

Village of Elk Grove Village, Illinois



Comprehensive Annual Financial Report Fiscal Year Ended April 30, 2017



VILLAGE OF
ELK GROVE VILLAGE
ILLINOIS

Comprehensive Annual Financial Report

For The Fiscal Year Ended April 30, 2017

Prepared by
Department of Finance

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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INTRODUCTORY SECTION



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2017

VILLAGE BOARD

Craig B. Johnson, Mayor

**Nancy J. Czarnik
Patton L. Feichter
Jeffrey C. Franke**

**Samuel L. Lissner
James P. Petri
Christine Prochno**

ADMINISTRATION

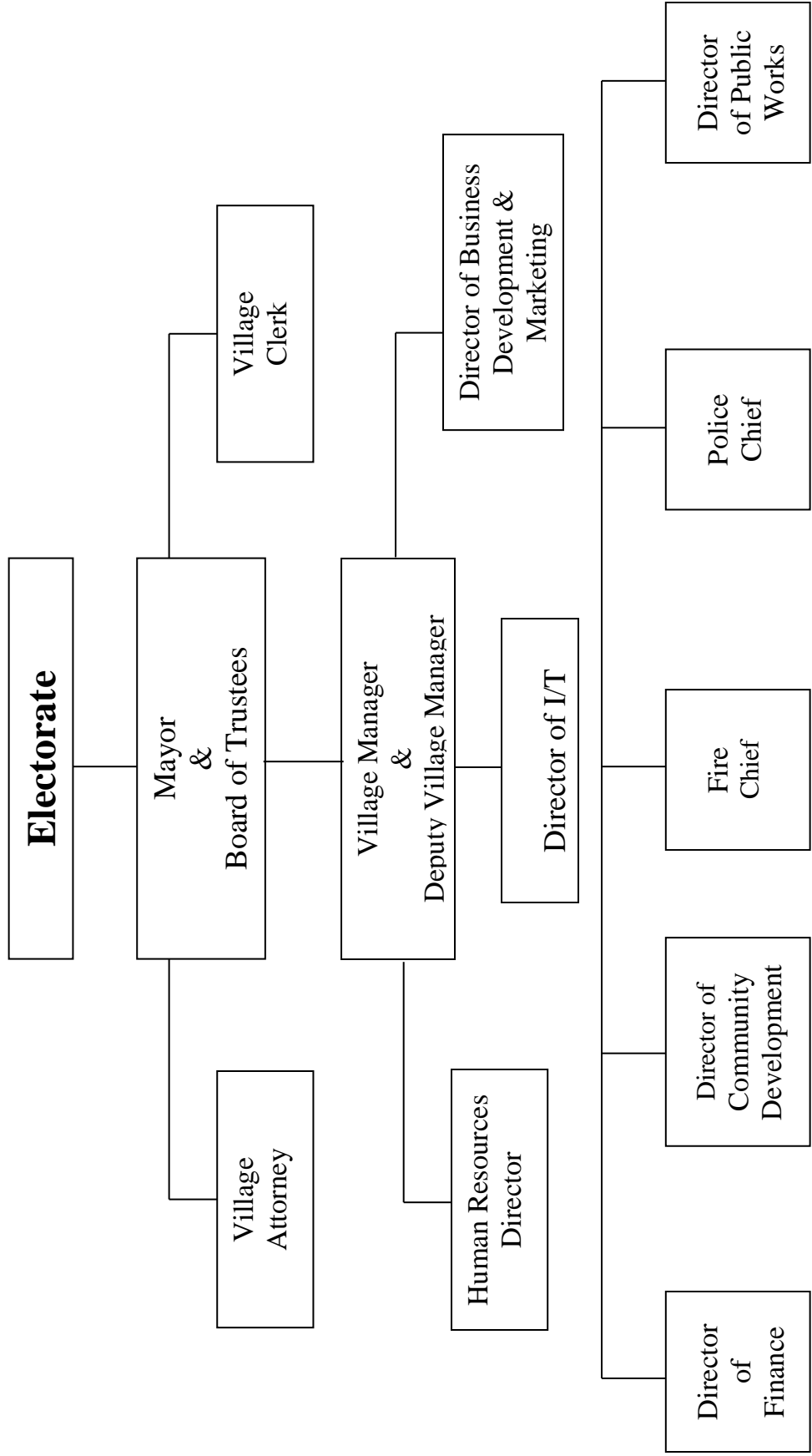
Village Manager

Raymond R. Rummel

**Village Clerk
Village Attorney/Prosecutor
Director of Finance/Treasurer
Chief of Police
Fire Chief
Director of Public Works
Director of Community Development**

**Loretta M. Murphy
George B. Knickerbocker
Christine L. Tromp
Charles G. Walsh
Richard Mikel
Vito P. Sammarco
Mary J. Pye**

Village of Elk Grove Village, IL Organizational Chart



Boards and Commissions Appointed by Mayor with Concurrence of Trustees
 Fire Pension Board
 Fire and Police Commission
 Plan Commission
 Business Leaders Forum
 Police Pension Board
 Board of Zoning & Appeals



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Elk Grove Village
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2016

Executive Director/CEO

Mayor
CRAIG B. JOHNSON

Village Clerk
LORETTA M. MURPHY

Village Manager
RAYMOND R. RUMMEL



Village Trustees
NANCY J. CZARNIK
PATTON L. FEICHTER
JEFFREY C. FRANKE
SAMUEL L. LISSNER
JAMES P. PETRI
CHRIS PROCHNO

October 3, 2017

Honorable Mayor,
Board of Trustees,
Village Manager, and
the Citizens of Elk Grove Village, Illinois

The Comprehensive Annual Financial Report (CAFR) of the Village of Elk Grove Village, Illinois, for the fiscal year ended April 30, 2017 is hereby submitted. This report fulfills local and state laws requiring the Village to issue an annual report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants.

This report consists of management's representations concerning the finances of the Village of Elk Grove Village. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To provide a reasonable basis for making these representations, management has established internal controls to protect the Village's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. As the cost of internal controls should not outweigh the benefits, the Village's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this annual financial report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the Village.

The Village of Elk Grove Village's financial statements have been audited by the accounting firm of Lauterbach & Amen, LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village for the fiscal year ended April 30, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and evaluating the overall financial statement presentation. The independent auditors concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the fiscal year ended April 30, 2017 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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



Profile of the Government

Incorporated in 1956, the Village of Elk Grove is a home-rule community as defined by the Illinois Constitution. The Village operates under the council-manager form of government. This form of government combines the leadership and policy-making skills of elected officials with the professional administrative training of the Village Manager. Under this popular form of government, the elected representatives establish policies steering the Village's purpose, values, mission, and goals. It is the role of the Village Manager to implement those policies in an efficient and effective manner.

Located approximately 22 miles northwest of the City of Chicago, Elk Grove Village has a land area of 11 square miles with approximately 131 miles of streets. The Village provides a full range of services to its citizens including police and fire protection, health and social services, water and sewer utilities, planning and zoning, the construction and maintenance of streets and infrastructure, and general administrative services.

The financial reporting entity of the Village of Elk Grove is comprised of all the funds of the primary government (the Village of Elk Grove as legally defined), and its component unit the Elk Grove Village Public Library.

The Library was determined to be a component unit because, under the reporting entity criteria, the Library is fiscally dependent upon the Village. The Library is reported as a discrete presentation. As such, the Library in its entirety is reported in a separate column on the basic financial statements. This is to emphasize the fact that the Library is legally separate from the Village and to differentiate the Library's financial position and results of operations from those of the Village.

In addition, under the Governmental Accounting Standards Board (GASB) Statement No. 14, the High-Level Excess Liability Pool (HELP) is defined as a public entity risk pool. The Village's participation in HELP is accounted for accordingly.

The Village Board is required to adopt a final budget no later than the close of the fiscal year. The Village maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. The level of budgetary control, or the level at which expenditures cannot legally exceed the budgeted amount, is established at the department level. Any budget revisions altering the total budget for a department must be approved by the Village Board of Trustees. Encumbrances lapse at year-end and, if approved, are included in the following year's budget.

Local Economy

Located adjacent to O'Hare International Airport, Elk Grove Village is an integral component of the Chicago metropolitan regional economy. A planned community with approximately 33,000 residents, Elk Grove Village is home to the largest consolidated business park in North America with over 62 million square feet of industrial inventory and 100 million square feet of commercial space Village wide. Elk Grove's business community is diverse, with major employers representing a broad range of industries including technology, manufacturing, retail, health care, warehousing, data centers and logistics.

Historically, the business park has been a destination for manufacturing and has the second highest number of manufacturing jobs in the State of Illinois. The greater Elk Grove area accounts for half of Illinois' annual exports.

The Elk Grove business park is part of the O'Hare Industrial Market. The Village's 62 million square feet of industrial space represents almost half of the entire O'Hare Market. For the end of the second quarter of 2017, the Village's vacancy rate for the business park was 3.37% while the O'Hare Market was 3.84%.

Elk Grove is a proactive and business friendly community that values its corporate residents and works diligently to support their growth. The Village consistently invests in the modernization of its business environment while maintaining the lowest local property tax rate for any northwest Cook County municipality.

Elk Grove Village's competitive business advantages include:

- A business friendly environment;
- A fair, predictable and equitable regulatory environment;
- Proximity to O'Hare International Airport and the City of Chicago;
- Convenient access to Interstates 90, 290, 294, 355 & Illinois Route 390;
- Extensive freight rail service throughout the business park; and
- Highly educated and creative workforce.

Village staff communicates regularly with state economic development officials, utility companies, workforce development professionals, real estate development professionals and educational institutions throughout the area to help ensure the continued growth of this important economic base, which employs nearly 100,000 people. To this end, 2016 was a strong year for business development in Elk Grove Village. Private sector construction investment totaled nearly \$145 million in 2016 and several state-of-the-art data centers totaling approximately 2 million square feet were in development. The Village's business friendly attitude, and focus on technology and infrastructure has paid dividends in attracting business investment. Major expansions and relocations within the Business Park include MC Machinery, Atlas Companies, Marketplace Brands and NNR Global Logistics USA, Inc.

Furthermore, business development in 2017 is on pace to eclipse the prior year. In the first half of 2017, the Village issued permits for \$149 million in new business construction value in Elk Grove Village. Over 1.5 million square feet is planned for construction starting in 2017, and 175,982 square feet of industrial, space is currently under construction. Recently announced, Microsoft will be opening a 131,000 square foot Data Center currently under construction at 1800 Nicholas. Modernization continues with the tear down and rebuild of seven industrial buildings including the development of two state-of-the-art data center facilities. Lastly, Elk Grove is home to the top rated, undeveloped, industrial site in the Midwest. The property is under discussion for development as a technology park with annexation, zoning, and development which will bring over 1 million square feet of new industrial space into the community.

Long-Term Financial Planning

The Village maintains an aggressive economic development strategy to preserve the favorable economic base currently enjoyed by the Village. The Village is proactive and responsive to the needs of its commercial and industrial businesses, and works to enhance communications between industry and government. The Director of Business Development and Marketing promotes the Village as an excellent location for business due to the proximity to O'Hare International Airport, City of Chicago and access to all forms of transportation. The Village continues to develop a plan for future commercial development.

The Village annually updates a 5-year Capital Plan to assist in budgetary preparation for large capital projects. For a project to be included in the Capital Plan, it must involve the creation or purchase of a tangible asset with an original cost that exceeds \$10,000 and has a useful life of more than one year. Most projects in the Capital Plan include infrastructure enhancements.

Relevant Financial Policies

Village policy provides for a five-month reserve of current year general fund budgeted expenditures. Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, and obligations of the U.S. Government and its agencies. The Village's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. These funds are invested in government securities and certificates of deposit. Despite the delayed payments from the State of Illinois, the Village still maintained a five-month reserve.

The Village maintains a limited self-insurance program for liability coverage, workers' compensation, and health benefits for both employees and retirees. An integral part of the Village's self-insurance program is an emphasis on loss prevention. A safety committee comprised of employee representatives from each department meets quarterly to review accident and injury reports involving employees. This committee makes recommendations and suggestions to improve and promote workplace safety.

The Village participates in the High-Level Excess Liability Pool (HELP), which consists of 13 Illinois municipalities. The purpose of HELP is to act as a joint self-insurance pool to provide excess liability insurance. HELP provides \$13,000,000 liability coverage in excess of a \$2,000,000 self-insured retention. The retention is covered by each member in the form of primary insurance or self-insurance. HELP retains the next \$4,000,000 and purchases \$9,000,000 excess insurance for claims above this level.

Although the Village previously held a credit rating of Aa1 from Moody's, the Village obtained a rating of AA+ as of August 2017 from Standard & Poor's in anticipation of issuing government obligation bonds for the Elk Grove 2025 Long Range Infrastructure Plan as described on the next page.

Major Initiatives

For Fiscal Year 2017

Fiscal year 2017 was another successful year for infrastructure projects and funding assistance. The Village is extremely appreciative of the federal and state grants received and the services they make possible. Grants continue to be pursued so that the Village can offer the best possible public services at the lowest cost. Significant projects completed include:

- Completed construction of the Busse Road Median Enhancement;
- Completed the residential drainage improvement projects between Evergreen Street & Ridgewood Road, Braemar Drive & Kenilworth Avenue, Banbury Avenue & Kingsbridge Road, and Arizona Pass & Texas Street;
- Resurfaced 4.63 miles of public roadway;
- Removed and replaced deteriorated curbs and gutters totaling 10,557 lineal feet, and 20,471 square feet of deteriorated and defective sidewalks; and
- Continued implementation of drainage enhancements within the Business Park to relieve flooding concerns including culvert improvements on Arthur Avenue, Pratt Boulevard, and Estes Avenue.

For the Future

As the Village's leaders have committed themselves to preserving Elk Grove Village's quality of life, the Village will continue to invest in its future through various long term programs and policies that will ensure the Village's status as an "Exceptional Community." Unveiled during a February 2017 Village Board meeting, the Elk Grove 2025 Long Range Infrastructure Plan was established to meet Elk Grove Village's needs today and well into the future. This long range capital plan includes public facility improvements, road improvements, streetscaping, bicycle/pedestrian projects, and drainage projects. Notable projects include:

- Major interior and exterior renovations at the Biesterfield Public Works Facility
- Construction of a new Fire Station on Meacham
- Construction of a new Public Works Administration Building
- Construction of a new Clearmont Pedestrian Bridge.
- New left turn lanes at Arlington Heights Road
- Streetscape and Lighting Improvements on major roads.

In addition, the Village continues to plans to modernize and improve other existing infrastructure by:

- Continued replacement of aging water mains throughout the Village;
- Rehabilitation of Village sanitary lift stations;
- Continuation of the annual storm water improvement program;
- Continued replacement of trees removed due to the Emerald Ash Borer;
- Maintenance and replacement of vehicles and equipment; and
- Continuation of annual resurfacing of public roadways, and replacement of curbs, gutters and sidewalks.

Business Leaders Forum

Some notable Business Leaders Forum (BLF) projects for fiscal year 2017 include:

- Completed nine (9) rail crossing improvements at Arthur Avenue, Chase Avenue, Touhy Avenue, Estes Avenue, Greenleaf Avenue, Lunt Avenue, Morse Avenue, Mark Street and Carl Boulevard; and
- Completed the roadway resurfacing of Oakton Street from Shadywood Lane to Higgins Road;

The BLF Program is funded with a 3% tax on all telecommunications. In addition to this funding, the BLF Program has received over \$30 million in federal, state, and county funding for numerous transportation improvements within the Business Park.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report for the fiscal year ended April 30, 2016. This was the thirty-third consecutive year the Village has received this prestigious award.

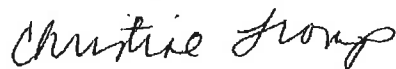
To be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized comprehensive annual financial report. The April 30, 2016 report satisfied both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

A Certificate of Achievement is valid for only one year. I believe the Village's comprehensive annual financial report for the fiscal year ended April 30, 2017 continues to meet the Certificate of Achievement Program's requirements, and will be submitting it to the GFOA to determine its eligibility for another certificate.

In closing, I would like to express my sincere gratitude to all members of the Finance Department who directly assisted and contributed to the preparation of the Comprehensive Annual Financial Report. Each member of the department has my sincere appreciation for their contributions made in the preparation of this report.

I also wish to express my appreciation to the Mayor, Board of Trustees, and the Village Manager for their leadership and continued support which made the preparation of this report possible.

Respectfully submitted,



Christine Tromp
Director of Finance

INDEPENDENT AUDITOR'S REPORT





INDEPENDENT AUDITORS' REPORT

October 3, 2017

The Honorable Village Mayor
Members of the Board of Trustees
Village of Elk Grove Village, Illinois

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 Elk Grove Village, Illinois, as of and for the year ended April 30, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Elk Grove Village, Illinois, as of April 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Elk Grove Village, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements and budgetary comparison schedules, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.


LAUTERBACH & AMEN, LLP

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS



Management's Discussion & Analysis (MD&A)

The objective of the Management Discussion & Analysis (MD&A) is to provide the reader a narrative overview and analysis of the financial activities of Elk Grove Village for the fiscal year ended April 30, 2017. The information presented here should be considered in conjunction with the Letter of Transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The Village's net position increased by \$2.30 million during fiscal year 2017. The governmental net position decreased by \$13.28 million and the business-type activities net position increased by \$15.59 million.
- The Village's combined Governmental Funds ending balance decreased by \$9.80 million as of April 30, 2017.
- At the end of current fiscal year, the unassigned fund balance of the General Fund was \$31,258,522 million or 59.6% of General Fund expenditures.

Overview of the Financial Statements

Government-wide statements provide information on the finances of the Village as a whole; major fund statements provide a snapshot look at Village resources that have been segregated for a specific purpose. Together these statements allow for in-depth, year-to-year comparison of Village financial activities and for comparison with the financial state of other governments. This report also contains supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the Village's finances in a manner similar to a private-sector business. These statements combine and consolidate short-term, consumable resources with capital assets and long-term obligations.

Statement of Net Position

The statement of Net Position presents information on the Village's assets/deferred outflows and liabilities/deferred inflows with the difference reported as net position. Over time, increases or decreases in net position may indicate whether the financial position of the Village is improving or deteriorating.

Statement of Activities

Comparable to a private sector business, all revenues and expenses are reported regardless of the timing of when cash is received or paid out. Both of the government-wide statements distinguish functions of the Village that are financed primarily by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges for service (business-type activities). The Village's governmental activities include general government, public safety, highways and streets, health services and community services. The business-type activities of the Village include the water and

sewer systems. The Village also reports, as a discretely presented component unit, the Village of Elk Grove Village Public Library.

The government-wide financial statements can be found on pages 3 through 6 of this report.

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 compliance with finance-related legal requirements and demonstrate fiscal accountability. Fund financial statements provide detailed information about the Village's significant funds rather than the Village as a whole.

The Village has three types of funds: Governmental Funds, Proprietary Funds and Fiduciary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on the current inflows and outflows of spendable resources and the balance of spendable resources available at the end of the fiscal year. The governmental funds Balance Sheet provides a reconciliation of the Statement of Net Assets while the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provides a reconciliation to the Statement of Activities.

The Village maintains thirteen governmental funds. Information is presented separately in the governmental funds Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund, Business Leaders Forum Fund, Debt Service Fund, Capital Projects Fund, Grove Mall Redevelopment Fund and Busse/Elmhurst Redevelopment Fund. The seven non-major funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

The Village adopts an annual appropriated budget for all governmental funds. Budgetary comparison statements have been provided for analytical purposes and to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 7 through 12 of this report.

Proprietary Funds

The Village maintains two types of proprietary funds: enterprise and internal service. Enterprise funds are used to report equivalent type functions presented as business-type activities in the government-wide statements. The Village uses enterprise funds to account for water and sewer operations. Internal service funds are an accounting device used to accumulate and allocate costs

internally among the Village's various functions. The Village uses an internal service fund to account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of five or more years. These acquisitions are financed through a cost reimbursement to the Capital Replacement Fund from the appropriate account of the Village function.

Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. Information for the operation of the water and sewer system is provided separately, as it is considered a major fund of the Village. Information on the internal service fund is also provided in the proprietary fund financial statement.

The basic proprietary fund financial statements can be found on pages 13 through 16 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's programs. The Village maintains two fiduciary funds: Police Pension Fund and Fire Pension Fund.

The fiduciary fund financial statements can be found on pages 17 through 18 of this report.

Note to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements. The notes to the financial statements can be found on pages 19 through 75 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, including information concerning the Village's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees, as well as budgetary comparison schedules for the General Fund and the Business Leaders Forum Fund. Required supplementary information can be found on pages 76 through 85 of this report.

The combining and individual fund statements, schedules for non-major governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 86 through 119 of this report.

Government-Wide Financial Analysis

Statement of Net Position

The following analysis reviews the net position and expenditures of government activities and business-type activities separately. The table below represents a condensed Statement of Net Position. For comparison purposes, the prior fiscal year is provided. The total net position of governmental activities decreased \$13.28 million from \$22.02 million in fiscal year 2016 to \$8.74 million in fiscal year 2017 while business-type activities reflect an increase of \$15.59 million from \$32.85 million to \$48.43 million.

Statement of Net Position As of April 30, 2017 (in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	65.51	74.70	48.93	44.94	114.44	119.64
Capital Assets	140.01	142.22	37.99	28.48	178.00	170.70
Total Assets	\$205.52	\$216.92	\$86.93	\$73.42	\$292.45	\$290.34
Deferred Outflows of Resources	29.47	36.96	0.48	0.53	29.95	37.49
Liabilities						
Long-Term Liabilities	184.73	205.61	34.51	35.80	219.24	241.42
Other Liabilities	7.61	7.50	4.38	5.27	11.99	12.77
Total Liabilities	\$192.34	\$213.11	\$38.89	\$41.07	\$231.23	\$254.18
Deferred Inflows of Resources	33.91	18.75	0.08	0.02	33.99	18.77
Net Position						
Invested in Capital Net of Debt	99.12	99.08	16.99	17.21	116.11	116.29
Restricted	18.37	19.61	-	-	18.37	19.61
Unrestricted	(108.75)	(96.66)	31.44	15.64	(77.31)	(81.02)
Total Net Position	\$8.74	\$22.02	\$48.43	\$32.85	\$57.18	\$54.87

The Village's \$2.30 million increase in total net position was the result of a decrease in governmental activities net position of \$13.28 million and business-type activities net position increase of \$15.59 million.

The decrease in net position of governmental activities was primarily attributable to an increase in the deferred inflows of resources related to pensions. Overall, General Fund revenue was approximately \$2.81 million more than originally anticipated. Higher tax receipts account for about \$0.67 million of the revenue. Specifically, sales tax receipts exceeded projections by \$1.18 million while real estate transfer tax and food and beverage tax receipts exceeded budgeted amounts by \$111,198 and \$63,782 respectively. Intergovernmental revenues exceeded estimates

by \$229,369. Furthermore, revenues from licenses and permit fees were substantially higher than anticipated due to building permit fees coming in over budget by \$1.38 million. The increase represents continued improving general economic conditions and aggressive marketing efforts by Village staff.

The increase in net position of business-type activities is primarily attributable to an increase in depreciable capital assets. Depreciable capital assets were \$16.99 million more than fiscal year 2016 due to an increase in infrastructure. In fiscal year 2013, the Village issued \$36.79 million in General Obligation Bonds, to be retired by the Waterworks and Sewerage Enterprise Fund, to address various sanitary and storm water infrastructure issues.

Changes in Net Position

The following table summarizes the revenue and expenses of the Village's activities for the current and previous fiscal year. The Village's total revenues increased by \$16.56 million while the cost of all programs increased by \$2.99 million.

Changes in Net Position As of April 30, 2017 (in Millions)

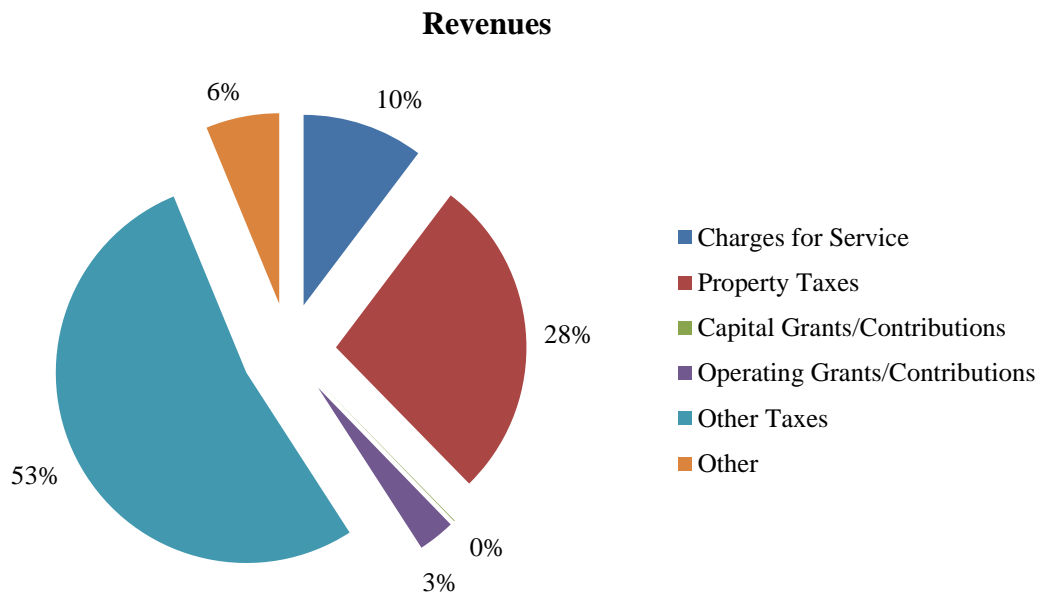
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Revenue						
Program Revenues						
Charges for Services	7.38	6.05	20.67	21.16	28.05	27.21
Operating Grants	2.24	2.48	0.05	-	2.29	2.48
Capital Grants	0.05	0.00	0.46	-	0.51	0.00
General Revenues						
Property Taxes	19.64	19.56	-	-	19.64	19.56
Other Taxes	37.94	37.25	-	-	37.94	37.25
Other	4.46	2.33	12.66	0.15	17.12	2.48
Total Revenues	\$71.71	\$67.68	\$33.84	\$21.31	\$105.55	\$88.99
Expenses						
Governmental Activities						
General Government	20.62	6.87	-	-	20.62	6.87
Public Safety	45.62	53.88	-	-	45.62	53.88
Highway and Streets	13.74	14.24	-	-	13.74	14.24
Health Services	1.96	0.84	-	-	1.96	0.84
Community Services	0.50	0.38	-	-	0.50	0.38
Interest	2.55	2.67	-	-	2.55	2.67
Business Type						
Water & Sewer	-	-	18.25	21.38	18.22	21.38
Total Expenses	\$84.99	\$78.87	\$18.25	\$21.38	\$103.24	\$100.25
Change in Net Position	(13.28)	(11.19)	15.59	(0.07)	2.30	(11.26)
Ending Net Position	\$8.74	\$22.02	\$48.43	\$32.85	\$57.17	\$54.87

Governmental Activities

Revenue

For the fiscal year ended April 30, 2017, revenues from governmental activities totaled \$71.71 million. This represents an increase of \$4.03 million from the prior fiscal year. Property taxes continue to be the Village's largest revenue source with receipts of \$19.64 million in fiscal year 2017. This represents an overall increase of \$80,423 in property tax revenue over fiscal year 2016. Property tax revenues support governmental activities, debt service obligations, and state mandated contributions to the Fire and Police Pension Funds, as well as IMRF and FICA. The 2016 property tax rate for the Village of Elk Grove was \$0.944 per \$100 of EAV. The total assessed value of properties within the Village was \$1,887,283,626, an 11.34% increase from the prior year due to the economy and the County rebalancing real estate values.

Sales and use taxes, which are reported as part of 'Other Taxes,' comprise the Village's second largest revenue source. Improvement in the overall economic climate factored into the \$0.83 million increase in sales and use tax from \$14.37 million in fiscal year 2016 to \$15.20 million in fiscal year 2017 while building permit revenues increased by \$1.19 million from the prior year to \$2.57 million in 2017. Other revenues for the Village also experienced overall increases and only a few experienced slight decreases.

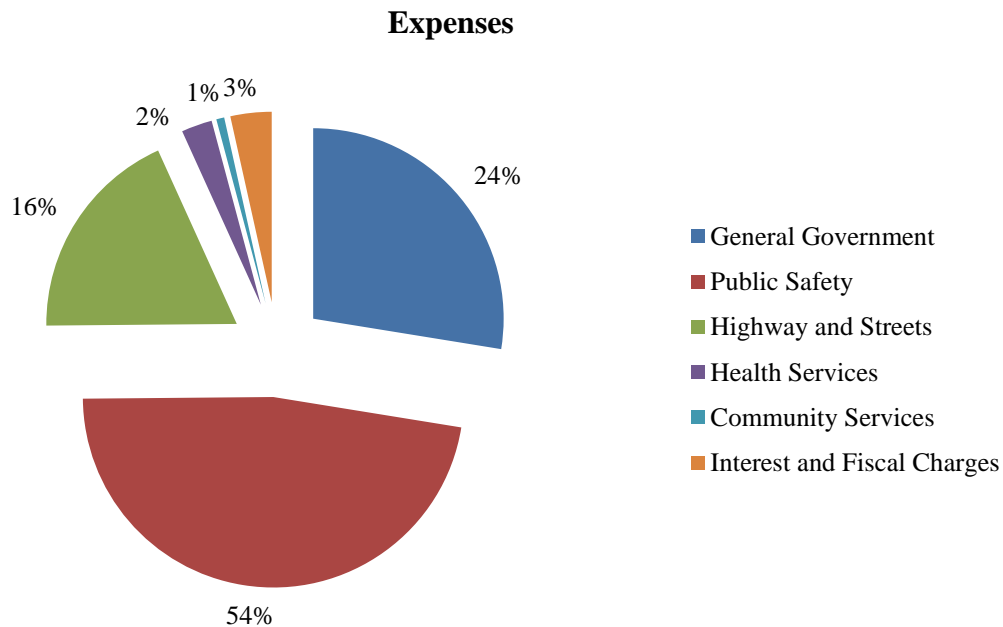


Expenses

The Village's expenses for governmental activities in fiscal year 2017 totaled \$84.99 million. This represents an increase of \$6.12 million from \$78.87 million in fiscal year 2016.

Public safety (police and fire) expenses identified under governmental activities accounted for the largest share of the total fiscal year 2017 expenses at \$45.62 million. Highway and street expenses (public works and engineering) accounted for \$13.74 million.

Expenditures for the General Fund, the Village's main operating fund totaled \$52.53 million, an increase of \$3.29 million over fiscal year 2016. This increase is in part the result of increased personnel and pension benefit costs. Overall, the majority of General Fund expenditures are related to personnel including salaries, health care benefits and pension costs which represent \$45.18 million or 86.0%.



Business-Type Activities

Revenue

Total revenue for business-type activities increased by \$12.53 million in fiscal year 2017. This increase is significantly attributed to a reimbursement of expenses from the Busse/Elmhurst TIF Fund to the Water/Sewer Fund.

Expenses

Expenses from business-type activities decreased by approximately \$3.13 million to \$18.25 million from \$21.38 million in the prior fiscal year. Much of the decrease is due to decreased expenditures for maintenance and construction of Sanitary and Storm Sewers.

Financial Analysis of Village Funds

Governmental Funds

The Village's governmental funds provide information on near-term inflows, outflows and balances of spendable resources. In fiscal year 2012, the Village implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which redefined components of the fund balance. The unassigned fund balance indicates resources available for spending that are not considered non-spendable, restricted, committed or assigned. The unassigned fund balance also reflects the four month reserve for the General Fund.

As of April 30, 2017, the governmental funds had a combined fund balance of \$36.79 million. This reflects a \$9.79 million decrease from the prior fiscal year balance of \$46.58 million. The decrease in the governmental funds fund balance is largely attributable to a reimbursement of expenses from the Busse/Elmhurst TIF Fund to the Water Sewer Fund in fiscal year 2017.

The General Fund is the main operating fund for the Village and the largest of the governmental funds. The General Fund is comprised of the resources and expenditures traditionally associated with municipal government such as general government, public safety, highway and streets, and health services. The General Fund balance increased by \$6.14 million for a total of \$35.17 million as of April 30, 2017. The General Fund continues to meet the Village's fund balance reserve policy of maintaining a reserve equivalent to four months of budgeted expenditures. Reserve fund draw down must be approved by the Village Board and is intended to be used only for emergencies or severe economic disruptions.

The Business Leaders Forum Fund is used to account for the operations of the Village's industrial and commercial revitalization programs. Financing is provided by a portion of the tax assessed on telecommunication services. The fund balance increased by \$674,238 in fiscal year 2017. Revenues in the Business Leaders Forum Fund were \$1.76 million greater than fiscal year 2016 due primarily to the reimbursement of expenses from the Busse/Elmhurst TIF Fund to the Business Leaders Forum Fund; moreover, telecommunications tax revenue decreased by \$9,599 from fiscal year 2016. While overall taxes decreased, an increase in unrealized gain revenues contributed to a net fund balance increase.

The Debt Service Fund represents the accumulated monies for payment on the Village's General Obligation Bonds. Financing is provided by the annual property tax levy. The fund balance for the Debt Service Fund decreased by \$117,973 in fiscal year 2017 and ended the fiscal year with a balance of \$1,515,955.

The Capital Projects Fund encompasses purchases, maintenance or construction of major capital projects in the Village. Projects are financed by General Obligation Bond proceeds, and federal and state grants. The fund balance decreased by \$1.20 million. The decrease was attributable to a planned spend down on capital projects from fund balance.

The Grove Mall Redevelopment Fund is used to account for the purchase, maintenance and redevelopment expenses associated with the Grove Mall property. Although property taxes were less than anticipated, capital project expenses were also less than budgeted by \$152,877 resulting in a fund balance increase of \$99,926.

The Busse/Elmhurst Redevelopment Fund is used to account for the purchase, maintenance, and redevelopment expenses within the Busse/Elmhurst TIF. Property taxes did not materialize in FY 2017 as the equalized assessed value (EAV) did not surpass the frozen EAV. Expenses totaled \$14.83 million resulting in a fund balance of (\$16.09 million). There was a reclassification of the Busse/Elmhurst TIF from a non-major fund to a major fund in FY 2017.

The non-major funds had an aggregate fund balance decrease of \$563,708. The change in individual fund balances is presented in the combining statements, which can be found on pages 100 through 101. Much of the change in fund balance is attributable to increased expenditures for Highways and Streets in the Motor Fuel Tax Fund and the Residential Enhancement Fund.

Proprietary Funds

The Waterworks and Sewer Fund recorded an increase of \$15.59 million in net position for fiscal year 2017. The increase in net position of the business-type activities is attributable to the reimbursement from the Busse/Elmhurst TIF Fund to the Waterworks and Sewer Fund. The Waterworks and Sewer Fund unrestricted net position and resources invested in capital assets amounted to \$31.44 million and \$16.99 million respectively for a net position total of \$48.43 million.

The Internal Service Fund experienced an increase in net position of \$322,361. The unrestricted net position and net position invested in capital assets equal \$5.26 million and \$5.71 million respectively for a net position total of \$10.97 million.

General Fund Budgetary Highlights

General Fund For the Fiscal Year Ended April 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$55,858,548	\$55,858,548	\$58,664,060
Expenditures	55,222,829	55,552,963	52,527,972
Net Change in Fund Balance	\$635,719	\$305,585	\$6,136,088

Total tax revenues in the General Fund were higher than the projected amounts due to state shared and home rule sales and use tax in the amount of \$1.18 million over final budget revenue figures. Real Estate Transfer tax received was also greater than projected by \$111,198. Fines and forfeitures received were \$81,090 over budgeted projections in FY2017 as the Village continued increased collection and enforcement efforts. Building permit revenue also came in \$1.38 million over budget during fiscal year 2017 due to continued strong economic conditions.

In fiscal year 2017, the Village of Elk Grove approved the following budget amendments to the General Fund during the year:

- An increase of \$330,135 to amend the Fiscal Year 2017 Budget for outstanding encumbrances from the Fiscal Year 2016 Budget.

Capital Assets

The following schedule reflects the Village's capital asset balances as of April 30, 2017.

Capital Assets As of April 30, 2017

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Land	\$1,376,726	-	\$1,376,726
Building and Improvements	100,751,638	3,776,092	104,527,730
Machinery and Equipment	5,486,976	3,784,977	9,271,953
Licensed Vehicles	10,339,699	1,531,526	11,871,225
Infrastructure	128,418,577	58,310,282	186,728,859
Construction in Progress	3,247,735	6,481,115	9,728,850
Total	249,621,351	73,883,992	323,505,343
<i>Less:</i>			
Accumulated Depreciation	109,611,874	35,887,377	145,499,251
Total	140,009,477	37,996,615	178,006,092

Major Capital Asset Events During Fiscal Year 2017

- Completed construction of the Busse Road Median Enhancement;
- Completed the residential drainage improvement projects between Evergreen Street & Ridgewood Road, Braemar Drive & Kenilworth Avenue, Banbury Avenue & Kingsbridge Road, and Arizona Pass & Texas Street; and

- Resurfaced 4.63 miles of public roadway.

See Note 3 on pages 41 through 42 for additional information on the capital asset activity of the Village.

Long-Term Debt

The table below summarizes the Village's bonded and similar indebtedness.

Bonded and Similar Indebtedness As of April 30, 2017 and 2016

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
General Obligation Bond - Net	40,953,042	43,139,683	33,755,100	34,842,962	74,708,142	77,982,645
Net Pension Liability						
IMRF	6,538,588	8,008,268	1,055,687	1,268,382	7,594,275	9,276,650
Police	55,589,962	65,600,563			55,589,962	65,600,563
Fire	58,135,250	65,716,155			58,135,250	65,716,155
Net Other Post-Employment	19,002,926	18,002,475	684,555	654,033	19,687,481	18,656,508
Total	\$180,219,768	\$200,467,144	\$35,495,342	\$36,765,377	\$215,715,110	\$237,232,521

As an Illinois home-rule municipality, the Village is not subject to any debt limitation. Although the Village previously held a credit rating of Aa1 from Moody's during fiscal year 2017, the Village obtained a rating of AA+ as of August 2017 from Standard & Poor's (S&P) in anticipation of issuing government obligation bonds for the Elk Grove 2025 Long Range Infrastructure Plan. In making the decision to rate Elk Grove Village, S&P noted that Elk Grove has extremely competent management, strong budgetary performance, very strong economy, strong budgetary flexibility and liquidity. The stable outlook reflect Elk Grove Village's structurally balanced financial operations and anticipation it will maintain very strong budgetary flexibility and liquidity. S&P also factors in unfunded pension liabilities of both the State of Illinois and local pensions when issuing bond ratings. See Note 3 on pages 43 through 47 for additional information on the long-term debt activity of the Village.

The Net Pension Liability (NPL) reflects the cumulative difference between what the Village was required to make to the IMRF, Fire and Police Pension Funds and the contributions actually made. The Village has paid the full amount of the actuarially required contributions (ARC). During fiscal year 2017, the Village contributed \$5.51 million more than the combined Annual Pension Cost for the three pension funds to address long-term unfunded liabilities as provided through the implementation of an Electric Use Tax as adopted by the Village Board.

Economic Factors

Elk Grove Village is back on the road to economic health, although it continues to be a long journey. The fiscally responsible decisions made during the economic downturn have attributed to

the strong financial position that the Village is in today. Additionally, the Village's Business Friendly attitude, and focus on technology and infrastructure has paid dividends in attracting increased business investment during fiscal year 2017.

The Village is located adjacent to O'Hare International Airport and is home to the largest consolidated business park (5.5 square miles) in the United States with over 62 million square feet of industrial inventory. For the second quarter of 2017, the industrial vacancy rate of 3.37% represents one of the lowest in the O'Hare Industrial market. The vacancy rate has been improving over the past five years, with the current rate representing the lowest in more than 15 years. The business park also is home to the second highest number of manufacturing jobs in the State of Illinois with the greater Elk Grove area accounting for half of Illinois' annual exports.

Furthermore, the Village's unemployment rate of 4.0% continues to be significantly below the State's average of 5.0%. The Village's top employers include Alexian Brothers Medical Center with 2,900 employees, Automatic Data Processing with 1,300 and Creative Werks with 600.

The increase in business investment during fiscal year 2017 welcomed several new businesses or business expansions including MC Machinery, Atlas Companies, Marketplace Brands, and NNR Global Logistics USA, Inc. The Village was recognized with several awards for its marketing and communication efforts related to the Business Park, including the advertising commercials and radio ads during the Chicago Cubs' baseball games.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to:

Village of Elk Grove
Christine Tromp, Director of Finance
901 Wellington Avenue
Elk Grove Village, IL 60007

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Statement of Net Position
April 30, 2017**

	Governmental Activities	Business-Type Activities	Totals	Component Unit Public Library
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 57,933,150	31,035,543	88,968,693	5,665,157
Receivables - Net of Allowances	10,965,307	4,288,777	15,254,084	2,868,477
Due from Other Governments	6,848,294	-	6,848,294	17,162
Internal Balances	(12,323,230)	12,323,230	-	-
Due from Fiduciary Funds	1,800,510	-	1,800,510	-
Prepays/Inventories	284,481	6,198	290,679	59,409
Total Current Assets	<u>65,508,512</u>	<u>47,653,748</u>	<u>113,162,260</u>	<u>8,610,205</u>
Noncurrent Assets				
Capital Assets				
Nondepreciable	4,624,461	6,481,115	11,105,576	86,379
Depreciable	244,996,890	67,402,877	312,399,767	9,540,598
Accumulated Depreciation	(109,611,874)	(35,887,377)	(145,499,251)	(4,593,017)
	<u>140,009,477</u>	<u>37,996,615</u>	<u>178,006,092</u>	<u>5,033,960</u>
Other Assets				
Deposits with Joint Ventures	-	1,276,634	1,276,634	-
Total Noncurrent Assets	<u>140,009,477</u>	<u>39,273,249</u>	<u>179,282,726</u>	<u>5,033,960</u>
Total Assets	<u>205,517,989</u>	<u>86,926,997</u>	<u>292,444,986</u>	<u>13,644,165</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	3,320,016	479,518	3,799,534	523,795
Deferred Items - Police Pension	10,686,638	-	10,686,638	-
Deferred Items - Fire Pension	12,528,397	-	12,528,397	-
Unamortized Loss on Refunding	2,939,547	-	2,939,547	-
Total Deferred Outflows of Resources	<u>29,474,598</u>	<u>479,518</u>	<u>29,954,116</u>	<u>523,795</u>
Total Assets and Deferred Outflows of Resources	<u>234,992,587</u>	<u>87,406,515</u>	<u>322,399,102</u>	<u>14,167,960</u>

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

	Governmental Activities	Business-Type Activities	Totals	Component Unit Public Library
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 2,608,729	2,131,926	4,740,655	408,872
Accrued Payroll	569,450	29,669	599,119	98,847
Accrued Interest	626,894	376,090	1,002,984	-
Deposits Payable	241,029	100,299	341,328	-
Retainage Payable	145,866	403,187	549,053	-
Claims Payable	717,926	266,826	984,752	-
Other Payables	130,201	-	130,201	-
Current Portion of Long-Term Liabilities	2,571,005	1,072,244	3,643,249	22,488
Total Current Liabilities	7,611,100	4,380,241	11,991,341	530,207
Noncurrent Liabilities				
Compensated Absences Payable	1,284,020	68,974	1,352,994	89,954
Net Pension Liability - IMRF	6,538,588	1,055,687	7,594,275	1,153,163
Net Pension Liability - Police Pension	55,589,962	-	55,589,962	-
Net Pension Liability - Fire Pension	58,135,250	-	58,135,250	-
Net Other Post-Employment Benefit Payable	19,002,926	684,555	19,687,481	305,775
General Obligation Bonds Payable - Net	41,642,589	32,700,100	74,342,689	-
Notes Payable	2,535,772	-	2,535,772	-
Total Noncurrent Liabilities	184,729,107	34,509,316	219,238,423	1,548,892
Total Liabilities	192,340,207	38,889,557	231,229,764	2,079,099
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	18,774,216	-	18,774,216	5,193,616
Deferred Items - IMRF	347,983	56,184	404,167	61,372
Deferred Items - Police Pension	8,095,527	-	8,095,527	-
Deferred Items - Fire Pension	6,424,822	-	6,424,822	-
Grants	268,944	25,000	293,944	-
Total Deferred Inflows of Resources	33,911,492	81,184	33,992,676	5,254,988
Total Liabilities and Deferred Inflows of Resources	226,251,699	38,970,741	265,222,440	7,334,087
NET POSITION				
Net Investment in Capital Assets	99,121,435	16,996,452	116,117,887	5,033,960
Restricted - Highways and Streets	9,748,834	-	9,748,834	-
Restricted - Capital Projects	6,109,354	-	6,109,354	-
Restricted - Public Safety	441,892	-	441,892	-
Restricted - Health Services	1,187,832	-	1,187,832	-
Restricted - Debt Service	889,061	-	889,061	-
Unrestricted (Deficit)	(108,757,520)	31,439,322	(77,318,198)	1,799,913
Total Net Position	8,740,888	48,435,774	57,176,662	6,833,873

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Statement of Activities
For the Fiscal Year Ended April 30, 2017**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 20,619,653	4,349,400	282,796	-
Public Safety	45,625,408	2,934,392	36,066	-
Highways and Streets	13,737,840	-	1,035,097	47,097
Health Services	1,956,040	93,154	887,548	-
Community Services	504,694	-	-	-
Interest on Long-Term Debt	2,547,430	-	-	-
Total Governmental Activities	84,991,065	7,376,946	2,241,507	47,097
Business-Type Activities				
Waterworks and Sewerage	18,255,353	20,670,311	49,711	461,015
Total Primary Government	103,246,418	28,047,257	2,291,218	508,112
Component Unit - Public Library	5,011,584	131,835	17,163	-

General Revenues

- Taxes
 - Property
 - Sales and Use
 - Utility and Telecommunications
 - Hotel/Motel
 - Food and Beverage
 - Real Estate Transfer
 - Other Taxes
- Intergovernmental - Unrestricted
 - Sales Taxes
 - Income Taxes
- Investment Income
- Miscellaneous

Change in Net Position

Net Position - May 1

Net Position - April 30

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

Net (Expense)/Revenue			
Primary Government			Component
Governmental	Business-Type	Totals	Unit
Activities	Activities		Public
			Library
(15,987,457)	-	(15,987,457)	-
(42,654,950)	-	(42,654,950)	-
(12,655,646)	-	(12,655,646)	-
(975,338)	-	(975,338)	-
(504,694)	-	(504,694)	-
(2,547,430)	-	(2,547,430)	-
(75,325,515)	-	(75,325,515)	-
-	2,925,684	2,925,684	-
(75,325,515)	2,925,684	(72,399,831)	-
-	-	-	(4,862,586)
19,641,354	-	19,641,354	5,149,686
15,197,753	-	15,197,753	-
5,171,376	-	5,171,376	-
1,593,058	-	1,593,058	-
963,782	-	963,782	-
1,111,198	-	1,111,198	-
133,315	-	133,315	-
10,634,126	-	10,634,126	-
3,131,324	-	3,131,324	-
777,531	130,081	907,612	22,638
3,687,004	12,529,833	16,216,837	-
62,041,821	12,659,914	74,701,735	5,172,324
(13,283,694)	15,585,598	2,301,904	309,738
22,024,582	32,850,176	54,874,758	6,524,135
8,740,888	48,435,774	57,176,662	6,833,873

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Balance Sheet - Governmental Funds
April 30, 2017**

	General	Special Revenue Business Leaders Forum
ASSETS		
Cash and Investments	\$ 31,819,882	5,644,447
Receivables - Net of Allowances		
Property Taxes	7,607,743	-
Accrued Interest	2,446	2,156
Other	1,238,746	
Due from Other Governments	5,991,813	731,286
Due from Other Funds	1,804,073	2,089,254
Advances to Other Funds	3,712,216	-
Inventory	45,557	-
Prepays	155,044	6,820
 Total Assets	 <u>52,377,520</u>	 <u>8,473,963</u>
LIABILITIES		
Accounts Payable	1,431,190	243,283
Accrued Payroll	555,696	8,996
Deposits Payable	206,270	13,561
Retainage Payable	1,201	47,138
Claims Payable	717,213	570
Other Payables	130,201	-
Due to Other Funds	4,897	-
Advances from Other Funds	-	-
Total Liabilities	<u>3,046,668</u>	<u>313,548</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	14,159,513	-
Grants	-	-
Total Deferred Inflows of Resources	<u>14,159,513</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>17,206,181</u>	<u>313,548</u>
 Nonspendable	 3,912,817	 6,820
Restricted	-	8,153,595
Unassigned	31,258,522	-
Total Fund Balances	<u>35,171,339</u>	<u>8,160,415</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>52,377,520</u>	 <u>8,473,963</u>

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

Debt Service	Capital Projects			Nonmajor	Totals
	Capital Projects	Grove Mall Redevelopment	Busse/Elmhurst Redevelopment		
3,457,697	6,630,527	932,676	156,556	3,862,996	52,504,781
1,940,031	-	-	-	-	9,547,774
-	-	-	-	-	4,602
-	5,872	-	-	164,720	1,409,338
-	52,664	-	-	72,531	6,848,294
-	3,985	-	-	4,897	3,902,209
-	-	-	-	-	3,712,216
-	-	-	-	-	45,557
-	-	-	-	77,060	238,924
<u>5,397,728</u>	<u>6,693,048</u>	<u>932,676</u>	<u>156,556</u>	<u>4,182,204</u>	<u>78,213,695</u>
-	544,594	23,510	30,266	168,973	2,441,816
-	-	-	-	4,758	569,450
-	21,198	-	-	-	241,029
-	17,902	-	-	79,625	145,866
-	-	-	-	143	717,926
-	-	-	-	-	130,201
-	-	-	14,420,032	-	14,424,929
-	-	1,444,193	1,792,248	475,775	3,712,216
-	583,694	1,467,703	16,242,546	729,274	22,383,433
3,881,773	-	483,472	-	249,458	18,774,216
-	-	-	-	268,944	268,944
<u>3,881,773</u>	<u>-</u>	<u>483,472</u>	<u>-</u>	<u>518,402</u>	<u>19,043,160</u>
<u>3,881,773</u>	<u>583,694</u>	<u>1,951,175</u>	<u>16,242,546</u>	<u>1,247,676</u>	<u>41,426,593</u>
-	-	-	-	77,060	3,996,697
1,515,955	6,109,354	-	-	3,224,963	19,003,867
-	-	(1,018,499)	(16,085,990)	(367,495)	13,786,538
<u>1,515,955</u>	<u>6,109,354</u>	<u>(1,018,499)</u>	<u>(16,085,990)</u>	<u>2,934,528</u>	<u>36,787,102</u>
<u>5,397,728</u>	<u>6,693,048</u>	<u>932,676</u>	<u>156,556</u>	<u>4,182,204</u>	<u>78,213,695</u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

April 30, 2017

Total Governmental Fund Balances	\$ 36,787,102
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.	140,009,477
Less: Capital Assets of Internal Service Funds Included Below	(5,708,390)
The Internal Service Fund is used by the Village to charge the costs of vehicle and equipment management to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	10,973,439
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	2,972,033
Deferred Items - Police Pension	2,591,111
Deferred Items - Fire Pension	6,103,575
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,605,025)
Net Pension Liability - IMRF	(6,538,588)
Net Pension Liability - Police Pension	(55,589,962)
Net Pension Liability - Fire Pension	(58,135,250)
Net Other Post-Employment Benefit Payable	(19,002,926)
General Obligation Bonds Payable - Net	(43,892,589)
Unamortized Loss on Refunding	2,939,547
Redevelopment Note Payable	(2,535,772)
Accrued Interest Payable	(626,894)
Net Position of Governmental Activities	<u><u>8,740,888</u></u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

See Following Page

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	General	Special Revenue Business Leaders Forum
Revenues		
Taxes	\$ 33,874,407	2,668,226
Intergovernmental	15,807,469	47,097
Licenses and Permits	4,265,493	-
Charges for Services	1,302,870	-
Fines and Forfeitures	1,507,290	-
Interest	663,764	32,951
Unrealized Gain	-	2,089,254
Miscellaneous	1,242,767	-
Total Revenues	58,664,060	4,837,528
Expenditures		
Current		
General Government	6,417,154	-
Public Safety	38,494,195	-
Highways and Streets	7,616,623	1,443,423
Health Services	-	-
Community Services	-	-
Capital Outlay	-	2,719,867
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	52,527,972	4,163,290
Net Change in Fund Balances	6,136,088	674,238
Fund Balances - May	29,035,251	7,486,177
Fund Balances - April 30	35,171,339	8,160,415

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

Debt Service	Capital Projects			Nonmajor	Totals
	Capital Projects	Grove Mall Redevelopment	Busse/Elmhurst Redevelopment		
3,739,432	-	879,039	-	1,075,922	42,237,026
-	47,097	-	-	839,653	16,741,316
-	-	-	-	100,133	4,365,626
-	-	-	-	734,727	2,037,597
-	97,724	-	-	203,569	1,808,583
1,648	31,822	10	1,988	10,173	742,356
-	-	-	-	-	2,089,254
250,988	103,985	-	-	52,698	1,650,438
3,992,068	280,628	879,049	1,988	3,016,875	71,672,196
-	-	-	-	-	6,417,154
-	-	-	-	156,942	38,651,137
-	-	303,439	-	1,215,913	10,579,398
-	-	-	-	819,703	819,703
-	-	-	-	408,065	408,065
-	1,477,420	65,227	14,828,939	555,569	19,647,022
2,140,000	-	-	-	265,305	2,405,305
1,970,041	-	410,457	-	159,086	2,539,584
4,110,041	1,477,420	779,123	14,828,939	3,580,583	81,467,368
(117,973)	(1,196,792)	99,926	(14,826,951)	(563,708)	(9,795,172)
1,633,928	7,306,146	(1,118,425)	(1,259,039)	3,498,236	46,582,274
1,515,955	6,109,354	(1,018,499)	(16,085,990)	2,934,528	36,787,102

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

For the Fiscal Year Ended April 30, 2017

Net Change in Fund Balances - Total Governmental Funds \$ (9,795,172)

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

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

Capital Outlays	3,425,600
Depreciation Expense	(5,596,221)
Disposals - Cost	(28,403)
Disposals - Accumulated Depreciation	25,563

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

Change in Deferred Items - IMRF	(362,124)
Change in Deferred Items - Police Pension	(12,012,143)
Change in Deferred Items - Fire Pension	(9,714,445)

The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

(Addition) to Compensated Absences Payable	(6,904)
Deduction to Net Pension Liability - IMRF	1,469,680
Deduction to Net Pension Liability - Police Pension	10,010,601
Deduction to Net Pension Liability - Fire Pension	7,580,905
(Addition) to Net Other Post-Employment Benefit Payable	(1,000,451)
Retirement of Debt	2,405,305
Change in Interest Rebate	(83,707)
Amortization of Deferred Charges	(267,231)
Amortization of Premium	313,872

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

29,220

Internal service funds are used by the Village to charge the costs of vehicle and equipment
management and employee compensated absences to individual funds.

The net revenue of certain activities of internal service funds is
reported with governmental activities.

322,361

Changes in Net Position of Governmental Activities

(13,283,694)

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

See Following Page

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2017

	Business-Type Activities - Enterprise <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Capital Replacement</u>
ASSETS		
Current Assets		
Cash and Investments	\$ 31,035,543	5,428,369
Receivables - Net of Allowances		
Accounts	4,164,384	3,593
Accrued Interest	10,994	-
Other	34,351	-
Due from Developers	79,048	-
Due from Other Funds	12,323,230	-
Inventories	6,198	-
Total Current Assets	<u>47,653,748</u>	<u>5,431,962</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable	6,481,115	55,920
Depreciable	67,402,877	11,527,968
Accumulated Depreciation	<u>(35,887,377)</u>	<u>(5,875,498)</u>
	37,996,615	5,708,390
Other Assets		
Investment in Joint Venture	<u>1,276,634</u>	-
Total Noncurrent Assets	<u>39,273,249</u>	<u>5,708,390</u>
Total Assets	86,926,997	11,140,352
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Items - IMRF	<u>479,518</u>	-
Total Assets	<u>87,406,515</u>	<u>11,140,352</u>

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

	Business-Type Activities - Enterprise <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Capital Replacement</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	\$ 2,131,926	166,913
Accrued Payroll	29,669	-
Accrued Interest	376,090	-
Deposits Payable	100,299	-
Retainage Payable	403,187	-
Claims Payable	266,826	-
Current Portion of Long-Term Liabilities	1,072,244	-
Total Current Liabilities	<u>4,380,241</u>	<u>166,913</u>
Noncurrent Liabilities		
Compensated Absences Payable	68,974	-
Net Pension Liability - IMRF	1,055,687	-
Net Other Post-Employment Benefit Obligation Payable	684,555	-
General Obligation Bonds Payable - Net	32,700,100	-
Total Noncurrent Liabilities	<u>34,509,316</u>	<u>-</u>
Total Liabilities	<u>38,889,557</u>	<u>166,913</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Items - IMRF	56,184	-
Grants	25,000	-
Total Deferred Inflows of Resources	<u>81,184</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>38,970,741</u>	<u>166,913</u>
NET POSITION		
Net Investment in Capital Assets	16,996,452	5,708,390
Unrestricted	31,439,322	5,265,049
Total Net Position	<u>48,435,774</u>	<u>10,973,439</u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds
For the Fiscal Year Ended April 30, 2017**

	Business-Type Activities - Enterprise <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Capital Replacement</u>
Operating Revenues		
Charges for Services	\$ 20,486,106	-
Miscellaneous	183,337	-
Interfund Services	-	1,184,947
Total Operating Revenues	<u>20,669,443</u>	<u>1,184,947</u>
Operating Expenses		
Administration	2,547,908	55,920
Operations		
Water Division	11,926,104	-
Sewer Division	1,021,021	-
Storm Sewer Maintenance	42,901	-
Highways and Streets	-	39,043
Public Safety	-	19,124
Community Services	-	2,775
Depreciation and Amortization	1,628,211	780,899
Total Operating Expenses	<u>17,166,145</u>	<u>897,761</u>
Operating Income	<u>3,503,298</u>	<u>287,186</u>
Nonoperating Revenues (Expenses)		
Miscellaneous Income	868	-
Other Income	12,527,741	-
Disposal of Capital Assets	2,092	-
Grant Income	49,711	-
Interest Income	130,081	35,175
Interest Expenses	(1,089,208)	-
	<u>11,621,285</u>	<u>35,175</u>
Income Before Capital Contributions	15,124,583	322,361
Capital Contributions	<u>461,015</u>	-
Change in Net Position	15,585,598	322,361
Net Position - May 1	<u>32,850,176</u>	<u>10,651,078</u>
Net Position - April 30	<u><u>48,435,774</u></u>	<u><u>10,973,439</u></u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended April 30, 2017**

	Business-Type Activities - Enterprise <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Capital Replacement</u>
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 20,770,621	-
Interfund Services Provided	-	1,185,198
Payments to Suppliers	(15,078,652)	(436,318)
Payments to Employees	(1,548,294)	-
	<u>4,143,675</u>	<u>748,880</u>
Cash Flows from Capital and Related Financing Activities		
Interest and Fiscal Charges	(1,089,208)	-
Payment of Bond Principal	(1,035,000)	-
Purchase of Capital Assets	(10,687,657)	(743,932)
	<u>(12,811,865)</u>	<u>(743,932)</u>
Cash Flows from Investing Activities		
Interest Received	<u>130,081</u>	<u>35,175</u>
Net Change in Cash and Cash Equivalents	(8,538,109)	40,123
Cash and Cash Equivalents - May 1	<u>39,573,652</u>	<u>5,388,246</u>
Cash and Cash Equivalents - April 30	<u><u>31,035,543</u></u>	<u><u>5,428,369</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	3,503,298	287,186
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:		
Depreciation and Amortization	1,628,211	780,899
Other Income	12,580,412	-
(Increase) Decrease in Current Assets	(12,479,234)	251
Increase (Decrease) in Current Liabilities	(1,089,012)	(319,456)
Net Cash Provided by Operating Activities	<u><u>4,143,675</u></u>	<u><u>748,880</u></u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Statement of Fiduciary Net Position
April 30, 2017

	<u>Pension Trust</u>
ASSETS	
Cash and Cash Equivalents	\$ 2,414,493
Investments	
U.S. Treasury Obligations	16,496,846
U.S. Agency Obligations	4,345,909
State and Local Obligations	1,929,062
Corporate Bonds	21,310,927
Insurance Contracts	1,898,033
Mutual Funds	95,883,658
Money Market	7,190,479
Receivables	
Accrued Interest	319,979
Prepays	<u>335</u>
Total Assets	<u>151,789,721</u>
LIABILITIES	
Accounts Payable	6,241
Due to General Fund	<u>1,800,510</u>
Total Liabilities	<u>1,806,751</u>
NET POSITION	
Restricted for Pensions	<u><u>149,982,970</u></u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2017

	Pension Trust
Additions	
Contributions - Employer	\$ 5,578,004
Contributions - Plan Members	1,691,261
Other Contributions	4,277,228
Total Contributions	<u>11,546,493</u>
Investment Earnings	
Interest Earned	1,241,864
Net Change in Fair Value	12,650,945
	<u>13,892,809</u>
Less Investment Expenses	(231,185)
Net Investment Income	<u>13,661,624</u>
Total Additions	<u>25,208,117</u>
Deductions	
Administration	5,360
Benefits and Refunds	10,965,710
Total Deductions	<u>10,971,070</u>
Change in Fiduciary Net Position	14,237,047
Net Position - May 1	<u>135,745,923</u>
Net Position - April 30	<u><u>149,982,970</u></u>

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Elk Grove Village, Illinois, is a municipal corporation governed by an elected mayor and six-member board of trustees. The Village’s major operations include police and fire protection, highways and streets maintenance and reconstruction, planning and zoning services, public improvements, economic development, water, sewer, refuse collection, stormwater management, and general administrative services.

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

REPORTING ENTITY

The Village’s financial reporting entity comprises the following:

Primary Government:	Village of Elk Grove Village
Discretely Presented Component Unit:	Village of Elk Grove Village Public Library

In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, “the Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34,” and includes all component units that have a significant operational or financial relationship with the Village.

Police Pension Employees Retirement System

The Village’s sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village’s Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village’s police employees. The PPERS is reported as a pension trust fund.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

REPORTING ENTITY – Continued

Fire Pension Employees Retirement System

The Village's sworn firefighters participate in the Fire Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the Village's Mayor, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the Village, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's sworn firefighters. The FPERS is reported as a pension trust fund.

Discretely Presented Component Unit

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

Elk Grove Village Public Library

The Elk Grove Village Public Library operates and maintains the public library within the Village. The Public Library's Board is elected by the voters of the Village. The Public Library may not issue bonded debt without the Village's approval, and its annual budget and property tax levy request are subject to the Village Board's approval. A financial benefit/burden relationship exists. The Library is presented as a governmental fund type. Separate audited financial statements for the Public Library may be obtained from the Public Library's offices at 1001 Wellington Avenue, Elk Grove Village, Illinois 60007.

BASIS OF PRESENTATION

Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Village's police and fire protection, highways and streets maintenance and reconstruction, planning and zoning services, public improvements, economic development, and general administrative services are classified as governmental activities. The Village's waterworks and sewerage services are classified as business-type activities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, highways and streets, etc.) The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from foods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

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

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

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

Fund Financial Statements

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

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

Governmental Funds

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund, the Business Leaders Forum Fund, which is used to account for the operations of the Village's investment in the Business Park. Financing is provided by a tax assessed on telecommunication services. The Village also maintains five nonmajor special revenue funds.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Debt Service Fund is treated as a major fund and is used to account for the payment of interest and principal on the Village's general long-term debt obligations for the governmental activities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains three major and two nonmajor capital projects funds. The Capital Projects Fund, a major fund is used to account for the purchase, or construction of major capital projects in the Village. Projects are financed by federal and state grants and proceeds of General Obligations Bonds. The Grove Mall Redevelopment Fund, also a major fund, is used to account for the purchase, maintenance and redevelopment expenditures associated with the Grove Mall Property. The Busse/Elmhurst Redevelopment Fund, a major fund, is used to account for the purchase, maintenance, and redevelopment expenditures associated with the Busse/Elmhurst redevelopment project area.

Proprietary Funds

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

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains one major enterprise fund, the Waterworks and Sewerage Fund, and is used to account for the provision of water and sewer services to the residents and businesses of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collections.

Internal Service Funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal services fund. The Capital Replacement Fund is used to account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and estimated useful life of at least five years, financed by charges to the General Fund. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fund Financial Statements – Continued

Proprietary Funds – Continued

The Village’s internal service fund is presented in the proprietary funds financial statements. Because the principal users of the internal services are the Village’s governmental activities, the financial statements of the internal service fund is consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, highways and streets, etc.).

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

Pension Trust Funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village’s police force. The Fire Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village’s Fire Department.

The Village’s pension trust funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Measurement Focus – Continued

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

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

Basis of Accounting

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

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

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

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

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

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

Cash and Investments

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Receivables

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Prepays/Inventories

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

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Capital Assets

Capital assets purchased or acquired with an original cost of \$25,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Capital Assets – Continued

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

Buildings	40 - 50 Years
Machinery and Equipment	10 - 20 Years
Vehicles	5 - 20 Years
Infrastructure	20 - 60 Years

Deferred Outflows/Inflows of Resources

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

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement pursuant to the Village’s personnel rules and union contracts.

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

Long-Term Obligations

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

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

Net Position

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

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

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

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles, except the proprietary funds which adopt a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for all funds. All annual appropriations lapse at fiscal year-end. During the year, several supplementary appropriations were necessary.

The Village follows the procedures noted below in establishing the budgetary data reflected in the financial statements.

- The Village Manager submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them.
- Public hearings are conducted.
- The budget is legally enacted by approval of the Board of Trustees.
- The budget may be amended during the year by the Board of Trustees.
- The level of control (level at which expenditures may not exceed budget) is the department. Management may transfer amounts between line items so long as the total department budget is not revised. Budget amendments which increase the total amount of a department’s budget must be approved by the Village Board.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

DEFICIT FUND BALANCES

The following funds had deficit fund balances as of the date of this report:

Fund	Deficit
Grove Mall Development	\$ 1,018,499
Devon/Rohlwing Redevelopment	367,495
Busse/Elmhurst Redevelopment	16,085,990

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The Village maintains separate cash accounts for each fund. In addition, investments are separately held by several of the Village’s funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

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

The deposits and investments of the Pension Funds are held separately from those of other Village funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Market Fund (Formerly known as IPTIP, Illinois Public Treasurer’s Investment Pool), or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county,

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; and separate accounts of life insurance companies and mutual funds, the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the Pension Fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension Funds with plan net position of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension Funds with plan net position of at least \$5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net position of at least \$10 million that have appointed an investment advisor, may invest up to fifty percent of its net position in common and preferred stocks and mutual funds that meet specific restrictions effective July 1, 2011 and up to fifty-five percent effective July 1, 2012.

The 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 operates 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.

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

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

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type totaled \$20,559,854 and the bank balances totaled \$22,182,427.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Agency Obligations	\$ 17,482,255	1,497,190	13,987,745	1,997,320	-
Illinois Funds	34,803,819	34,803,819	-	-	-
IMET	9,052,664	9,052,664	-	-	-
	<u>61,338,738</u>	<u>45,353,673</u>	<u>13,987,745</u>	<u>1,997,320</u>	<u>-</u>

The Village has the following recurring fair value measurements as of April 30, 2017:

Investments by Fair Value Level	April 30, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Agency Obligations	\$ 17,482,255	-	17,482,255	-
Equity Securities				
Annuities	2,003,000	2,003,000	-	-
Mutual Funds	5,067,101	5,067,101	-	-
Total Investments by Fair Value Level	<u>24,552,356</u>	<u>7,070,101</u>	<u>17,482,255</u>	<u>-</u>
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	34,803,819			
IMET	9,052,664			
Total Investments at the (NAV)	<u>43,856,483</u>			
Total Investments Measured at Fair Value	<u>68,408,839</u>			

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Village – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. At year-end, the Village's U.S. agency securities are all rated AA+ by Standard & Poor's, and the Village's investment in the Illinois Funds was rated AAAM and IMET was rated AA Af by Standard & Poor's. The Village's mutual funds and annuity were not rated.

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 its investment policy, the Village Limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a three-year period. The investment policy limits the maximum maturity length of investments in the operating funds to three years from date of purchase. Investments reserve funds may be purchased with maturities to match future projects or liability requirements. In addition, the policy requires the Village to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operation, thereby avoiding the need to sell securities on the open market prior to maturity.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name. In accordance with its investment policy, all Village deposits with financial institutions are fully insured and collateralized.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name. The Village's investments in the Illinois Funds and IMET are not subject to custodial credit risk.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy does not specifically limit the amount of the Village's investments in any one investment vehicle, but does require general diversification of the portfolio. In addition to the securities and fair values listed above, the Fund also has \$5,067,101 invested in mutual funds and \$2,003,000 invested in annuities. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Pensions' deposits totaled \$1,175,422 and the bank balances totaled \$1,175,422.

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 9,527,625	1,355,126	6,084,187	2,088,312	-
U.S. Agency Obligations	2,384,427	250,000	987,622	796,398	350,407
State and Local Obligations	785,176	-	785,176	-	-
Corporate Bonds	11,626,954	843,546	7,280,280	3,503,128	-
Money Market	3,033,573	3,033,573	-	-	-
	<u>27,357,755</u>	<u>5,482,245</u>	<u>15,137,265</u>	<u>6,387,838</u>	<u>350,407</u>

Investments by Fair Value Level	April 30, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 9,527,625	9,527,625	-	-
U.S. Agency Obligations	2,384,427	-	2,384,427	-
State and Local Obligations	785,176	-	785,176	-
Corporate Bonds	11,626,954	-	11,626,954	-
Equity Securities				
Insurance Contracts	1,339,512	1,339,512	-	-
Mutual Funds	49,211,371	49,211,371	-	-
Total Investments by Fair Value Level	<u>74,875,065</u>	<u>60,078,508</u>	<u>14,796,557</u>	<u>-</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk– Continued

Interest Rate Risk. In accordance with the Fund’s investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The U.S. Treasury and U.S. Agency obligations were not rated. The corporate bonds are rated A1 to Ba3 by Moody’s. The municipal bonds are rated Aa1 to Aa2 by Moody’s. The Fund’s investments in mutual funds, and insurance contracts are not rated.

Custodial Credit Risk. For deposits, the investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federally depository insurance with the collateral held by an agent of the Fund in the Fund’s name. At April 30, 2017, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For investments, the Fund allows the investment broker to also serve as custodian, but requires the investment broker to acquire an excess SIPC policy to provide the same coverage over the portfolio as SIPC. The excess SIPC certificate must specifically name the Fund as the certificate holder of the policy.

Concentration Risk. The Fund’s investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	4.30%
Domestic Equities	38.00%	7.90%
International Equities	14.00%	8.20%
Real Estate	10.00%	7.70%
Annuities	2.00%	7.90%
Cash and Cash Equivalents	1.00%	1.90%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Police Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Concentration Risk – Continued. Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2017 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2017 are listed in the table above.

In addition to the securities and fair values listed above, the Fund also has \$49,211,371 invested in mutual funds and \$1,339,512 invested in insurance contracts. At year-end, the Fund does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.49%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Fire Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Pensions' deposits totaled \$1,239,071 and the bank balances totaled \$1,239,071.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Fire Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Investments. The Fund has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 to 5	6 to 10	More Than 10
U.S. Treasury Obligations	\$ 6,969,221	1,043,915	4,276,567	1,648,739	-
U.S. Agency Obligations	1,961,482	995,501	654,555	311,426	-
State and Local Obligations	1,143,886	193,686	739,656	210,544	-
Corporate Bonds	9,683,973	667,829	6,054,078	2,962,066	-
Money Markets	4,156,906	4,156,906	-	-	-
	<u>23,915,468</u>	<u>7,057,837</u>	<u>11,724,856</u>	<u>5,132,775</u>	<u>-</u>

Investments by Fair Value Level	April 30, 2017	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasury Obligations	\$ 6,969,221	6,969,221	-	-
U.S. Agency Obligations	1,961,482	-	1,961,482	-
State and Local Obligations	1,143,886	-	1,143,886	-
Corporate Bonds	9,683,973	-	9,683,973	-
Equity Securities				
Insurance Contracts	558,521	558,521	-	-
Mutual Funds	46,672,287	46,672,287	-	-
Total Investments by Fair Value Level	<u>66,989,370</u>	<u>54,200,029</u>	<u>12,789,341</u>	<u>-</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Fire Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Interest Rate Risk. In accordance with the Fund’s investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk. The Fund helps limit its exposure to credit risk by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The U.S. Treasury and U.S. Agency obligations’ ratings are not available. The corporate bonds are rated A1 to Baa3 by Moody’s. The state and local obligations are rated Aa1 to Aa2 by Moody’s. The Fund’s investments in mutual funds and insurance contracts are not rated.

Custodial Credit Risk. For deposits, the investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federally depository insurance with the collateral held by an agent of the Fund in the Fund’s name. At April 30, 2017, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

For investments, the Fund allows the investment broker to also serve as custodian, but requires the investment broker to acquire an excess SIPC policy to provide the same coverage over the portfolio as SIPC. The excess SIPC certificate must specifically name the Fund as the certificate holder of the policy.

Concentration Risk. The Fund’s investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35.00%	4.30%
Domestic Equities	39.00%	7.90%
International Equities	14.00%	8.20%
Real Estate	10.00%	7.70%
Blended	1.00%	4.30%
Cash and Cash Equivalents	1.00%	1.90%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Fire Pension Fund – Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk – Continued

Illinois Compiled Statutes (ILCS) limit the Fund's investments in equities, mutual funds and variable annuities to 55%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in May 2017 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2017 are listed in the table above.

In addition to the securities and fair values listed above, the Fund also has \$46,672,287 invested in mutual funds and \$558,521 invested in insurance contracts. At year-end, the Fund does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.10%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested

PROPERTY TAXES

Property taxes for 2017 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and September 1 during the following year. The County collects such taxes and remits them periodically. Based upon collection histories, the Village has provided an allowance for uncollectible property taxes equivalent to 1% of the current year's levy. All uncollected taxes relating to prior years' levies have been written off.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund Balances

The composition of interfund balances as of the date of this report, are as follows:

Receivable Fund	Payable Fund	Amount
General	Police Pension	\$ 838,129 (1)
General	Fire Pension	962,381 (1)
General	Busse/Elmhurst Redevelopment	3,563 (2)
Business Leaders Forum	Busse/Elmhurst Redevelopment	2,089,254 (2)
Capital Projects	Busse/Elmhurst Redevelopment	3,985 (2)
Nonmajor Governmental	General	4,897 (2)
Waterworks and Sewerage	Busse/Elmhurst Redevelopment	<u>12,323,230 (2)</u>
		<u><u>16,225,439</u></u>

Interfund balances represent (1) monies received before year end for the 2016 tax levy, and (2) advances in anticipation of receipts to cover temporary cash shortages.

Interfund Advances

Interfund advances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Grove Mall Redevelopment	\$ 1,444,193
General	Busse/Elmhurst Redevelopment	1,792,248
General	Nonmajor Governmental	<u>475,775</u>
		<u><u>3,712,216</u></u>

Interfund advances represent payments of tax increment financing expenditures on behalf of these funds. These amounts will be paid over several years.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	May 1 Balances	Increases	Decreases	April 30 Balances
Nondepreciable Capital Assets				
Land	\$ 1,376,726	-	-	1,376,726
Construction in Progress	7,251,686	1,782,888	5,786,839	3,247,735
	<u>8,628,412</u>	<u>1,782,888</u>	<u>5,786,839</u>	<u>4,624,461</u>
Depreciable Capital Assets				
Buildings and Improvements	99,706,231	1,045,407	-	100,751,638
Machinery and Equipment	5,211,854	275,122	-	5,486,976
Vehicles	9,673,771	813,217	147,289	10,339,699
Infrastructure	122,378,661	6,039,916	-	128,418,577
	<u>236,970,517</u>	<u>8,173,662</u>	<u>147,289</u>	<u>244,996,890</u>
Less Accumulated Depreciation				
Buildings and Improvements	33,372,489	2,387,946	-	35,760,435
Machinery and Equipment	3,144,496	436,608	-	3,581,104
Vehicles	4,777,020	666,931	144,449	5,299,502
Infrastructure	62,085,198	2,885,635	-	64,970,833
	<u>103,379,203</u>	<u>6,377,120</u>	<u>144,449</u>	<u>109,611,874</u>
Total Net Depreciable Capital Assets	<u>133,591,314</u>	<u>1,796,542</u>	<u>2,840</u>	<u>135,385,016</u>
Total Net Capital Assets	<u>142,219,726</u>	<u>3,579,430</u>	<u>5,789,679</u>	<u>140,009,477</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 263,887
Public Safety	1,915,624
Highways and Streets	3,416,710
Internal Service	<u>780,899</u>
	<u><u>6,377,120</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Business-Type Activities

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

	May 1 Balances	Increases	Decreases	April 30 Balances
Nondepreciable Capital Assets				
Construction in Progress	\$ 12,299,743	4,458,642	10,277,270	6,481,115
Depreciable Capital Assets				
Buildings and Improvements	3,776,092	-	-	3,776,092
Machinery and Equipment	3,060,129	724,848	-	3,784,977
Vehicles	1,531,526	-	-	1,531,526
Infrastructure	42,067,830	16,242,452	-	58,310,282
	<u>50,435,577</u>	<u>16,967,300</u>	<u>-</u>	<u>67,402,877</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,357,167	95,809	-	2,452,976
Machinery and Equipment	2,102,136	257,994	-	2,360,130
Vehicles	986,573	94,114	-	1,080,687
Infrastructure	28,813,290	1,180,294	-	29,993,584
	<u>34,259,166</u>	<u>1,628,211</u>	<u>-</u>	<u>35,887,377</u>
Total Net Depreciable Capital Assets	<u>16,176,411</u>	<u>15,339,089</u>	<u>-</u>	<u>31,515,500</u>
Total Net Capital Assets	<u>28,476,154</u>	<u>19,797,731</u>	<u>10,277,270</u>	<u>37,996,615</u>

Depreciation expense was charged to business-type activities as follows:

Waterworks and Sewerage	<u>\$ 1,628,211</u>
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VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS – Continued

Component Unit – Public Library

Component Unit – Public Library capital asset activity for the year was as follows:

	May 1 Balances	Increases	Decreases	April 30 Balances
Nondepreciable Capital Assets				
Land	\$ 75,679	10,700	-	86,379
Depreciable Capital Assets				
Land Improvements	341,814	-	-	341,814
Buildings	7,323,054	911,655	-	8,234,709
Machinery and Equipment	854,573	109,502	-	964,075
	8,519,441	1,021,157	-	9,540,598
Less Accumulated Depreciation				
Land Improvements	190,353	222,528	-	412,881
Buildings	3,435,384	42,617	-	3,478,001
Machinery and Equipment	685,740	16,395	-	702,135
	4,311,477	281,540	-	4,593,017
Total Net Depreciable Capital Assets	4,207,964	739,617	-	4,947,581
Total Net Capital Assets	4,283,643	750,317	-	5,033,960
Operations		\$ 281,540		

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Fund Debt Retired by	May 1 Balances	Issuances	Retirements	April 30 Balances
\$30,000,000 General Obligation Bonds of 2007, due in annual installments of \$900,000 to \$2,750,000 plus interest at 4.25% through January 1, 2017.	Debt Service	\$ 1,000,000	-	1,000,000	-
\$13,000,000 General Obligation Taxable Bonds of 2010, due in annual installments of \$50,000 to \$3,300,000 plus interest at 2.15% to 6.15% through January 1, 2031.	Debt Service	12,680,000	-	110,000	12,570,000
\$31,845,000 General Obligation Bonds of 2012, due in annual installments of \$925,000 to \$2,765,000 plus interest at 1.50% to 4.00% through January 1, 2028.	Debt Service	28,900,000	-	1,030,000	27,870,000
\$36,790,000 General Obligation Bonds of 2013, due in annual installments of \$1,005,000 to \$2,115,000 plus interest at 1.00% to 5.00% through January 1, 2038.	Waterworks and Sewerage	33,680,000	-	1,035,000	32,645,000
		<u>76,260,000</u>	<u>-</u>	<u>3,175,000</u>	<u>73,085,000</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

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

Type of Debt	May 1 Balances	Additions	Deductions	April 30 Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,598,121	13,808	6,904	1,605,025	321,005
Net Pension Liability - IMRF	8,008,268	-	1,469,680	6,538,588	-
Net Pension Liability - Police	65,600,563	-	10,010,601	55,589,962	-
Net Pension Liability - Fire	65,716,155	-	7,580,905	58,135,250	-
Net Other Post-Employment Benefit Obligation	18,002,475	1,000,451	-	19,002,926	-
General Obligation Bonds	42,580,000	-	2,140,000	40,440,000	2,250,000
Plus: Unamortized Premium	3,766,461	-	313,872	3,452,589	-
Redevelopment Note Payable	2,801,077	-	265,305	2,535,772	-
	<u>208,073,120</u>	<u>1,014,259</u>	<u>21,787,267</u>	<u>187,300,112</u>	<u>2,571,005</u>
Business-Type Activities					
Compensated Absences	89,191	2,973	5,946	86,218	17,244
Net Pension Liability - IMRF	1,268,382	-	212,695	1,055,687	-
Net Other Post-Employment Benefit Obligation	654,033	30,522	-	684,555	-
General Obligation Bonds	33,680,000	-	1,035,000	32,645,000	1,055,000
Plus: Unamortized Premium	1,162,962	-	52,862	1,110,100	-
	<u>36,854,568</u>	<u>33,495</u>	<u>1,306,503</u>	<u>35,581,560</u>	<u>1,072,244</u>
Component Unit - Public Library					
Compensated Absences	112,603	160	320	112,443	22,489
Net Pension Liability - IMRF	1,305,125	-	151,962	1,153,163	-
Net Other Post-Employment Benefit Obligation	302,766	3,009	-	305,775	-
	<u>1,720,494</u>	<u>3,169</u>	<u>152,282</u>	<u>1,571,381</u>	<u>22,489</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities, and the net other post-employment benefits obligation are made by the General Fund. The general obligation bonds are being liquidated by the Debt Service Fund. The Devon/Rohlwing Redevelopment Fund makes payments on the redevelopment notes payable.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity – Continued

For business-type activities, the Waterworks and Sewerage Fund makes payments on the compensated absences, the net other post-employment benefit obligation, and the general obligation bonds.

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities			Business-Type Activities		
	General Obligation			General Obligation		
	Bonds			Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 2,250,000	1,880,681	4,130,681	1,055,000	1,128,270	2,183,270
2019	2,355,000	1,789,588	4,144,588	1,090,000	1,091,382	2,181,382
2020	2,485,000	1,694,117	4,179,117	1,130,000	1,053,096	2,183,096
2021	2,580,000	1,593,188	4,173,188	1,175,000	1,007,894	2,182,894
2022	2,675,000	1,486,488	4,161,488	1,220,000	960,896	2,180,896
2023	2,790,000	1,375,988	4,165,988	1,270,000	912,094	2,182,094
2024	2,905,000	1,260,388	4,165,388	1,335,000	848,596	2,183,596
2025	2,995,000	1,139,688	4,134,688	1,400,000	781,844	2,181,844
2026	3,130,000	1,015,388	4,145,388	1,450,000	732,846	2,182,846
2027	3,260,000	882,125	4,142,125	1,510,000	674,844	2,184,844
2028	3,315,000	740,975	4,055,975	1,560,000	623,566	2,183,566
2029	3,200,000	596,549	3,796,549	1,605,000	578,324	2,183,324
2030	3,200,000	399,749	3,599,749	1,655,000	530,176	2,185,176
2031	3,300,000	202,949	3,502,949	1,700,000	480,524	2,180,524
2032	-	-	-	1,755,000	429,526	2,184,526
2033	-	-	-	1,805,000	376,874	2,181,874
2034	-	-	-	1,860,000	322,724	2,182,724
2035	-	-	-	1,920,000	262,276	2,182,276
2036	-	-	-	1,985,000	199,876	2,184,876
2037	-	-	-	2,050,000	135,362	2,185,362
2038	-	-	-	2,115,000	68,738	2,183,738
Total	40,440,000	16,057,861	56,497,861	32,645,000	13,199,728	45,844,728

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Redevelopment Limited Obligation Note Payable

The Village entered into an agreement with certain developers regarding TIF improvement projects. The Village agreed to pledge incremental real estate taxes to secure a note issued to developers to defray the costs of TIF improvements paid for by the developers. The note was issued for the maximum amount of \$4,250,000 in fiscal year 2005. Interest accrues at 8% annually and is added to the principal balance. As stated above, repayment of the note payable will be based on incremental real estate taxes received. Since these amounts are not determinable, there is no debt service to maturity schedule.

Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to the incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

To date the Illinois General Assembly has set no limits for home rule municipalities. The Village is a home rule municipality.

NET POSITION/FUND BALANCES

Fund Balance Classifications

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

Minimum Fund Balance Policy. The Village’s policy manual states that the General Fund should maintain a minimum unassigned fund balance equal to four months of budgeted operating expenditures, excluding Police and Fire Pension Fund reporting requirements

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCES – Continued

Fund Balance Classifications – Continued

	Special Revenue		Capital Projects				Nonmajor	Totals
	Business Leaders Forum	Debt Service	Capital Projects	Grove Mall Redevelopment	Busse/Elmhurst Redevelopment			
	General							
Fund Balances								
Nonspendable								
Advances	\$ 3,712,216	-	-	-	-	-	-	3,712,216
Inventory	45,557	-	-	-	-	-	-	45,557
Prepays	155,044	6,820	-	-	-	-	77,060	238,924
	<u>3,912,817</u>	<u>6,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,060</u>	<u>3,996,697</u>
Restricted								
Highways and Street								
Business Leaders Forum	-	8,153,595	-	-	-	-	-	8,153,595
Motor Fuel Tax	-	-	-	-	-	-	1,042,107	1,042,107
Residential Enhancement	-	-	-	-	-	-	553,132	553,132
Capital Projects	-	-	-	6,109,354	-	-	-	6,109,354
Public Safety								
Asset Seizure	-	-	-	-	-	-	86,791	86,791
Foreign Fire	-	-	-	-	-	-	355,101	355,101
Health Services								
Recycling/Municipal Waste	-	-	-	-	-	-	737,675	737,675
Cable Television	-	-	-	-	-	-	450,157	450,157
Debt Service	-	-	1,515,955	-	-	-	-	1,515,955
	<u>-</u>	<u>8,153,595</u>	<u>1,515,955</u>	<u>6,109,354</u>	<u>-</u>	<u>-</u>	<u>3,224,963</u>	<u>19,003,867</u>
Unassigned	<u>31,258,522</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,018,499)</u>	<u>(16,085,990)</u>	<u>(367,495)</u>	<u>13,786,538</u>
Total Fund Balances	<u><u>35,171,339</u></u>	<u><u>8,160,415</u></u>	<u><u>1,515,955</u></u>	<u><u>6,109,354</u></u>	<u><u>(1,018,499)</u></u>	<u><u>(16,085,990)</u></u>	<u><u>2,934,528</u></u>	<u><u>36,787,102</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCES – Continued

Net Position Classifications

Net investment in capital assets was comprised of the following as of April 30, 2017:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 140,009,477
Plus: Unamortized Loss on Refunding	2,939,547
Less Capital Related Debt:	
General Obligation Taxable Bonds of 2010	(12,570,000)
General Obligation Bonds of 2012	(27,870,000)
Unamortized Premium on Debt Issuance	<u>(3,452,589)</u>
Net Investment in Capital Assets	<u>99,056,435</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	37,996,615
Plus: Unspent Bond Proceeds	12,754,937
Less Capital Related Debt:	
General Obligation Bonds of 2013	(32,645,000)
Unamortized Premium on Debt Issuance	<u>(1,110,100)</u>
Net Investment in Capital Assets	<u>16,996,452</u>
Component Unit - Public Library	
Capital Assets - Net of Accumulated Depreciation	<u>5,033,960</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Village's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program. The Village is self-insured for the first \$100,000 for property claims, \$200,000 for general liability claims, and auto liability, \$70,000 per employee for medical claims, \$200,000 for errors and omissions and \$500,000 for workers' compensation claims. Commercial insurance is carried for amounts in excess of the self-insured amounts. There has been no significant reduction in coverage in any program from coverage in the prior year. For all programs, settlement amounts have not exceeded insurance coverage for the current or two prior years. The Village's self-insurance activities are reported in the General, Business Leaders Forum, Cable Television and Waterworks and Sewerage Funds.

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factor for premiums.

Premiums are paid into the Claims Liability and in the Waterworks and Sewerage Funds based upon historical cost estimates. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Reported liabilities are actuarially determined and include an amount for claims that have been incurred but not reported. The total claims liability as of April 30, 2017 was \$984,752.

Changes in the balances of claims liabilities during the fiscal year are as follows:

	Liability	Workers' Compensation	Medical	Totals
Claims Payable - April 30, 2015	\$ 179,080	460,624	267,789	907,493
Incurred Claims	87,086	813,898	4,535,977	5,436,961
Claims Paid	(197,517)	(564,903)	(4,760,814)	(5,523,234)
Claims Payable - April 30, 2016	68,649	709,619	42,952	821,220
Incurred Claims	174,288	658,292	6,439,885	7,272,465
Claims Paid	(46,945)	(640,857)	(6,421,131)	(7,108,933)
Claims Payable - April 30, 2017	195,992	727,054	61,706	984,752

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

RISK MANAGEMENT – Continued

High-Level Excess Liability Pool (HELP)

The Village is a member of the High-Level Excess Liability Pool (HELP) which consists of 13 Illinois Municipalities. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention of lessening of liability claims for injuries to persons or property of claims for errors and omissions made against the members and other pool parties included within the scope of coverage of HELP. The coverage provided by HELP is \$13,000,000 per occurrence and aggregate of each member, with a self-insured retention of \$2,000,000 per member. HELP retains \$4,000,000 per occurrence for claims and purchases and \$9,000,000 excess insurance for claims above this level.

HELP is governed by the Board of Directors which consists of one appointed representative from each Member Municipality. Each Director has an equal vote. The officers of HELP are elected by the Board of Directors. The Board of Directors determines the general policy of HELP, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of debt by HELP, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the by-laws.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

The Village of Elk Grove Village, Illinois (the initial Host member) issued \$5,000,000 of general obligation bonds in 1987 to provide initial funding for HELP. The bond proceeds were put into escrow. An intergovernmental agreement among HELP, the Village of Elk Grove Village and the Members provides that HELP and its Members are obligated to the Village of Elk Grove Village for payment of principal and interest on the bonds until such bonds have been retired. The bonds were retired April 30, 1997.

HELP was organized on April 1, 1987 with the initial agreement which has been extended to April 30, 2018. The Village has committed to purchase excess liability insurance from HELP through the term of the agreement. Annual premiums are calculated based on a formula which specifies the following four criteria: 1) Miles of streets; 2) Full-time equivalent employees; 3) Number of motor vehicles; and 4) Operating revenues.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

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

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village's water purchase contract with the Northwest Suburban Municipal Joint Action Water Agency (JAWA) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

Solid Waste Agency of Northern Cook County (SWANCC)

The Village's contract with the Solid Waste Agency of Northern Cook County (SWANCC) provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

High-Level Excess Liability Pool (HELP)

The Village's agreement with HELP provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

COMMITMENTS

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village has committed to purchase water from JAWA. This agreement expires in 2022, with minimum amounts of gallons required for purchase every five years. The Village expects to pay the following amounts to JAWA:

Fiscal Year	Amount
2018	\$ 2,166,426
2019	2,166,426
2020	2,166,426
2021	2,166,426
2022	<u>2,166,426</u>
	<u><u>10,832,130</u></u>

These amounts have been calculated using the Village’s current water allocation percentage of 16.5%. In future years, this allocation percentage will be subject to change.

Solid Waste Agency of Northern Cook County (SWANCC)

The Village has committed to make payments to SWANCC. The Village expects to pay the following minimum amounts:

Fiscal Year	Amount
2018	<u>\$ 717,318</u>

These amounts have been calculated using the Village’s current allocation percentage of 4.32%. In future years, this allocation percentage will be subject to change.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

COMMITMENTS – Continued

High-Level Excess Liability Pool (HELP)

The Village has committed to purchase excess liability insurance from the High-Level Excess Liability Pool (HELP), and insurance pool of Illinois municipalities, through April 30, 2018. There is no minimum annual commitment amount for the purchase of this insurance coverage.

Future premiums will be calculated using the Village’s allocation percentage. HELP’s agreement provides that each year members will be assessed based upon a formula which specifies the following four criteria for allocating premium costs:

- Miles of Streets
- Full-Time Equivalent Employees
- Number of Motor Vehicles
- Operating Revenues

The Village paid \$126,850 to HELP in 2017. For 2018, the Village estimates it will pay \$128,730.

JOINT VENTURES

Northwest Suburban Municipal Joint Action Water Agency (JAWA)

The Village is a member of the Northwest Suburban Municipal Joint Action Water Agency (JAWA) which consists of seven municipalities. JAWA is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. JAWA is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers.

The seven members of JAWA and their percentage shares as of April 30, 2017 are as follows:

	Percent Share
Village of Elk Grove Village	16.24 %
Village of Hanover Park	11.17
Village of Hoffman Estates	16.45
Village of Mount Prospect	11.45
City of Rolling Meadows	8.46
Village of Schaumburg	25.61
Village of Streamwood	10.62
	<u>100.00</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued

These percentage shares are based upon formulae contained in the water supply agreement and are subject to change in future years based upon consumption by the municipalities.

The members form a contiguous geographic service area which is located 15 to 30 miles northwest of downtown Chicago. Under the Agency Agreement, additional members may join JAWA upon the approval of each member.

JAWA is governed by a Board of Directors which consists of one elected official from each member municipality. Each Director has an equal vote. The officers of JAWA are appointed by the Board of Directors. The Board of Directors determines the general policy of JAWA, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the Agency Agreement or the bylaws.

Complete financial statements can be obtained from the Northwest Suburban Municipal Joint Action Water Agency, 901 Wellington Avenue, Elk Grove Village, Illinois 60007.

JAWA has entered into Water Supply Agreements with the seven-member municipalities for a term of 40 years, extending to December 31, 2022. The Agreements are irrevocable and may not be terminated or amended except as provided in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

JAWA has entered into an agreement with the Village of Chicago under which the Village has agreed to sell quantities of lake water sufficient to supply the projected water needs of JAWA through the year 2020.

The obligation of the Village to make all payments as required by this agreement is unconditional and irrevocable, without regard to performance or nonperformance by JAWA of its obligations under this Agreement.

The payments required to be made by the Village under this Agreement shall be required to be made solely from revenues to be derived by the Village from the operation of the Water System. Members are not prohibited by the Agreement, however, from using other available funds to make payments under the Agreement. This Agreement shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

The obligation of the Village to make payments required by this Agreement from revenues of the Water System shall be payable from the operation and maintenance account of the Water Fund.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Northwest Suburban Municipal Joint Action Water Agency (JAWA) – Continued

In accordance with the joint venture agreement, the Village remitted \$9,529,335 to JAWA for the year ended April 30, 2017. All payments were paid from the Waterworks and Sewerage Fund. The Village's share of net position of JAWA was \$1,276,634 at April 30, 2017.

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

JOINT VENTURES – Continued

Solid Waste Agency of Northern Cook County (SWANCC) – Continued

The obligation of the Village to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the Village under this Contract are required to be made solely from revenues to be derived by the Village from the operation of the Municipal Waste System Fund. The Village is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the joint venture agreement, the Village remitted \$386,240 to SWANCC for the year ended April 30, 2017, which is recorded in the Village's Recycling/Municipal Waste System Fund.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund, a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan, and the Fire Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and Fire Pension Plan and may be obtained by writing to the Village at 901 Wellington Avenue, Elk Grove Village, Illinois 60007-3499. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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).

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2016, the measurement date, the following employees (which includes the Library) were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	200
Inactive Plan Members Entitled to but not yet Receiving Benefits	75
Active Plan Members	<u>175</u>
Total	<u>450</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

Contributions. As set by statute, the Village’s Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village’s annual contribution rate for calendar year 2016 was 22.55% of covered payroll.

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

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2016, using the following actuarial methods and assumptions:

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

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality tables was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, and 7.47% in the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1 percentage lower or 1 percentage higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability			
Village	\$ 16,674,075	7,594,275	43,917
Library	2,531,897	1,153,163	6,669
Total	19,205,972	8,747,438	50,586

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 80,954,635	70,372,860	10,581,775
Changes for the Year:			
Service Cost	1,344,116	-	1,344,116
Interest on the Total Pension Liability	5,957,953	-	5,957,953
Difference Between Expected and Actual Experience of the Total Pension Liability	(347,484)	-	(347,484)
Changes of Assumptions	(292,023)	-	(292,023)
Contributions - Employer	-	2,810,451	(2,810,451)
Contributions - Employees	-	571,326	(571,326)
Net Investment Income	-	4,869,941	(4,869,941)
Benefit Payments, including Refunds of Employee Contributions	(3,736,583)	(3,736,583)	-
Other (Net Transfer)	-	245,181	(245,181)
Net Changes	2,925,979	4,760,316	(1,834,337)
Balances at December 31, 2016	83,880,614	75,133,176	8,747,438
Village	73,420,320	65,826,045	7,594,275
Library	10,460,294	9,307,131	1,153,163
	83,880,614	75,133,176	8,747,438

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended April 30, 2017, the Village recognized pension expense of \$1,270,931 and the Library recognized pension expense of \$144,193. At April 30, 2017, the Village and Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 106,895	(252,956)	(146,061)
Change in Assumptions	86,935	(212,583)	(125,648)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,261,423	-	3,261,423
	3,455,253	(465,539)	2,989,714
Pension Contributions Made Subsequent to the Measurement Date	868,076	-	868,076
	4,323,329	(465,539)	3,857,790
Total Deferred Amounts Related to IMRF	4,323,329	(465,539)	3,857,790
Village	3,799,534	(404,167)	3,395,367
Library	523,795	(61,372)	462,423
	4,323,329	(465,539)	3,857,790
	4,323,329	(465,539)	3,857,790

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

Fiscal Year	Village Net Deferred Outflows of Resources	Library Net Deferred Outflows of Resources	Totals
2018	\$ 867,415	131,714	999,129
2019	839,689	127,504	967,193
2020	818,348	124,263	942,611
2021	70,134	10,647	80,781
2022	-	-	-
Thereafter	-	-	-
	2,595,586	394,128	2,989,714
Totals	2,595,586	394,128	2,989,714

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan

Plan Descriptions

Plan Administration. The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

Plan Membership. At April 30, 2017, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	82
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
Active Plan Members	<u>85</u>
Total	<u><u>168</u></u>

Benefits Provided. The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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. The monthly benefit of a police officer 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 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension 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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2017, the Village's contribution was 60.13% of covered payroll.

Concentrations. At year-end, the Pension Fund does not have any investments over 5 percent of the net position (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2017, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.67%
Salary Increases	5.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP 2014 Mortality Table (BCHA) projected to 2017 using improvements scale MP-2016. The other non-economic actuarial assumptions used in the April 30, 2017 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

A Single Discount Rate of 6.67% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.82%, and the resulting single discount rate is 6.67%.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.67%)	Current Discount Rate (6.67%)	1% Increase (7.67%)
Net Pension Liability	\$ 73,485,151	55,589,962	40,830,109

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2016	\$ 136,077,445	70,476,882	65,600,563
Changes for the Year:			
Service Cost	2,100,012	-	2,100,012
Interest on the Total Pension Liability	8,790,361	-	8,790,361
Difference Between Expected and Actual Experience of the Total Pension Liability	(2,127,047)	-	(2,127,047)
Changes of Assumptions	(5,900,474)	-	(5,900,474)
Contributions - Employer	-	4,787,467	(4,787,467)
Contributions - Employees	-	789,602	(789,602)
Contributions - Other	-	-	-
Net Investment Income	-	7,306,816	(7,306,816)
Benefit Payments, including Refunds of Employee Contributions	(4,931,634)	(4,931,634)	-
Administrative Expenses	-	(10,432)	10,432
Net Changes	(2,068,782)	7,941,819	(10,010,601)
Balances at April 30, 2017	134,008,663	78,418,701	55,589,962

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Police Pension Plan – Continued

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

For the year ended April 30, 2017, the Village recognized pension expense of \$4,385,008. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,238,833	(1,683,912)	(445,079)
Change in Assumptions	6,357,463	(4,671,208)	1,686,255
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,090,342	(1,740,407)	1,349,935
Total Deferred Amounts Related to Police Pension	10,686,638	(8,095,527)	2,591,111

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

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources
2018	\$ 1,736,055
2019	1,736,055
2020	892,019
2021	(1,773,018)
2022	-
Thereafter	-
Total	2,591,111

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Fire Pension Plan

Plan Descriptions – Continued

Plan Administration. The Fire Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the Village Mayor, one member is elected by pension beneficiaries and two members are elected by active fire employees.

Plan Membership. At April 30, 2017, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	91
Inactive Plan Members Entitled to but not yet Receiving Benefits	2
Active Plan Members	<u>88</u>
Total	<u>181</u>

Benefits Provided. The following is a summary of the Fire Pension Plan as provided for in Illinois State Statutes.

The Fire Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ 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 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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. The monthly benefit of a firefighter 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 percent of the original pension and 3 percent compounded annually thereafter.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Fire Pension Plan – Continued

Plan Descriptions – Continued

Benefits Provided – Continued. Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Fire salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the police office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent of ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions. Covered employees are required to contribute 9.455% of their base salary to the Fire Pension 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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2017, the Village's contribution was 58.86% of covered payroll.

Significant Investments. At year-end, the Pension Fund does not have any investments over 5 percent of the net position (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Fire Pension Plan – Continued

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2017, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	6.62%
Salary Increases	5.00%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP 2014 Mortality Table (BCHA) projected to 2017 using improvements scale MP-2016. The other non-economic actuarial assumptions used in the April 30, 2017 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

A Single Discount Rate of 6.62% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

3. 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
4. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.258%, the municipal bond rate is 3.82%, and the resulting single discount rate is 6.62%.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Fire Pension Plan – Continued

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.62%)	Current Discount Rate (6.62%)	1% Increase (7.62%)
Net Pension Liability	\$ 74,147,774	58,135,250	44,776,688

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2016	\$ 130,985,196	65,269,041	65,716,155
Changes for the Year:			
Service Cost	2,410,498	-	2,410,498
Interest on the Total Pension Liability	8,356,324	-	8,356,324
Difference Between Expected and Actual Experience of the Total Pension Liability	230,080	-	230,080
Changes of Assumptions	(6,248,503)	-	(6,248,503)
Contributions - Employer	-	5,067,565	(5,067,565)
Contributions - Employees	-	902,943	(902,943)
Contributions - Other	-	-	-
Net Investment Income	-	6,369,820	(6,369,820)
Benefit Payments, including Refunds of Employee Contributions	(6,034,076)	(6,034,076)	-
Administrative Expenses	-	(11,024)	11,024
Net Changes	(1,285,677)	6,295,228	(7,580,905)
Balances at April 30, 2017	129,699,519	71,564,269	58,135,250

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Fire Pension Plan – Continued

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

For the year ended April 30, 2017, the Village recognized pension revenue of \$2,012,626. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,309,096	-	1,309,096
Change in Assumptions	8,546,314	(5,112,411)	3,433,903
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,672,987	(1,312,411)	1,360,576
Total Deferred Amounts Related to Fire Pension	12,528,397	(6,424,822)	6,103,575

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

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources
2018	\$ 2,012,626
2019	2,012,626
2020	2,012,625
2021	612,826
2022	(547,128)
Thereafter	-
Total	6,103,575

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements
April 30, 2017

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS

Plan Descriptions, Provisions, and Funding Policies

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

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

All health care benefits are provided through the Village's health insurance plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous, and substance abuse care; vision care; dental care; and prescriptions. Eligibility in Village sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. Retirees who are eligible for health care program participation are also eligible for participation in the life insurance program in the amount of \$5,000 and \$20,000.

All retirees contribute 100% of the actuarially determined premium to the plan. For the fiscal year ending April 30, 2017, retirees contributed \$1,052,611. Active employees do not contribute to the plan until retirement.

At April 30, 2017, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	78
Active Employees	<u>354</u>
	<u><u>432</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Annual OPEB Costs and Net OPEB Obligation

The net OPEB obligation (NOPEBO) as of April 30, 2017, was calculated as follows:

Annual Required Contribution	\$ 1,605,975
Interest on the NPO	746,260
Adjustment to the ARC	<u>(1,037,411)</u>
Annual OPEB Cost	1,314,824
Actual Contribution	<u>283,851</u>
Change in the NPO	1,030,973
NOPEBO - May 1	<u>18,656,508</u>
NOPEBO - April 30	<u><u>19,687,481</u></u>

Trend Information

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

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 1,473,469	\$ 291,356	19.77%	\$ 17,519,066
2016	1,455,019	317,577	21.83%	18,656,508
2017	1,314,824	283,851	21.59%	19,687,481

Funded Status and Funding Progress

The funded status of the plan as of April 30, 2017 was as follows:

Actuarial Accrued Liability (AAL)	\$ 14,125,765
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 14,125,765
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll (Active Plan Members)	\$ 28,486,683
UAAL as a Percentage of Covered Payroll	49.59%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Funded Status and Funding Progress – Continued

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

Actuarial Methods and Assumptions

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

In the April 30, 2017 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.00% discount rate, a 2.50% price inflation assumption, a 3.00% wage inflation assumption as well as a healthcare cost trend rate of 7.50% initial to 5.00% ultimate. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2017, was 30 years.

SUBSEQUENT EVENTS

On May 24, 2017, the Village issued \$10,000,000 of Capital Improvement Promissory Note Payable of 2017, due in monthly installments of \$96,447, including interest at 3.015% through May 1, 2027.

On August 29, 2017 the Village issued \$53,370,000 of General Obligation Bonds of 2017, due in annual installments of \$1,015,000 to \$4,015,000, plus interest of 3.00% to 5.00% through January 1, 2038. By issuing the General Obligation Bonds of 2017, the Village will be paying off the Capital Improvement Promissory Note Payable of 2017.

REQUIRED SUPPLEMENTARY INFORMATION



REQUIRED SUPPLEMENTARY INFORMATION

Notes to the Required Supplementary Information – Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles, except the proprietary funds which adopts a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise and the Internal Service Fund. All annual appropriations lapse at fiscal year end. As a management planning tool, budgets are also prepared for the trust funds.

The Village follows the procedures noted below in establishing the budgetary data reflected in the financial statements.

1. The Village Manager submits to the Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing them.
2. Public hearings are conducted.
3. The budget is legally enacted by approval of the Board of Trustees.
4. The budget was amended during the year by the Board of Trustees.
5. The level of control (level at which expenditures may not exceed budget) is the department. Management may transfer amounts between line items so long as the total department budget is not revised. Budget amendments which increase the total amount of a department's budget must be approved by the Village Board.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Other Post-Employment Benefits Plan

**Required Supplementary Information
Schedule of Funding Progress and Employer Contributions
April 30, 2017**

Funding Progress							(6)
Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Liability as a Percentage of Covered Payroll (4) ÷ (5)	
Apr. 30							
2012	\$ N/A	\$ N/A	N/A	\$ N/A	\$ N/A	N/A	
2013	-	16,672,288	-	16,672,288	25,905,504	64.36%	
2014	N/A	N/A	N/A	N/A	N/A	N/A	
2015	-	15,415,440	-	15,415,440	26,261,197	58.70%	
2016	N/A	N/A	N/A	N/A	N/A	N/A	
2017	-	14,125,765	-	14,125,765	28,486,683	49.59%	

Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
2012	\$ 388,798	\$ 2,100,021	18.51%
2013	388,798	2,100,021	18.51%
2014	198,786	1,466,027	13.56%
2015	291,356	1,728,418	16.86%
2016	317,577	1,728,418	18.37%
2017	283,851	1,605,975	17.67%

Actuarial reports are required to be performed biennially.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2017

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2016	\$ 1,638,651	\$ 2,647,031	\$ 1,008,380	\$ 11,995,978	22.07%
2017	Village 1,441,259	2,439,953	998,694	10,820,265	22.55%
	Library 218,850	370,498	151,648	1,643,018	22.55%
	<u>Total 1,660,109</u>	<u>2,810,451</u>	<u>1,150,342</u>	<u>12,463,283</u>	<u>22.55%</u>

Notes to the Required Supplementary Information:

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

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Police Pension Fund

Required Supplementary Information

Schedule of Employer Contributions

April 30, 2017

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 2,231,124	\$ 4,145,566	\$ 1,914,442	\$ 8,318,128	49.84%
2016	2,222,356	4,218,487	1,996,131	8,298,174	50.84%
2017	2,604,402	4,787,467	2,183,065	7,962,302	60.13%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	7.25%
Retirement Age	50-70
Mortality	RP 2014 Projected to 2017

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Fire Pension Fund

**Required Supplementary Information
Schedule of Employer Contributions
April 30, 2017**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2015	\$ 2,481,253	\$ 4,397,432	\$ 1,916,179	\$ 7,855,657	55.98%
2016	2,594,434	4,566,057	1,971,623	8,313,411	54.92%
2017	2,887,625	5,067,565	2,179,940	8,608,815	58.86%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	7.25%
Retirement Age	50-70
Mortality	RP 2014 projected to 2017

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2017**

See Following Page

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2017

	<u>12/31/2015</u> <u>Total</u>
Total Pension Liability	
Service Cost	\$ 1,320,003
Interest	5,692,806
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	231,403
Change of Assumptions	188,193
Benefit Payments, Including Refunds of Member Contributions	<u>(3,646,379)</u>
Net Change in Total Pension Liability	3,786,026
Total Pension Liability - Beginning	<u>77,168,609</u>
Total Pension Liability - Ending	<u>80,954,635</u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 2,647,031
Contributions - Members	561,239
Net Investment Income	348,156
Benefit Payments, Including Refunds of Member Contributions	(3,646,379)
Other (Net Transfer)	<u>612,551</u>
Net Change in Plan Fiduciary Net Position	522,598
Plan Net Position - Beginning	<u>69,850,262</u>
Plan Net Position - Ending	<u>70,372,860</u>
Employer's Net Pension Liability	<u>\$ 10,581,775</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.93%
Covered-Employee Payroll	\$ 11,995,978
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	88.21%

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

12/31/2016		
Village	Library	Totals
1,166,923	177,193	1,344,116
5,082,667	875,286	5,957,953
-	-	-
(301,676)	(45,808)	(347,484)
(253,526)	(38,497)	(292,023)
(3,243,994)	(492,589)	(3,736,583)
2,450,394	475,585	2,925,979
70,969,926	9,984,709	80,954,635
73,420,320	10,460,294	83,880,614
2,439,953	370,498	2,810,451
496,009	75,317	571,326
4,227,943	641,998	4,869,941
(3,243,994)	(492,589)	(3,736,583)
212,859	32,322	245,181
4,132,770	627,546	4,760,316
61,693,275	8,679,585	70,372,860
65,826,045	9,307,131	75,133,176
7,594,275	1,153,163	8,747,438
89.66%	88.98%	89.57%
10,820,265	1,643,018	12,463,283
70.19%	70.19%	70.19%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2017**

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 2,049,482	1,952,207	2,100,012
Interest	6,910,860	7,698,182	8,790,361
Differences Between Expected and Actual Experience	715,397	2,156,489	(2,127,047)
Change of Assumptions	14,645,619	11,069,787	(5,900,474)
Benefit Payments, Including			
Refunds of Member Contributions	(4,034,778)	(4,425,399)	(4,931,634)
Net Change in Total Pension Liability	20,286,580	18,451,266	(2,068,782)
Total Pension Liability - Beginning	97,339,599	117,626,179	136,077,445
Total Pension Liability - Ending	117,626,179	136,077,445	134,008,663
Plan Fiduciary Net Position			
Contributions - Employer	\$ 2,136,279	2,226,035	2,648,953
Contributions - Members	785,257	833,491	788,319
Contributions - Other	2,009,287	1,992,452	2,138,614
Net Investment Income	4,147,478	607	7,300,007
Benefit Payments, Including			
Refunds of Member Contributions	(4,034,778)	(4,425,399)	(4,931,634)
Administrative Expense	(28,428)	(58,430)	(2,440)
Net Change in Plan Fiduciary Net Position	5,015,095	568,756	7,941,819
Plan Net Position - Beginning	64,893,031	69,908,126	70,476,882
Plan Net Position - Ending	69,908,126	70,476,882	78,418,701
Employer's Net Pension Liability	\$ 47,718,053	65,600,563	55,589,962
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	59.43%	51.79%	58.52%
Covered-Employee Payroll	\$ 8,318,128	8,298,174	7,962,302
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	573.66%	790.54%	698.16%

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Fire Pension Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
April 30, 2017**

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 2,259,870	2,160,748	2,410,498
Interest	6,729,286	7,271,820	8,356,324
Differences Between Expected and Actual Experience	1,525,222	1,710,771	230,080
Change of Assumptions	11,892,392	13,044,376	(6,248,503)
Benefit Payments, Including			
Refunds of Member Contributions	(5,321,820)	(5,766,119)	(6,034,076)
Net Change in Total Pension Liability	17,084,950	18,421,596	(1,285,677)
Total Pension Liability - Beginning	95,478,650	112,563,600	130,985,196
Total Pension Liability - Ending	112,563,600	130,985,196	129,699,519
Plan Fiduciary Net Position			
Contributions - Employer	2,388,145	2,573,400	2,929,051
Contributions - Members	759,937	844,917	902,942
Contributions - Other	2,009,287	1,992,657	2,138,614
Net Investment Income	4,337,463	270,642	6,361,617
Benefit Payments, Including			
Refunds of Member Contributions	(5,321,820)	(5,766,119)	(6,034,076)
Administrative Expense	(10,373)	(10,027)	(2,920)
Net Change in Plan Fiduciary Net Position	4,162,639	(94,530)	6,295,228
Plan Net Position - Beginning	61,200,932	65,363,571	65,269,041
Plan Net Position - Ending	65,363,571	65,269,041	71,564,269
Employer's Net Pension Liability	47,200,029	65,716,155	58,135,250
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.07%	49.83%	55.18%
Covered-Employee Payroll	\$ 7,855,657	8,313,411	8,608,815
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	600.84%	790.48%	675.30%

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Police Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2017**

<u>Fiscal Year</u>	<u>Annual Money- Weighted Rate of Return, Net of Investment Expense</u>
2015	6.42%
2016	0.02%
2017	10.49%

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Fire Pension Fund

**Required Supplementary Information
Schedule of Investment Returns
April 30, 2017**

<u>Fiscal Year</u>	<u>Annual Money- Weighted Rate of Return, Net of Investment Expense</u>
2015	7.17%
2016	0.51%
2017	10.10%

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 33,207,398	33,207,398	33,874,407
Intergovernmental	15,578,100	15,578,100	15,807,469
Licenses and Permits	2,866,400	2,866,400	4,265,493
Charges for Services	1,245,700	1,245,700	1,302,870
Fines and Forfeitures	1,426,200	1,426,200	1,507,290
Interest	645,500	645,500	663,764
Miscellaneous	889,250	889,250	1,242,767
Total Revenues	<u>55,858,548</u>	<u>55,858,548</u>	<u>58,664,060</u>
Expenditures			
Current			
General Government	7,081,877	7,159,930	6,417,154
Public Safety	39,678,800	39,842,123	38,494,195
Highways and Streets	8,462,152	8,550,910	7,616,623
Total Expenditures	<u>55,222,829</u>	<u>55,552,963</u>	<u>52,527,972</u>
Net Change in Fund Balance	<u>635,719</u>	<u>305,585</u>	6,136,088
Fund Balance - May 1			<u>29,035,251</u>
Fund Balance - April 30			<u><u>35,171,339</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Business Leaders Forum - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 2,580,000	2,580,000	2,668,226
Intergovernmental	-	-	47,097
Interest	20,000	20,000	32,951
Unrealized Gain	-	-	2,089,254
Total Revenues	<u>2,600,000</u>	<u>2,600,000</u>	<u>4,837,528</u>
Expenditures			
Highways and Streets			
Personal Services	646,727	646,975	646,974
Supplies	17,400	17,224	2,096
Communication	8,875	8,853	3,598
Professional Development	32,425	32,060	13,414
Maintenance Service	293,550	293,550	214,663
Other Charges	731,420	1,027,231	562,678
Capital Outlay	<u>2,646,160</u>	<u>5,130,310</u>	<u>2,719,867</u>
Total Expenditures	<u>4,376,557</u>	<u>7,156,203</u>	<u>4,163,290</u>
Net Change in Fund Balance	<u>(1,776,557)</u>	<u>(4,556,203)</u>	674,238
Fund Balance - May 1			<u>7,486,177</u>
Fund Balance - April 30			<u><u>8,160,415</u></u>

MAJOR GOVERNMENTAL FUNDS

General Fund

To account for resources traditionally associated with governments that are not required to be accounted for in another fund.

Business Leaders Forum Fund

To account for the operations of the Village's investment in the Business Park. Financing is provided by a tax assessed on telecommunication services.

Capital Projects Debt Fund

To accumulate monies for payment of General Obligation Bonds. Financing is provided by annual property tax levy. The Village of Elk Grove reports only one (1) debt service fund which includes the series itemized below.

Series 2007 – issued in serial bonds due in annual installments until maturity in 2028. The bonds were issued to pay for the new Administration and Public Safety Building. A portion of the bonds were refunded by the Series 2012 issue, with the balance maturing in 2016.

Series 2010 – issued in serial bonds due in annual installments until maturity in 2031. The bonds were issued under the Build America Bond Program and will be used for infrastructure improvements.

Series 2012 – issued in serial bonds due in annual installments until maturity in 2026. The bonds were issued to advance refund outstanding portions of the Series 2003A and 2007 General Obligation Bonds and to pay the costs of various projects included in the capital improvements plan.

Series 2013 – issued in serial bonds due in annual installments until maturity in 2038. The bonds were issued to finance improvements to the Village's Stormwater Drainage System and Sanitary Sewer System.

Capital Projects Fund

To account for the purchase, maintenance, or construction of major capital projects in the Village. Projects are financed by federal and state grants and proceeds of General Obligation Bonds.



Grove Mall Redevelopment Fund

To account for the purchase, maintenance, and redevelopment expenditures associated with the Grove Mall property.

Busse/Elmhurst Redevelopment Fund

To account for the purchase, maintenance, and redevelopment expenditures associated with the Busse/Elmhurst redevelopment project area.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Taxes			
Property Taxes			
Current Levy	\$ 13,427,023	13,427,023	12,958,914
Sales and Use Tax	14,250,000	14,250,000	15,197,753
Food and Beverage Tax	900,000	900,000	963,782
Real Estate Transfer Tax	1,000,000	1,000,000	1,111,198
Hotel/Motel Occupancy Tax	1,600,000	1,600,000	1,593,058
Rental Tax	7,000	7,000	7,484
Franchise Fees - Cable	190,000	190,000	197,542
Franchise Fees - Other	113,375	113,375	65,859
Telecommunication Taxes	1,720,000	1,720,000	1,778,817
Total Taxes	33,207,398	33,207,398	33,874,407
Intergovernmental			
State Grant - Fire and Police Training	25,000	25,000	30,236
State Grant - Road Safety	30,000	30,000	148,347
State Grant - Tobacco Enforcement	3,000	3,000	5,830
Miscellaneous Grant	-	-	(21,957)
State Shared Revenue - PPRT	1,370,100	1,370,100	1,367,637
State Shared Revenue - Sales Tax	10,400,000	10,400,000	10,634,126
State Shared Revenue - Income Tax	3,300,000	3,300,000	3,131,324
State Shared Revenue - Video Gaming Tax	240,000	240,000	304,753
Township Shared Revenue - Road and Bridge	210,000	210,000	207,173
Total Intergovernmental	15,578,100	15,578,100	15,807,469
Licenses and Permits			
Business Licenses	190,000	190,000	233,968
Liquor Licenses	155,000	155,000	152,400
Tobacco Licenses	30,000	30,000	26,000
Vending Machine Licenses	50,000	50,000	37,050
Video Gaming Licenses	15,000	15,000	16,000
Passenger Cars Licenses	475,000	475,000	396,631
Truck Licenses	250,000	250,000	141,554
Motorcycle Licenses	8,000	8,000	7,166
Recreational Licenses	450	450	420
Senior Citizen Licenses	12,300	12,300	14,148
Dealer Licenses	750	750	200
Vehicle Licenses	42,350	42,350	45,347

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Licenses and Permits - Continued			
Alarm User Licenses	\$ 25,000	25,000	25,950
Building Permits	1,187,550	1,187,550	2,565,162
Engineering Permits	400,000	400,000	579,497
Scavenger Licenses	25,000	25,000	24,000
Total Licenses and Permits	2,866,400	2,866,400	4,265,493
Charges for Services			
Court Reporter/Filing Fee	5,000	5,000	6,765
Collection Box Fees	3,000	3,000	3,000
Ambulance Fees	1,050,000	1,050,000	1,074,629
Engineering Fees	20,000	20,000	50,367
Elevator Inspection Fees	30,000	30,000	30,540
Off Duty Detail - Fire and Police	5,000	5,000	(3,242)
High School Counselor	95,000	95,000	91,754
Contract Unincorporated Fire	27,000	27,000	24,196
CPR Training	5,000	5,000	4,506
Police Report Copies	5,000	5,000	6,590
Emergency Planning	-	-	4,140
Fire and Police Testing Fee	-	-	8,225
Immunization Fees	200	200	-
Health Reinspection Fees	500	500	1,400
Total Charges for Services	1,245,700	1,245,700	1,302,870
Fines and Forfeitures			
Circuit Court Fines	275,000	275,000	202,671
DUI Fines	15,000	15,000	11,512
Local Ordinance Fines	300,000	300,000	307,167
False Alarm Fines	25,000	25,000	37,600
Other Fines and Forfeitures	811,200	811,200	948,340
Total Fines and Forfeitures	1,426,200	1,426,200	1,507,290
Interest			
Interest on Investments	645,000	645,000	661,260
Interest on Property Tax	500	500	2,504
Total Interest	645,500	645,500	663,764

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Miscellaneous			
Miscellaneous Revenue - Other	\$ 84,250	84,250	197,158
Sales of Surplus Property	25,000	25,000	123,925
Property Rental	670,000	670,000	662,310
Nonrevenue Receipts - Other	10,000	10,000	108,066
Reimbursement of Expenditures	100,000	100,000	151,308
Total Miscellaneous	889,250	889,250	1,242,767
Total Revenues	55,858,548	55,858,548	58,664,060

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government			
Village Board			
Personal Services	\$ 427,633	427,633	410,167
Supplies	14,915	14,915	9,590
Communication	39,815	49,936	36,557
Professional Development	167,595	168,195	131,725
Maintenance Service	3,000	3,000	1,866
Other Charges	1,861,135	1,859,672	1,527,478
Capital Outlay	-	1,515	1,515
	<u>2,514,093</u>	<u>2,524,866</u>	<u>2,118,898</u>
Reimbursement from Waterworks and Sewerage	(600,167)	(600,167)	(600,168)
Total Village Board	<u>1,913,926</u>	<u>1,924,699</u>	<u>1,518,730</u>
Village Clerk			
Personal Services	167,367	180,530	178,997
Supplies	2,500	1,500	811
Communication	4,900	4,900	3,357
Professional Development	4,205	4,205	2,432
Maintenance Service	1,550	1,550	395
Other Charges	8,350	9,350	8,368
Capital Outlay	6,500	6,500	4,618
	<u>195,372</u>	<u>208,535</u>	<u>198,978</u>
Reimbursement from Waterworks and Sewerage	(29,103)	(29,103)	(29,100)
Total Village Clerk	<u>166,269</u>	<u>179,432</u>	<u>169,878</u>
Village Manager			
Personal Services	1,767,247	1,754,084	1,740,059
Supplies	28,200	28,940	27,765
Communication	17,620	19,490	17,533
Professional Development	153,825	152,992	77,046
Maintenance Service	257,090	254,700	214,447
Other Charges	298,885	242,598	167,764
Capital Outlay	301,219	365,399	337,435
	<u>2,824,086</u>	<u>2,818,203</u>	<u>2,582,049</u>
Reimbursement from Waterworks and Sewerage	(129,617)	(129,617)	(129,612)
Total Village Manager	<u>2,694,469</u>	<u>2,688,586</u>	<u>2,452,437</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
General Government - Continued			
Finance			
Personal Services	\$ 2,674,605	2,693,863	2,693,862
Supplies	8,200	8,500	7,808
Communication	99,040	85,910	70,782
Professional Development	10,270	11,595	10,186
Maintenance Service	7,215	14,142	12,594
Other Charges	273,800	310,620	239,962
Capital Outlay	13,000	21,500	19,835
	3,086,130	3,146,130	3,055,029
Reimbursement from Waterworks and Sewerage	(778,917)	(778,917)	(778,920)
Total Finance	2,307,213	2,367,213	2,276,109
Total General Government	7,081,877	7,159,930	6,417,154
Public Safety			
Fire			
Personal Services	17,427,209	17,427,209	16,896,875
Supplies	319,270	334,165	293,218
Communication	39,980	44,705	42,960
Professional Development	157,465	156,465	133,768
Maintenance Service	189,470	242,200	207,769
Other Charges	633,834	615,309	419,122
Capital Outlay	973,254	975,849	870,778
Total Fire	19,740,482	19,795,902	18,864,490
Police			
Personal Services	17,551,489	17,266,742	17,050,214
Supplies	296,270	296,429	207,828
Communication	78,040	75,940	73,514
Professional Development	232,995	252,050	219,215
Maintenance Service	99,975	100,313	62,586
Other Charges	1,148,985	1,425,818	1,478,659
Capital Outlay	530,564	628,929	537,689
Total Police	19,938,318	20,046,221	19,629,705
Total Public Safety	39,678,800	39,842,123	38,494,195

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

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

	Budget		Actual
	Original	Final	
Highways and Streets			
Community Development			
Personal Services	\$ 2,236,517	2,236,517	2,174,385
Supplies	22,150	22,700	14,467
Communication	13,950	20,283	19,878
Professional Development	17,210	26,762	23,975
Maintenance Service	28,770	28,770	20,242
Other Charges	102,060	101,630	89,852
Capital Outlay	101,961	126,961	100,132
Total Engineering	<u>2,522,618</u>	<u>2,563,623</u>	<u>2,442,931</u>
Streets			
Personal Services	4,153,751	4,153,751	4,032,228
Supplies	577,500	596,333	423,237
Communication	15,075	16,600	15,073
Professional Development	12,120	15,020	10,163
Maintenance Service	901,600	880,948	581,459
Other Charges	565,555	597,775	405,989
Capital Outlay	382,797	395,724	374,411
	<u>6,608,398</u>	<u>6,656,151</u>	<u>5,842,560</u>
Reimbursement from Waterworks and Sewerage	(668,864)	(668,864)	(668,868)
Total Streets	<u>5,939,534</u>	<u>5,987,287</u>	<u>5,173,692</u>
Total Highways and Streets	<u>8,462,152</u>	<u>8,550,910</u>	<u>7,616,623</u>
Total Expenditures	<u>55,222,829</u>	<u>55,552,963</u>	<u>52,527,972</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Debt Service Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 3,881,775	3,881,775	3,739,432
Interest	3,000	3,000	1,648
Miscellaneous	265,000	265,000	250,988
Total Revenues	<u>4,149,775</u>	<u>4,149,775</u>	<u>3,992,068</u>
Expenditures			
Debt Service			
Principal Retirement			
2007 General Obligation Bonds	1,000,000	1,000,000	1,000,000
2010 General Obligation Bonds	110,000	110,000	110,000
2012 General Obligation Bonds	1,030,000	1,030,000	1,030,000
Interest and Fiscal Charges			
2007 General Obligation Bonds	41,300	41,300	42,500
2010 General Obligation Bonds	775,000	775,000	769,841
2012 General Obligation Bonds	1,156,000	1,156,000	1,156,000
Fiscal Charges	1,700	1,700	1,700
Total Expenditures	<u>4,114,000</u>	<u>4,114,000</u>	<u>4,110,041</u>
Net Change in Fund Balance	<u>35,775</u>	<u>35,775</u>	(117,973)
Fund Balance - May 1			<u>1,633,928</u>
Fund Balance - April 30			<u>1,515,955</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ -	-	47,097
Fines and Forfeitures	75,000	75,000	97,724
Interest	15,000	15,000	31,822
Miscellaneous	100,000	100,000	103,985
Total Revenues	190,000	190,000	280,628
Expenditures			
Capital Outlay			
Finance	-	66,201	65,479
Fire	100,000	241,000	208,134
Public Buildings	505,000	656,344	67,470
Community Development	-	189,277	189,277
Streets	2,770,000	5,355,547	947,060
Total Expenditures	3,375,000	6,508,369	1,477,420
Net Change in Fund Balance	(3,185,000)	(6,318,369)	(1,196,792)
Fund Balance - May 1			7,306,146
Fund Balance - April 30			6,109,354

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Grove Mall Development - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,400,000	1,400,000	879,039
Interest	100	100	10
Total Revenues	<u>1,400,100</u>	<u>1,400,100</u>	<u>879,049</u>
Expenditures			
Highways and Streets			
Other Charges	302,000	304,000	303,439
Capital Outlay	180,000	213,000	65,227
Debt Service			
Interest and Fiscal Charges	415,000	415,000	410,457
Total Expenditures	<u>897,000</u>	<u>932,000</u>	<u>779,123</u>
Net Change in Fund Balance	<u>503,100</u>	<u>468,100</u>	99,926
Fund Balance - May 1			<u>(1,118,425)</u>
Fund Balance - April 30			<u><u>(1,018,499)</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Busse/Elmhurst Redevelopment - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ 15,000	15,000	1,988
Expenditures			
Capital Outlay			
Mayor and Board	110,034	14,974,584	14,828,939
Net Change in Fund Balance	<u>(95,034)</u>	<u>(14,959,584)</u>	(14,826,951)
Fund Balance - May 1			<u>(1,259,039)</u>
Fund Balance - April 30			<u>(16,085,990)</u>

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Motor Fuel Tax Fund

To account for the operations of street maintenance as approved by the Illinois Department of Transportation. Financing is provided by the Village's share of state gasoline taxes.

Recycling/Municipal Waste Fund

To account for the operations of the Village's solid waste and recycling programs. Revenue is generated by tipping fees paid by the waste hauler and the sale of recycled materials. The name on this fund changed to the "The Green Fund" effective May 1, 2017.

Asset Seizure

To account for the operations of law enforcement asset seizures and forfeitures. Financing is provided by the confiscation of criminal assets under guidelines established by State of Illinois Compiled Statutes Chapter 56 ½, Paragraph 15.05, and/or United States Title 21, USC 881. State law requires monies received under Paragraph 15.05 be used for drug related law enforcement. Monies from federal seizure can be used for any general law enforcement purpose.

Foreign Fire Insurance Tax Fund

To account for receipts and disbursement of Foreign Fire Insurance Tax funds.

Cable Television Fund

To account for the operations of the Village's cable television station. Channel 6 funding is provided by cable franchise fees.



Capital Projects Funds

Devon/Rohlwing Redevelopment Fund

To account for the purchase, maintenance, and redevelopment expenditures associated with the Rohlwing Grove Shopping Center property.

Residential Enhancement Fund

To account for the operations of the Village's Residential Enhancement Programs adopted by the Village Board of Trustees in December of 2000.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Nonmajor Governmental Funds

Combining Balance Sheet
April 30, 2017

	Motor Fuel Tax	Recycling/ Municipal Waste System
ASSETS		
Cash and Investments	\$ 1,049,201	762,974
Receivables - Net of Allowances		
Other	-	4,559
Due from Other Governments	72,531	-
Due from Other Funds	-	-
Prepays	-	75,071
Total Assets	<u>1,121,732</u>	<u>842,604</u>
LIABILITIES		
Accounts Payable	-	29,858
Accrued Payroll	-	-
Retainage Payable	79,625	-
Advances from Other Funds	-	-
Claims Payable	-	-
Total Liabilities	<u>79,625</u>	<u>29,858</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	-	-
Grants	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>79,625</u>	<u>29,858</u>
FUND BALANCES		
Nonspendable	-	75,071
Restricted	1,042,107	737,675
Unassigned	-	-
Total Fund Balances	<u>1,042,107</u>	<u>812,746</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>1,121,732</u>	<u>842,604</u>

Special Revenue			Capital Projects		Totals
Asset Seizure	Foreign Fire	Cable Television	Devon/Rohlwing Redevelopment	Residential Enhancement	
350,878	389,608	334,864	427,183	548,288	3,862,996
-	-	154,290	-	5,871	164,720
-	-	-	-	-	72,531
4,897	-	-	-	-	4,897
-	1,989	-	-	-	77,060
<u>355,775</u>	<u>391,597</u>	<u>489,154</u>	<u>427,183</u>	<u>554,159</u>	<u>4,182,204</u>
40	34,507	34,096	69,445	1,027	168,973
-	-	4,758	-	-	4,758
-	-	-	-	-	79,625
-	-	-	475,775	-	475,775
-	-	143	-	-	143
<u>40</u>	<u>34,507</u>	<u>38,997</u>	<u>545,220</u>	<u>1,027</u>	<u>729,274</u>
-	-	-	249,458	-	249,458
268,944	-	-	-	-	268,944
<u>268,944</u>	<u>-</u>	<u>-</u>	<u>249,458</u>	<u>-</u>	<u>518,402</u>
<u>268,984</u>	<u>34,507</u>	<u>38,997</u>	<u>794,678</u>	<u>1,027</u>	<u>1,247,676</u>
-	1,989	-	-	-	77,060
86,791	355,101	450,157	-	553,132	3,224,963
-	-	-	(367,495)	-	(367,495)
<u>86,791</u>	<u>357,090</u>	<u>450,157</u>	<u>(367,495)</u>	<u>553,132</u>	<u>2,934,528</u>
<u>355,775</u>	<u>391,597</u>	<u>489,154</u>	<u>427,183</u>	<u>554,159</u>	<u>4,182,204</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Nonmajor Governmental Funds

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

	Motor Fuel Tax	Recycling/ Municipal Waste System
Revenues		
Taxes	\$ -	-
Intergovernmental	839,653	-
Licenses and Permits	-	100,133
Charges for Services	-	734,727
Fines and Forfeitures	-	-
Interest	4,044	1,424
Miscellaneous	-	52,688
Total Revenues	843,697	888,972
Expenditures		
Current		
Public Safety	-	-
Highways and Streets	1,215,913	-
Health Services	-	819,703
Community Services	-	-
Capital Outlay	-	-
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	1,215,913	819,703
Net Change in Fund Balances	(372,216)	69,269
Fund Balances - May 1	1,414,323	743,477
Fund Balances - April 30	1,042,107	812,746

Special Revenue			Capital Projects		Totals
Asset Seizure	Foreign Fire	Cable Television	Devon/Rohlwing Redevelopment	Residential Enhancement	
-	125,831	460,932	489,159	-	1,075,922
-	-	-	-	-	839,653
-	-	-	-	-	100,133
-	-	-	-	-	734,727
105,845	-	-	-	97,724	203,569
474	1,743	498	232	1,758	10,173
-	-	10	-	-	52,698
<u>106,319</u>	<u>127,574</u>	<u>461,440</u>	<u>489,391</u>	<u>99,482</u>	<u>3,016,875</u>
95,558	61,384	-	-	-	156,942
-	-	-	-	-	1,215,913
-	-	-	-	-	819,703
-	-	408,065	-	-	408,065
-	39,238	96,629	54,457	365,245	555,569
-	-	-	265,305	-	265,305
-	-	-	159,086	-	159,086
<u>95,558</u>	<u>100,622</u>	<u>504,694</u>	<u>478,848</u>	<u>365,245</u>	<u>3,580,583</u>
10,761	26,952	(43,254)	10,543	(265,763)	(563,708)
76,030	330,138	493,411	(378,038)	818,895	3,498,236
<u>86,791</u>	<u>357,090</u>	<u>450,157</u>	<u>(367,495)</u>	<u>553,132</u>	<u>2,934,528</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ 1,000,000	1,000,000	839,653
Interest	4,000	4,000	4,044
Total Revenues	<u>1,004,000</u>	<u>1,004,000</u>	<u>843,697</u>
Expenditures			
Highways and Streets			
Supplies	85,000	85,000	82,171
Maintenance Service	1,171,400	1,171,400	1,133,742
Total Expenditures	<u>1,256,400</u>	<u>1,256,400</u>	<u>1,215,913</u>
Net Change in Fund Balance	<u>(252,400)</u>	<u>(252,400)</u>	(372,216)
Fund Balance - May 1			<u>1,414,323</u>
Fund Balance - April 30			<u><u>1,042,107</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Recycling/Municipal Waste System - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits	\$ 112,000	112,000	100,133
Charges for Services	800,000	800,000	734,727
Interest	5,000	5,000	1,424
Miscellaneous	58,000	58,000	52,688
Total Revenues	<u>975,000</u>	<u>975,000</u>	<u>888,972</u>
Expenditures			
Health Services			
Supplies	120,500	120,500	119,026
Communication	7,000	258	258
Other Charges	754,331	825,973	700,419
Total Expenditures	<u>881,831</u>	<u>946,731</u>	<u>819,703</u>
Net Change in Fund Balance	<u>93,169</u>	<u>28,269</u>	69,269
Fund Balance - May 1			<u>743,477</u>
Fund Balance - April 30			<u><u>812,746</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Asset Seizure - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Fines and Forfeitures	\$ -	-	105,845
Interest	200	200	474
Total Revenues	200	200	106,319
Expenditures			
Public Safety			
Supplies	1,200	1,200	833
Professional Development	9,415	9,218	4,937
Other Charges	6,500	6,500	50
Capital Outlay	-	89,739	89,738
Total Expenditures	17,115	106,657	95,558
Net Change in Fund Balance	(16,915)	(106,457)	10,761
Fund Balance - May 1			76,030
Fund Balance - April 30			86,791

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Foreign Fire - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 116,250	116,250	125,831
Interest	500	500	1,743
Total Revenues	<u>116,750</u>	<u>116,750</u>	<u>127,574</u>
Expenditures			
Public Safety			
Personal Services	14,038	14,038	6,555
Supplies	1,800	1,800	-
Communication	25,400	25,400	15,465
Professional Development	18,520	18,520	11,408
Maintenance Service	9,500	9,500	5,511
Other Charges	48,000	48,000	22,445
Capital Outlay	94,050	109,850	39,238
Total Expenditures	<u>211,308</u>	<u>227,108</u>	<u>100,622</u>
Net Change in Fund Balance	<u>(94,558)</u>	<u>(110,358)</u>	26,952
Fund Balance - May 1			<u>330,138</u>
Fund Balance - April 30			<u><u>357,090</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Cable TV - Special Revenue Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Franchise Fees - Cable	\$ 441,000	441,000	460,932
Interest	1,000	1,000	498
Miscellaneous	1,000	1,000	10
Total Revenues	<u>443,000</u>	<u>443,000</u>	<u>461,440</u>
Expenditures			
Community Services			
Personal Services	327,142	329,031	329,030
Supplies	8,950	8,930	5,436
Communication	37,500	43,548	43,473
Professional Development	5,750	5,912	5,912
Maintenance Service	5,100	3,325	1,821
Other Charges	33,150	25,971	22,393
Capital Outlay	67,200	108,075	96,629
Total Expenditures	<u>484,792</u>	<u>524,792</u>	<u>504,694</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,792)	(81,792)	(43,254)
Other Financing Sources			
Disposal of Capital Assets	500	500	-
Net Change in Fund Balance	<u>(41,292)</u>	<u>(81,292)</u>	(43,254)
Fund Balance - May 1			<u>493,411</u>
Fund Balance - April 30			<u><u>450,157</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Devon/Rohlwing Redevelopment - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 700,000	700,000	489,159
Interest	100	100	232
Total Revenues	<u>700,100</u>	<u>700,100</u>	<u>489,391</u>
Expenditures			
Capital Outlay			
Mayor and Board	53,000	53,000	54,457
Debt Service			
Principal Retirement	200,305	200,305	265,305
Interest and Fiscal Charges	436,695	436,695	159,086
Total Expenditures	<u>690,000</u>	<u>690,000</u>	<u>478,848</u>
Net Change in Fund Balance	<u>10,100</u>	<u>10,100</u>	10,543
Fund Balance - May 1			<u>(378,038)</u>
Fund Balance - April 30			<u><u>(367,495)</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Residential Enhancement - Capital Projects Fund

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

	Budget		Actual
	Original	Final	
Revenues			
Fines and Forfeitures			
Red Light Camera Fines	\$ 75,000	75,000	97,724
Interest	3,000	3,000	1,758
Total Revenues	<u>78,000</u>	<u>78,000</u>	<u>99,482</u>
Expenditures			
Capital Outlay			
Community Development	<u>749,250</u>	<u>753,894</u>	<u>365,245</u>
Net Change in Fund Balance	<u>(671,250)</u>	<u>(675,894)</u>	(265,763)
Fund Balance - May 1			<u>818,895</u>
Fund Balance - April 30			<u><u>553,132</u></u>

PROPRIETARY FUNDS

Enterprise Fund

Waterworks and Sewerage Fund

To account for the provision of water and sewer services to the residents and businesses of the Village. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, billing and collection.

Internal Service Fund

Capital Replacement Fund

To account for the acquisition of vehicles and equipment with a minimum cost of \$50,000 and an estimated useful life of at least five (5) years, financed by charges to the general fund. This fund is reported as part of the governmental activities on the government-wide financial statements as it provides services to the Village's governmental funds/activities.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 20,932,500	20,932,500	20,486,106
Late Payment Charges	160,000	160,000	183,337
Total Operating Revenues	<u>21,092,500</u>	<u>21,092,500</u>	<u>20,669,443</u>
Operating Expenses			
Administration	2,846,906	3,082,491	2,547,908
Operations			
Water Division	18,855,989	19,444,623	11,926,104
Sewer Division	1,644,039	9,681,293	1,021,021
Storm Sewer Maintenance	336,434	14,590,172	42,901
Depreciation and Amortization	-	-	1,628,211
Total Operating Expenses	<u>23,683,368</u>	<u>46,798,579</u>	<u>17,166,145</u>
Operating Income (Loss)	<u>(2,590,868)</u>	<u>(25,706,079)</u>	<u>3,503,298</u>
Nonoperating Revenues (Expenses)			
Miscellaneous	2,000	2,000	868
Other Income	26,000	26,000	12,527,741
Disposal of Capital Assets	2,000	2,000	2,092
Grant Income	-	-	49,711
Interest Income	125,000	125,000	130,081
Interest Expense	(2,185,000)	(2,185,000)	(1,089,208)
	<u>(2,030,000)</u>	<u>(2,030,000)</u>	<u>11,621,285</u>
Income (Loss) Before Capital Contributions	(4,620,868)	(27,736,079)	15,124,583
Capital Contributions	-	-	<u>461,015</u>
Change in Net Position	<u>(4,620,868)</u>	<u>(27,736,079)</u>	15,585,598
Net Position - May 1			<u>32,850,176</u>
Net Position - April 30			<u><u>48,435,774</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Charges for Services			
Water Division			
Metered Water Revenue	\$ 16,672,500	16,672,500	16,435,244
Connection Fees	125,000	125,000	120,075
Inspection Fees	5,000	5,000	-
Other Water Revenue	115,000	115,000	70,181
Total Water Division	<u>16,917,500</u>	<u>16,917,500</u>	<u>16,625,500</u>
Sewer Division			
Metered Sewer Revenue	4,000,000	4,000,000	3,848,006
Connection Fees	15,000	15,000	12,600
Total Sewer Division	<u>4,015,000</u>	<u>4,015,000</u>	<u>3,860,606</u>
Total Charges for Services	<u>20,932,500</u>	<u>20,932,500</u>	<u>20,486,106</u>
Miscellaneous			
Late Payment Charges	<u>160,000</u>	<u>160,000</u>	<u>183,337</u>
Total Operating Revenues	<u>21,092,500</u>	<u>21,092,500</u>	<u>20,669,443</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Administration			
Personal Services	\$ 194,559	194,581	24,739
Supplies	8,250	8,250	5,885
Communication	5,950	5,928	6,113
Professional Development	2,520	2,520	2,510
Maintenance Service	1,800	1,800	1,672
Other Charges	2,623,367	2,623,367	2,441,055
Capital Outlay	10,460	246,045	65,934
Total Administration	<u>2,846,906</u>	<u>3,082,491</u>	<u>2,547,908</u>
Operations			
Water Division			
Personal Services	1,230,509	1,230,509	1,168,556
Supplies	205,000	203,950	159,108
Communication	2,400	2,400	1,145
Professional Development	5,180	7,680	5,986
Maintenance Service	1,647,000	1,667,952	858,114
Purchased Water	10,114,400	10,117,540	9,631,432
Capital Outlay	5,651,500	6,214,592	101,763
Total Water Division	<u>18,855,989</u>	<u>19,444,623</u>	<u>11,926,104</u>
Sewer Division			
Personal Services	781,139	781,139	799,312
Supplies	64,500	66,500	53,159
Communication	200	200	-
Professional Development	2,500	2,500	126
Maintenance Service	365,000	327,087	77,635
Other Charges	97,700	97,700	66,940
Capital Outlay	333,000	8,406,167	23,849
Total Sewer Division	<u>1,644,039</u>	<u>9,681,293</u>	<u>1,021,021</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Waterworks and Sewerage - Enterprise Fund

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

	Budget		Actual
	Original	Final	
Operations - Continued			
Storm Sewer Maintenance			
Personal Services	\$ 129,384	129,384	68,140
Supplies	39,000	39,000	33,377
Communication	100	100	-
Professional Development	300	300	90
Maintenance Service	127,700	74,848	14,383
Other Charges	39,950	55,487	14,497
Capital Outlay	-	14,291,053	(87,586)
Total Storm Sewer Maintenance	336,434	14,590,172	42,901
Total Operations	20,836,462	43,716,088	12,990,026
Depreciation and Amortization	-	-	1,628,211
Total Operating Expenses	23,683,368	46,798,579	17,166,145

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Capital Replacement - Internal Service Fund

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 1,184,972	1,184,972	1,184,947
Operating Expenses			
General Government	-	547,674	55,920
Highways and Streets	725,000	834,393	39,043
Public Safety	210,000	290,891	19,124
Community Services	-	15,000	2,775
Depreciation	-	-	780,899
Total Operating Expenses	935,000	1,687,958	897,761
Operating Income (Loss)	249,972	(502,986)	287,186
Nonoperating Revenues			
Interest Income	50,000	50,000	35,175
Change in Net Position	299,972	(452,986)	322,361
Net Position - May 1			10,651,078
Net Position - April 30			10,973,439

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Capital Replacement - Internal Service Fund

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

	Budget		Actual
	Original	Final	
Interfund Services			
General Government			
Other	\$ 56,369	56,369	56,364
Public Safety			
Fire	586,124	586,124	586,112
Police	175,221	175,221	175,217
	<u>761,345</u>	<u>761,345</u>	<u>761,329</u>
Highways and Streets			
Streets	303,997	303,997	303,993
Engineering	63,261	63,261	63,261
	<u>367,258</u>	<u>367,258</u>	<u>367,254</u>
Total Operating Revenues	<u>1,184,972</u>	<u>1,184,972</u>	<u>1,184,947</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Capital Replacement - Internal Service Fund

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

	Budget		Actual
	Original	Final	
General Government			
Village Manager	\$ -	547,674	55,920
Less Nonoperating Items			
Capital Assets Capitalized	-	-	-
Total General Government	-	547,674	55,920
Highways and Streets			
Streets	725,000	834,393	573,947
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(534,904)
Total Highways and Streets	725,000	834,393	39,043
Public Safety			
Police	-	76,503	19,113
Fire	210,000	214,388	209,218
	210,000	290,891	228,331
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(209,207)
Total Public Safety	210,000	290,891	19,124
Community Services			
Community Development	-	15,000	2,775
Less Nonoperating Items			
Capital Assets Capitalized	-	-	-
Total Community Services	-	15,000	2,775
Depreciation	-	-	780,899
Total Operating Expenses	935,000	1,687,958	897,761

FIDUCIARY FUNDS

Pension Trust Funds

Police Pension Fund

To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The fund does not account for the administrative costs of the fund, which are borne by the General Fund. Resources are contributed by employees at rates fixed by state law and by the Village at amounts determined by an annual actuarial valuation or update.

Fire Pension Fund

To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. The fund does not account for the administrative costs of the fund, which are borne by the General Fund. Resources are contributed by employees at rates fixed by state law and by the Village at amounts determined by an annual actuarial valuation or update.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Pension Trust Funds

Combining Statement of Fiduciary Net Position
April 30, 2017

	Police Pension	Fire Pension	Totals
ASSETS			
Cash and Cash Equivalents	\$ 1,175,422	1,239,071	2,414,493
Investments			
U.S. Treasury Obligations	9,527,625	6,969,221	16,496,846
U.S. Agency Obligations	2,384,427	1,961,482	4,345,909
State and Local Obligations	785,176	1,143,886	1,929,062
Corporate Bonds	11,626,954	9,683,973	21,310,927
Insurance Contracts	1,339,512	558,521	1,898,033
Mutual Funds	49,211,371	46,672,287	95,883,658
Money Markets	3,033,573	4,156,906	7,190,479
Receivables			
Accrued Interest	173,718	146,261	319,979
Prepays	335	-	335
Total Assets	79,258,113	72,531,608	151,789,721
LIABILITIES			
Accounts Payable	1,283	4,958	6,241
Due to General Fund	838,129	962,381	1,800,510
Total Liabilities	839,412	967,339	1,806,751
NET POSITION			
Restricted for Pensions	78,418,701	71,564,269	149,982,970

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Pension Trust Funds

**Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended April 30, 2017**

	Police Pension	Fire Pension	Totals
Additions			
Contributions - Employer	\$ 2,648,953	2,929,051	5,578,004
Contributions - Plan Members	788,319	902,942	1,691,261
Other Contributions	2,138,614	2,138,614	4,277,228
Total Contributions	5,575,886	5,970,607	11,546,493
Investment Earnings			
Interest Earned	651,292	590,572	1,241,864
Net Change in Fair Value	6,769,376	5,881,569	12,650,945
	7,420,668	6,472,141	13,892,809
Less Investment Expenses	(120,661)	(110,524)	(231,185)
Net Investment Income	7,300,007	6,361,617	13,661,624
Total Additions	12,875,893	12,332,224	25,208,117
Deductions			
Administration	2,440	2,920	5,360
Benefits and Refunds	4,931,634	6,034,076	10,965,710
Total Deductions	4,934,074	6,036,996	10,971,070
Change in Fiduciary Net Position	7,941,819	6,295,228	14,237,047
Net Position - May 1	70,476,882	65,269,041	135,745,923
Net Position - April 30	78,418,701	71,564,269	149,982,970

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Police Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 2,727,665	2,727,665	2,648,953
Contributions - Plan Members	750,000	750,000	788,319
Other Contributions	2,000,000	2,000,000	2,138,614
Total Contributions	5,477,665	5,477,665	5,575,886
Investment Income			
Interest Earned	5,000,100	5,000,100	651,292
Net Change in Fair Value	-	-	6,769,376
	5,000,100	5,000,100	7,420,668
Less Investment Expenses	(165,000)	(165,000)	(120,661)
Net Investment Income	4,835,100	4,835,100	7,300,007
Total Additions	10,312,765	10,312,765	12,875,893
Deductions			
Administration	6,000	6,000	2,440
Benefits and Refunds	5,400,000	5,400,000	4,931,634
Total Deductions	5,406,000	5,406,000	4,934,074
Change in Fiduciary Net Position	4,906,765	4,906,765	7,941,819
Net Position - May 1			<u>70,476,882</u>
Net Position - April 30			<u><u>78,418,701</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Fire Pension - Pension Trust Fund

**Schedule of Changes in Fiduciary Net Position - Budget and Actual
For the Fiscal Year Ended April 30, 2017**

	Budget		Actual
	Original	Final	
Additions			
Contributions - Employer	\$ 3,013,286	3,013,286	2,929,051
Contributions - Plan Members	750,000	750,000	902,942
Other Contributions	2,000,000	2,000,000	2,138,614
Total Contributions	<u>5,763,286</u>	<u>5,763,286</u>	<u>5,970,607</u>
Investment Income			
Interest Earned	5,000,100	5,000,100	590,572
Net Change in Fair Value	-	-	5,881,569
	<u>5,000,100</u>	<u>5,000,100</u>	<u>6,472,141</u>
Less Investment Expenses	(178,000)	(178,000)	(110,524)
Net Investment Income	<u>4,822,100</u>	<u>4,822,100</u>	<u>6,361,617</u>
Total Additions	<u>10,585,386</u>	<u>10,585,386</u>	<u>12,332,224</u>
Deductions			
Administration	5,500	5,500	2,920
Benefits and Refunds	6,200,000	6,200,000	6,034,076
Total Deductions	<u>6,205,500</u>	<u>6,205,500</u>	<u>6,036,996</u>
Change in Fiduciary Net Position	<u>4,379,886</u>	<u>4,379,886</u>	6,295,228
Net Position - May 1			<u>65,269,041</u>
Net Position - April 30			<u>71,564,269</u>

LONG-TERM DEBT

To account for the non-current portion of the Village's long-term obligations payable by governmental funds.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Schedule of General Long-Term Debt
April 30, 2017**

**Amount Available and to be Provided for the
Retirement of General Long-Term Debt**

Amount Available for Debt Service	\$ 1,515,955
Amount to be Provided for Retirement of General Long-Term Debt	<u>182,331,568</u>
Total	<u><u>183,847,523</u></u>

General Long-Term Debt Payable

Compensated Absences Payable	1,605,025
Net Pension Liabilities - IMRF, Police and Fire	120,263,800
Net Other Post-Employment Benefits Obligation	19,002,926
General Obligation Bonds Payable	40,440,000
Limited Obligation Note Payable	<u>2,535,772</u>
Total	<u><u>183,847,523</u></u>

OTHER SUPPLEMENTAL INFORMATION



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Long-Term Debt Requirements
General Obligation Taxable Bonds of 2010**

April 30, 2017

Date of Issue	July 1, 2010
Date of Maturity	January 1, 2031
Authorized Issue	\$13,000,000
Denomination of Bonds	\$5,000
Interest Rates	2.15% - 6.15%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	US Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2016	\$ 125,000	765,881	890,881	2017	382,941	2018	382,940
2017	145,000	759,788	904,788	2018	379,894	2019	379,894
2018	175,000	752,717	927,717	2019	376,359	2020	376,358
2019	175,000	744,188	919,188	2020	372,094	2021	372,094
2020	175,000	733,688	908,688	2021	366,844	2022	366,844
2021	200,000	723,188	923,188	2022	361,594	2023	361,594
2022	225,000	711,188	936,188	2023	355,594	2024	355,594
2023	225,000	697,688	922,688	2024	348,844	2025	348,844
2024	375,000	684,188	1,059,188	2025	342,094	2026	342,094
2025	500,000	661,125	1,161,125	2026	330,563	2027	330,562
2026	550,000	630,375	1,180,375	2027	315,188	2028	315,187
2027	3,200,000	596,549	3,796,549	2028	298,275	2029	298,274
2028	3,200,000	399,749	3,599,749	2029	199,875	2030	199,874
2029	3,300,000	202,949	3,502,949	2030	101,475	2031	101,474
	<u>12,570,000</u>	<u>9,063,261</u>	<u>21,633,261</u>		<u>4,531,634</u>		<u>4,531,627</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2012**

April 30, 2017

Date of Issue	November 13, 2012
Date of Maturity	January 1, 2028
Authorized Issue	\$31,845,000
Denomination of Bonds	\$5,000
Interest Rates	1.50% - 4.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	US Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2016	\$ 2,125,000	1,114,800	3,239,800	2017	557,400	2018	557,400
2017	2,210,000	1,029,800	3,239,800	2018	514,900	2019	514,900
2018	2,310,000	941,400	3,251,400	2019	470,700	2020	470,700
2019	2,405,000	849,000	3,254,000	2020	424,500	2021	424,500
2020	2,500,000	752,800	3,252,800	2021	376,400	2022	376,400
2021	2,590,000	652,800	3,242,800	2022	326,400	2023	326,400
2022	2,680,000	549,200	3,229,200	2023	274,600	2024	274,600
2023	2,770,000	442,000	3,212,000	2024	221,000	2025	221,000
2024	2,755,000	331,200	3,086,200	2025	165,600	2026	165,600
2025	2,760,000	221,000	2,981,000	2026	110,500	2027	110,500
2026	2,765,000	110,600	2,875,600	2027	55,300	2028	55,300
	<u>27,870,000</u>	<u>6,994,600</u>	<u>34,864,600</u>		<u>3,497,300</u>		<u>3,497,300</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Long-Term Debt Requirements
General Obligation Bonds of 2013**

April 30, 2017

Date of Issue	January 31, 2013
Date of Maturity	January 1, 2038
Authorized Issue	\$36,790,000
Denomination of Bonds	\$5,000
Interest Rates	1.00% - 5.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	US Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jul. 1	Amount	Jan. 1	Amount
2016	\$ 1,055,000	1,128,270	2,183,270	2017	564,135	2018	564,135
2017	1,090,000	1,091,382	2,181,382	2018	545,691	2019	545,691
2018	1,130,000	1,053,096	2,183,096	2019	526,548	2020	526,548
2019	1,175,000	1,007,894	2,182,894	2020	503,947	2021	503,947
2020	1,220,000	960,896	2,180,896	2021	480,448	2022	480,448
2021	1,270,000	912,094	2,182,094	2022	456,047	2023	456,047
2022	1,335,000	848,596	2,183,596	2023	424,298	2024	424,298
2023	1,400,000	781,844	2,181,844	2024	390,922	2025	390,922
2024	1,450,000	732,846	2,182,846	2025	366,423	2026	366,423
2025	1,510,000	674,844	2,184,844	2026	337,422	2027	337,422
2026	1,560,000	623,566	2,183,566	2027	311,783	2028	311,783
2027	1,605,000	578,324	2,183,324	2028	289,162	2029	289,162
2028	1,655,000	530,176	2,185,176	2029	265,088	2030	265,088
2029	1,700,000	480,524	2,180,524	2030	240,262	2031	240,262
2030	1,755,000	429,526	2,184,526	2031	214,763	2032	214,763
2031	1,805,000	376,874	2,181,874	2032	188,437	2033	188,437
2032	1,860,000	322,724	2,182,724	2033	161,362	2034	161,362
2033	1,920,000	262,276	2,182,276	2034	131,138	2035	131,138
2034	1,985,000	199,876	2,184,876	2035	99,938	2036	99,938
2035	2,050,000	135,362	2,185,362	2036	67,681	2037	67,681
2036	2,115,000	68,738	2,183,738	2037	34,369	2038	34,369
	<u>32,645,000</u>	<u>13,199,728</u>	<u>45,844,728</u>		<u>6,599,864</u>		<u>6,599,864</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Schedule of Insurance in Force
April 30, 2017**

Name of Company	Policy Number	Policy Expiration Date	Types of Coverage
Federal Insurance Company	3590-58-34 ILL	5/1/2017	Property Supplemental Property Personal Property Mobile Equipment Vehicles Automatic Builders Risk Ingress/Egress
Lloyd's of London	PK1000316	5/1/2017	Excess General Liability
Lloyd's of London	PK1000316	5/1/2017	Business Automobile
Lloyd's of London	PK1000316	5/1/2017	Terrorism
Safety National	SP4054822	5/1/2017	Excess Workers' Compensation Employers' Liability
Citizens Insurance Co of America	BDC-1027434	5/1/2017	Public Employee Dishonesty Computer Fraud Forgery
High-Level Excess Liability Pool	N/A	Continuous	Excess Liability
Hudson	SFD31210356-02	5/1/2017	Fire Pension Fiduciary Liability
Hudson	SFD31210357-02	5/1/2017	Police Pension Fiduciary Liability
Colony Insurance Company	PP202142	5/1/2017	Storage Tank Pollution Liability (Above and Underground Tanks)
Lloyd's of London	ASE16C001043	5/1/2017	Cyber Liability

Amount of Coverage

\$ 88,542,463 Blanket Limit - Premises Excess of \$100,000 SIR
500,000 Blanket Limit - Limits Vary by Type of Occurrence
1,000,000 Policy Limit
1,500,000 Policy Limit
5,991,563 Policy Limit
2,000,000 Policy Limit
500,000 Policy Limit

200,000 Per Occurrence Excess of \$1,800,000

40,000 Uninsured/Underinsured Combined Excess of \$1,800,000

4,000,000 Policy Limit

Statutory Policy Limit Excess of \$500,000 SIR
1,000,000 Per Occurrence/\$2,000,000 Aggregate

1,000,000 Policy Limit Excess of \$25,000 SIR
1,000,000 Policy Limit Excess of \$25,000 SIR
1,000,000 Policy Limit Excess of \$25,000 SIR

13,000,000 Excess of \$2,000,000 SIR

1,000,000 Policy Limit

1,000,000 Policy Limit

1,000,000 Per Occurrence Excess of \$25,000 SIR
2,000,000 Policy Limit

3,000,000 Policy Limit

STATISTICAL SECTION



STATISTICAL SECTION

(Unaudited)

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	2008	2009	2010	2011
Governmental Activities				
Net Investment in Capital Assets	\$ 72,331,096	75,867,514	77,669,269	81,556,902
Restricted	6,377,967	6,166,560	6,013,665	6,287,191
Unrestricted	33,389,589	27,416,532	23,397,938	23,186,449
Total Governmental Activities Net Position	112,098,652	109,450,606	107,080,872	111,030,542
Business-Type Activities				
Net Investment in Capital Assets	15,817,680	17,628,574	17,356,800	16,588,596
Restricted	-	-	-	-
Unrestricted	7,819,310	6,670,829	7,389,177	9,503,588
Total Business-Type Activities Net Position	23,636,990	24,299,403	24,745,977	26,092,184
Primary Government				
Net Investment in Capital Assets	88,148,776	93,496,088	95,026,069	98,145,498
Restricted	6,377,967	6,166,560	6,013,665	6,287,191
Unrestricted	41,208,899	34,087,361	30,787,115	32,690,037
Total Primary Government Net Position	135,735,642	133,750,009	131,826,849	137,122,726

* Accrual Basis of Accounting

2012	2013	2014	2015	2016	2017
86,490,455	90,406,230	89,178,493	97,009,234	99,080,043	99,121,435
17,577,488	19,076,455	18,198,410	21,003,954	19,608,089	18,376,973
10,435,571	7,196,777	11,886,570	13,828,049	(96,663,729)	(108,757,520)
114,503,514	116,679,462	119,263,473	131,841,237	22,024,403	8,740,888
15,861,935	17,452,144	18,523,599	17,301,450	17,210,740	16,996,452
-	-	-	-	-	-
12,406,286	13,352,847	14,829,339	16,149,811	15,639,436	31,439,322
28,268,221	30,804,991	33,352,938	33,451,261	32,850,176	48,435,774
102,352,390	107,858,374	107,702,092	114,310,684	116,290,783	116,117,887
17,577,488	19,076,455	18,198,410	21,003,954	19,608,089	18,376,973
22,841,857	20,549,624	26,715,909	29,977,860	(81,024,293)	(77,318,198)
142,771,735	147,484,453	152,616,411	165,292,498	54,874,579	57,176,662

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years*
April 30, 2017 (Unaudited)

	2008	2009	2010	2011
Expenses				
Governmental Activities				
General Government	\$ 6,593,025	7,723,538	7,816,492	6,021,650
Public Safety	26,501,280	31,358,172	29,672,776	29,537,215
Public Works	11,472,023	12,130,844	8,865,233	10,942,184
Interest on Long-Term Debt	2,124,034	2,587,735	2,582,202	3,188,344
Total Governmental Activities Expenses	<u>46,690,362</u>	<u>53,800,289</u>	<u>48,936,703</u>	<u>49,689,393</u>
Business-Type Activities				
Water and Sewer	10,855,007	9,884,021	10,164,937	10,310,010
Total Primary Government Expenses	<u>57,545,369</u>	<u>63,684,310</u>	<u>59,101,640</u>	<u>59,999,403</u>
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	2,314,064	1,614,586	1,498,465	2,067,850
Public Safety	1,327,023	1,955,190	2,513,620	2,515,287
Public Works	913,128	812,710	754,530	826,652
Operating Grants/Contributions	3,329,366	3,039,173	2,238,851	2,769,080
Capital Grants/Contributions	2,987,237	1,938,653	956,544	5,026,938
Total Governmental Activities Program Revenues	<u>10,870,818</u>	<u>9,360,312</u>	<u>7,962,010</u>	<u>13,205,807</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	9,513,509	9,799,067	10,577,310	11,631,422
Operating Grants and Contributions				
Water and Sewer	-	-	-	-
Capital Grants and Contributions				
Water and Sewer	-	-	-	-
Total Business-Type Activities Program Revenues	<u>9,513,509</u>	<u>9,799,067</u>	<u>10,577,310</u>	<u>11,631,422</u>
Total Primary Government Program Revenues	<u>20,384,327</u>	<u>19,159,379</u>	<u>18,539,320</u>	<u>24,837,229</u>
Net (Expense) Revenue				
Governmental Activities	(35,819,544)	(44,439,977)	(40,974,693)	(36,483,586)
Business-Type Activities	(1,341,498)	(84,954)	412,373	1,321,412
Total Primary Government Net (Expense) Revenue	<u>(37,161,042)</u>	<u>(44,524,931)</u>	<u>(40,562,320)</u>	<u>(35,162,174)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes				
Property	14,124,673	15,764,384	16,063,847	16,847,942
Sales	15,185,930	13,688,255	11,875,499	12,772,013
Utility	4,261,559	4,287,211	4,257,988	4,442,456
Income	3,197,431	3,164,144	2,758,150	2,707,548
Other	3,889,619	3,179,799	2,462,115	2,806,689
Interest	2,751,448	1,160,235	619,172	673,049
Miscellaneous	398,538	547,903	483,310	183,559
Total Governmental Activities	<u>43,809,198</u>	<u>41,791,931</u>	<u>38,520,081</u>	<u>40,433,256</u>
Business-Type Activities				
Interest	334,991	111,051	22,306	18,016
Miscellaneous	27,033	9,838	11,895	6,779
Contributions	-	-	-	-
Total Business-Type Activities	<u>362,024</u>	<u>120,889</u>	<u>34,201</u>	<u>24,795</u>
Total Primary Government	<u>44,171,222</u>	<u>41,912,820</u>	<u>38,554,282</u>	<u>40,458,051</u>
Changes in Net Position				
Governmental Activities	7,989,654	(2,648,046)	(2,454,612)	3,949,670
Business-Type Activities	(979,474)	35,935	446,574	1,346,207
Total Primary Government	<u>7,010,180</u>	<u>(2,612,111)</u>	<u>(2,008,038)</u>	<u>5,295,877</u>

* Accrual Basis of Accounting

2012	2013	2014	2015	2016	2017
6,442,630	6,673,074	7,073,272	8,038,407	8,086,571	23,080,387
31,403,018	32,786,120	34,656,480	35,372,521	53,878,401	45,625,408
11,794,447	11,826,791	14,124,506	14,261,643	14,239,465	13,737,840
2,916,534	2,673,149	2,845,783	2,740,893	2,668,045	2,547,430
52,556,629	53,959,134	58,700,041	60,413,464	78,872,482	84,991,065
10,704,713	13,019,910	15,461,344	16,087,554	21,376,575	18,255,353
63,261,342	66,979,044	74,161,385	76,501,018	100,249,057	103,246,418
2,423,718	2,601,979	2,675,037	3,414,159	3,106,836	4,442,554
2,201,444	2,546,085	2,543,424	2,634,913	2,943,351	2,934,392
-	-	-	-	-	-
2,185,921	2,723,036	2,240,526	2,444,980	2,482,659	2,241,507
4,653,361	1,369,200	2,714,902	298,156	6,810	47,097
11,464,444	9,240,300	10,173,889	8,792,208	8,539,656	9,665,550
12,864,262	15,570,880	17,935,222	18,831,605	21,164,331	20,670,311
-	-	-	-	-	49,711
-	-	-	-	-	461,015
12,864,262	15,570,880	17,935,222	18,831,605	21,164,331	21,181,037
24,328,706	24,811,180	28,109,111	27,623,813	29,703,987	30,846,587
(41,092,185)	(44,718,834)	(48,526,152)	(51,621,256)	(70,332,826)	(75,325,515)
2,159,549	2,550,970	2,473,878	2,744,051	(212,244)	2,925,684
(38,932,636)	(42,167,864)	(46,052,274)	(48,877,205)	(70,545,070)	(72,399,831)
17,988,762	18,882,962	19,226,518	18,712,324	19,560,931	19,641,354
14,358,516	15,468,871	18,639,938	23,966,286	24,554,182	25,831,879
4,438,941	4,466,100	4,839,941	4,943,574	5,219,833	5,171,376
2,713,539	2,985,423	3,228,099	3,244,280	3,530,426	3,131,324
2,547,862	2,883,868	3,339,154	3,490,365	3,942,208	3,801,353
576,738	556,402	345,270	986,319	833,607	777,531
1,940,799	1,651,141	1,479,072	1,373,004	1,498,606	3,687,004
44,565,157	46,894,767	51,097,992	56,716,152	59,139,793	62,041,821
14,207	(15,908)	66,857	211,495	142,416	130,081
2,281	1,708	7,212	10,142	6,953	12,529,833
-	-	-	-	-	-
16,488	(14,200)	74,069	221,637	149,369	12,659,914
44,581,645	46,880,567	51,172,061	56,937,789	59,289,162	74,701,735
3,472,972	2,175,933	2,571,840	5,094,896	(11,193,033)	(13,283,694)
2,176,037	2,536,770	2,547,947	2,965,688	(62,875)	15,585,598
5,649,009	4,712,703	5,119,787	8,060,584	(11,255,908)	2,301,904

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	2008	2009	2010
General Fund			
Reserved	\$ 3,291,164	2,608,428	3,440,482
Unreserved	22,923,405	19,684,204	16,502,542
Nonspendable	-	-	-
Unassigned	-	-	-
Total General Fund	26,214,569	22,292,632	19,943,024
All Other Governmental Funds			
Reserved	6,439,988	6,227,062	6,075,770
Unreserved, Reported in,			
Special Revenue Funds	7,182,607	6,826,370	6,785,492
Debt Service Funds	-	-	-
Capital Projects Funds	26,762,746	5,041,637	2,219,937
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	-	-	-
Total All Other Governmental Funds	40,385,341	18,095,069	15,081,199
Total Governmental Funds	66,599,910	40,387,701	35,024,223

* Modified Accrual Basis of Accounting

The Village implemented GASB 54 for the fiscal year ended April 30, 2012.

2011	2012	2013	2014	2015	2016	2017
3,324,446	-	-	-	-	-	-
17,209,065	-	-	-	-	-	-
-	3,049,166	2,510,321	3,502,181	3,875,791	3,356,201	3,912,817
-	18,687,987	20,507,001	21,092,431	20,862,337	25,679,050	31,258,522
20,533,511	21,737,153	23,017,322	24,594,612	24,738,128	29,035,251	35,171,339
17,942,811	-	-	-	-	-	-
6,448,774	-	-	-	-	-	-
-	-	-	-	-	-	-
(2,977,416)	-	-	-	-	-	-
-	65,388	58,863	59,639	55,398	38,322	83,880
-	17,577,488	19,834,151	19,421,740	21,680,113	20,264,203	19,003,867
-	(3,644,874)	(3,246,487)	(2,893,810)	(2,432,077)	(2,755,502)	(17,471,984)
21,414,169	13,998,002	16,646,527	16,587,569	19,303,434	17,547,023	1,615,763
41,947,680	35,735,155	39,663,849	41,182,181	44,041,562	46,582,274	36,787,102

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	2008	2009	2010	2011
Revenues				
Taxes	\$ 36,113,806	35,516,527	33,415,210	35,344,450
Intergovernmental	6,911,075	8,222,992	5,544,339	6,103,304
Licenses and Permits	2,539,971	1,727,255	1,619,191	2,030,478
Charges for Services	917,525	1,473,729	1,992,167	1,778,182
Fines and Forfeitures	1,563,082	1,657,984	1,606,045	1,653,391
Interest	2,751,448	1,160,235	619,172	673,049
Miscellaneous	959,611	1,268,422	1,335,602	1,275,108
Total Revenues	51,756,518	51,027,144	46,131,726	48,857,962
Expenditures				
General Government	6,791,172	7,872,337	5,913,063	5,612,828
Public Safety	25,444,917	28,260,038	27,669,965	27,626,873
Public Works	12,606,520	11,184,426	9,887,266	10,137,824
Capital Outlay	9,186,537	23,978,253	4,432,147	7,841,281
Debt Service				
Principal Retirement	2,245,000	1,410,000	1,450,000	1,505,000
Interest and Fiscal Charges	943,400	2,534,299	2,227,641	2,210,699
Total Expenditures	57,217,546	75,239,353	51,580,082	54,934,505
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,461,028)	(24,212,209)	(5,448,356)	(6,076,543)
Other Financing Sources (Uses)				
Debt Issuance	30,097,137	-	-	13,000,000
Premium on Debt Issuance	-	-	-	-
Payment to Escrow Agent	-	-	-	-
Disposal of Capital Assets	-	-	-	-
Transfers In	2,814,800	-	19,793	-
Transfers Out	(2,814,800)	-	(19,793)	-
	30,097,137	-	-	13,000,000
Net Change in Fund Balances	24,636,109	(24,212,209)	(5,448,356)	6,923,457
Debt Service as a Percentage of Noncapital Expenditures	6.86%	7.86%	7.92%	7.98%

* Modified Accrual Basis of Accounting

2012	2013	2014	2015	2016	2017
38,097,904	40,377,083	44,538,282	39,923,768	41,788,336	42,237,026
5,642,029	5,604,343	6,437,994	16,301,122	16,497,183	16,741,316
2,193,371	2,582,927	2,668,359	3,386,413	3,074,534	4,365,626
2,021,534	1,828,805	1,960,947	1,968,425	1,991,710	2,037,597
1,196,721	1,531,585	1,391,404	1,519,951	1,878,434	1,808,583
524,127	514,361	448,931	777,419	738,821	742,356
2,076,126	2,284,722	1,559,061	1,422,362	1,599,277	3,739,692
51,751,812	54,723,826	59,004,978	65,299,460	67,568,295	71,672,196
5,044,203	6,000,749	6,422,865	7,801,937	7,094,531	7,644,922
28,830,013	30,201,194	32,971,467	35,478,691	36,428,866	38,651,137
8,140,807	8,732,739	9,140,779	9,979,777	9,995,949	10,579,398
11,064,834	3,523,346	4,506,578	4,182,270	7,209,053	19,647,022
1,565,000	1,934,024	2,252,059	2,192,989	2,357,419	2,340,305
3,319,480	2,582,686	2,956,023	2,806,222	2,734,812	2,604,584
57,964,337	52,974,738	58,249,771	62,441,886	65,820,630	81,467,368
(6,212,525)	1,749,088	755,207	2,857,574	1,747,665	(9,795,172)
-	31,845,000	-	-	-	-
-	4,708,077	-	-	-	-
-	(34,373,471)	-	-	-	-
-	-	-	1,807	793,047	-
-	-	1,400,000	5,146,420	2,000,000	-
-	-	(1,400,000)	(5,146,420)	(2,000,000)	-
-	2,179,606	-	1,807	793,047	-
(6,212,525)	3,928,694	755,207	2,859,381	2,540,712	(9,795,172)
9.96%	8.94%	9.17%	8.37%	7.74%	6.34%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

Tax Levy Year	Residential Property	Commercial Property	Industrial Property
2007	\$ 739,881,569	\$ 348,860,705	\$ 1,452,043,626
2008	803,713,390	359,155,406	1,475,674,061
2009	878,995,575	305,743,848	1,312,120,226
2010	825,416,800	286,235,274	1,227,423,162
2011	771,936,926	246,244,078	1,094,378,050
2012	707,661,523	221,652,952	1,010,313,906
2013	581,305,649	215,099,930	894,699,348
2014	608,619,559	239,253,523	874,227,184
2015	587,790,868	236,636,043	868,225,507
2016	703,429,692	260,343,890	921,103,530

Data Source: Office of the County Clerk

Note: Property in the Village is reassessed every three years. Property is assessed at 33.3% of actual value.

Note: N/A = Data not yet available from Cook and DuPage Counties at time of printing.

Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
\$ 698,458	\$ 2,541,484,358	0.492	\$ 7,624,453,074	33.3%
791,659	2,639,334,516	0.489	7,918,003,548	33.3%
956,998	2,497,816,647	0.546	7,493,449,941	33.3%
1,232,534	2,340,307,770	0.646	7,020,923,310	33.3%
1,334,606	2,113,893,660	0.750	6,341,680,980	33.3%
1,456,318	1,941,084,699	0.846	5,823,254,097	33.3%
1,809,831	1,692,914,758	0.965	5,078,744,274	33.3%
1,937,861	1,724,038,127	0.951	5,172,114,384	33.3%
2,352,252	1,695,004,670	1.015	5,085,014,010	33.3%
2,406,514	1,887,283,626	0.944	5,661,850,878	33.3%

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Property Tax Rates - Addison Township - Last Ten Tax Levy Years
(Per \$100 of Equalized Assessed Valuation)
April 30, 2017 (Unaudited)**

	2007	2008	2009
Overlapping Rates			
DuPage County	0.165	0.156	0.155
DuPage Forest Preserve District	0.119	0.121	0.122
Township of Addison Town	0.045	0.044	0.045
Addison Township Road	0.067	0.066	0.067
Village of Elk Grove Village	0.663	0.518	0.747
Elk Grove Village Public Library	0.194	0.175	0.230
Bensenville Park District	0.328	0.326	0.312
School District #2	2.670	2.706	2.753
High School District #100	1.382	1.394	1.399
Community College District #502	0.189	0.186	0.213
Total Overlapping Rates	5.823	5.692	6.042

Data Source: Office of the DuPage County Clerk

Note: The Village is situated in two counties, Cook and DuPage, and three townships, Addison, Elk Grove Village and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is located.

2010	2011	2012	2013	2014	2015	2016
0.166	0.177	0.193	0.204	0.206	0.197	0.185
0.132	0.141	0.154	0.166	0.169	0.162	0.151
0.051	0.057	0.066	0.071	0.074	0.072	0.068
0.076	0.085	0.098	0.107	0.111	0.108	0.101
1.024	0.960	0.702	0.696	1.330	1.159	1.088
0.289	0.282	0.207	0.204	0.391	0.341	0.318
0.361	0.413	0.472	0.510	0.518	0.523	0.493
3.116	3.541	4.074	4.425	4.572	4.531	4.277
1.616	1.807	2.064	2.232	2.302	2.293	2.174
0.235	0.250	0.268	0.296	0.298	0.279	0.263
7.066	7.712	8.298	8.911	9.970	9.665	9.118

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Elk Grove Township - Last Ten Tax Levy Years
(Per \$100 of Equalized Assessed Valuation)
April 30, 2017 (Unaudited)**

	2007	2008	2009
Village Direct Rates			
General	0.191	0.199	0.214
Bonds and Interest	0.140	0.122	0.130
Pensions	0.157	0.164	0.197
Emergency Management	0.004	0.004	0.005
Total Direct Rates	0.492	0.489	0.546
Overlapping Rates			
Cook County	0.458	0.415	0.415
Forest Preserve	0.053	0.051	0.049
Elk Grove Township	0.057	0.059	0.064
Suburban TB Sanitarium	-	-	-
Northwest Mosquito Abatement	0.008	0.008	0.008
Metro Water Reclamation District	0.263	0.252	0.261
Elk Grove Village Public Library	0.167	0.168	0.203
Elk Grove Village Park District	0.491	0.490	0.524
School District #59	1.791	1.810	1.945
High School District #214	1.621	1.587	1.636
Community College District #512	0.260	0.256	0.258
Total Overlapping Rates	5.169	5.096	5.363
Total Direct and Overlapping Rates	5.660	5.585	5.909

Data Source: Office of the Cook County Clerk

Note: The Village is situated in two counties, Cook and DuPage, and three townships, Addison, Elk Grove Village and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is located.

2010	2011	2012	2013	2014	2015	2016
0.229	0.273	0.300	0.388	0.381	0.388	0.326
0.169	0.181	0.198	0.229	0.225	0.228	0.205
0.243	0.290	0.342	0.342	0.345	0.400	0.413
0.005	0.006	0.006	0.006	-	-	-
0.646	0.750	0.846	0.965	0.951	1.015	0.944
0.423	0.487	0.531	0.591	0.568	0.586	0.533
0.051	0.058	0.063	0.069	0.069	0.069	0.063
0.071	0.081	0.064	0.111	0.111	0.113	0.095
-	-	-	-	-	-	-
0.009	0.010	0.011	0.013	0.013	0.011	0.010
0.274	0.320	0.370	0.417	0.430	0.426	0.406
0.220	0.265	0.301	0.341	0.335	0.350	0.335
0.563	0.634	0.711	0.805	0.810	0.827	0.749
2.129	2.422	2.673	3.172	3.176	3.291	2.998
1.839	2.067	2.324	2.768	2.776	2.881	2.527
0.295	0.334	0.373	0.444	0.451	0.466	0.416
5.874	6.678	7.421	8.731	8.739	9.020	8.132
6.520	7.428	8.267	9.696	9.690	10.035	9.076

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Direct and Overlapping Property Tax Rates - Schaumburg Township - Last Ten Tax Levy Years
(Per \$100 of Equalized Assessed Valuation)
April 30, 2017 (Unaudited)**

	2007	2008	2009
Village Direct Rates			
General	0.191	0.199	0.214
Bonds and Interest	0.140	0.122	0.130
Pensions	0.157	0.164	0.197
Emergency Management	0.004	0.004	0.005
Total Direct Rates	0.492	0.489	0.546
Overlapping Rates			
Cook County	0.458	0.415	0.415
Forest Preserve	0.053	0.051	0.049
Schaumburg Township	0.089	0.089	0.092
Schaumburg Township Library	0.256	0.254	0.258
Suburban TB Sanitarium	-	-	-
Metro Water Reclamation District	0.263	0.252	0.261
Northwest Mosquito Abatement	0.008	0.008	0.008
Elk Grove Village Park District	0.491	0.490	0.524
School District #54	2.582	2.559	2.592
High School District #211	1.972	1.928	1.916
Community College District #512	0.260	0.256	0.258
Total Overlapping Rates	6.432	6.302	6.373
Total Direct and Overlapping Rates	6.923	6.791	6.919

Data Source: Office of the Cook County Clerk

Note: The Village is situated in two counties, Cook and DuPage, and three townships, Addison, Elk Grove Village and Schaumburg. The total rate for a taxpayer is determined by the taxing agencies located in the county and township in which the property is located.

2010	2011	2012	2013	2014	2015	2016
0.229	0.273	0.300	0.388	0.381	0.388	0.326
0.169	0.181	0.198	0.229	0.225	0.228	0.205
0.243	0.290	0.342	0.342	0.345	0.400	0.413
0.005	0.006	0.006	0.006	-	-	-
0.646	0.750	0.846	0.965	0.951	1.015	0.944
0.423	0.487	0.531	0.591	0.568	0.586	0.533
0.051	0.058	0.063	0.069	0.069	0.069	0.063
0.110	0.125	0.137	0.161	0.163	0.171	0.148
0.295	0.321	0.331	0.384	0.386	0.402	0.352
-	-	-	-	-	-	-
0.274	0.320	0.370	0.417	0.430	0.426	0.406
0.009	0.010	0.011	0.013	0.013	0.011	0.010
0.563	0.634	0.711	0.805	0.810	0.827	0.749
2.996	3.196	3.578	4.148	4.168	4.332	3.790
2.204	2.482	2.772	3.197	3.213	3.309	2.871
0.295	0.334	0.373	0.444	0.451	0.466	0.416
7.220	7.967	8.877	10.229	10.271	10.599	9.338
7.866	8.717	9.723	11.194	11.222	11.614	10.282

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

Taxpayer	2016 (1)			2008 (2)		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Prologis Tax Coordinator	\$ 72,383,001	1	3.84%			
Tarantula Ventures, LLC	33,291,134	2	1.76%			
Regent O'Hare LLC (3)	22,056,791	3	1.17%	\$ 40,304,664	2	1.53%
Hamilton Partners, Inc.	20,434,621	4	1.08%	37,060,852	3	1.40%
Centerpoint Properties	17,397,258	5	0.92%	21,989,487	9	0.83%
25 Northwest PNT BVD 400	13,963,824	6	0.74%			
FSP Property Management	13,539,254	7	0.72%			
Cosmic Ventures LLC	13,435,424	8	0.71%			
New Plan EPROP Tax	13,268,207	9	0.70%			
HCR Manocare	11,084,184	10	0.59%			
Crane & Norcross				68,970,028	1	2.61%
Elk Grove Industrial LLC				28,755,170	4	1.09%
Rogers Industrial Park				25,745,592	5	0.98%
Gullo Family Properties				25,400,143	6	0.96%
AMB Properities				24,376,737	7	0.92%
ADP, Inc.				22,151,824	8	0.84%
John Buck Co.				21,608,733	10	0.82%
	<u>230,853,698</u>		<u>12.23%</u>	<u>316,363,230</u>		<u>11.98%</u>

Data Source: Office of the County Clerk

- (1) The figures represent the totals of numerous parcels with a 2015 EAV of approximately \$75,000 or more as recorded in the Cook and DuPage County Assessor's offices.
- (2) The figures represent the totals of numerous parcels with a 2007 EAV of approximately \$200,000 or more as recorded in the Cook and DuPage County Assessor's offices. Figures for 2006 EAV are not available.
- (3) Previously Draper and Kramer, Inc.

Note: Every effort has been made to report the largest taxpayers. However, the taxpayers listed may own multiple parcels in the Village and it is possible that parcels with a small EAV have been overlooked. Thus, the valuations presented herewith have been noted as approximations.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Property Tax Levies and Collections - Last Ten Tax Levy Years
April 30, 2017 (Unaudited)**

Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 11,369,754	\$ 10,978,986	97.98%	\$ -	\$ 11,139,734	97.98%
2007	12,737,839	11,139,734	97.91%	-	12,472,122	97.91%
2008	13,193,302	12,472,122	98.20%	-	12,955,174	98.20%
2009	13,829,450	12,955,174	99.29%	-	13,731,449	99.29%
2010	15,491,665	13,731,449	97.68%	-	15,132,499	97.68%
2011	15,935,236	15,132,499	99.25%	-	15,816,044	99.25%
2012	16,297,012	15,816,044	99.15%	-	16,158,579	99.15%
2013	16,333,482	16,158,579	95.29%	-	15,564,220	95.29%
2014	16,477,349	16,321,899	99.06%	-	16,321,899	99.06%
2015	17,308,798	16,698,798	96.48%	-	16,698,798	96.48%

Data Source: Office of the County Clerk

Note: Property in the Village is reassessed every three years. Property is assessed at 33.3% of actual value.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Taxable Sales by Category - Last Ten Calendar Years
April 30, 2017 (Unaudited)**

	2007	2008	2009	2010
General Merchandise	\$ 45,855,551	45,858,041	45,292,387	48,669,700
Food	74,491,081	73,844,646	71,047,306	72,269,900
Drinking and Eating Places	68,088,422	66,989,974	58,997,324	58,082,100
Apparel	6,551,333	6,558,096	5,774,191	2,090,100
Furniture & H.H. & Radio	32,677,573	25,778,999	18,880,743	12,308,200
Lumber, Building Hardware	86,232,821	74,013,062	43,180,806	42,329,100
Automobile and Filing Stations	56,056,586	47,419,348	45,037,332	56,218,700
Drugs and Miscellaneous Retail	88,747,685	91,245,711	72,959,772	70,521,800
Agriculture and All Other	240,825,408	225,068,518	193,167,580	199,856,100
Manufacturers	42,666,376	44,839,481	41,147,907	39,076,700
Total	742,192,836	701,615,876	595,485,348	601,422,400
Total Tax Rate	8.75%	10.00% (b)	10.00%	9.5% (c)

Data Source: Illinois Department of Revenue

Note: Data reflects sales in Cook County

(a) RTA sales tax increase effective 4/1/2008. Cook County sales tax increase effective 7/1/2008.

(b) Cook County sales tax reduction effective 7/1/2010.

(c) Cook County sales tax reduction effective 7/1/2012.

(d) Cook County sales tax reduction effective 1/1/2013.

(e) Cook County sales tax increase effective 1/1/2016.

2011	2012	2013	2014	2015	2016
36,708,000	62,478,600	65,822,600	63,994,814	64,084,772	62,271,858
70,875,000	69,045,979	68,197,900	63,211,545	52,194,492	52,140,228
65,551,800	70,993,852	72,616,500	77,066,125	82,971,940	88,681,813
11,781,200	1,476,057	1,670,600	1,549,400	1,762,452	2,521,123
11,402,700	13,848,121	16,540,800	17,090,620	24,040,228	20,152,287
45,989,700	46,201,881	52,721,500	70,412,310	76,706,415	80,133,381
70,570,600	75,232,481	74,534,600	83,208,116	80,970,912	99,088,426
86,049,000	79,334,261	80,819,700	89,640,894	105,890,541	109,112,360
216,350,000	254,015,048	338,064,800	325,465,878	354,284,557	369,379,874
38,346,900	34,358,393	27,372,000	32,495,866	28,572,544	33,541,674
653,624,900	706,984,673	798,361,000	824,135,568	871,478,853	917,023,024
9.50%	9.25% (d)	9.00% (e)	9.00%	9.00%	10.00% (e)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

Calendar Year	Village Direct Rate	State Rate	RTA Rate	Cook County Rate	Total Tax Rate
2007	1.00%	6.25%	1.00% (1)	1.75% (1)	10.00%
2008	1.00%	6.25%	1.00%	1.75%	10.00%
2009	1.00%	6.25%	1.00%	1.25% (2)	9.50%
2010	1.00%	6.25%	1.00%	1.25%	9.50%
2011	1.00%	6.25%	1.00%	1.00% (3)	9.25%
2012	1.00%	6.25%	1.00%	0.75% (4)	9.00%
2013	1.00%	6.25%	1.00%	0.75%	9.00%
2014	1.00%	6.25%	1.00%	0.75%	9.00%
2015	1.00%	6.25%	1.00%	0.75% (5)	9.00%
2016	1.00%	6.25%	1.00%	1.75%	10.00%

Data Sources: Illinois Department of Revenue, Cook County, and Village Records

(1) RTA sales tax increase effective 4/1/2008. Cook County sales tax increase effective 7/1/2008.

(2) Cook County sales tax reduction effective 7/1/2010.

(3) Cook County sales tax reduction effective 7/1/2012.

(4) Cook County sales tax reduction effective 1/1/2013.

(5) Cook County sales tax increase effective 1/1/2016.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Schedule of Legal Debt Margin
April 30, 2017 (Unaudited)**

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

Fiscal Year	Governmental Activities		Business-Type	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Installment Notes Payable	Activities General Obligation Bonds			
2008	\$ 41,720,000	\$ 5,006,968	\$ -	\$ 46,726,968	4.34%	\$ 1,412.03
2009	40,310,000	4,563,920	-	44,873,920	4.13%	1,359.03
2010	38,990,533	4,185,028	-	43,175,561	3.91%	1,303.45
2011	50,466,306	3,989,958	-	54,456,264	5.05%	1,642.18
2012	48,882,079	3,847,568	-	52,729,647	5.05%	1,584.81
2013	53,303,077	3,588,544	38,111,548	90,994,698	8.69%	2,728.48
2014	51,094,205	3,231,485	36,968,686	87,553,136	7.75%	2,619.86
2015	48,755,333	3,063,496	35,910,824	87,729,653	7.89%	2,635.47
2016	46,346,461	2,801,077	34,842,962	83,990,500	7.47%	2,526.94
2017	43,892,589	2,600,772	33,755,100	80,248,461	N/A	N/A

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

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

N/A - Data not available

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
2008	\$ 40,310,000	\$ 2,071,414	\$ 38,238,586	1.45%	\$ 1,155.52
2009	38,990,533	2,096,401	36,894,132	1.48%	1,117.36
2010	50,466,306	2,060,985	48,405,321	2.07%	1,461.34
2011	48,882,079	2,063,035	46,819,044	2.21%	1,411.87
2012	49,294,606	1,854,796	47,439,810	2.44%	1,425.82
2013	84,321,651	1,980,873	82,340,778	4.86%	2,468.99
2014	84,666,157	1,115,467	83,550,690	4.94%	2,500.10
2015	84,666,157	971,785	83,694,372	4.85%	2,514.25
2016	81,189,423	977,814	80,211,609	4.73%	2,413.25
2017	77,647,689	889,061	76,758,628	4.07%	N/A

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

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

N/A - Data not available

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Schedule of Direct and Overlapping Governmental Activities Debt
April 30, 2017 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 46,493,361	100.000%	\$ 46,493,361
Overlapping Debt			
Schools:			
School District #2	33,721,000	7.840%	2,643,726
School District #7	2,845,000	12.350%	351,358
School District #54	-	0.000%	-
School District #59	15,235,000	52.400%	7,983,140
High School District #100	11,030,000	9.870%	1,088,661
High School District #211	3,020,000	4.670%	141,034
High School District #214	49,035,000	16.610%	8,144,714
Community College District #502	265,480,000	0.280%	743,344
Community College District #512	153,255,000	9.390%	14,390,645
Others:			
Cook County	3,213,141,750	1.240%	39,842,958
DuPage County	262,078,337	0.310%	812,443
Cook County Forest Preserve District	157,510,000	1.240%	1,953,124
DuPage County Forest Preserve District	126,497,595	0.310%	392,143
Metropolitan Water Reclamation District	2,583,922,748	1.260%	32,557,427
Bensenville Park District	6,569,965	6.750%	443,473
Elk Grove Park District	4,160,000	97.680%	4,063,488
Mount Prospect Park District	21,230,000	6.250%	1,326,875
Schaumburg Park District	17,450,000	1.970%	343,765
Wood Dale Park District	1,618,683	11.530%	186,634
Schaumburg Township District Public Library	-	0.000%	-
Total Overlapping Debt	6,927,800,078		117,408,949
Total Direct and Overlapping Debt	6,974,293,439		163,902,310

Data Source: Cook County Tax Extension Department

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Demographic and Economic Statistics - Last Ten Calendar Years
April 30, 2017 (Unaudited)**

Calendar Year	Population	Per Capita Income	Total Personal Income	Unemployment Rate
2007	33,092	\$ 32,570 *	\$ 1,077,806,440	4.00%
2008	33,019	32,916 *	1,086,853,404	4.80%
2009	33,124	33,340 *	1,104,354,160	8.70%
2010	33,161	32,527 *	1,078,627,847	8.50%
2011	33,272	32,527 *	1,043,680,524	7.80%
2012	33,350	31,387 *	1,046,756,450	7.40%
2013	33,419	33,820 **	1,130,230,580	7.60%
2014	33,288	33,423 **	1,112,584,824	5.80%
2015	33,238	33,826	1,124,308,588	5.00%
2016	32,931	- ***	-	5.00%

Data Source: Illinois Department of Employment Security (IDES) and U.S. Census Bureau

* Based upon U.S. Census Bureau American Community Surveys (ACS) 3-year Estimates. The ACS was implemented in 2005, with the first full data sets published in 2007. This survey provides a more accurate representation of current per capita income.

** Based upon U.S. Census Bureau 2010-2014 American Community Surveys (ACS) 5-year Estimates.

***At the time of publication, the 2016 ACS Data Set was not available.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
April 30, 2017 (Unaudited)**

Employer	2017			2008		
	Number of Employees	Rank	Percentage of Total Village Employment	Number of Employees	Rank	Percentage of Total Village Employment
Alexian Brothers Medical Center	2,900	1	2.90%	1,800	1	1.80%
Automatic Data Processing	1,300	2	1.30%	850	2	0.85%
Creative Werks	600	3	0.60%			
Harvard Maintenance	420	4	0.42%			
Little Lady Foods	390	5	0.39%			
Topco	390	6	0.39%			
Village of Elk Grove Village	378	7	0.78%	375	4	0.38%
Fort Dearboen Co	360	8	0.36%			
School District #59	355	9	0.36%			
Metal Impact	300	10	0.30%	315	5	0.32%
Citigroup				700	3	0.70%
Quebecor World				300	6	0.30%
H.C. Brill Co.				300	7	0.30%
American Academy of Pediatrics				300	8	0.30%
Elk Grove High School				250	9	0.25%
Banta Direct Marketing				250	10	0.25%
	<u>7,393</u>		<u>7.80%</u>	<u>5,440</u>		<u>5.44%</u>
Total Employment (Est.)			<u>100,000</u>			<u>100,000</u>

Data Source: Village Records

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	2008	2009	2010
General Government			
Mayor/Board	9	9	9
Village Clerk	3	3	2
Village Manager's Office	9	9	9
Finance	16	18	18
Community Development**	18	19	18
Health/Community Services	7	7	7
Cable	3	3	3
Public Safety			
Police			
Officers	74	74	74
Administration/Civilians	34	35	34
Fire			
Firefighters and Officers	83	88	88
Administration/Civilians	17	19	18
Public Works			
Administration	15	15	16
Street Maintenance	25	25	25
Water/Sewer Operations	14	14	14
Totals	327	338	335

Data Source: Village Records

* In FY2012 the Village disbanded the Health/Community Services department, personnel was allocated to Police and Fire.

** In FY2013 the Engineering Department was retitled as Community Development.

2011	2012	2013	2014	2015	2016	2017
9	8	8	8	8	8	8
2	2	2	2	2	2	2
9	7	8	11	12	13	13
18	18	17	15	15	15	15
18	18	15	16	16	17	16
7	- *	-	-	-	-	-
3	3	4	4	4	4	4
71	66	68	71	76	72	68
33	34	34	35	35	35	35
88	85	83	80	85	84	86
12	10	10	11	9	9	9
13	13	16	16	16	17	17
24	23	24	21	22	21	22
14	13	13	14	14	16	17
321	300	302	304	314	313	312

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	2007	2008	2009
Public Safety			
Police			
Total Arrests	1,894	1,681	1,658
Call for Service	20,963	22,118	19,847
Traffic Tickets	11,605	9,389	8,507
Fire			
Ambulance Calls	3,262	3,159	3,077
Fire Calls	178	118	106
Fire Investigations	11	7	14
Public Works			
Street Resurfacing (Miles)	6.9	6.5	6.4
Leaves Collected (Cubic Yards)	11,307	10,750	13,840
Full Salting Operations	21	27	20
Water and Sewer			
Water Main Repairs	62	54	45
Average Daily Pumpage (MGD)	5.767	5.401	5.000
Storm Sewer Point Repairs	11	8	12
Sewer Mains Cleaned (ln. Feet)	28,098	49,035	7,466

Data Source: Village of Elk Grove 2012 Compendium

2010	2011	2012	2013	2014	2015	2016
1,577	1,288	1,147	1,167	1,056	1,098	1,116
19,996	15,519	14,192	14,391	14,505	14,707	14,852
9,231	7,786	8,339	9,959	8,684	9,232	7,528
3,116	3,100	3,081	3,345	3,400	3,550	3,848
108	95	147	109	111	90	137
11	15	14	22	22	13	10
6.1	12.8	5.2	6.0	4.0	4.0	4.6
10,254	14,108	6,679	9,513	8,205	6,726	6,300
18	20	11	20	22	12	20
50	60	96	118	53	52	37
4,993	5,000	5,219	4,946	4,696	4,770	4,820
9	10	6	5	-	1	-
60,094	48,016	80,819	55,247	67,126	19,500	35,468

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

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

	2008	2009	2010
Public Safety			
Police			
Stations	1	1	1
Area Patrols	6	6	6
Patrol Units	26	26	26
Fire			
Fire Stations	4	4	4
Fire Engines	10	10	10
Public Works			
Streets (Miles)	136	136	136
Intersections with Traffic Signals	31	31	31
Water and Sewer			
Water Mains (Miles)	153	153	153
Fire Hydrants	2,500	2,500	2,500
Storage Capacity (Gallons)	9,000,000	9,000,000	9,000,000
Sewerage			
Sanitary Sewers (Miles)	143	143	143

Data Source: Various Village Departments

2011	2012	2013	2014	2015	2016	2017
1	1	1	1	1	1	1
6	6	6	6	6	6	6
26	26	26	26	26	26	26
4	4	4	4	4	4	4
8	8	8	8	8	8	8
136	136	136	136	136	136	136
31	31	31	31	31	31	31
153	153	153	153	153	153	153
2,500	2,500	2,500	2,500	2,500	2,500	2,500
9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
143	143	143	143	143	143	143

CONTINUING DISCLOSURES



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS
Cook and DuPage Counties

ANNUAL FINANCIAL INFORMATION

STATEMENT OF INDEBTEDNESS

	Amount Applicable as of April 30, 2017	Assessed Value	Estimated True Value	Per Capita (Pop. 32,931)
Assessed Valuation of Taxable Real Property	\$ 1,887,283,626	100%	33.33%	\$ 57,310
Estimated True Value of Taxable Real Property	\$ 5,661,850,878	300%	1.00%	\$ 171,931
Direct General Obligation Bonded Debt ¹	\$ 126,455,000	6.70%	2.23%	\$ 3,840
Overlapping Bonded Debt Payable from Property Taxes ²				
Schools	\$ 31,202,573	1.65%	0.55%	\$ 948
Other than Schools	\$ 80,460,460	4.26%	1.42%	\$ 2,443
Total Overlapping Bonded Debt	\$ 111,663,033	5.92%	1.97%	\$ 3,391
Total Direct and Overlapping Bonded Debt	\$ 238,118,033	12.62%	4.21%	\$ 7,230.82

Notes:

¹ The Village is a home-rule unit under the 1970 Illinois Constitution and as such has no debt limit nor is it required to seek referendum approval for the issuance of debt. See the "Retirement Schedule of Outstanding Village General Obligation Debt" for a listing of Elk Grove Village's non-general obligation debt and currently outstanding general obligation debt.

Additionally, the Direct General Obligation Bonded Debt amount applicable as of April 30, 2017 also includes the 2017 GO Bond issued in August 2017.

² See the "Detailed Overlapping Bonded Indebtedness Payable from Property Taxes " schedule for additional details.

RETIREMENT SCHEDULE OF OUTSTANDING VILLAGE GENERAL OBLIGATION DEBT

Calendar Year	Series 2010 (Due 1/1)	Series 2012 (Due 1/1)	Series 2013 (Due 1/1)	The Bonds ¹ (Due 1/1)	Total Debt	Cummulative Percent	Levy Year	Amount
2018	\$ 125,000	\$ 2,125,000	\$ 1,055,000	\$ -	\$ 3,305,000	2.61%	2016	\$ 3,305,000
2019	145,000	2,210,000	1,090,000	1,015,000	\$ 4,460,000	6.14%	2017	7,765,000
2020	175,000	2,310,000	1,130,000	1,855,000	\$ 5,470,000	10.47%	2018	13,235,000
2021	175,000	2,405,000	1,175,000	1,925,000	\$ 5,680,000	14.96%	2019	18,915,000
2022	175,000	2,500,000	1,220,000	2,005,000	\$ 5,900,000	19.62%	2020	24,815,000
2023	200,000	2,590,000	1,270,000	2,085,000	\$ 6,145,000	24.48%	2021	30,960,000
2024	225,000	2,680,000	1,335,000	2,145,000	\$ 6,385,000	29.53%	2022	37,345,000
2025	225,000	2,770,000	1,400,000	2,210,000	\$ 6,605,000	34.76%	2023	43,950,000
2026	375,000	2,755,000	1,450,000	2,280,000	\$ 6,860,000	40.18%	2024	50,810,000
2027	500,000	2,760,000	1,510,000	2,390,000	\$ 7,160,000	45.84%	2025	57,970,000
2028	550,000	2,765,000	1,560,000	2,510,000	\$ 7,385,000	51.68%	2026	65,355,000
2029	3,200,000	-	1,605,000	2,635,000	\$ 7,440,000	57.57%	2027	72,795,000
2030	3,200,000	-	1,655,000	2,770,000	\$ 7,625,000	63.60%	2028	80,420,000
2031	3,300,000	-	1,700,000	2,905,000	\$ 7,905,000	69.85%	2029	88,325,000
2032	-	-	1,755,000	3,050,000	\$ 4,805,000	73.65%	2030	93,130,000
2033	-	-	1,805,000	3,205,000	\$ 5,010,000	77.61%	2031	98,140,000
2034	-	-	1,860,000	3,335,000	\$ 5,195,000	81.72%	2032	103,335,000
2035	-	-	1,920,000	3,500,000	\$ 5,420,000	86.00%	2033	108,755,000
2036	-	-	1,985,000	3,675,000	\$ 5,660,000	90.48%	2034	114,415,000
2037	-	-	2,050,000	3,860,000	\$ 5,910,000	95.15%	2035	120,325,000
2038	-	-	2,115,000	4,015,000	\$ 6,130,000	100.00%	2036	126,455,000
	\$ 12,570,000	\$ 27,870,000	\$ 32,645,000	\$ 53,370,000	\$ 126,455,000			

Notes:

¹ The retirement schedule of outstanding Village general obligation debt also includes "The Bonds," which were issued in August of 2017.

BONDED DEBT RATIOS & PER CAPITA DEBT
LAST TEN GENERAL OBLIGATION BOND SALES ¹

Amount Applicable as of April 30, 2017

Village Issues ²		Ratio to Estimated Actual Value		Per Capita	
Sale Date	Amount	Direct Debt	Direct and Overlapping	Direct and Overlapping	Population Estimate
October 22, 1993	10,000,000	0.83%	2.53%	\$ 2,976	33,429
December 16, 1993	10,000,000	0.82%	2.42%	\$ 2,851	33,429
April 10, 2001	3,375,000	0.36%	1.97%	\$ 2,706	34,800
February 21, 2002	5,800,000	0.33%	1.99%	\$ 2,734	34,727
April 10, 2003	9,580,000	0.42%	2.29%	\$ 3,558	34,727
September 1, 2003	7,660,000	0.43%	2.32%	\$ 3,596	34,727
October 1, 2007	30,000,000	1.36%	6.85%	\$ 4,341	34,727
July 1, 2010	13,000,000	0.52%	5.71%	\$ 4,302	33,127
December 11, 2012	31,845,000	0.78%	2.97%	\$ 5,681	33,127
January 31, 2013	36,790,000	1.35%	2.89%	\$ 5,524	33,127

Notes:

¹ Taken from applicable Official Statements. The last Village General Obligation issue prior to the October 22, 1993 issue was September 16, 1992.

² In August 2017, a GO Bond was issued in the amount of \$53,370,000 for the financing of the Village long-term capital infrastructure plan.

DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES ¹
AS OF MAY 1, 2017

Schools:	Percent of Village's EAV in Taxing Body	Outstanding Debt	Applicable to the Village	
			Percent ²	Amount
School District Number 2	2.58%	1,700,000	7.88%	\$ 133,960
School District Number 7	3.33%	3,400,000	12.35%	419,900
School District Number 54	18.76%	-	0.00%	-
School District Number 59	75.20%	15,235,000	52.42%	7,986,187
High School District 100	5.91%	11,030,000	9.90%	1,091,970
High School District 211	18.76%	3,020,000	4.67%	141,034
High School District 214	75.20%	39,490,000	16.61%	6,559,289
Community College District Number 502	5.91%	176,755,000	0.28%	494,914
Community College District Number 512	94.09%	153,255,000	9.38%	14,375,319
Total Schools				\$ 31,202,573
Others:				
Cook County	94.09%	3,213,141,750	1.24%	\$ 39,842,958
DuPage County	5.91%	33,905,000	0.31%	105,106
Cook County Forest Preserve District	94.09%	106,265,000	1.24%	1,317,686
DuPage County Forest Preserve District	5.91%	126,497,595	0.31%	392,143
Metropolitan Water Reclamation District	94.09%	2,641,033,181	1.26%	33,277,018
Bensenville Park District	2.58%	950,000	6.79%	64,505
Elk Grove Park District	84.86%	4,160,000	97.72%	4,065,152
Mount Prospect Park District	5.48%	13,905,000	6.25%	869,063
Schaumburg Park District	3.63%	17,450,000	1.97%	343,765
Wood Dale Park District	3.33%	1,587,715	11.53%	183,064
Schaumburg Township Public Library District	16.65%	-	0.00%	-
Total Others				\$ 80,460,460
Total Schools and Others Overlapping Bonded Debt				\$ 111,663,033

Notes:

¹ Source: Cook and DuPage County Clerks

² Overlapping debt percentages based on 2016 EAV for DuPage County and 2016 EAV for Cook County, the most current available.

EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES ¹

Tax Levy Year ²	For General Taxing Purposes				For All Taxing Purposes		
	Gross Real Property	Less Exemptions ³	Net for General Taxing Purposes ⁴	EAV Change Over Prior Year	Net for General Taxing Purposes	Plus Incremental Valuation (TIF)	Total for All Taxing Purposes ⁵
2008	2,903,726,894	264,392,378	2,639,334,516	3.85%	2,639,334,516	33,074,416	2,672,408,932
2009	2,739,804,998	241,988,351	2,497,816,647	-5.36%	2,497,816,647	29,007,001	2,526,823,648
2010	2,496,298,862	155,991,092	2,340,307,770	-6.31%	2,340,307,770	27,808,837	2,368,116,607
2011	2,209,851,224	95,957,564	2,113,893,660	-9.67%	2,113,893,660	25,152,702	2,139,046,362
2012	2,045,691,900	104,607,201	1,941,084,699	-8.17%	1,941,084,699	24,142,025	1,965,226,724
2013	1,787,579,630	94,664,872	1,692,914,758	-12.79%	1,692,914,758	21,109,808	1,714,024,566
2014	1,815,999,356	91,961,228	1,724,038,128	1.84%	1,724,038,128	21,584,399	1,745,622,527
2015	1,785,992,831	90,988,161	1,695,004,670	-1.68%	1,695,004,670	13,194,156	1,708,198,826
2016	1,989,626,365	102,342,739	1,887,283,626	11.34%	1,887,283,626	213,869,626	2,101,153,252

TAX BASE DISTRIBUTION

Village of Elk Grove	Tax Levy Year 2016	Percent of Total
Cook County	1,775,732,496	94.09%
DuPage County	111,551,130	5.91%
Total	1,887,283,626	100.00%

Notes:

¹ Effective in 2009, property in Cook County is separated into two classifications for assessment purposes: 10% for residential, and 25% for commercial and industrial property. Previously, there were six classifications. After the assessor establishes the fair market value of a parcel of land, that value is multiplied by one of the classifications percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an equalization factor to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established. The tax rates are applied to the equalized valuation.

² Under the current triennial reassessment system in Cook County, one-third of the County is reassessed each year. The Cook County portion of the Village was reassessed in 2016 (Elk Grove Township) and 2016 (Schaumburg Township). The DuPage County portion of the Village was reassessed in 2016 (Addison Township).

³ Includes three major categories of exemptions: Senior Citizen's Homestead Exemption (\$13,682,921 in 2016), Senior Citizen's Tax Freeze Homestead Exemption (\$19,906,161 in 2016) and General Homestead Exemption (\$66,195,599 in 2016). The Senior Citizen's Homestead Exemption is a reduction of \$4,000 (current through tax levy year 2016) in the equalized assessed valuation of real property owned and occupied by a person 65 years of age or older. The Senior Citizen Tax Freeze Homestead Exemption provides that persons 65 years of age or older with a household income of less than \$55,000 (current through tax levy year 2016) may receive an exemption in the amount of the difference between the property's current EAV minus the frozen base year (the property's prior year's EAV for which the applicant first qualifies for the exemption). The General Homestead Exemption is available to owner occupied residential properties and provides exemption equal to the increase in the current year's EAV above the 1988 EAV, up to a maximum \$6,000 reduction in EAV, except for Cook County.

⁴ The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in the column 'Net for General Taxing Purposes.' By 2016 valuation, 75.20% of the Village is in Elk Grove Township (Cook County), 18.76% is in Schaumburg Township (Cook County) and 5.91% is in Addison Township (DuPage County). The valuation in DuPage County as a percentage of the Village total over the last five years is as follows:

2012	\$102,603,200 (5.29%)
2013	\$101,468,030 (5.29%)
2014	\$102,323,000 (5.94%)
2015	\$105,524,190 (6.21%)
2016	\$111,551,130 (5.91%)

⁵ The Village's tax rate is extended against its entire Equalized Assessed Valuation ('Total for All Taxing Purposes') excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (TIF) is remitted to the Village by the County Collector for deposit in the applicable tax allocating fund.

TAX RATES PER \$100 EQUALIZED ASSESSED VALUATION ¹
BY LEVY YEAR

	2012	2013	2014	2015	2016
Village of Elk Grove Direct Rates					
Corporate	0.300	0.388	0.381	0.388	0.326
Bonds and Interest	0.198	0.229	0.225	0.228	0.205
Pension	0.342	0.342	0.345	0.400	0.413
Emergency Management	0.006	0.006	-	-	-
Total Village of Elk Grove	\$ 0.846	\$ 0.965	\$ 0.951	\$ 1.016	\$ 0.944
Overlapping Rates					
Cook County (Including Forest Preserve)	0.594	0.660	0.637	0.655	0.596
Metropolitan Water Reclamation District	0.370	0.417	0.430	0.426	0.406
School District Number 59	2.673	3.172	3.176	3.291	2.998
High School District 214	2.324	2.768	2.776	2.881	2.527
Community College District Number 512	0.373	0.444	0.451	0.466	0.416
Elk Grove Public Library	0.301	0.341	0.335	0.350	0.335
Elk Grove Park District	0.711	0.805	0.810	0.827	0.749
Township and All Other	0.075	0.124	0.124	0.124	0.105
Total ²	\$ 8.267	\$ 9.696	\$ 9.690	\$ 10.036	\$ 9.076
Village as a Percent of Total	10.23%	9.95%	9.81%	10.12%	10.40%

Notes:

¹ As a home rule unit under the 1970 Illinois Constitution, Elk Grove Village has no statutory tax rate or levy limitations.

² Tax rate applicable to the largest rax code (16035), which is located in Elk Grove Township (Cook County).

Retailer's Occupation, Service Occupation and Use Tax¹

As of April 30, 2017

Fiscal Year	State Sales Tax Distributions	Home Rule Sales Tax Distributions	Total	Annual Percentage Change + (-)
2008	8,249,960	6,935,970	15,185,930	-1.36%
2009	6,934,238	5,767,525	12,701,762	-16.36%
2010	6,567,594	5,307,906	11,875,499	-6.51%
2011	7,085,937	5,686,078	12,772,014	7.55%
2012	7,457,764	6,013,564	13,471,328	5.48%
2013	8,051,524	6,427,889	14,479,413	7.48%
2014	8,951,652	7,210,338	16,161,990	11.62%
2015	9,862,107	7,868,473	17,730,580	9.71%
2016	10,184,441	8,157,011	18,341,452	3.45%
2017	10,634,126	8,591,852	19,225,978	4.82%

Notes:

(1) Source: Village Records.

(2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1.00% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1.00% includes tax receipts from the sale of food and drugs which are not taxed by the State.

TAX EXTENSIONS AND COLLECTIONS
(Village Purposes Only)

Levy Year	Collection Year	Total Taxes Extended	Total Taxes Collected as of April 30, 2017 ¹	Percent
2008	2009	\$ 13,193,302	\$ 12,955,174	98.20%
2009	2010	\$ 13,829,450	\$ 13,731,449	99.29%
2010	2011	\$ 15,491,665	\$ 15,132,499	97.68%
2011	2012	\$ 15,935,236	\$ 15,816,044	99.25%
2012	2013	\$ 16,297,012	\$ 16,158,579	99.15%
2013	2014	\$ 16,333,482	\$ 16,158,579	98.93%
2014	2015	\$ 16,477,350	\$ 16,321,899	99.06%
2015	2016	\$ 17,308,799	\$ 16,698,346	96.47%

TEN LARGEST TAXPAYERS ²

Rank	Taxpayer	Description of Business Property	2016 Assessed Valuation	% of Total Assessed Valuation
1	Prologis Tax Coordinator	Industrial Properties	\$ 72,383,001	3.84%
2	Tarantula Ventures LLC	Industrial Properties	\$ 33,291,134	1.76%
3	Regent O'Hare LLC	Industrial Properties	\$ 22,056,791	1.17%
4	Hamilton Partners Inc.	Industrial Properties	\$ 20,434,621	1.08%
5	Centerpoint Properties	Industrial Properties	\$ 17,397,258	0.92%
6	25 Northwest PNT BVLD 400	Commercial/Industrial Real Estate	\$ 13,963,824	0.74%
7	FSP Property Management	Commercial/Industrial Real Estate	\$ 13,539,254	0.72%
8	Cosmic Ventures LLC	Commercial/Industrial Real Estate	\$ 13,435,424	0.71%
9	New Plan EPROP Tax	Supermarket	\$ 13,268,207	0.70%
10	HCR Manocare	Industrial Properties	\$ 11,084,184	0.59%
Total			\$ 230,853,698	12.23%

Notes:

¹ Source: Cook and DuPage County Treasurer's Offices. Taxes collected in Cook County, including late payments, are shown as collections in the year when due regardless of when the collection occurs. The 'Total Taxes Collected' is not the same as distributions to the Village as collections include taxes paid under protest. When the taxes paid under protest are remitted, they are not included as taxes collected since they have already been considered collected. Cook County property taxes are payable in two installments: March 1 and the second on the latter of August 1 or 30 days after the mailing of tax bills. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

² The figures presented are totals of numerous parcels with a 2016 EAV of approximately \$15,000 or more as recorded in the Cook and DuPage County Assessors' offices. Every effort has been made to report the largest taxpayers. However, the taxpayers listed may own numerous parcels in the Village and it is possible that parcels with a small EAV have been overlooked. Thus, the valuations presented here have been noted as approximations.

FIXED ASSETS AT APRIL 30, 2017

	Governmental Activities ¹	Business-Type Activities	Total
Land	\$ 1,376,726	\$ -	\$ 1,376,726
Buildings and Land Improvements	\$ 100,751,638	\$ 3,776,092	\$ 104,527,730
Machinery and Equipment	\$ 5,486,976	\$ 3,784,977	\$ 9,271,953
Licensed Vehicles	\$ 10,339,699	\$ 1,531,526	\$ 11,871,225
Infrastructure	\$ 128,418,577	\$ 58,310,282	\$ 186,728,859
Construction in Progress	\$ 3,247,735	\$ 6,481,115	\$ 9,728,850
Subtotal	\$ 249,621,351	\$ 73,883,992	\$ 323,505,343
Less Accumulated Depreciation	\$ 109,611,874	\$ 35,887,377	\$ 145,499,251
Total	\$ 140,009,477	\$ 37,996,615	\$ 178,006,092

Notes:

¹ Fixed assets used in government fund type operations are accounted for in the General Fixed Assets Account Group rather than in governmental funds. All fixed assets are valued at historical cost or estimated historical cost if actual cost is not known. Contributed fixed assets are recorded at their fair market value on the date donated. Public domain (infrastructure) fixed assets include streets and gutter, bridges and culverts, and storm sewers. This table excludes the general fixed assets of the Elk Grove Village Public Library. Fixed assets in the Proprietary Funds are valued at historical cost or estimated historical cost. Depreciation on all exhaustible fixed assets is charged as an expense against operations. Depreciation is provided over the estimated useful life of the asset using the straight-line method.

COMBINED STATEMENT - ALL FUNDS ¹
Fund Equity 2012 - 2016 and Summary 2017 Revenues, Excess Revenues and Fund Equity
(Fiscal Years Ended April 30)

Government Fund Types	2012	2013	2014	2015	2016	2017			
						Revenues Including Transfers			Excess Revenues Over Expenditures
						Property Taxes	Total		
General Fund	\$ 21,737,153	\$ 23,017,322	\$ 24,594,612	\$ 24,738,128	\$ 29,035,251	\$ 12,958,914	\$ 58,664,060	\$ 6,136,088	
Special Revenue Funds									
BLF ²	5,714,754	5,684,546	6,961,106	8,077,251	7,486,177	-	4,837,528	674,238	
Cable Television ³	345,588	374,019	437,962	480,419	493,411	-	461,440	(43,254)	
Foreign Fire Insurance	504,584	540,787	434,151	330,138	330,138	-	127,574	26,952	
Motor Fuel Tax	1,659,670	1,788,900	1,722,329	1,709,990	1,414,323	-	843,697	(372,216)	
Emergency Management ⁴	92,760	157,220	206,863	-	-	-	-	-	
Asset Seizure	89,329	86,095	72,051	63,333	76,030	-	106,319	10,761	
Recycling	1,604,290	1,978,863	1,322,595	568,293	743,477	-	888,972	69,269	
Total Special Revenue	\$ 10,010,975	\$ 10,610,430	\$ 11,157,057	\$ 11,229,424	\$ 10,543,556	\$ -	\$ 7,265,530	\$ 365,750	
Debt Service Fund	\$ 1,991,181	\$ 1,980,873	\$ 1,810,730	\$ 1,647,944	\$ 1,633,928	\$ 3,739,432	\$ 3,992,068	\$ (117,973)	
Capital Projects Funds ⁵	1,995,846	4,055,224	3,619,782	6,415,836	5,369,539	1,368,198	1,750,538	(16,179,037)	
Total Governmental Funds	\$ 35,735,155	\$ 39,663,849	\$ 41,182,181	\$ 44,031,332	\$ 46,582,274	\$ 18,066,544	\$ 71,672,196	\$ (9,795,172)	
Proprietary Fund Types ⁶									
Enterprise Fund									
Waterworks & Sewage ⁹	\$ 28,268,221	\$ 30,804,991	\$ 33,352,938	\$ 32,913,051	\$ 32,850,176	\$ -	\$ 20,669,443	\$ 15,585,598	
Internal Service Fund									
Capital Replacement Fund ⁷	9,873,722	10,134,361	10,002,541	10,307,401	10,651,078	-	1,184,947	322,361	
Total Proprietary Funds	\$ 38,141,943	\$ 40,939,352	\$ 43,355,479	\$ 43,220,452	\$ 43,501,254	\$ -	\$ 21,854,390	\$ 15,907,959	
Fiduciary Funds									
Police Pension	\$ 56,264,976	\$ 60,571,968	\$ 64,893,031	\$ 69,908,126	\$ 70,476,882	\$ 2,648,953	\$ 12,875,893	\$ 7,941,819	
Fire Pension	54,305,229	57,465,200	61,200,932	65,363,571	65,269,041	2,929,051	12,332,224	6,295,228	
Total Fiduciary Funds	\$ 110,570,205	\$ 118,037,168	\$ 126,093,963	\$ 135,271,697	\$ 135,745,923	\$ 5,578,004	\$ 25,208,117	\$ 14,237,047	
Component Unit - Library ⁸	\$ 6,347,726	\$ 6,840,837	\$ 7,293,204	\$ 6,753,802.00	\$ 6,524,135	\$ 5,149,686	\$ 171,636	\$ 309,738	
Total All Funds	\$ 184,447,303	\$ 198,640,369	\$ 210,631,623	\$ 222,523,481	\$ 225,829,451	\$ 23,644,548	\$ 118,734,703	\$ 20,349,834	

Cash and Investments	2012	2013	2014	2015	2016	2017
General Fund	\$ 18,628,562	\$ 22,474,336	\$ 22,767,837	\$ 22,143,194	\$ 25,231,701	\$ 31,819,882
Special Revenue Funds	9,975,144	11,341,467	12,100,069	11,765,401	10,165,595	8,531,972
Debt Service Fund	3,704,515	3,868,705	3,585,053	3,535,570	3,541,507	3,457,697
Capital Projects Funds	5,534,463	7,306,094	8,647,055	12,285,597	10,072,910	8,695,230
Proprietary Fund-Enterprise	10,218,064	49,350,150	49,423,093	47,067,596	39,573,652	30,705,806
Capital Replacement Fund	7,297,720	5,305,809	5,580,260	5,694,390	5,388,246	5,428,369
Component Unit	5,361,883	6,126,308	6,607,927	5,940,475	6,256,117	5,665,157
Fiduciary Funds	112,207,556	119,900,427	128,414,928	136,775,736	137,706,338	151,469,742
Total Cash and Investments	\$ 172,927,907	\$ 225,673,296	\$ 237,126,222	\$ 245,207,959	\$ 237,936,066	\$ 245,773,855

Notes:

¹ These condensed financial statements for the fiscal years ending April 30, 2012 through April 30, 2016, have been prepared from the full Comprehensive Annual Financial Reports of the Village of Elk Grove Village and do not purport to be complete audits. The full financial statements, together with the report of the Village's independent accountants, are available upon request. The accounting policies of the Village conform to generally accepted accounting principles as applied to governmental units. The accounts of the Village are organized on the basis of funds and account groups. A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds are grouped in to three broad categories: Governmental Funds, Proprietary Funds and Fiduciary Funds. Within the Governmental Funds are the General Fund which is used to account for all financial resources except those required to be accounted for in another fund; Special Revenue Funds which are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes; Debt Service Funds and Capital Project Funds. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus, which has only current assets and current liabilities on the balance sheet and operating statements present increases and decreases in net current assets. All proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus with all assets and liabilities associated with the operation of these funds included on the balance sheets and fund equity segregated into contributed capital and retained earnings. Proprietary and fiduciary fund operating statements present increases and decreases in net total assets. The modified accrual basis of accounting is followed for all governmental fund types and expendable trust funds in the fiduciary funds category. All remaining fiduciary funds and proprietary funds are accounted for using the accrual basis of accounting. The Report of Independent Auditors in the Village's basic financial statements for the fiscal year ended April 30, 2016 included the following language: "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Elk Grove Village, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Comparable clean opinions were included in the Village's 2012-2015 audits shown in the table.

² The Business Leaders Forum Fund (BLF) receives 60% of the revenue derived from the Village's 5.00% simplified telecommunications tax that became effective January 1, 2003 as well as interest earned on the BLF Fund. Formerly known as the Industrial Commercial Revitalization Commission Fund, the BLF was established early in 2015.

³ The Cable Television Fund was added in Fiscal Year 2003 after being taken over from the Elk Grove Park District.

⁴ The Emergency Management Fund was established to account for the operations and training of emergency management personnel and equipment. The Village Board approved the closing of this fund on March 17, 2015 effective on April 30, 2015. The remaining balance was transferred to the General Fund.

⁵ Property tax receipts in the Capital Projects Fund represent incremental property taxes in the Grove Mall Development and Dev on/Rohwing Redevelopment Fund. The Grove Mall Development Fund was created when the Village advances funds from the General Fund to provide for the acquisition of an under developed/underutilized shopping center and the redevelopment of that property into a 'town center'. The Grove Mall Development TIF was established in 1996. The Grove Mall Development Fund has an April 30, 2017 fund balance of negative \$1,018,499 up from negative \$1,118,425 the prior year. The General Fund fund balance at April 30, 2017 showed \$3,912,817 as nonspendable of which \$3,712,216 is shown as an offsetting amount as 'Advances to Other Funds' that reflects the loan from the General Fund, which the Village expects to be repaid in 20 years. As of April 30, 2017, the other Capital Projects Funds has fund balances as follows:

Capital Projects Fund:	\$6,109,354
Residential Enhancement Fund:	\$553,132
Grove Mall Development Fund:	\$(1,008,499)
Devon/Rohwing Redevelopment Fund:	\$(367,495)
Busse/Elmhurst Redevelopment Fund:	\$(16,085,990)
Combined Fund Balance:	\$(10,799,498)

⁶ The amounts shown as fund balances for the Proprietary Funds are fund equity (includes contributed capital) and the amounts show as excess revenues represent changes in fund equity. Total revenues represent operating revenues.

⁷ The Capital Replacement Fund receives transfers from the operating funds and effectively serves as a depreciation fund for the acquisition of capital equipment.

⁸ The Component Unit for Public Library Net Position on April 30th, 2015 was restated as \$6,753,802.

⁹ The Waterworks and Sewage Business-Type Activities Net Position on April 30th, 2015 was restated as \$32,913,051

GENERAL FUND ¹
 Statements of Revenues, Expenditures and Changes in Fund Balance
 (Fiscal Years Ending April 30)

Audited ²

Revenues/Transfers ³	2012	2013	2014	2015	2016	2017	2018 Budget
Property Taxes	\$ 11,066,000	\$ 11,889,023	\$ 12,074,318	\$ 11,768,996	\$ 12,466,560	\$ 12,958,914	\$ 14,073,744
Sales & Use Taxes ⁴	14,358,516	15,468,871	18,639,938	18,943,068	19,580,554	20,493,077	20,807,000
Food & Beverage ⁵	748,929	813,663	840,100	885,262	945,155	963,782	950,000
State Income Tax	2,713,539	2,985,423	3,228,099	3,244,280	3,530,426	3,131,324	3,485,000
Franchise Taxes	298,752	284,160	297,758	278,978	294,551	263,402	299,000
Hotel/Motel Tax ⁶	1,174,287	1,288,608	1,399,187	1,563,024	1,601,872	1,593,058	1,600,000
Motor Vehicle Licenses	739,929	792,247	694,699	771,149	715,837	565,231	730,600
Building Permits	828,779	882,668	954,485	1,666,695	1,041,268	2,084,177	1,500,000
Other Licenses/Permits	511,704	795,898	845,295	681,411	908,619	1,135,800	1,034,600
Charges for Service	1,214,020	1,027,704	1,221,321	1,153,733	1,266,291	1,330,129	1,307,000
Fines & Forfeits	1,187,027	1,408,509	1,286,126	1,390,194	1,458,461	1,507,134	1,126,200
Interest	497,371	491,553	438,903	722,055	660,530	661,850	665,000
Real Estate Transfer Tax	534,335	660,821	986,234	757,162	1,274,230	1,111,198	1,200,000
All Other Revenue	3,966,840	4,029,706	4,273,188	9,836,259	9,788,987	10,864,985	12,025,580
Total Revenues/Transfers	\$ 39,840,028	\$ 42,818,854	\$ 47,179,651	\$ 53,662,266	\$ 55,533,341	\$ 58,664,060	\$ 60,803,724
Expenditures							
General Government	\$ 3,694,360	\$ 4,481,628	\$ 4,435,302	\$ 5,707,627	\$ 5,874,472	\$ 6,417,154	\$ 20,004,686
Public Safety	28,720,528	30,089,235	32,747,662	35,330,301	36,181,452	38,494,195	36,827,813
Highway and Streets	6,221,498	6,967,822	7,019,397	7,427,242	7,180,295	7,616,623	9,357,916
Health Services	-	-	-	-	-	-	-
Subtotal Before Capital Outlay	\$ 38,636,386	\$ 41,538,685	\$ 44,202,361	\$ 48,465,170	\$ 49,236,219	\$ 52,527,972	\$ 66,190,415
Transfers Out			1,400,000	5,100,000	2,000,000		
Transfers In				(46,420)			
Other Expenditures	\$ 38,636,386	\$ 41,538,685	\$ 45,602,361	\$ 53,518,750	\$ 51,236,219	\$ 52,527,972	\$ 66,190,415
Revenues Over (Under) Expenditures							
Before Other Expenditures	\$ 1,203,642	\$ 1,280,169	\$ 2,977,290	\$ 5,197,096	\$ 6,297,122	\$ 6,136,088	\$ (5,386,691)
After Other Expenditures	1,203,642	1,280,169	1,577,290	143,516	4,297,122	6,136,088	(5,386,691)
Fund Balance at April 30	\$ 21,737,153	\$ 23,017,322	\$ 24,594,612	\$ 24,738,128	\$ 29,035,250	\$ 35,171,338	\$ 29,784,647
Assets							
Cash & Investments	\$ 18,628,562	\$ 22,474,336	\$ 22,767,837	\$ 22,143,194	\$ 25,231,701	\$ 31,819,882	
Receivables							
Property Taxes	6,261,735	6,429,239	6,151,094	6,539,816	7,167,324	7,607,743	
Other Receivables	732,007	630,908	1,055,791	1,042,999	1,267,767	1,241,192	
Due From Other Governments	5,055,948	4,549,417	4,865,423	5,558,367	5,746,902	5,991,813	
Advances to Other Funds	2,858,097	2,367,909	3,418,357	3,728,830	3,150,791	1,804,073	
All Other Assets	2,233,804	2,432,233	2,399,583	1,991,237	2,536,584	3,912,817	
Total Assets	\$ 35,770,153	\$ 38,884,042	\$ 40,658,085	\$ 41,004,443	\$ 45,101,069	\$ 52,377,520	
Liabilities and Fund Balances							
Liabilities							
Accounts Payable	\$ 830,387	\$ 1,125,496	\$ 1,146,327	\$ 1,049,150	\$ 1,075,945	\$ 1,431,190	
Accrued Vacation Liability	965,815	1,096,247	1,244,848	1,414,593	502,369	555,696	
Due to Other Funds	-	-	-	1,728	4,092	4,897	
Deferred Property Taxes	12,028,116	12,474,118	12,429,332	12,661,002	13,514,722	14,159,513	
All Other Liabilities	208,682	1,170,859	1,242,966	1,139,842	968,690	1,054,885	
Total Liabilities	\$ 14,033,000	\$ 15,866,720	\$ 16,063,473	\$ 16,266,315	\$ 16,065,818	\$ 17,206,181	
Fund Balances							
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Reserved for Advances	-	-	-	-	-	-	
Undesignated	-	-	-	-	-	-	
Nonspendable	3,049,166	2,510,321	3,502,181	3,875,791	3,356,201	3,912,817	
Restricted	-	-	-	-	-	-	
Unassigned	18,687,987	20,507,001	21,092,431	20,862,337	25,679,050	31,258,522	
Total Fund Balance	\$ 21,737,153	\$ 23,017,322	\$ 24,594,612	\$ 24,738,128	\$ 29,035,251	\$ 35,171,339	
Total Liabilities and Fund Balances	\$ 35,770,153	\$ 38,884,042	\$ 40,658,085	\$ 41,004,443	\$ 45,101,069	\$ 52,377,520	

Notes:

¹ The Village Manager submits a proposed operating budget to the Board of Trustees that includes proposed expenditures and the means of financing the same. Subsequent to budget hearings, the budget is legally enacted through passage of an ordinance. The Village Manager is authorized to transfer budgeted amounts between accounts at the department level within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. Budgets are adopted on a basis consistent with generally accepted accounting principles.

² These condensed financial statements for the General Fund for the years ending April 30, 2012 - 2017, have been prepared from the full Comprehensive Annual Financial Reports of the Village of Elk Grove Village and do not purport to be complete financial statements. The full financial statements, together with the report of the Village's independent accountants, are available upon request.

³ The Village has not availed itself of the up to 5.00% utility tax for charges on electric and water services. Effective January 1, 2003, a 5.00% simplified telecommunications tax was implemented and allocated for deposit as follows: Business Leaders Forum Fund (3.00%) and General Fund (2.00%).

⁴ Effective January 1, 2004, the Village implemented a \$0.01 per therm Natural Gas Use Tax. Effective January 1, 2014 the Village implemented an Electric Use Tax with the rate dependent upon monthly consumption. Effective dates of Home Rule Sales Tax:

September 1, 1991: 0.50%
 January 1, 2003: 0.75%
 July 1, 2004: 1.00%

⁵ Effective August 1, 1998, the Village implemented a 1.00% home rule tax on the sale of prepared food and alcoholic beverages.

⁶ Effective September 25, 2007, the Village increased the Hotel/Motel Tax 1.00% for a total of 6.00% in order to pay expenses associated with the annual Tour of Elk Grove bike race. Effective August 1, 1998, the Village implemented a 1.00% home rule tax on the sale of prepared food and alcoholic beverages.