	36,900	36,900	-
Groovin' in the grove	3,500	2,301	(1,199)
Community center	6,500	4,365	(2,135)
Day care-after school program	155,000	159,432	4,432
Day care-summer program	85,000	79,728	(5,272)
Youth activities	1,000	1,650	650
Classes	1,000	1,447	447
Trips - tours - excursions	180,000	117,370	(62,630)
Taxi - cab fares/fees	1,250	1,166	(84)
Community Events	42,000	55,358	13,358
RTA - administration subsidy	68,500	62,723	(5,777)
RTA - PACE advertisement	5,000	3,133	(1,867)
RTA - dial-a-ride	7,500	8,456	956
RTA - PACE passes/fares	-	-	-
Total fees for services	2,197,291	2,157,284	(40,007)
Grant revenue			
Cook county - PEER/PIPE	$ 400,000	$ -	$ (400,000)
Federal Assistance to FF	471,789	473,061	1,272
JAG grant	40,000	-	(40,000)
DOJ bullet proof vests	7,605	3,888	(3,717)
Tobacco/Liquor grant	2,400	2,200	(200)
CTA Lot grant	508,549	-	(508,549)
IDOT Traffic Safety grant	18,548	14,299	(4,249)
Safety and education grant	10,000	10,000	-
Total grant revenue	1,458,891	503,448	(955,443)
Parking revenue			
Parking meters	78,000	67,709	(10,291)
Affinity Card sales	3,000	2,221	(779)
Van Buren lot	325,863	379,506	53,643
Ferdinand lot	1,000	722	(278)
Thomas/Madison lot	66,730	64,248	(2,482)
Beloit/Madison lot	4,550	4,463	(87)
Hannah/Madison lot	10,910	7,970	(2,940)
Circle/Madison lot	5,685	2,649	(3,036)
Total parking revenue	495,738	529,488	33,750
Fines			
Traffic and parking fines	900,000	720,511	(179,489)
Illinois Comptroller debt recovery	85,000	108,621	23,621
Towing revenue	120,000	109,650	(10,350)
K9 unit fees	20,000	11,750	(8,250)

(Continued)

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Final Budget	Actual	Variance from Budget Positive (Negative)
Compliance tickets	150,000	35,105	(114,895)
Code violation fines	50,000	(15,734)	(65,734)
Other fines and penalties	$ 5,000	$ 2,908	$ (2,092)
Total fines	1,330,000	972,811	(357,189)
Interest on investments	9,830	15,463	5,633
Other revenue			
Miscellaneous revenue	14,350	14,156	(194)
Police CTA detail	95,000	53,570	(41,430)
NSF - agency collections	200	180	(20)
AMEX Corporate points earned	200	(863)	(1,063)
Workmen's comp reimbursements	30,000	34,256	4,256
FOIA	250	70	(180)
Claims and damages	30,000	38,328	8,328
Total other revenue	170,000	139,697	(30,303)
Total revenues	$ 18,877,942	$ 16,809,414	$ (2,068,528)

VILLAGE OF FOREST PARK, ILLINOIS

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Final Budget	Actual	Variance from Budget Positive (Negative)
Expenditures			
Office of public affairs			
General public affairs	$ 1,769,902	$ 1,544,013	$ 225,889
Police	5,036,108	4,827,688	208,420
Community services	675,964	596,921	79,043
Total office of public affairs	7,481,974	6,968,622	513,352
Office of accounts and finance			
Village clerk	5,377,607	5,058,373	319,234
Grant expenditures	1,535,702	534,107	1,001,595
Fire	1,006,790	955,997	50,793
Fire protection	2,084,300	1,994,228	90,072
Total office of accounts and finance	10,004,399	8,542,705	1,461,694
Office of public property			
Public property	1,022,445	1,120,022	(97,577)
Public property/street lights	160,000	182,168	(22,168)
Forestry	242,850	221,769	21,081
Playground and recreation	22,172	8,395	13,777
Property maintenance	139,800	144,646	(4,846)
Total office of public property	1,587,267	1,677,000	(89,733)
Office of streets and public improvement			
Streets and public improvement	576,695	541,353	35,342
Garbage	890,333	881,781	8,552
Total office of streets and public improvement	1,467,028	1,423,134	43,894
Office of health and safety			
Public health and safety	384,340	370,638	13,702
Total office of health and safety	384,340	370,638	13,702
Debt service			
Principal retired	460,981	461,111	(130)
Interest and charges	83,605	84,420	(815)
Total office of public property	544,586	545,531	(945)
Total expenditures	$ 21,469,594	$ 19,527,630	$ 1,941,964

VILLAGE OF FOREST PARK, ILLINOIS

BROWN STREET STATION TIF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 385,000	$ 451,479	$ 66,479
Interest on investments	15,000	16,984	1,984
Total revenues	400,000	468,463	68,463
Expenditures			
Office of streets and public improvement			
Operating expenditures	685,000	42,542	642,458
Total expenditures	685,000	42,542	642,458
Net change in fund balance	$ (285,000)	425,921	$ 710,921
Fund balance at beginning of year		4,221,293	
Fund balance at end of year		$ 4,647,214	

VILLAGE OF FOREST PARK, ILLINOIS

ROOSEVELT / HANNAH TIF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 800,000	$ 632,104	$ (167,896)
Interest on investments	11,500	14,909	3,409
Total revenues	811,500	647,013	(164,487)
Expenditures			
Office of streets and public improvement			
Operating expenditures	567,500	149,380	418,120
Total expenditures	567,500	149,380	418,120
Net change in fund balance	$ 244,000	497,633	$ 253,633
Fund balance at beginning of year		3,285,072	
Fund balance at end of year		$ 3,782,705	

VILLAGE OF FOREST PARK, ILLINOIS

2002 BOND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 625,000	$ 337,385	$ (287,615)
Interest on investments	5,000	9,446	4,446
Total revenues	630,000	346,831	(283,169)
Expenditures			
Office of accounts and finance			
Street improvement project	3,010,000	2,640,782	369,218
Other expenditures	50,000	17,743	32,257
Total expenditures	3,060,000	2,658,525	401,475
Excess (deficiency) of revenues over expenditures	(2,430,000)	(2,311,694)	118,306
Other financing sources (uses)			
Transfers out	(50,000)	-	50,000
Total other financing sources (uses)	(50,000)	-	50,000
Net change in fund balance	$ (2,480,000)	(2,311,694)	$ 168,306
Fund balance at beginning of year		2,485,849	
Fund balance at end of year		$ 174,155	

VILLAGE OF FOREST PARK, ILLINOIS

ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 280,070	$ 273,490	$ (6,580)
Intergovernmental			
Personal property replacement tax	9,055	9,338	283
Total revenues	289,125	282,828	(6,297)
Expenditures			
Office of accounts and finance			
IMRF fund contributions	305,000	262,192	42,808
Total expenditures	305,000	262,192	42,808
Excess (deficiency) of revenues over expenditures	(15,875)	20,636	36,511
Other financing sources (uses)			
Transfers in	21,250	-	(21,250)
Total other financing sources (uses)	21,250	-	(21,250)
Net change in fund balance	$ 5,375	20,636	$ 15,261
Fund balance at beginning of year		(522,163)	
Fund balance at end of year		$ (501,527)	

VILLAGE OF FOREST PARK, ILLINOIS

VIP PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Sales tax	$ 1,866,500	$ 1,820,183	$ (46,317)
Intergovernmental	587,287	-	(587,287)
Interest on investments	5,000	11,678	6,678
Total revenues	2,458,787	1,831,861	(626,926)
Expenditures			
Office of streets and public improvement			
Operating expenditures	1,834,800	858,557	976,243
Debt service			
Principal retired	555,000	555,000	-
Interest and charges	155,750	155,750	-
Total expenditures	2,545,550	1,569,307	976,243
Excess (deficiency) of revenues over expenditures	(86,763)	262,554	349,317
Other financing sources (uses)			
Transfers in	976,450	501,902	(474,548)
Total other financing sources (uses)	976,450	501,902	(474,548)
Net change in fund balance	$ 889,687	764,456	$ (125,231)
Fund balance at beginning of year		779,369	
Fund balance at end of year		$ 1,543,825	

VILLAGE OF FOREST PARK, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
April 30, 2018

	Special Revenue Funds						
	Narcotics Fund	U.S. Customs Fund	Foreign Fire Insurance Fund	Social Security Fund	Motor Fuel Tax Fund	Roosevelt Road Corridor TIF Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash and investments	$ 252,536	$ 315,318	$ 39,949	$ -	$ 904,959	$ 224,486	$ 1,737,248
Receivables:							
Property tax receivable	-	-	-	166,252	-	-	166,252
Due from other governments	-	-	-	-	62,290	-	62,290
Accounts receivable	-	-	-	-	-	4,645	4,645
TOTAL ASSETS	$ 252,536	$ 315,318	$ 39,949	$ 166,252	$ 967,249	$ 229,131	$ 1,970,435
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE							
LIABILITIES							
Accounts payable	$ 322	$ 4,342	$ -	$ -	$ -	$ 169	$ 4,833
Interfund payable	-	-	-	125,353	-	-	125,353
Total liabilities	322	4,342	-	125,353	-	169	130,186
DEFERRED INFLOW OF RESOURCES							
Property taxes	-	-	-	166,252	-	-	166,252
Total deferred inflow of resources	-	-	-	166,252	-	-	166,252
FUND BALANCE							
Restricted							
Economic development	-	-	-	-	-	228,962	228,962
Public safety	252,214	310,976	39,949	-	-	-	603,139
Streets & highways	-	-	-	-	967,249	-	967,249
Unassigned	-	-	-	(125,353)	-	-	(125,353)
Total fund balance	252,214	310,976	39,949	(125,353)	967,249	228,962	1,673,997
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE	$ 252,536	$ 315,318	$ 39,949	$ 166,252	$ 967,249	$ 229,131	$ 1,970,435

VILLAGE OF FOREST PARK, ILLINOIS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Year Ended April 30, 2018

	Special Revenue Funds							
	Emergency 911 Fund	Narcotics Fund	U.S. Customs Fund	Foreign Fire Insurance Fund	Social Security Fund	Motor Fuel Tax Fund	Roosevelt Road Corridor TIF Fund	Total Nonmajor Governmental Funds
Revenues								
Property tax	$ -	$ -	$ -	$ -	$ 345,386	$ -	$ 272,035	$ 617,421
Intergovernmental	188,717	-	-	31,067	8,418	360,134	-	588,336
Grant revenue	-	70,756	253,140	-	-	-	-	323,896
Interest on investments	27	1,513	47	30	-	10,024	387	12,028
Other revenue	-	20,000	-	1,027	-	-	-	21,027
Total revenues	188,744	92,269	253,187	32,124	353,804	370,158	272,422	1,562,708
Expenditures								
Current:								
Office of public affairs	385,300	121,743	48,460	33,796	-	-	-	589,299
Office of accounts and finance	-	-	-	-	328,981	-	-	328,981
Office of streets and public improvement	-	-	-	-	-	-	10,751	10,751
Total expenditures	385,300	121,743	48,460	33,796	328,981	-	10,751	929,031
Excess (deficiency) of revenues over expenditures	(196,556)	(29,474)	204,727	(1,672)	24,823	370,158	261,671	633,677
Other financing sources (uses)								
Transfers out	-	-	-	-	-	(501,902)	-	(501,902)
Total other financing sources (uses)	-	-	-	-	-	(501,902)	-	(501,902)
Net change in fund balances	(196,556)	(29,474)	204,727	(1,672)	24,823	(131,744)	261,671	131,775
Fund balances at beginning of year	196,556	281,688	106,249	41,621	(150,176)	1,098,993	(32,709)	1,542,222
Fund balances at end of year	$ -	$ 252,214	$ 310,976	$ 39,949	$ (125,353)	$ 967,249	$ 228,962	$ 1,673,997

VILLAGE OF FOREST PARK, ILLINOIS

EMERGENCY 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental			
911 emergency surcharge	$ 35,500	$ 188,717	$ 153,217
Interest on investments	80	27	(53)
Total revenues	35,580	188,744	153,164
Expenditures			
Office of public affairs			
Bank service fees	100	64	36
E-911 - expenditures/costs	232,037	385,236	(153,199)
Total expenditures	232,137	385,300	(153,163)
Net change in fund balance	$ (196,557)	(196,556)	$ 1
Fund balance at beginning of year		196,556	
Fund balance at end of year		$ -	

VILLAGE OF FOREST PARK, ILLINOIS

NARCOTICS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Grant revenue			
Seizure fees	$ 82,000	$ 70,756	$ (11,244)
Sales of seized vehicles	10,000	20,000	10,000
Interest on investments	800	1,513	713
Total revenues	92,800	92,269	(531)
Expenditures			
Office of public affairs			
Bank service fees	50	36	14
Seizure expenditures	124,200	121,707	2,493
Total expenditures	124,250	121,743	2,507
Net change in fund balance	$ (31,450)	(29,474)	$ 1,976
Fund balance at beginning of year		281,688	
Fund balance at end of year		$ 252,214	

VILLAGE OF FOREST PARK, ILLINOIS

U.S. CUSTOMS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Grant revenue			
U.S. Customs deposits	$ 4,000	$ 253,140	$ 249,140
Interest on investments	100	47	(53)
Total revenues	4,100	253,187	249,087
Expenditures			
Office of public affairs			
Bank service fees	200	212	(12)
U.S. Customs expenditures	100,000	48,248	51,752
Total expenditures	100,200	48,460	51,740
Net change in fund balance	$ (96,100)	204,727	$ 300,827
Fund balance at beginning of year		106,249	
Fund balance at end of year		$ 310,976	

VILLAGE OF FOREST PARK, ILLINOIS

FOREIGN FIRE INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental	$ 30,000	$ 31,067	$ 1,067
Interest on investments	30	30	-
Total revenues	30,030	32,124	2,094
Expenditures			
Office of public affairs			
Bank service fees	20	-	20
Foreign Fire expenditures	25,000	33,796	(8,796)
Total expenditures	25,020	33,796	(8,776)
Net change in fund balance	$ 5,010	(1,672)	$ (6,682)
Fund balance at beginning of year		41,621	
Fund balance at end of year		$ 39,949	

VILLAGE OF FOREST PARK, ILLINOIS

SOCIAL SECURITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 350,200	$ 345,386	$ (4,814)
Personal property replacement tax	8,165	8,418	253
Total revenues	358,365	353,804	(4,561)
Expenditures			
Office of accounts and finance			
Social Securit/Medicare contributions	365,000	328,981	36,019
Total expenditures	365,000	328,981	36,019
Excess (deficiency) of revenues over expenditures	(6,635)	24,823	31,458
Other financing sources (uses)			
Transfers in	17,550	-	(17,550)
Total other financing sources (uses)	17,550	-	(17,550)
Net change in fund balance	$ 10,915	24,823	$ 13,908
Fund balance at beginning of year		(150,176)	
Fund balance at end of year		$ (125,353)	

VILLAGE OF FOREST PARK, ILLINOIS

MOTOR FUEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Intergovernmental			
Motor fuel tax allotment	$ 364,365	$ 360,134	$ (4,231)
Interest on investments	5,700	10,024	4,324
Total revenues	370,065	370,158	93
Excess of revenues	370,065	370,158	93
Other financing (uses)			
Transfer out	(991,450)	(501,902)	489,548
Total other financing (uses)	(991,450)	(501,902)	489,548
Net change in fund balance	$ (621,385)	(131,744)	$ 489,641
Fund balance at beginning of year		1,098,993	
Fund balance at end of year		$ 967,249	

VILLAGE OF FOREST PARK, ILLINOIS

ROOSEVELT ROAD CORRIDOR TIF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Revenues			
Property tax	$ 105,000	$ 272,035	$ 167,035
Interest on investments	160	387	227
Total revenues	105,160	272,422	167,262
Expenditures			
Current:			
Office of streets and public improvement	70,000	10,751	59,249
Total expenditures	70,000	10,751	59,249
Net change in fund balance	$ 35,160	261,671	$ 226,511
Fund balance at beginning of year		(32,709)	
Fund balance at end of year		$ 228,962	

VILLAGE OF FOREST PARK, ILLINOIS

WATER FUND
SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended April 30, 2018

	Budget	Actual	Variance from Budget Positive (Negative)
Operating revenues			
Charges for services	$ 6,421,642	$ 6,101,640	$ (320,002)
Other revenue	231,171	-	(231,171)
Total operating revenues	6,652,813	6,101,640	(551,173)
Operating expenses			
Operations	5,052,404	3,693,870	1,358,534
Depreciation	156,250	166,488	(10,238)
Total operating expenses	5,208,654	3,860,358	1,348,296
Operating income (loss)	1,444,159	2,241,282	797,123
Nonoperating revenues and (expenses)			
Interest revenue	4,000	7,471	3,471
Interest expense	(60,706)	(62,565)	(1,859)
Loss on sale of capital assets	-	(2,016)	(2,016)
Total nonoperating revenues and (expenses)	(56,706)	(57,110)	(404)
Income (loss) before transfers	1,387,453	2,184,172	796,719
Transfers out	(900,000)	(900,000)	-
Change in net position	$ 487,453	1,284,172	$ 796,719
Net position at beginning of year		11,541,347	
Net position at end of year		$ 12,825,519	

VILLAGE OF FOREST PARK, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
April 30, 2018

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ASSETS			
Cash and cash equivalents	$ 1,131,885	$ 1,206,302	$ 2,338,187
Investments			
Corporate bonds	-	1,943,660	1,943,660
Government securities	8,018,294	2,222,296	10,240,590
Mutual funds	6,417,195	9,891,740	16,308,935
Insurance contracts	6,117,192	-	6,117,192
Total investments	20,552,681	14,057,696	34,610,377
Interest receivable	26,299	32,813	59,112
Prepaid items	6,193	3,106	9,299
Total assets	21,717,058	15,299,917	37,016,975
LIABILITIES			
Accounts payable	1,550	10,515	12,065
Total liabilities	1,550	10,515	12,065
NET POSITION			
Net position restricted for pensions	$ 21,715,508	$ 15,289,402	$ 37,004,910

VILLAGE OF FOREST PARK, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
Year Ended April 30, 2018

	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ADDITIONS			
Contributions			
Employer	$ 1,049,386	$ 782,007	$ 1,831,393
Plan members	348,019	205,077	553,096
Total contributions	1,397,405	987,084	2,384,489
Investment earnings			
Net change in fair value of investments	(172,377)	690,655	518,278
Interest	721,383	504,571	1,225,954
Less investment expense	(240)	(36,962)	(37,202)
Net investment income	548,766	1,158,264	1,707,030
Total additions	1,946,171	2,145,348	4,091,519
DEDUCTIONS			
Benefits and refunds	1,868,415	1,808,746	3,677,161
Administrative expenses	72,133	34,347	106,480
Total deductions	1,940,548	1,843,093	3,783,641
Increase (decrease) in plan net position	5,623	302,255	307,878
Plan net position at beginning of year	21,709,885	14,987,147	36,697,032
Plan net position at end of year	$ 21,715,508	$ 15,289,402	$ 37,004,910

VILLAGE OF FOREST PARK

SCHEDULE OF EXPENDITURES FOR TORT IMMUNITY PURPOSES
Year Ended April 30, 2018

Unemployment	$ 17,662
Liability insurance	491,397
Workman's comp insurance	444,398
Total tort immunity purposes expenditures	$ 953,457

The Village levies property taxes for tort immunity/liability insurance purposes. As required by Public Act 91-0628 passed by the Illinois General Assembly, the Village is including the above list of tort immunity purposes expenditures in its annual financial report.

The Village's tax extension for liability insurance purposes for tax year 2017 as levied by Cook County was $309,000. Any shortfall to cover expenditures in excess of taxes collected is derived from other revenues of the Village. Any excess of revenues over expenditures is carried forward to subsequent fiscal years subject to a statutory formula.

SCHEDULE OF ASSESSED VALUATIONS, TAX RATES AND COMPARATIVE TAX STATISTICS

Year Ended April 30, 2017
(Unaudited)

Tax levy year:	Assessed Valuation	Extended Village Tax Rate
2008	$ 432,613,550	$ 1.0867
2009	444,213,981	1.0611
2010	426,046,739	1.1392
2011	353,030,571	1.3996
2012	327,397,042	1.5580
2013	306,740,756	1.6596
2014	297,971,337	1.7384
2015	289,084,967	1.8077
2016	302,132,242	1.7495
2017	361,111,661	1.5220

	2017 Levy		2016 Levy	
	Amount	Rate	Amount	Rate
General fund:				
Corporate	$ 1,244,836	$ 0.3447	$ 1,155,920	$ 0.3826
Fire protection	515,000	0.1426	638,600	0.2114
Forestry	77,250	0.0214	77,250	0.0256
Insurance	309,000	0.0856	396,550	0.1313
Police protection	515,000	0.1426	638,600	0.2114
Police pension	1,215,400	0.3366	988,800	0.3273
Firefighters' pension	952,750	0.2638	762,200	0.2523
Total general fund	4,829,236	1.3373	4,657,920	1.5419
Special revenue funds:				
Illinois municipal retirement fund	303,850	0.0841	277,070	0.0917
Social security fund	360,500	0.0998	350,200	0.1159
Total special revenue funds	664,350	0.1839	627,270	0.2076
Total tax levy:	$ 5,493,586	$ 1.5212	$ 5,285,190	$ 1.7495
Collections as of April 30, 2018	$ 2,765,844	50.35%	$ 5,070,031	95.93%

VILLAGE OF FOREST PARK, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
SCHEDULE OF DEBT CERTIFICATES OUTSTANDING
April 30, 2018
(Unaudited)

General Obligation Debt Certificates:
Series 2011
Dated: December 21, 2011
Interest Payable May 1 and November 1 of each year
Paying Agent - Amalgamated Bank of Chicago

Fiscal Year Ending April 30,	Interest Rate	Principal	Interest	Total Principal & Interest
2019	2.50%	$ 315,000	$ 37,575	$ 352,575
2020	3.00%	320,000	29,700	349,700
2021	3.00%	330,000	20,100	350,100
2022	3.00%	340,000	10,200	350,200
Totals		$ 1,305,000	$ 97,575	$ 1,402,575

VILLAGE OF FOREST PARK, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
SCHEDULE OF BONDS OUTSTANDING
April 30, 2018
(Unaudited)

General Obligation Refunding Bonds (Alternative Revenue Source):
Series 2012A
Dated: December 3, 2012
Interest Payable June 1 and December 1 of each year
Paying Agent - Amalgamated Bank of Chicago

Fiscal Year Ending April 30,	Interest Rate	Principal	Interest	Total Principal & Interest
2019	2.00%	$ 565,000	$ 144,650	$ 709,650
2020	3.00%	580,000	133,350	713,350
2021	3.00%	600,000	115,950	715,950
2022	3.00%	615,000	97,950	712,950
2023	3.00%	635,000	79,500	714,500
2024	3.00%	650,000	60,450	710,450
2025	3.00%	675,000	40,950	715,950
2026	3.00%	690,000	20,700	710,700
Totals		$ 5,010,000	$ 693,500	$ 5,703,500

See independent auditor's report.

VILLAGE OF FOREST PARK, ILLINOIS

WATERWORKS FACILITY REPORT
April 30, 2018
(Unaudited)

Revenues	$ 6,041,604
Operating Expenses	$ 2,989,357
Replacement Costs	
Water Mains	$ 31,962,100
Pump Stations	6,700,000
Water Towers	4,650,000
Total	$ 43,312,100
Total gallons received at the waterworks facility	771,172,095
Total number of gallons billed	623,717,254
Debt service due within one year	
Principal	$ 384,579
Interest	50,965
Total	$ 435,544
Number of users	
Active during the year ended April 30, 2018	3,302
Suspended during the year ended April 30, 2018	27