

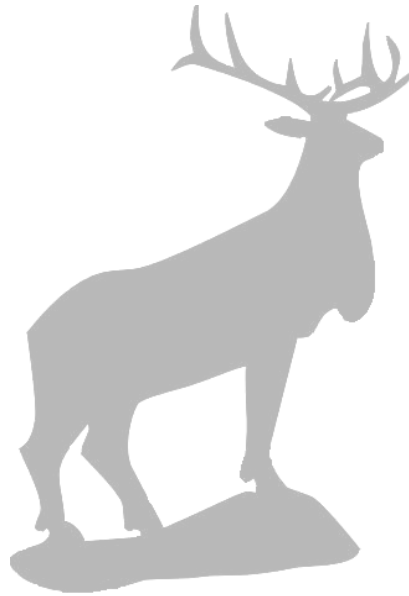
# Elk Grove Village, Illinois

ELK GROVE

2025



**Comprehensive Annual Financial Report**  
**Fiscal Year Ended April 30, 2018**



VILLAGE OF  
**ELK GROVE VILLAGE**  
ILLINOIS

**Comprehensive Annual Financial Report**

**For The Fiscal Year Ended April 30, 2018**

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, 2018**

### **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**

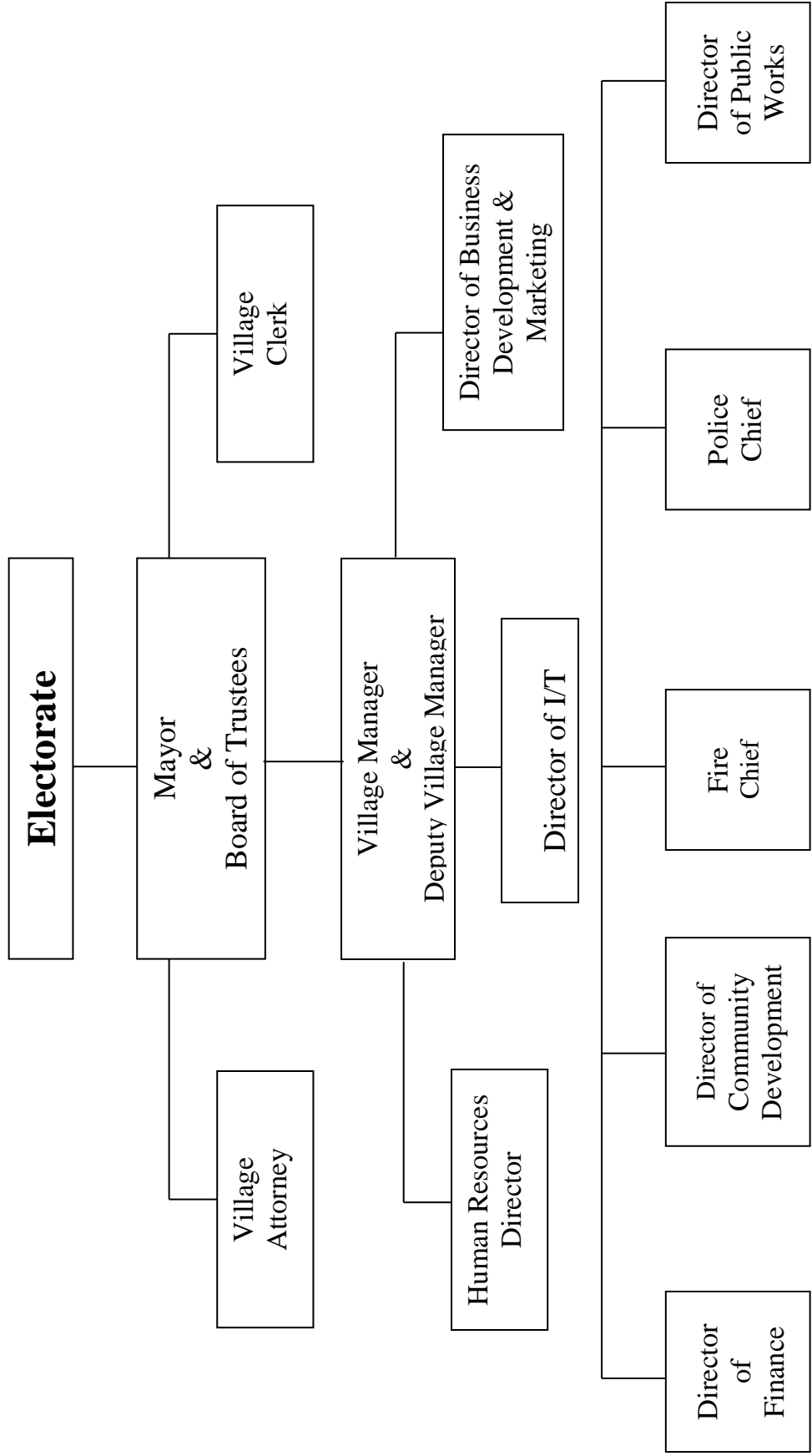
**Raymond R. Rummel**

**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, 2017**

*Christopher P. Morill*

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 5, 2018

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, 2018 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 of 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 the component unit 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, 2018 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, 2018 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 11.6 square miles with approximately 136 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 discretely presented component unit. 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 Village area accounts for half of Illinois' annual exports.

The Elk Grove Village 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. The Village's vacancy rate for the business park was 2.64% at the end of the second quarter of 2018, while the O'Hare Market was 3.03%.

Elk Grove Village 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 and 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, 2017 was a strong year for business development in Elk Grove Village. Private sector construction investment totaled nearly \$300 million in 2017. 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 GHP Group Inc. and the initial development of the recently annexed 85-acre Elk Grove Technology Park.

Business development in 2018 is off to a strong start. In the first half of 2018, the Village issued permits for \$114 million in new business construction value in the Village. Over 1.5 million square feet is planned for construction starting in 2018 and 212,000 square feet of industrial space is currently under construction. Additionally, the development of the Elk Grove Technology Park will bring over 1.2 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 its 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 five-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.

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 participated in the High-Level Excess Liability Pool (HELP), which consists of 13 Illinois municipalities. The purpose of HELP was to act as a joint self-insurance pool to provide excess liability insurance. HELP provided \$13,000,000 liability coverage in excess of a \$2,000,000 self-insured retention. The retention was covered by each member in the form of primary insurance or self-insurance. HELP retained the next \$4,000,000 and purchased \$9,000,000 excess insurance for claims above this level. Members of HELP declined to renew for another term as the final term expired on April 30, 2018.

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 2018***

Fiscal year 2018 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:

- The renovation of the Public Works Fleet Department Biesterfield Facility, including the addition of a new salt barn. The new building was completed in January 2018;
- The purchase of land on Devon Ave. in July 2017 for the construction of a new, modern state-of-the-art Public Works Administration building;
- The purchase of land at 700 Fargo in August 2017 that will modernize and consolidate Fire Stations 8 and 9;
- The teardown and rebuild of a new, environmentally efficient Fire Station 10;
- The replacement of 10,137 lineal feet of water main on Clearmont Drive, Crossen Avenue, Cypress Lane and Leicester Road;
- Resurfaced 7.71 miles of residential roadway;

- Reconstruction of Leicester Road from Biesterfield Road to Wellington Avenue;
- Removed and replaced deteriorated curbs and gutters totaling 14,545 lineal feet, and 37,048 lineal feet, respectively; and
- Continued implementation of drainage enhancements within the Business Park to relieve flooding concerns including ditch improvements within the boundary area of Arlington Heights Road to the west, I-90 to the north, Busse Road to the east and Higgins Road to the south.

### ***For the Future***

As Elk Grove Village’s leaders have committed themselves to preserving the 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.” 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:

- Construction of a new Fire Station on Meacham;
- Construction of a new Public Works Administration Building;
- Conversion of Utility Billing software to complete full system upgrade;
- Construction of a new Clearmont Pedestrian Bridge;
- Construction of two new Gateway Signs on I-290 and I-90;
- New left turn lanes at Arlington Heights Road; and
- Streetscape and lighting improvements on major roads.

In addition, the Village continues its plans to modernize and improve other existing infrastructure with projects such as the:

- 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 2018 include:

- Completed seven (7) rail crossing improvements along Lively Boulevard between Devon Avenue and Landmeier Road;
- Completed the roadway rehabilitation of Lively Boulevard from Landmeier Road to Higgins Road; and
- Resurfaced 2.1 miles of business park streets.

The BLF Program is funded with a 3% tax on all telecommunications and \$0.01 per therm tax on natural gas use. 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, 2017. This was the thirty-fourth 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, 2017 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, 2018 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,

A handwritten signature in cursive script that reads "Christine Tromp".

Christine Tromp  
Director of Finance



# INDEPENDENT AUDITOR'S REPORT





**INDEPENDENT AUDITORS' REPORT**

October 5, 2018

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, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We 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, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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)

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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, 2018. 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 \$18.37 million during fiscal year 2018. The governmental net position increased by \$10.67 million and the business-type activities net position increased by \$7.70 million.
- The Village's combined Governmental Funds ending balance increased by \$34.10 million as of April 30, 2018.
- At the end of current fiscal year, the unassigned fund balance of the General Fund was \$30.16 million or 55.6% 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 to the Statement of Net Position while the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provides a reconciliation to the Statement of Activities.

The Village maintains fourteen 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 eight 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 schedules 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 equipments 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 basic financial statements. The notes to the financial statements can be found on pages 19 through 76 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 retirees, as well as budgetary comparison schedules for the General Fund and the Business Leaders Forum Fund. Required supplementary information can be found on pages 77 through 88 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 89 through 121 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.

### Statement of Net Position As of April 30, 2018 (in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
<b>Assets</b>						
Current and Other Assets	106.61	65.51	50.21	48.93	156.82	114.44
Capital Assets	168.03	140.01	42.49	38.00	210.53	178.01
<b>Total Assets</b>	<b>\$274.64</b>	<b>\$205.52</b>	<b>\$92.71</b>	<b>\$86.93</b>	<b>\$367.35</b>	<b>\$292.45</b>
Deferred Outflows of Resources	34.84	29.47	0.45	0.48	35.30	29.95
<b>Liabilities</b>						
Long-Term Liabilities	226.79	184.73	32.33	34.51	259.13	219.24
Other Liabilities	13.41	7.61	3.64	4.38	17.05	11.99
<b>Total Liabilities</b>	<b>\$240.20</b>	<b>\$192.34</b>	<b>\$35.97</b>	<b>\$38.89</b>	<b>\$276.17</b>	<b>\$231.23</b>
Deferred Inflows of Resources	49.88	33.91	1.05	0.08	50.92	33.99
<b>Net Position</b>						
Net Invested in Capital Assets	102.80	99.12	19.01	16.99	121.81	116.12
Restricted	60.19	18.37	-	-	52.46	18.37
Unrestricted	(145.58)	(108.75)	37.13	31.44	(106.45)	(77.31)
<b>Total Net Position</b>	<b>\$19.41</b>	<b>\$8.74</b>	<b>\$56.14</b>	<b>\$48.43</b>	<b>\$75.55</b>	<b>\$57.18</b>

The Village's \$18.37 million increase in total net position was the result of an increase in governmental activities net position of \$10.67 million and business-type activities net position increase of \$7.70 million.

The increase in net position of governmental activities was primarily attributable to a significant reduction of approximately \$7 million of the IMRF net pension liability and \$9.59 million of the Police and Fire net pension liability. Overall, General Fund revenue was approximately \$1.91 million higher than originally anticipated. Higher tax receipts account for about \$1.13 million of the revenue. Specifically, sales tax receipts exceeded projections by \$307,964 while real estate transfer tax and food and beverage tax receipts exceeded budgeted amounts by \$1.27 million and \$27,029 respectively. State-shared revenue of PPRT exceeded the State's estimates by \$146,911. Furthermore, revenues from licenses and permit fees were \$494,704 higher than anticipated due



to an increase in building and engineering permit fees. 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 \$6.4 million more than fiscal year 2017 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 \$5.23 million while the cost of all programs decreased by \$10.84 million.

### **Changes in Net Position As of April 30, 2018 (in Millions)**

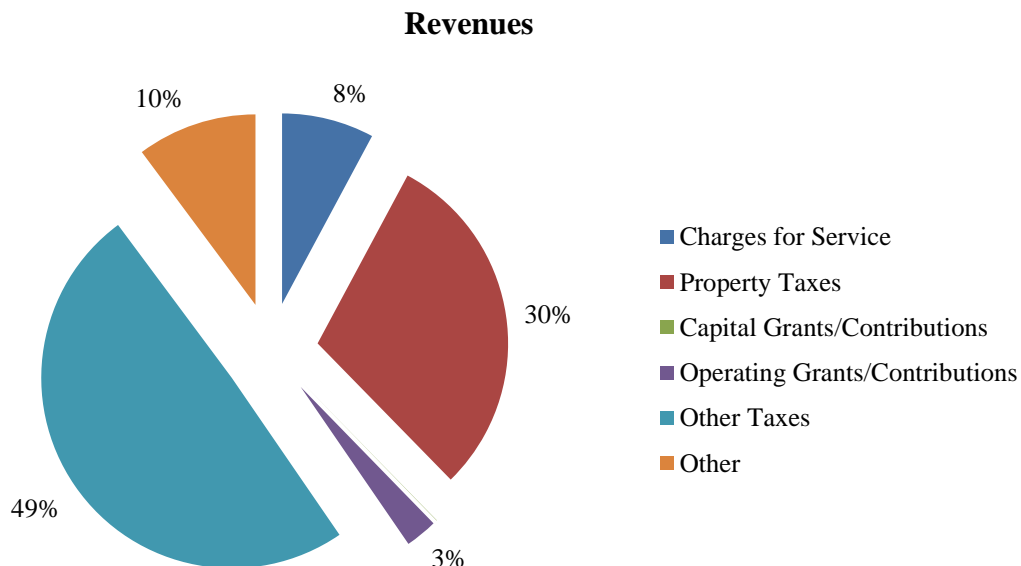
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
<b>Revenue</b>						
Program Revenues						
Charges for Services	6.68	7.38	20.92	20.67	27.60	28.05
Operating Grants	2.32	2.24	-	0.05	2.32	2.29
Capital Grants	0.02	0.05	0.04	0.46	0.06	0.51
General Revenues						
Property Taxes	25.44	19.64	-	-	25.44	19.64
Other Taxes	40.79	37.94	-	-	40.79	37.94
Other	8.68	4.46	5.90	12.66	14.58	17.12
<b>Total Revenues</b>	<b>\$83.92</b>	<b>\$71.71</b>	<b>\$26.86</b>	<b>\$33.84</b>	<b>\$110.78</b>	<b>\$105.55</b>
<b>Expenses</b>						
Governmental Activities						
General Government	6.22	20.62	-	-	6.22	20.62
Public Safety	34.66	45.62	-	-	34.66	45.62
Highway and Streets	23.98	13.74	-	-	23.98	13.74
Health Services	3.35	1.96	-	-	3.35	1.96
Community Services	0.57	0.50	-	-	0.57	0.50
Interest	4.47	2.55	-	-	4.47	2.55
Business Type						
Water & Sewer	-	-	19.15	18.26	19.15	18.26
<b>Total Expenses</b>	<b>\$73.25</b>	<b>\$84.99</b>	<b>\$19.15</b>	<b>\$18.26</b>	<b>\$92.41</b>	<b>\$103.25</b>
Change in Net Position	10.67	(13.28)	7.70	15.58	18.37	2.30
<b>Ending Net Position</b>	<b>\$19.41</b>	<b>\$8.74</b>	<b>\$56.14</b>	<b>\$48.43</b>	<b>\$75.55</b>	<b>\$57.17</b>

## Governmental Activities

### Revenue

For the fiscal year ended April 30, 2018, revenues from Governmental Activities totaled \$83.92 million. This represents an increase of \$12.21 million from the prior fiscal year. Property taxes continue to be the Village's largest revenue source with receipts of \$25.44 million in fiscal year 2018. This represents an overall increase of \$5.80 million in property tax revenue over fiscal year 2017. 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 2017 property tax rate for the Village of Elk Grove was \$0.960 per \$100 of Equalized Assessed Value. The total assessed value of properties within the Village was \$1,903,088,851, a 0.83% increase from the prior year due to a stabilized 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. A stable and improved overall economic climate factored into the \$0.79 million increase in sales and use tax from \$15.20 million in fiscal year 2017 to \$15.99 million in fiscal year 2018 while real estate transfer tax revenues increased by \$1.35 million from the prior year to \$2.47 million in 2018 due to the purchase of several large properties in the business park. Other revenues for the Village also experienced overall increases and only a few experienced slight decreases.

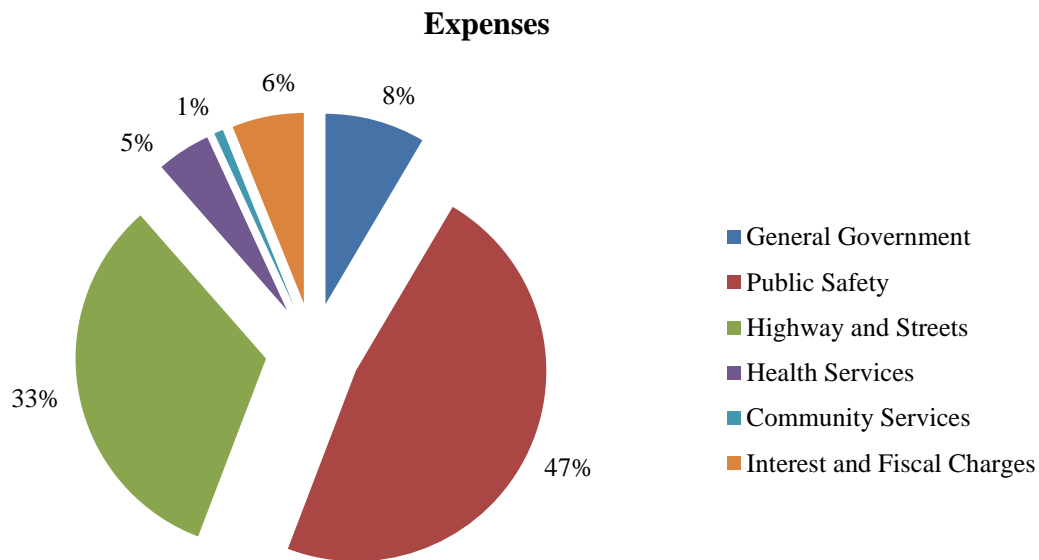


### *Expenses*

The Village's expenses for governmental activities in fiscal year 2018 totaled \$73.25 million. This represents a decrease of \$11.74 million from \$84.99 million in fiscal year 2017.

Public safety (police and fire) expenses identified under governmental activities accounted for the largest share of the total fiscal year 2018 expenses at \$34.66 million. Highway and street expenses (public works and engineering) accounted for \$23.98 million.

Expenditures for the General Fund, the Village's main operating fund totaled \$54.29 million, an increase of \$1.76 million over fiscal year 2017. 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 \$47.76 million or 88.0%.



### **Business-Type Activities**

#### *Revenue*

Total revenue for business-type activities decreased by \$6.98 million in fiscal year 2018. This decrease is significantly attributed to a reduction in reimbursement of expenses from the Busse/Elmhurst TIF Fund to the Water/Sewer Fund.

#### *Expenses*

Expenses from business-type activities increased by approximately \$0.89 million to \$19.15 million from \$18.26 million in the prior fiscal year. Much of the increase is due to increased depreciation in the Water/Sewer Fund.

## **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 five-month reserve for the General Fund.

As of April 30, 2018, the governmental funds had a combined fund balance of \$70.89 million. This reflects a \$34.10 million increase from the prior fiscal year balance of \$36.79 million. The increase in the governmental funds fund balance is largely attributable to a debt issuance to fund the Elk Grove 2025 program in the Capital Projects Fund in fiscal year 2018.

The General Fund is the main operating fund for the Village and normally 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 \$6.21 million prior to transfer out of \$7.19 million for a total of \$34.19 million as of April 30, 2018. The General Fund continues to meet the Village's fund balance reserve policy of maintaining a reserve equivalent to five 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 decreased by \$173,271 in fiscal year 2018. Revenues in the Business Leaders Forum Fund were \$0.81 million less than fiscal year 2017 due primarily to a reduction in the reimbursement of expenses from the Busse/Elmhurst TIF Fund to the Business Leaders Forum Fund; moreover, telecommunications tax revenue increased by \$0.44 million from fiscal year 2017. While overall taxes increased, a decrease in unrealized gain on investments contributed to a net fund balance decrease.

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 \$192,421 in fiscal year 2018 and ended the fiscal year with a balance of \$1.32 million.

The Capital Projects Fund encompasses purchases, maintenance or construction of major capital projects in the Village. Projects are financed by debt proceeds and federal and state grants. The fund balance increased by \$43.08 million. The increase was primarily attributable to a debt issuance to fund the Elk Grove 2025 capital program.

The Grove Mall Redevelopment Fund is used to account for the purchase, maintenance and redevelopment expenses associated with the Grove Mall property. Higher than anticipated property tax revenue of \$435,370 contributed to a fund balance increase of \$253,543.

The Busse/Elmhurst Redevelopment Fund is used to account for the purchase, maintenance, and redevelopment expenses within the Busse/Elmhurst TIF. Property taxes materialized in the fund for the first time in the amount of \$4.35 million. Expenses totaled \$6.74 million resulting in a negative fund balance of \$18.47 million.

The non-major funds had an aggregate fund balance decrease of \$5.50 million. The change in individual fund balances is presented in the combining statements, which can be found on pages 101 through 102. Much of the decrease is attributable to \$5.28 million in capital expenditures in the new Higgins Road Redevelopment Fund.

*Proprietary Funds*

The Waterworks and Sewerage Fund recorded an increase of \$7.70 million in net position for fiscal year 2018. The increase in net position of the business-type activities is primarily attributable to the reimbursement from the Busse/Elmhurst TIF Fund to the Waterworks and Sewerage Fund. The Waterworks and Sewerage Fund unrestricted net position and resources invested in capital assets amounted to \$37.13 million and \$19.01 million, respectively, for a net position total of \$56.14 million.

The Internal Service Fund experienced an increase in net position of \$492,202. The unrestricted net position and net position invested in capital assets equal \$6.03 million and \$5.43 million, respectively, for a net position total of \$11.47 million.

**General Fund Budgetary Highlights**

**General Fund  
For the Fiscal Year Ended April 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
Revenues	\$58,592,274	\$58,592,274	\$60,505,384
Expenditures	<b>56,772,660</b>	<b>57,088,302</b>	<b>54,293,788</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$1,819,614	\$1,503,972	\$6,211,596
Other Financing (Uses) Transfers In			
Other Financing (Uses) Transfers Out	\$7,000,000	\$7,000,000	\$7,192,893
<b>Net Change in Fund Balance</b>	<b>(\$5,180,386)</b>	<b>(\$5,496,028)</b>	<b>(\$981,297)</b>

Total tax revenues in the General Fund were higher than the projected amounts due to an increase home rule and use sales tax in the amount of \$307,964 over final revenue figures. Real Estate

Transfer tax received far exceeded the projected budget amount by \$1.27 million, over double the budgeted amount. Fines and forfeitures received were \$46,552 over budgeted projections in fiscal year 2018 as the Village continued increased collection and enforcement efforts. Building and engineering permit revenue also exceeded budget projections by \$494,704 during fiscal year 2018 due to continued strong economic conditions.

In fiscal year 2018, the Village approved the following expenditure budget amendments to the General Fund during the year:

- An increase of \$283,353 to amend the Fiscal Year 2018 Budget for outstanding encumbrances from the Fiscal Year 2017 Budget.
- An increase of \$32,289 to amend the Fiscal Year 2018 Budget for the replacement of one (1) Ford Utility Interceptor due to a vehicle accident loss.

### Capital Assets

The following schedule reflects the Village's capital asset balances as of April 30, 2018.

#### Capital Assets As of April 30, 2018

	Governmental Activities	Business-Type Activities	Total
Land	\$12,881,160	-	\$12,881,160
Building and Improvements	100,751,638	3,776,092	104,527,730
Machinery and Equipment	5,846,373	3,784,977	9,631,350
Licensed Vehicles	10,531,046	1,531,526	12,062,572
Infrastructure	130,919,353	64,700,162	195,619,515
Construction in Progress	19,308,061	2,868,622	22,176,683
<b>Total</b>	<b>280,237,631</b>	<b>76,661,379</b>	<b>356,899,010</b>
<i>Less:</i>			
Accumulated Depreciation	112,203,380	34,166,960	146,370,340
<b>Total</b>	<b>168,034,251</b>	<b>42,494,419</b>	<b>210,528,670</b>

### Major Capital Asset Events During Fiscal Year 2018

- The renovation of the Public Works Fleet Department Biesterfield Facility, including the addition of a new salt barn. The new building was completed in January 2018;
- The purchase of land on Devon Ave. in July 2017 for the construction of a new, modern state-of-the-art Public Works Administration building;
- The purchase of land at 700 Fargo in August 2017 that will modernize and consolidate Fire Stations 8 and 9;
- The teardown and rebuild of a new, environmentally efficient Fire Station 10;
- Completed seven (7) rail crossing improvements along Lively Boulevard between Devon Avenue and Landmeier Road;

- Completed the roadway rehabilitation of Lively Boulevard from Landmeier Road to Higgins Road and reconstruction of Leicester Road from Biesterfield Road to Wellington Avenue; and
- Resurfaced 9.81 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, 2018 and 2017

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
General Obligation Bonds	90,860,000	40,440,000	31,590,000	32,645,000	122,450,000	73,085,000
Net Pension Liability/ (Asset)						
IMRF	(406,049)	6,538,588	(67,564)	1,055,687	(473,613)	7,594,275
Police	46,520,779	55,589,962	-	-	46,520,779	55,589,962
Fire	57,616,389	58,135,250	-	-	57,616,389	58,135,250
Net Other Post-Employment	19,987,764	19,002,926	714,601	684,555	20,702,365	19,687,481
<b>Total</b>	<b>\$214,578,883</b>	<b>\$179,706,726</b>	<b>\$32,237,037</b>	<b>\$34,385,242</b>	<b>\$246,815,920</b>	<b>\$214,091,968</b>

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 the Village has extremely competent management, strong budgetary performance, very strong economy, strong budgetary flexibility and liquidity. The stable outlook reflects the 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 48 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 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 \$4.13 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 continues to maintain its strong economic health. 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 2018.

The Village is located adjacent to O'Hare International Airport and is home to the largest consolidated business park (5.5 square miles) in North America with over 62 million square feet of industrial inventory. For the second quarter of 2018, the industrial vacancy rate of 2.64% 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 is also 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 4.2% 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 Symons by Dayton Superior with 770.

The increase in business investment during fiscal year 2018 welcomed several new businesses and business expansions including GHP Group Inc. and the initial development of the 85-acre Elk Grove Technology Park. The Village was recognized with several awards for its marketing and communication efforts related to its Business Park, including the advertising commercials 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, 2018**

	Governmental Activities	Business-Type Activities	Totals	Component Unit Public Library
<b>ASSETS</b>				
Current Assets				
Cash and Cash Equivalents	\$ 101,014,655	27,998,049	129,012,704	5,255,747
Receivables - Net of Allowances	11,123,933	4,315,163	15,439,096	2,975,428
Due from Other Governments	6,857,270	-	6,857,270	27,630
Internal Balances	(16,456,433)	16,456,433	-	-
Due from Fiduciary Funds	2,173,058	-	2,173,058	-
Prepays/Inventories	1,492,094	6,267	1,498,361	37,333
Total Current Assets	<u>106,204,577</u>	<u>48,775,912</u>	<u>154,980,489</u>	<u>8,296,138</u>
Noncurrent Assets				
Capital Assets				
Nondepreciable	32,189,221	2,868,622	35,057,843	584,383
Depreciable	248,048,410	73,792,757	321,841,167	10,059,515
Accumulated Depreciation	(112,203,380)	(34,166,960)	(146,370,340)	(4,801,724)
	<u>168,034,251</u>	<u>42,494,419</u>	<u>210,528,670</u>	<u>5,842,174</u>
Other Assets				
Net Pension Asset - IMRF	406,049	67,564	473,613	74,181
Deposits with Joint Ventures	-	1,369,046	1,369,046	-
	<u>406,049</u>	<u>1,436,610</u>	<u>1,842,659</u>	<u>74,181</u>
Total Noncurrent Assets	<u>168,440,300</u>	<u>43,931,029</u>	<u>212,371,329</u>	<u>5,916,355</u>
Total Assets	<u>274,644,877</u>	<u>92,706,941</u>	<u>367,351,818</u>	<u>14,212,493</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	3,071,028	453,296	3,524,324	497,691
Deferred Items - Police Pension	9,024,624	-	9,024,624	-
Deferred Items - Fire Pension	19,678,444	-	19,678,444	-
Unamortized Loss on Refunding	3,067,825	-	3,067,825	-
Total Deferred Outflows of Resources	<u>34,841,921</u>	<u>453,296</u>	<u>35,295,217</u>	<u>497,691</u>
Total Assets and Deferred Outflows of Resources	<u>309,486,798</u>	<u>93,160,237</u>	<u>402,647,035</u>	<u>14,710,184</u>

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

	Governmental Activities	Business-Type Activities	Totals	Component Unit Public Library
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$ 4,524,170	1,670,883	6,195,053	379,008
Accrued Payroll	722,153	37,341	759,494	111,517
Accrued Interest	2,415,150	363,794	2,778,944	-
Deposits Payable	328,581	96,488	425,069	-
Retainage Payable	938,328	115,406	1,053,734	-
Claims Payable	419,616	251,710	671,326	-
Other Payables	17,781	-	17,781	-
Unearned Revenue	344,577	-	344,577	-
Current Portion of Long-Term Liabilities	3,696,648	1,105,276	4,801,924	22,210
Total Current Liabilities	13,407,004	3,640,898	17,047,902	512,735
<b>Noncurrent Liabilities</b>				
Compensated Absences Payable	1,306,592	61,103	1,367,695	88,839
Net Pension Liability - Police Pension	46,520,779	-	46,520,779	-
Net Pension Liability - Fire Pension	57,616,389	-	57,616,389	-
Net Other Post-Employment Benefit Payable	19,987,764	714,601	20,702,365	309,046
General Obligation Bonds Payable - Net	99,055,650	31,557,238	130,612,888	-
Notes Payable	2,305,577	-	2,305,577	-
Total Noncurrent Liabilities	226,792,751	32,332,942	259,125,693	397,885
Total Liabilities	240,199,755	35,973,840	276,173,595	910,620
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	21,744,828	-	21,744,828	5,484,629
Deferred Items - IMRF	6,292,328	1,047,005	7,339,333	1,149,548
Deferred Items - Police Pension	13,736,526	-	13,736,526	-
Deferred Items - Fire Pension	7,857,455	-	7,857,455	-
Grants	244,925	-	244,925	-
Total Deferred Inflows of Resources	49,876,062	1,047,005	50,923,067	6,634,177
Total Liabilities and Deferred Inflows of Resources	290,075,817	37,020,845	327,096,662	7,544,797
<b>NET POSITION</b>				
Net Investment in Capital Assets	102,798,196	19,011,013	121,809,209	5,842,174
Restricted - Highways and Streets	9,299,808	-	9,299,808	-
Restricted - Capital Projects	49,187,788	-	49,187,788	-
Restricted - Public Safety	481,383	-	481,383	-
Restricted - Health Services	1,225,770	-	1,225,770	-
Unrestricted (Deficit)	(143,581,964)	37,128,379	(106,453,585)	1,323,213
Total Net Position	19,410,981	56,139,392	75,550,373	7,165,387

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, 2018**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
<b>Governmental Activities</b>				
General Government	\$ 6,223,079	3,887,175	368,795	-
Public Safety	34,657,420	2,693,244	46,774	-
Highways and Streets	23,980,535	-	1,045,920	22,963
Health Services	3,353,650	95,963	854,718	-
Community Services	569,369	-	-	-
Interest on Long-Term Debt	4,469,024	-	-	-
Total Governmental Activities	73,253,077	6,676,382	2,316,207	22,963
<b>Business-Type Activities</b>				
Waterworks and Sewerage	19,153,840	20,922,297	-	35,477
Total Primary Government	92,406,917	27,598,679	2,316,207	58,440
Component Unit - Public Library	5,134,270	144,413	27,630	-

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 (Expenses)/Revenues			
Primary Government			Component
Governmental	Business-Type	Totals	Unit
Activities	Activities		Public
			Library
(1,967,109)	-	(1,967,109)	-
(31,917,402)	-	(31,917,402)	-
(22,911,652)	-	(22,911,652)	-
(2,402,969)	-	(2,402,969)	-
(569,369)	-	(569,369)	-
(4,469,024)	-	(4,469,024)	-
(64,237,525)	-	(64,237,525)	-
-	1,803,934	1,803,934	-
(64,237,525)	1,803,934	(62,433,591)	-
-	-	-	(4,962,227)
25,439,069	-	25,439,069	5,247,562
15,989,941	-	15,989,941	-
5,779,559	-	5,779,559	-
1,558,353	-	1,558,353	-
977,029	-	977,029	-
2,465,869	-	2,465,869	-
135,055	-	135,055	-
10,881,442	-	10,881,442	-
3,004,019	-	3,004,019	-
1,304,757	1,105,704	2,410,461	46,179
7,372,525	4,793,980	12,166,505	-
74,907,618	5,899,684	80,807,302	5,293,741
10,670,093	7,703,618	18,373,711	331,514
8,740,888	48,435,774	57,176,662	6,833,873
19,410,981	56,139,392	75,550,373	7,165,387

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, 2018**

	General	Special Revenue Business Leaders Forum
<b>ASSETS</b>		
Cash and Investments	\$ 30,859,039	4,751,735
Receivables - Net of Allowances		
Property Taxes	7,763,917	-
Accrued Interest	34,470	-
Other	1,026,188	55,594
Due from Other Governments	5,526,735	727,650
Due from Fiduciary Funds	2,173,058	-
Advances to Other Funds	3,559,290	2,657,787
Inventory	41,950	-
Prepays	426,928	6,400
 Total Assets	 <u>51,411,575</u>	 <u>8,199,166</u>
<b>LIABILITIES</b>		
Accounts Payable	1,247,325	174,704
Accrued Payroll	705,192	11,063
Deposits Payable	293,822	13,561
Retainage Payable	-	12,694
Claims Payable	419,616	-
Other Payables	17,781	-
Unearned Revenue	28,761	-
Advances from Other Funds	-	-
Total Liabilities	<u>2,712,497</u>	<u>212,022</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	14,509,036	-
Grants	-	-
Total Deferred Inflows of Resources	<u>14,509,036</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>17,221,533</u>	<u>212,022</u>
<b>FUND BALANCES</b>		
Nonspendable	4,028,168	6,400
Restricted	-	7,980,744
Unassigned	30,161,874	-
Total Fund Balances	<u>34,190,042</u>	<u>7,987,144</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>51,411,575</u>	 <u>8,199,166</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		
3,192,706	47,724,029	1,213,324	4,630,210	3,579,758	95,950,801
2,062,206	-	-	-	-	9,826,123
-	-	-	-	-	34,470
-	21,130	-	-	155,689	1,258,601
-	527,048	-	-	75,837	6,857,270
-	-	-	-	-	2,173,058
-	5,075,910	-	-	-	11,292,987
-	-	-	-	-	41,950
-	-	-	-	40,836	474,164
<u>5,254,912</u>	<u>53,348,117</u>	<u>1,213,324</u>	<u>4,630,210</u>	<u>3,852,120</u>	<u>127,909,424</u>
500	2,906,055	44,634	4,838	133,330	4,511,386
-	-	-	-	5,898	722,153
-	21,198	-	-	-	328,581
-	925,634	-	-	-	938,328
-	-	-	-	-	419,616
-	-	-	-	-	17,781
-	307,442	-	-	8,374	344,577
-	-	1,144,193	20,851,944	5,753,283	27,749,420
<u>500</u>	<u>4,160,329</u>	<u>1,188,827</u>	<u>20,856,782</u>	<u>5,900,885</u>	<u>35,031,842</u>
3,930,878	-	789,453	2,246,013	269,448	21,744,828
-	-	-	-	244,925	244,925
<u>3,930,878</u>	<u>-</u>	<u>789,453</u>	<u>2,246,013</u>	<u>514,373</u>	<u>21,989,753</u>
<u>3,931,378</u>	<u>4,160,329</u>	<u>1,978,280</u>	<u>23,102,795</u>	<u>6,415,258</u>	<u>57,021,595</u>
-	-	-	-	40,836	4,075,404
1,323,534	49,187,788	-	-	3,026,217	61,518,283
-	-	(764,956)	(18,472,585)	(5,630,191)	5,294,142
<u>1,323,534</u>	<u>49,187,788</u>	<u>(764,956)</u>	<u>(18,472,585)</u>	<u>(2,563,138)</u>	<u>70,887,829</u>
<u>5,254,912</u>	<u>53,348,117</u>	<u>1,213,324</u>	<u>4,630,210</u>	<u>3,852,120</u>	<u>127,909,424</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, 2018

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<b>Total Governmental Fund Balances</b>	\$ 70,887,829
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.	168,034,251
Less: Capital Assets of Internal Service Funds Included Below	(5,433,852)
A net pension asset is not considered to represent a financial resource and therefore is not reported in the funds.	406,049
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.	11,465,641
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	(3,221,300)
Deferred Items - Police Pension	(4,711,902)
Deferred Items - Fire Pension	11,820,989
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,633,240)
Net Pension Liability - Police Pension	(46,520,779)
Net Pension Liability - Fire Pension	(57,616,389)
Net Other Post-Employment Benefit Payable	(19,987,764)
General Obligation Bonds Payable - Net	(102,425,650)
Unamortized Loss on Refunding	3,067,825
Redevelopment Note Payable	(2,305,577)
Accrued Interest Payable	(2,415,150)
<b>Net Position of Governmental Activities</b>	<u><u>19,410,981</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, 2018**

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**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, 2018**

	General	Special Revenue Business Leaders Forum
<b>Revenues</b>		
Taxes	\$ 36,225,355	3,109,984
Intergovernmental	15,914,671	97,493
Licenses and Permits	3,831,390	-
Charges for Services	1,241,699	-
Fines and Forfeitures	1,188,752	-
Interest	690,353	183,573
Miscellaneous	1,413,164	633,467
Total Revenues	60,505,384	4,024,517
<b>Expenditures</b>		
<b>Current</b>		
General Government	6,446,715	-
Public Safety	40,074,622	-
Highways and Streets	7,772,451	1,785,600
Health Services	-	-
Community Services	-	-
Capital Outlay	-	2,412,188
Debt Service		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	54,293,788	4,197,788
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,211,596	(173,271)
<b>Other Financing Sources (Uses)</b>		
Debt Issuance	-	-
Premium on Debt Issuance	-	-
Payment to Escrow Agent	-	-
Transfers In	-	-
Transfers Out	(7,192,893)	-
	(7,192,893)	-
Net Change in Fund Balances	(981,297)	(173,271)
Fund Balances - May 1	35,171,339	8,160,415
Fund Balances - April 30	34,190,042	7,987,144

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		
3,784,235	784,184	1,435,370	4,351,911	1,142,790	50,833,829
-	22,963	-	-	845,832	16,880,959
-	-	-	-	114,209	3,945,599
-	-	-	-	707,050	1,948,749
-	22,316	-	-	392,225	1,603,293
(765)	392,702	156	2,757	15,539	1,284,315
249,964	5,075,910	-	-	33,479	7,405,984
4,033,434	6,298,075	1,435,526	4,354,668	3,251,124	83,902,728
-	-	-	-	-	6,446,715
-	-	-	-	86,244	40,160,866
-	-	607,658	-	1,204,027	11,369,736
-	-	-	-	734,701	734,701
-	-	-	-	434,850	434,850
-	31,048,176	161,615	6,741,263	5,785,711	46,148,953
12,250,000	-	-	-	230,195	12,480,195
2,041,635	-	412,710	-	273,062	2,727,407
14,291,635	31,048,176	1,181,983	6,741,263	8,748,790	120,503,423
(10,258,201)	(24,750,101)	253,543	(2,386,595)	(5,497,666)	(36,600,695)
20,477,270	54,492,730	-	-	-	74,970,000
2,091,128	6,335,805	-	-	-	8,426,933
(12,695,511)	-	-	-	-	(12,695,511)
192,893	7,000,000	-	-	-	7,192,893
-	-	-	-	-	(7,192,893)
10,065,780	67,828,535	-	-	-	70,701,422
(192,421)	43,078,434	253,543	(2,386,595)	(5,497,666)	34,100,727
1,515,955	6,109,354	(1,018,499)	(16,085,990)	2,934,528	36,787,102
1,323,534	49,187,788	(764,956)	(18,472,585)	(2,563,138)	70,887,829

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, 2018**

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**Net Change in Fund Balances - Total Governmental Funds** \$ 34,100,727

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	34,073,604
Depreciation Expense	(5,774,292)
Disposals - Cost	(3,883,177)
Disposals - Accumulated Depreciation	3,883,177

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

Change in Deferred Items - IMRF	(6,193,333)
Change in Deferred Items - Police Pension	(7,303,013)
Change in Deferred Items - Fire Pension	5,717,414

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	(28,215)
Deduction to Net Pension Liability/(Asset) - IMRF	6,944,637
Deduction to Net Pension Liability - Police Pension	9,069,183
Deduction to Net Pension Liability - Fire Pension	518,861
(Addition) to Net Other Post-Employment Benefit Payable	(984,838)
Retirement of Debt	24,780,195
Amortization of Deferred Charges	128,278
Amortization of Premium	313,872
Issuance of Debt	(74,970,000)
Premium on Debt Issuance	(8,426,933)

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.

(1,788,256)

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.

492,202

**Changes in Net Position of Governmental Activities**

10,670,093

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, 2018**

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**See Following Page**

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Statement of Net Position - Proprietary Funds**

**April 30, 2018**

	Business-Type Activities - Enterprise <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Capital Replacement</u>
<b>ASSETS</b>		
Current Assets		
Cash and Investments	\$ 27,998,049	5,063,854
Receivables - Net of Allowances		
Accounts	4,201,389	-
Accrued Interest	15,334	4,739
Other	42,217	-
Due from Developers	56,223	-
Advances from Other Funds	16,456,433	-
Inventories	6,267	-
Prepays	-	975,980
Total Current Assets	<u>48,775,912</u>	<u>6,044,573</u>
Noncurrent Assets		
Capital Assets		
Nondepreciable	2,868,622	92,644
Depreciable	73,792,757	11,917,097
Accumulated Depreciation	<u>(34,166,960)</u>	<u>(6,575,889)</u>
	<u>42,494,419</u>	<u>5,433,852</u>
Other Assets		
Net Pension Asset - IMRF	67,564	-
Investment in Joint Venture	1,369,046	-
	<u>1,436,610</u>	<u>-</u>
Total Noncurrent Assets	<u>43,931,029</u>	<u>5,433,852</u>
Total Assets	92,706,941	11,478,425
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Items - IMRF	<u>453,296</u>	-
Total Assets	<u>93,160,237</u>	<u>11,478,425</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>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	\$ 1,670,883	12,784
Accrued Payroll	37,341	-
Accrued Interest	363,794	-
Deposits Payable	96,488	-
Retainage Payable	115,406	-
Claims Payable	251,710	-
Current Portion of Long-Term Liabilities	1,105,276	-
Total Current Liabilities	<u>3,640,898</u>	<u>12,784</u>
Noncurrent Liabilities		
Compensated Absences Payable	61,103	-
Net Other Post-Employment Benefit Obligation Payable	714,601	-
General Obligation Bonds Payable - Net	31,557,238	-
Total Noncurrent Liabilities	<u>32,332,942</u>	<u>-</u>
Total Liabilities	<u>35,973,840</u>	<u>12,784</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Items - IMRF	1,047,005	-
Total Liabilities and Deferred Inflows of Resources	<u>37,020,845</u>	<u>12,784</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	19,011,013	5,433,852
Unrestricted	37,128,379	6,031,789
Total Net Position	<u>56,139,392</u>	<u>11,465,641</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, 2018**

	Business-Type Activities - Enterprise <u>Waterworks and Sewerage</u>	Governmental Activities <u>Internal Service Capital Replacement</u>
Operating Revenues		
Charges for Services	\$ 20,698,466	-
Miscellaneous	222,543	-
Interfund Services	-	1,405,508
Total Operating Revenues	<u>20,921,009</u>	<u>1,405,508</u>
Operating Expenses		
Administration	2,491,675	43,563
Operations		
Water Division	12,093,558	-
Sewer Division	1,141,848	-
Storm Sewer Maintenance	192,575	-
Highways and Streets	-	34,037
Public Safety	-	6,124
Community Services	-	4,688
Depreciation and Amortization	2,118,210	845,336
Total Operating Expenses	<u>18,037,866</u>	<u>933,748</u>
Operating Income	<u>2,883,143</u>	<u>471,760</u>
Nonoperating Revenues (Expenses)		
Miscellaneous Income	1,288	-
Other Income	4,789,402	-
Disposal of Capital Assets	4,578	-
Interest Income	1,105,704	20,442
Interest Expenses	(1,115,974)	-
	<u>4,784,998</u>	<u>20,442</u>
Income Before Capital Grant	7,668,141	492,202
Capital Grant	<u>35,477</u>	-
Change in Net Position	7,703,618	492,202
Net Position - May 1	<u>48,435,774</u>	<u>10,973,439</u>
Net Position - April 30	<u><u>56,139,392</u></u>	<u><u>11,465,641</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, 2018**

	Business-Type Activities - Enterprise	Governmental Activities Internal Service
	Waterworks and Sewerage	Capital Replacement
Cash Flows from Operating Activities		
Receipts from Customers and Users	\$ 21,464,207	-
Interfund Services Provided	-	428,382
Payments to Suppliers	(15,174,209)	(242,541)
Payments to Employees	(1,628,823)	-
	<u>4,661,175</u>	<u>185,841</u>
Cash Flows from Capital and Related Financing Activities		
Interest and Fiscal Charges	(1,115,974)	-
Capital Grant	35,477	
Payment of Bond Principal	(1,055,000)	-
Purchase of Capital Assets	(6,668,876)	(570,798)
	<u>(8,804,373)</u>	<u>(570,798)</u>
Cash Flows from Investing Activities		
Interest Received	1,105,704	20,442
Net Change in Cash and Cash Equivalents	(3,037,494)	(364,515)
Cash and Cash Equivalents - May 1	31,035,543	5,428,369
Cash and Cash Equivalents - April 30	<u>27,998,049</u>	<u>5,063,854</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	2,883,143	471,760
Adjustments to Reconcile Operating Income Income to Net Cash Provided by (Used in) Operating Activities:		
Depreciation and Amortization	2,118,210	845,336
Other Income	4,795,268	-
Other Expense - IMRF	(106,208)	-
(Increase) Decrease in Current Assets	(4,252,070)	(977,126)
Increase (Decrease) in Current Liabilities	(777,168)	(154,129)
Net Cash Provided by Operating Activities	<u>4,661,175</u>	<u>185,841</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, 2018**

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	<u>Pension Trust</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,602,187
Investments	
U.S. Treasury Obligations	16,883,621
U.S. Agency Obligations	6,806,570
State and Local Obligations	1,686,757
Corporate Bonds	21,831,325
Insurance Contracts	2,024,375
Mutual Funds	102,283,640
Money Market	10,621,279
Receivables	
Accrued Interest	339,666
Prepays	<u>180</u>
Total Assets	164,079,600
<b>LIABILITIES</b>	
Due to General Fund	<u>2,173,058</u>
<b>NET POSITION</b>	
Restricted for Pensions	<u><u>161,906,542</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, 2018

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	Pension Trust
Additions	
Contributions - Employer	\$ 6,654,555
Contributions - Plan Members	1,657,012
Other Contributions	4,151,778
Total Contributions	<u>12,463,345</u>
Investment Earnings	
Interest Earned	1,915,721
Net Change in Fair Value	9,384,593
	<u>11,300,314</u>
Less Investment Expenses	(206,682)
Net Investment Income	<u>11,093,632</u>
Total Additions	<u>23,556,977</u>
Deductions	
Administration	18,813
Benefits and Refunds	<u>11,614,592</u>
Total Deductions	<u>11,633,405</u>
Change in Fiduciary Net Position	11,923,572
Net Position - May 1	<u>149,982,970</u>
Net Position - April 30	<u><u>161,906,542</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, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Elk Grove Village (the 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, 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, 2018

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### 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, 2018**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**BASIS OF PRESENTATION – Continued**

**Government-Wide Statements – Continued**

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, 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, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

**BASIS OF PRESENTATION** – Continued

**Fund Financial Statements** – Continued

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either 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, 2018

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**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 three 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, 2018

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**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, 2018**

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**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, 2018**

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**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, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

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

**Prepays/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, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition 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, 2018

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – Continued

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

**Capital Assets** – Continued

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

Buildings	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/reduction 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, 2018

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Net Position

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

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

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

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

### NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

#### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles, 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, 2018**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued**

**DEFICIT FUND BALANCES**

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

<u>Fund</u>	<u>Deficit</u>
Grove Mall Development	\$ 764,956
Busse/Elmhurst Redevelopment	18,472,585
Devon/Rohlwing Redevelopment	352,026
Higgins Road Redevelopment	5,278,165

**EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS**

The following fund had an excess of actual expenditures, exclusive of depreciation, over budget as of the date of this report:

<u>Fund</u>	<u>Excess</u>
Higgins Road Redevelopment	\$ 5,277,465

**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 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. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## Notes to the Financial Statements April 30, 2018

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### DEPOSITS AND INVESTMENTS – Continued

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.

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, 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.

#### **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 \$38,945,126 and the bank balances totaled \$38,965,618.

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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	\$ 12,324,840	1,496,435	9,362,615	1,465,790	-
Illinois Funds	28,588,970	28,588,970	-	-	-
IMET	9,020,835	9,020,835	-	-	-
	<u>49,934,645</u>	<u>39,106,240</u>	<u>9,362,615</u>	<u>1,465,790</u>	<u>-</u>

The Village has the following recurring fair value measurements as of April 30, 2018:

Investments by Fair Value Level	Total	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	\$ 12,324,840	-	12,324,840	-
Equity Securities				
Annuities	2,040,000	2,040,000	-	-
Mutual Funds	38,092,933	38,092,933	-	-
<b>Total Investments by Fair Value Level</b>	<u>52,457,773</u>	<u>40,132,933</u>	<u>12,324,840</u>	<u>-</u>
Investments Measured at the Net Asset Value (NAV)				
Illinois Funds	28,588,970			
IMET	9,020,835			
Total Investments at the (NAV)	<u>37,609,805</u>			
<b>Total Investments Measured at Fair Value</b>	<u>90,067,578</u>			

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.



# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## Notes to the Financial Statements April 30, 2018

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### 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 AAAs 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. At year-end \$35,458 of the bank balance of the deposits was not covered by federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral 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 \$38,092,933 invested in mutual funds and \$2,040,000 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, 2018**

**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 \$658,120 and the bank balances totaled \$658,120.

*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	\$ 9,253,584	-	6,584,281	2,669,303	-
U.S. Agency Obligations	3,517,735	-	2,070,264	1,247,358	200,113
State and Local Obligations	764,389	200,280	564,109	-	-
Corporate Bonds	11,384,763	955,469	7,435,928	2,935,372	57,994
Money Market	6,151,536	6,151,536	-	-	-
	<u>31,072,007</u>	<u>7,307,285</u>	<u>16,654,582</u>	<u>6,852,033</u>	<u>258,107</u>

Investments by Fair Value Level	Total	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)
<b>Debt Securities</b>				
U.S. Treasury Obligations	\$ 9,253,584	9,253,584	-	-
U.S. Agency Obligations	3,517,735	-	3,517,735	-
State and Local Obligations	764,389	-	764,389	-
Corporate Bonds	11,384,763	-	11,384,763	-
<b>Equity Securities</b>				
Insurance Contracts	1,447,634	1,447,634	-	-
Mutual Funds	52,704,421	52,704,421	-	-
<b>Total Investments by Fair Value Level</b>	<u>79,072,526</u>	<u>63,405,639</u>	<u>15,666,887</u>	<u>-</u>

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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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 Baa3 by Moody’s. The municipal bonds are rated Aa1 to A2 by Moody’s and AA+ by Standard and Poor’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, 2018, 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	Rate of Return
Fixed Income	35.00%	3.60%
Domestic Equities	38.00%	7.10%
International Equities	14.00%	7.50%
Real Estate	10.00%	7.30%
Annuities	2.00%	7.10%
Cash and Cash Equivalents	1.00%	1.90%

# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## Notes to the Financial Statements April 30, 2018

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### 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 65%. Securities in any one company should not exceed 5% of the total fund.

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 2018 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, 2018 are listed in the table above.

In addition to the securities and fair values listed above, the Fund also has \$52,704,421 invested in mutual funds and \$1,447,634 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, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.65%. 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 \$944,067 and the bank balances totaled \$944,067.

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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	\$ 7,630,037	44,879	5,350,749	2,234,409	-
U.S. Agency Obligations	3,288,835	-	1,807,331	1,298,404	183,100
State and Local Obligations	922,368	200,280	518,922	203,166	-
Corporate Bonds	10,446,562	872,486	6,421,489	3,099,507	53,080
Money Markets	4,469,743	4,469,743	-	-	-
	<u>26,757,545</u>	<u>5,587,388</u>	<u>14,098,491</u>	<u>6,835,486</u>	<u>236,180</u>

Investments by Fair Value Level	Total	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)
<b>Debt Securities</b>				
U.S. Treasury Obligations	\$ 7,630,037	7,630,037	-	-
U.S. Agency Obligations	3,288,835	-	3,288,835	-
State and Local Obligations	922,368	-	922,368	-
Corporate Bonds	10,446,562	-	10,446,562	-
<b>Equity Securities</b>				
Insurance Contracts	576,741	576,741	-	-
Mutual Funds	49,579,219	49,579,219	-	-
<b>Total Investments by Fair Value Level</b>	<u>72,443,762</u>	<u>57,785,997</u>	<u>14,657,765</u>	<u>-</u>

Debt Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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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 Aa3 by Moody’s and AA+ by Standard and Poor’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, 2018, 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%	3.60%
Domestic Equities	40.00%	7.10%
International Equities	14.00%	7.50%
Real Estate	10.00%	7.30%
Blended	1.00%	3.60%
Cash and Cash Equivalents	1.00%	1.90%

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

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**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**

*Concentration Risk – Continued.* Illinois Compiled Statutes (ILCS) limit the Fund’s investments in equities, mutual funds and variable annuities to 65%. 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 2018 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, 2018 are listed in the table above.

In addition to the securities and fair values listed above, the Fund also has \$49,579,219 invested in mutual funds and \$576,741 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, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.51%. 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, 2018**

**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	\$ 1,018,751 (1)
General	Fire Pension	<u>1,154,307 (1)</u>
		<u><u>2,173,058</u></u>

Interfund balances represent (1) monies received before year end for the 2016 tax levy.

**Interfund Advances**

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

Receivable Fund	Payable Fund	Amount
General	Grove Mall Redevelopment	\$ 1,144,193
General	Busse/Elmhurst Redevelopment	1,743,527
General	Nonmajor Governmental	671,570
Business Leaders Forum	Nonmajor Governmental	5,803
Business Leaders Forum	Busse/Elmhurst Redevelopment	2,651,984
Capital Projects	Nonmajor Governmental	5,075,910
Waterworks and Sewerage	Busse/Elmhurst Redevelopment	<u>16,456,433</u>
		<u><u>27,749,420</u></u>

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

**Interfund Transfers**

Interfund transfers for the year consisted of the following:

Transfers In	Transfers Out	Amount
Debt Service	General	\$ 192,893
Capital Projects	General	<u>7,000,000</u>
		<u><u>7,192,893</u></u>

Transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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
<b>Nondepreciable Capital Assets</b>				
Land	\$ 1,376,726	11,504,434	-	12,881,160
Construction in Progress	3,247,735	20,262,091	4,201,765	19,308,061
	4,624,461	31,766,525	4,201,765	32,189,221
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	100,751,638	-	-	100,751,638
Machinery and Equipment	5,486,976	504,342	144,945	5,846,373
Vehicles	10,339,699	191,347	-	10,531,046
Infrastructure	128,418,577	6,383,953	3,883,177	130,919,353
	244,996,890	7,079,642	4,028,122	248,048,410
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	35,760,435	2,391,857	-	38,152,292
Machinery and Equipment	3,581,104	464,069	144,945	3,900,228
Vehicles	5,299,502	686,533	-	5,986,035
Infrastructure	64,970,833	3,077,169	3,883,177	64,164,825
	109,611,874	6,619,628	4,028,122	112,203,380
 Total Net Depreciable Capital Assets	 135,385,016	 460,014	 -	 135,845,030
 Total Net Capital Assets	 140,009,477	 32,226,539	 4,201,765	 168,034,251

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 288,715
Public Safety	1,963,259
Highways and Streets	3,522,318
Internal Service	845,336
	6,619,628
	6,619,628

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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
<b>Nondepreciable Capital Assets</b>				
Construction in Progress	\$ 6,481,115	4,227,552	7,840,045	2,868,622
<b>Depreciable Capital Assets</b>				
Buildings and Improvements	3,776,092	-	-	3,776,092
Machinery and Equipment	3,784,977	-	-	3,784,977
Vehicles	1,531,526	-	-	1,531,526
Infrastructure	58,310,282	10,281,369	3,891,489	64,700,162
	67,402,877	10,281,369	3,891,489	73,792,757
<b>Less Accumulated Depreciation</b>				
Buildings and Improvements	2,452,976	90,485	-	2,543,461
Machinery and Equipment	2,360,130	288,915	-	2,649,045
Vehicles	1,080,687	82,178	-	1,162,865
Infrastructure	29,993,584	1,709,494	3,891,489	27,811,589
	35,887,377	2,171,072	3,891,489	34,166,960
Total Net Depreciable Capital Assets	31,515,500	8,110,297	-	39,625,797
Total Net Capital Assets	37,996,615	12,337,849	7,840,045	42,494,419

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

Waterworks and Sewerage	\$ 2,171,072
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**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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
<b>Nondepreciable Capital Assets</b>				
Land	\$ 75,679	-	-	75,679
Construction in Progress	10,700	508,704	10,700	508,704
	86,379	508,704	10,700	584,383
<b>Depreciable Capital Assets</b>				
Land Improvements	341,814	-	-	341,814
Buildings	8,234,709	531,855	6,843	8,759,721
Machinery and Equipment	964,075	89,175	95,270	957,980
	9,540,598	621,030	102,113	10,059,515
<b>Less Accumulated Depreciation</b>				
Land Improvements	412,881	16,395	-	429,276
Buildings	3,478,001	235,838	6,843	3,706,996
Machinery and Equipment	702,135	51,846	88,529	665,452
	4,593,017	304,079	95,372	4,801,724
Total Net Depreciable Capital Assets	4,947,581	316,951	6,741	5,257,791
Total Net Capital Assets	5,033,960	825,655	17,441	5,842,174
Operations		\$ 304,079		

**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, 2018**

**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
\$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, 2019.	Debt Service	\$ 12,570,000	-	12,300,000 * 125,000	145,000
\$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	27,870,000	-	2,125,000	25,745,000
\$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	32,645,000	-	1,055,000	31,590,000
\$53,370,000 General Obligation Bonds of 2017, due in annual installments of \$1,015,000 to \$4,015,000 plus interest at 4.00% to 5.00% through January 1, 2038.	Debt Service	-	53,370,000	-	53,370,000
\$11,600,000 General Obligation Bonds of 2017A, due in annual installments of \$120,000 to \$3,270,000 plus interest at 4.00% to 5.00% through January 1, 2031.	Debt Service	-	11,600,000	-	11,600,000
		73,085,000	64,970,000	15,605,000	122,450,000

\* Refunded

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Notes Payable**

The Village enters into notes payable to provide funds for acquisition of capital assets. Notes payable have been issued for the governmental activities. Notes payable are direct obligations and pledge the full faith and credit of the Village. Notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	May 1 Balances	Issuances	Retirements	April 30 Balances
Note dated May 24, 2017, due in monthly installments of \$96,447 plus interest at 3.015% through May 1, 2027.	Debt Service	\$ -	10,000,000	10,000,000	-

**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
<b>Governmental Activities</b>					
Compensated Absences	\$ 1,605,025	56,430	28,215	1,633,240	326,648
Net Pension Liability/(Asset) - IMRF	6,538,588	-	6,944,637	(406,049)	-
Net Pension Liability - Police	55,589,962	-	9,069,183	46,520,779	-
Net Pension Liability - Fire	58,135,250	-	518,861	57,616,389	-
Net Other Post-Employment Benefit Obligation	19,002,926	984,838	-	19,987,764	-
General Obligation Bonds	40,440,000	64,970,000	14,550,000	90,860,000	3,370,000
Plus: Unamortized Premium	3,452,589	8,426,933	313,872	11,565,650	-
Note Payable	-	10,000,000	10,000,000	-	-
Redevelopment Note Payable	2,535,772	-	230,195	2,305,577	-
	<u>187,300,112</u>	<u>84,438,201</u>	<u>41,654,963</u>	<u>230,083,350</u>	<u>3,696,648</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity – Continued**

Type of Debt	May 1 Balances	Additions	Deductions	April 30 Balances	Amounts Due within One Year
<b>Business-Type Activities</b>					
Compensated Absences	\$ 86,218	9,839	19,678	76,379	15,276
Net Pension Liability/(Asset) - IMRF	1,055,687	-	1,123,251	(67,564)	-
Net Other Post-Employment					
Benefit Obligation	684,555	30,046	-	714,601	-
General Obligation Bonds	32,645,000	-	1,055,000	31,590,000	1,090,000
Plus: Unamortized Premium	1,110,100	-	52,862	1,057,238	-
	<u>35,581,560</u>	<u>39,885</u>	<u>2,250,791</u>	<u>33,370,654</u>	<u>1,105,276</u>
<b>Component Unit - Public Library</b>					
Compensated Absences	112,442	1,393	2,786	111,049	22,210
Net Pension Liability/(Asset) - IMRF	1,153,163	-	1,227,344	(74,181)	-
Net Other Post-Employment					
Benefit Obligation	305,775	3,271	-	309,046	-
	<u>1,571,380</u>	<u>4,664</u>	<u>1,230,130</u>	<u>345,914</u>	<u>22,210</u>

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

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

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity**

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

Fiscal Year	Governmental Activities			Business-Type Activities		
	General Obligation			General Obligation		
	Bonds			Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 3,370,000	5,558,142	8,928,142	1,090,000	1,091,382	2,181,382
2020	4,290,000	3,821,100	8,111,100	1,130,000	1,053,096	2,183,096
2021	4,450,000	3,649,500	8,099,500	1,175,000	1,007,894	2,182,894
2022	4,625,000	3,471,500	8,096,500	1,220,000	960,896	2,180,896
2023	4,820,000	3,286,500	8,106,500	1,270,000	912,094	2,182,094
2024	4,990,000	3,114,550	8,104,550	1,335,000	848,596	2,183,596
2025	5,145,000	2,936,400	8,081,400	1,400,000	781,844	2,181,844
2026	5,345,000	2,752,700	8,097,700	1,450,000	732,846	2,182,846
2027	5,580,000	2,516,100	8,096,100	1,510,000	674,844	2,184,844
2028	5,755,000	2,269,000	8,024,000	1,560,000	623,566	2,183,566
2029	5,760,000	2,013,700	7,773,700	1,605,000	578,324	2,183,324
2030	5,915,000	1,725,700	7,640,700	1,655,000	530,176	2,185,176
2031	6,175,000	1,429,950	7,604,950	1,700,000	480,524	2,180,524
2032	3,050,000	1,121,200	4,171,200	1,755,000	429,526	2,184,526
2033	3,205,000	968,700	4,173,700	1,805,000	376,874	2,181,874
2034	3,335,000	840,500	4,175,500	1,860,000	322,724	2,182,724
2035	3,500,000	673,750	4,173,750	1,920,000	262,276	2,182,276
2036	3,675,000	498,750	4,173,750	1,985,000	199,876	2,184,876
2037	3,860,000	315,000	4,175,000	2,050,000	135,362	2,185,362
2038	4,015,000	160,600	4,175,600	2,115,000	68,738	2,183,738
Totals	90,860,000	43,123,342	133,983,342	31,590,000	12,071,458	43,661,458

**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.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**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.

**Defeased Debt**

On November 1, 2017, the Village issued \$11,600,000 par value General Obligation Bonds of 2017A to refund \$12,300,000 of the General Obligation Bonds of 2010. The Village defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government’s basic financial statements. Through this refunding, the Village reduced its total debt service by \$5,219 and obtained an economic loss of \$414.

**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.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

NET POSITION/FUND BALANCES – Continued

Fund Balance Classifications – Continued

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the Board of Trustees’ intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Trustees itself or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village’s highest level of decision-making authority is the Board of Trustees, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

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

	General	Special Revenue	Debt Service	Capital Projects			Nonmajor	Totals
		Business Leaders Forum		Capital Projects	Grove Mall Redevelopment	Busse/Elmhurst Redevelopment		
<b>Fund Balances</b>								
<b>Nonspendable</b>								
Advances	\$ 3,559,290	-	-	-	-	-	-	3,559,290
Inventory	41,950	-	-	-	-	-	-	41,950
Prepays	426,928	6,400	-	-	-	-	40,836	474,164
	<u>4,028,168</u>	<u>6,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,836</u>	<u>4,075,404</u>
<b>Restricted</b>								
<b>Highways and Street</b>								
Business Leaders Forum	-	7,980,744	-	-	-	-	-	7,980,744
Motor Fuel Tax	-	-	-	-	-	-	690,607	690,607
Residential Enhancement	-	-	-	-	-	-	628,457	628,457
Capital Projects	-	-	-	49,187,788	-	-	-	49,187,788
<b>Public Safety</b>								
Asset Seizure	-	-	-	-	-	-	82,903	82,903
Foreign Fire	-	-	-	-	-	-	398,480	398,480
<b>Health Services</b>								
Green	-	-	-	-	-	-	897,854	897,854
Cable Television	-	-	-	-	-	-	327,916	327,916
Debt Service	-	-	1,323,534	-	-	-	-	1,323,534
	<u>-</u>	<u>7,980,744</u>	<u>1,323,534</u>	<u>49,187,788</u>	<u>-</u>	<u>-</u>	<u>3,026,217</u>	<u>61,518,283</u>
Unassigned	30,161,874	-	-	-	(764,956)	(18,472,585)	(5,630,191)	5,294,142
Total Fund Balances	<u>34,190,042</u>	<u>7,987,144</u>	<u>1,323,534</u>	<u>49,187,788</u>	<u>(764,956)</u>	<u>(18,472,585)</u>	<u>(2,563,138)</u>	<u>70,887,829</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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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, 2018:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 168,034,251
Plus:	
Unamortized Loss on Refunding	3,067,825
Unspent Bond Proceeds	34,121,770
Less Capital Related Debt:	
General Obligation Taxable Bonds of 2010	(145,000)
General Obligation Bonds of 2012	(25,745,000)
General Obligation Bonds of 2017	(53,370,000)
General Obligation Bonds of 2017A	(11,600,000)
Unamortized Premium on Debt Issuance	<u>(11,565,650)</u>
Net Investment in Capital Assets	<u>102,798,196</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	42,494,419
Plus: Unspent Bond Proceeds	9,163,832
Less Capital Related Debt:	
General Obligation Bonds of 2013	(31,590,000)
Unamortized Premium on Debt Issuance	<u>(1,057,238)</u>
Net Investment in Capital Assets	<u>19,011,013</u>
Component Unit - Public Library	
Capital Assets - Net of Accumulated Depreciation	<u>5,842,174</u>

# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## Notes to the Financial Statements April 30, 2018

### 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, 2018 was \$671,326.

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

	Liability	Workers' Compensation	Medical	Totals
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
Incurred Claims	31,190	179,643	5,620,050	5,830,883
Claims Paid	(80,714)	(381,839)	(5,681,756)	(6,144,309)
Claims Payable - April 30, 2018	146,468	524,858	-	671,326

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

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**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, 2018**

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**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.

**COMMITMENTS**

**Sales Tax Agreements**

The Village of Elk Grove has entered into a tax rebate agreement with a local corporation under Village code. Under this agreement, the Village rebates a portion of sales taxes. For the fiscal year ended April 30, 2018, the Village rebated a total of \$233,267 in taxes under this agreement.

**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, 2018**

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**NOTE 4 – OTHER INFORMATION – Continued**

**COMMITMENTS – Continued**

**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
2019	\$ 2,166,426
2020	2,166,426
2021	2,166,426
2022	<u>2,166,426</u>
	<u><u>8,665,704</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
2019	<u>\$ 461,808</u>

These amounts have been calculated using the Village’s current allocation percentage of 4.15%. In future years, this allocation percentage will be subject to change.

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

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**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.

The Village paid \$128,730 to HELP in 2018. For 2019, the Village will purchase commercial excess liability insurance.

**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, 2018 are as follows:

	<u>Percent Share</u>
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	<u>10.62</u>
	<u><u>100.00</u></u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

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**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, 2018**

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**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 \$9,824,551 to JAWA for the year ended April 30, 2018. All payments were paid from the Waterworks and Sewerage Fund. The Village's share of net position of JAWA was \$1,369,046 at April 30, 2018.

**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, 2018**

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**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 \$465,106 to SWANCC for the year ended April 30, 2018, which is recorded in the Village's Green 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](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

**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, 2018

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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, 2017, the measurement date, the following employees (which includes the Library) were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	219
Inactive Plan Members Entitled to but not yet Receiving Benefits	72
Active Plan Members	<u>171</u>
Total	<u><u>462</u></u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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**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. For the year-ended April 30, 2018, the Village’s contribution was 11.78% of covered payroll.

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

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2017, 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	3.39% - 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Descriptions – Continued

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	28.00%	3.00%
Domestic Equities	37.00%	6.85%
International Equities	18.00%	6.75%
Real Estate	9.00%	5.75%
Blended	7.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

**Discount Rate**

The discount rate used to measure the total pension liability was 7.50%, the same as 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 is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability/(asset) of the Village calculated using the discount rate as well as what the Village's net pension liability/(asset) 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:

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

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

**Discount Rate Sensitivity – Continued**

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability/(Asset)			
Village	\$ 8,316,827	(473,613)	(7,807,088)
Library	1,302,650	(74,181)	(1,222,811)
Total	<u>9,619,477</u>	<u>(547,794)</u>	<u>(9,029,899)</u>

**Changes in the Net Pension Liability/(Asset)**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/(Asset) (A) - (B)
Balances at December 31, 2016	\$ 83,880,614	75,133,176	8,747,438
Changes for the Year:			
Service Cost	1,358,200	-	1,358,200
Interest on the Total Pension Liability	6,189,293	-	6,189,293
Difference Between Expected and Actual Experience of the Total Pension Liability	1,220,198	-	1,220,198
Changes of Assumptions	(2,851,401)	-	(2,851,401)
Contributions - Employer	-	2,477,914	(2,477,914)
Contributions - Employees	-	608,138	(608,138)
Net Investment Income	-	13,215,281	(13,215,281)
Benefit Payments, including Refunds of Employee Contributions	(4,071,605)	(4,071,605)	-
Other (Net Transfer)	-	(1,089,811)	1,089,811
Net Changes	<u>1,844,685</u>	<u>11,139,917</u>	<u>(9,295,232)</u>
Balances at December 31, 2017	<u>85,725,299</u>	<u>86,273,093</u>	<u>(547,794)</u>
Village	74,983,804	75,457,417	(473,613)
Library	10,741,495	10,815,676	(74,181)
	<u>85,725,299</u>	<u>86,273,093</u>	<u>(547,794)</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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, 2018, the Village recognized pension expense of \$1,557,543 and the Library recognized pension expense of \$97,725. At April 30, 2018, 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	\$ 930,804	(158,428)	772,376
Change in Assumptions	36,306	(2,203,958)	(2,167,652)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,201,209	(6,126,495)	(3,925,286)
	3,168,319	(8,488,881)	(5,320,562)
Pension Contributions Made Subsequent to the Measurement Date	853,696	-	853,696
	4,022,015	(8,488,881)	(4,466,866)
Total Deferred Amounts Related to IMRF	4,022,015	(8,488,881)	(4,466,866)
Village	3,524,324	(7,339,333)	(3,815,009)
Library	497,691	(1,149,548)	(651,857)
	4,022,015	(8,488,881)	(4,466,866)

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 (Inflows) of Resources	Library Net Deferred (Inflows) of Resources	Totals
2019	\$ (874,077)	(136,905)	(1,010,982)
2020	(895,330)	(140,234)	(1,035,564)
2021	(1,506,442)	(235,951)	(1,742,393)
2022	(1,324,212)	(207,411)	(1,531,623)
2023	-	-	-
Thereafter	-	-	-
	(4,600,061)	(720,501)	(5,320,562)
Totals	(4,600,061)	(720,501)	(5,320,562)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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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, 2018, 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, 2018

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**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 1<sup>st</sup> 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 or 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, 2018, the Village's contribution was 63.84% of covered payroll.

*Concentrations.* At year-end, the Pension Fund does not have any investments over 5 percent of the net plan position available for retirement benefits (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, 2018

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**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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.00% to 8.92%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on an independent study of 2016 mortality rates.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00%, and 6.67% 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.

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 65,610,878	46,520,779	30,995,912

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2017	\$ 134,008,663	78,418,701	55,589,962
Changes for the Year:			
Service Cost	2,252,263	-	2,252,263
Interest on the Total Pension Liability	9,523,015	-	9,523,015
Difference Between Expected and Actual Experience of the Total Pension Liability	(5,083,126)	-	(5,083,126)
Changes of Assumptions	(3,824,301)	-	(3,824,301)
Contributions - Employer	-	3,172,449	(3,172,449)
Contributions - Employees	-	820,637	(820,637)
Contributions - Other	-	2,075,889	(2,075,889)
Net Investment Income	-	5,877,544	(5,877,544)
Benefit Payments, including Refunds of Employee Contributions	(5,313,464)	(5,313,464)	-
Administrative Expenses	-	(9,485)	9,485
Net Changes	(2,445,613)	6,623,570	(9,069,183)
Balances at April 30, 2018	131,563,050	85,042,271	46,520,779

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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, 2018, the Village recognized pension expense of \$3,482,168. At April 30, 2018, 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	\$ 2,776,951	(5,452,954)	(2,676,003)
Change in Assumptions	4,187,445	(6,688,568)	(2,501,123)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,060,228	(1,595,004)	465,224
Total Deferred Amounts Related to Police Pension	9,024,624	(13,736,526)	(4,711,902)

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
2019	\$ 497,450
2020	18,591
2021	(3,273,690)
2022	(1,266,205)
2023	(688,048)
Thereafter	-
Total	(4,711,902)

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Fire Pension Plan

Plan Descriptions

*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, 2018, 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, 2018

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**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 1<sup>st</sup> 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 or 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, 2018, the Village's contribution was 62.53% of covered payroll.

*Concentrations.* At year-end, the Pension Fund does not have any investments over 5 percent of the net plan position available for retirement benefits (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, 2018

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**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, 2018, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	4.00% to 9.56%
Cost of Living Adjustments	2.50%
Inflation	2.50%

Mortality rates were based on an independent study of 2016 mortality rates.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.00%, and 6.49% 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.

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 75,976,281	57,616,389	42,564,681

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2017	\$ 129,699,519	71,564,269	58,135,250
Changes for the Year:			
Service Cost	2,570,073	-	2,570,073
Interest on the Total Pension Liability	8,377,541	-	8,377,541
Difference Between Expected and Actual Experience of the Total Pension Liability	3,276,678	-	3,276,678
Changes of Assumptions	(3,142,023)	-	(3,142,023)
Contributions - Employer	-	3,482,106	(3,482,106)
Contributions - Employees	-	836,375	(836,375)
Contributions - Other	-	2,075,889	(2,075,889)
Net Investment Income	-	5,216,088	(5,216,088)
Benefit Payments, including Refunds of Employee Contributions	(6,301,128)	(6,301,128)	-
Administrative Expenses	-	(9,328)	9,328
Net Changes	4,781,141	5,300,002	(518,861)
Balances at April 30, 2018	134,480,660	76,864,271	57,616,389



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2018**

**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, 2018, the Village recognized pension revenue of \$678,280. At April 30, 2018, 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	\$ 11,485,443	-	11,485,443
Change in Assumptions	6,411,010	(6,710,226)	(299,216)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,781,991	(1,147,229)	634,762
Total Deferred Amounts Related to Fire Pension	19,678,444	(7,857,455)	11,820,989

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

Fiscal Year	Net Deferred Outflows of Resources
2019	\$ 3,447,474
2020	3,447,473
2021	2,304,960
2022	673,318
2023	1,475,579
Thereafter	472,185
Total	11,820,989

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2018

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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, 2018, retirees contributed \$1,169,668. Active employees do not contribute to the plan until retirement.

At April 30, 2017, the date of the latest actuarial valuation, 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, 2018**

**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, 2018, was calculated as follows:

Annual Required Contribution	\$ 1,605,975
Interest on the NPO	787,498
Adjustment to the ARC	<u>(1,094,738)</u>
Annual OPEB Cost	1,298,735
Actual Contribution	<u>283,851</u>
Change in the NPO	1,014,884
NOPEBO - May 1	<u>19,687,481</u>
NOPEBO - April 30	<u><u>20,702,365</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
2016	\$ 1,455,019	\$ 317,577	21.83%	\$ 18,656,508
2017	1,314,824	283,851	21.59%	19,687,481
2018	1,298,735	283,851	21.86%	20,702,365

# VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

## Notes to the Financial Statements April 30, 2018

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Funded Status and Funding Progress

The funded status of the plan as of April 30, 2017, the date of the latest actuarial valuation, 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%

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 advanced 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, 2018, was 30 years.

**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, 2018**

<b>Funding Progress</b>						(6)
						Unfunded (Overfunded)
						Actuarial Accrued Liability as a Percentage of Covered Payroll
Actuarial Valuation Date Apr. 30	(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	(4) ÷ (5)
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%
2018	N/A	N/A	N/A	N/A	N/A	N/A

**Employer Contributions**

Fiscal Year	Employer Contributions	Annual Required Contribution	Percent Contributed
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%
2018	283,851	1,605,975	17.67%

N/A - Not Available

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, 2018**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll	
2016	\$ 1,638,651	\$ 2,647,031	\$ 1,008,380	\$ 11,995,978	22.07%	
2017	1,660,109	2,810,451	1,150,342	12,463,283	22.55%	
2018	Village	1,340,556	1,340,556	-	11,377,016	11.78%
	Library	209,969	209,969	-	1,781,962	11.78%
Total	1,550,525	1,550,525	-	13,158,978	11.78%	

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 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	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:

This schedule is intended to show information for ten years. Information for additional years 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, 2018**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered 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%
2018	3,178,062	5,248,338	2,070,276	8,221,077	63.84%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	4.00% - 8.92%
Investment Rate of Return	7.00%
Retirement Age	50-70
Mortality	Independent 2016 Mortality Rates

Note:

This schedule is intended to show information for ten years. Information for additional years 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, 2018**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered 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%
2018	3,494,318	5,557,995	2,063,677	8,888,601	62.53%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	25 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	4.00% - 9.56%
Investment Rate of Return	7.00%
Retirement Age	50-70
Mortality	Independent 2016 Mortality Rates

Note:

This schedule is intended to show information for ten years. Information for additional years 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, 2018

	<u>12/31/2015</u>
	<u>Total</u>
Total Pension Liability	
Service Cost	\$ 1,320,003
Interest	5,692,806
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><u>80,954,635</u></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><u>70,372,860</u></u>
Employer's Net Pension Liability/(Asset)	<u><u>\$ 10,581,775</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.93%
Covered Payroll	\$ 11,995,978
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	88.21%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2016		12/31/2017	
Total	Village	Library	Totals
1,344,116	1,174,275	183,925	1,358,200
5,957,953	5,319,754	869,539	6,189,293
(347,484)	1,054,961	165,237	1,220,198
(292,023)	(2,465,270)	(386,131)	(2,851,401)
(3,736,583)	(3,520,236)	(551,369)	(4,071,605)
2,925,979	1,563,484	281,201	1,844,685
80,954,635	73,420,320	10,460,294	83,880,614
83,880,614	74,983,804	10,741,495	85,725,299
2,810,451	2,142,360	335,554	2,477,914
571,326	525,785	82,353	608,138
4,869,941	11,425,694	1,789,587	13,215,281
(3,736,583)	(3,520,236)	(551,369)	(4,071,605)
245,181	(942,231)	(147,580)	(1,089,811)
4,760,316	9,631,372	1,508,545	11,139,917
70,372,860	65,826,045	9,307,131	75,133,176
75,133,176	75,457,417	10,815,676	86,273,093
8,747,438	(473,613)	(74,181)	(547,794)
89.57%	100.63%	100.69%	100.64%
12,463,283	11,189,469	1,752,587	12,942,056
70.19%	(4.23%)	(4.23%)	(4.23%)

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
April 30, 2018**

	2015	2016	2017	2018
<b>Total Pension Liability</b>				
Service Cost	\$ 2,049,482	1,952,207	2,100,012	2,252,263
Interest	6,910,860	7,698,182	8,790,361	9,523,015
Differences Between Expected and Actual Experience	715,397	2,156,489	(2,127,047)	(5,083,126)
Change of Assumptions	14,645,619	11,069,787	(5,900,474)	(3,824,301)
Benefit Payments, Including Refunds of Member Contributions	(4,034,778)	(4,425,399)	(4,931,634)	(5,313,464)
<b>Net Change in Total Pension Liability</b>	20,286,580	18,451,266	(2,068,782)	(2,445,613)
<b>Total Pension Liability - Beginning</b>	97,339,599	117,626,179	136,077,445	134,008,663
<b>Total Pension Liability - Ending</b>	117,626,179	136,077,445	134,008,663	131,563,050
<b>Plan Fiduciary Net Position</b>				
Contributions - Employer	\$ 2,136,279	2,226,035	2,648,953	3,172,449
Contributions - Members	785,257	833,491	788,319	820,637
Contributions - Other	2,009,287	1,992,452	2,138,614	2,075,889
Net Investment Income	4,147,478	607	7,300,007	5,877,544
Benefit Payments, Including Refunds of Member Contributions	(4,034,778)	(4,425,399)	(4,931,634)	(5,313,464)
Administrative Expense	(28,428)	(58,430)	(2,440)	(9,485)
<b>Net Change in Plan Fiduciary Net Position</b>	5,015,095	568,756	7,941,819	6,623,570
<b>Plan Net Position - Beginning</b>	64,893,031	69,908,126	70,476,882	78,418,701
<b>Plan Net Position - Ending</b>	69,908,126	70,476,882	78,418,701	85,042,271
<b>Employer's Net Pension Liability</b>	\$ 47,718,053	65,600,563	55,589,962	46,520,779
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	59.43%	51.79%	58.52%	64.64%
<b>Covered Payroll</b>	\$ 8,318,128	8,298,174	7,962,302	8,221,077
<b>Employer's Net Pension Liability as a Percentage of Covered Payroll</b>	573.66%	790.54%	698.16%	565.87%

Note:

This schedule is intended to show information for ten years. Information for additional years 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, 2018**

	2015	2016	2017	2018
Total Pension Liability				
Service Cost	\$ 2,259,870	2,160,748	2,410,498	2,570,073
Interest	6,729,286	7,271,820	8,356,324	8,377,541
Differences Between Expected and Actual Experience	1,525,222	1,710,771	230,080	3,276,678
Change of Assumptions	11,892,392	13,044,376	(6,248,503)	(3,142,023)
Benefit Payments, Including Refunds of Member Contributions	(5,321,820)	(5,766,119)	(6,034,076)	(6,301,128)
Net Change in Total Pension Liability	17,084,950	18,421,596	(1,285,677)	4,781,141
Total Pension Liability - Beginning	95,478,650	112,563,600	130,985,196	129,699,519
Total Pension Liability - Ending	112,563,600	130,985,196	129,699,519	134,480,660
Plan Fiduciary Net Position				
Contributions - Employer	2,388,145	2,573,400	2,929,051	3,482,106
Contributions - Members	759,937	844,917	902,942	836,375
Contributions - Other	2,009,287	1,992,657	2,138,614	2,075,889
Net Investment Income	4,337,463	270,642	6,361,617	5,216,088
Benefit Payments, Including Refunds of Member Contributions	(5,321,820)	(5,766,119)	(6,034,076)	(6,301,128)
Administrative Expense	(10,373)	(10,027)	(2,920)	(9,328)
Net Change in Plan Fiduciary Net Position	4,162,639	(94,530)	6,295,228	5,300,002
Plan Net Position - Beginning	61,200,932	65,363,571	65,269,041	71,564,269
Plan Net Position - Ending	65,363,571	65,269,041	71,564,269	76,864,271
Employer's Net Pension Liability	47,200,029	65,716,155	58,135,250	57,616,389
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.07%	49.83%	55.18%	57.16%
Covered Payroll	\$ 7,855,657	8,313,411	8,608,815	8,888,601
Employer's Net Pension Liability as a Percentage of Covered Payroll	600.84%	790.48%	675.30%	648.21%

Note:

This schedule is intended to show information for ten years. Information for additional years 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, 2018**

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<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%
2018	7.65%

Note: This schedule is intended to show information for ten years. Information for additional years 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, 2018**

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<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%
2018	7.51%

Note: This schedule is intended to show information for ten years. Information for additional years 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, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 35,129,744	35,093,744	36,225,355
Intergovernmental	15,946,530	15,946,530	15,914,671
Licenses and Permits	3,487,700	3,487,700	3,831,390
Charges for Services	1,259,000	1,295,000	1,241,699
Fines and Forfeitures	1,142,200	1,142,200	1,188,752
Interest	665,500	665,500	690,353
Miscellaneous	961,600	961,600	1,413,164
Total Revenues	<u>58,592,274</u>	<u>58,592,274</u>	<u>60,505,384</u>
Expenditures			
Current			
General Government	11,413,236	7,534,454	6,446,715
Public Safety	36,681,008	40,793,913	40,074,622
Highways and Streets	8,678,416	8,759,935	7,772,451
Total Expenditures	<u>56,772,660</u>	<u>57,088,302</u>	<u>54,293,788</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,819,614	1,503,972	6,211,596
Other Financing (Uses)			
Transfers Out	<u>(7,000,000)</u>	<u>(7,000,000)</u>	<u>(7,192,893)</u>
Net Change in Fund Balance	<u>(5,180,386)</u>	<u>(5,496,028)</u>	(981,297)
Fund Balance - May 1			<u>35,171,339</u>
Fund Balance - April 30			<u><u>34,190,042</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, 2018**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes			
Use Tax	\$ 500,000	500,000	531,977
Telecommunication Taxes	2,775,000	2,775,000	2,578,007
Intergovernmental	-	-	97,493
Interest	20,000	20,000	183,573
Miscellaneous	-	-	633,467
Total Revenues	<u>3,295,000</u>	<u>3,295,000</u>	<u>4,024,517</u>
<b>Expenditures</b>			
Highways and Streets			
Personal Services	670,441	673,393	672,822
Supplies	18,200	18,200	9,258
Communication	8,850	8,850	3,162
Professional Development	31,265	28,313	2,143
Maintenance Service	347,550	399,550	363,116
Other Charges	662,220	908,654	735,099
Capital Outlay	3,893,000	4,837,956	2,412,188
Total Expenditures	<u>5,631,526</u>	<u>6,874,916</u>	<u>4,197,788</u>
Net Change in Fund Balance	<u>(2,336,526)</u>	<u>(3,579,916)</u>	(173,271)
Fund Balance - May 1			<u>8,160,415</u>
Fund Balance - April 30			<u>7,987,144</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 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.

**Series 2017** – issued in serial bonds due in annual installments until maturity in 2038. The bonds were issued to finance improvements to the Village's fire stations, road improvements and other capital infrastructure projects.

**Series 2017A** – issued in serial bonds due in annual installments until maturity in 2031. The bonds were issued to advance refund outstanding portions of the Series 2010 General Obligation Bonds and to pay the costs of various projects included in the capital improvements plan.



## **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, 2018**

	Budget		Actual
	Original	Final	
<b>Taxes</b>			
Property Taxes			
Current Levy	\$ 14,073,744	14,073,744	13,788,396
Sales and Use Tax	15,150,000	15,150,000	15,457,964
Food and Beverage Tax	950,000	950,000	977,029
Real Estate Transfer Tax	1,200,000	1,200,000	2,465,869
Hotel/Motel Occupancy Tax	1,600,000	1,600,000	1,558,353
Rental Tax	7,000	7,000	8,577
Franchise Fees - Cable	200,000	200,000	191,658
Franchise Fees - Other	99,000	63,000	58,995
Telecommunication Taxes	1,850,000	1,850,000	1,718,514
Total Taxes	<u>35,129,744</u>	<u>35,093,744</u>	<u>36,225,355</u>
<b>Intergovernmental</b>			
State Grant - Fire and Police Training	25,000	25,000	46,774
State Grant - Road Safety	30,000	30,000	102,595
State Grant - Tobacco Enforcement	3,000	3,000	-
State Shared Revenue - PPRT	1,153,530	1,153,530	1,300,348
State Shared Revenue - Sales Tax	10,800,000	10,800,000	10,881,442
State Shared Revenue - Income Tax	3,485,000	3,485,000	3,004,019
State Shared Revenue - Video Gaming Tax	240,000	240,000	368,795
Township Shared Revenue - Road and Bridge	210,000	210,000	210,698
Total Intergovernmental	<u>15,946,530</u>	<u>15,946,530</u>	<u>15,914,671</u>
<b>Licenses and Permits</b>			
Business Licenses	205,000	205,000	199,878
Liquor Licenses	160,000	160,000	180,450
Tobacco Licenses	30,000	30,000	26,000
Vending Machine Licenses	50,000	50,000	33,913
Video Gaming Licenses	20,000	20,000	22,000
Passenger Cars Licenses	462,500	462,500	352,025
Truck Licenses	240,000	240,000	218,241
Motorcycle Licenses	7,500	7,500	4,865
Recreational Licenses	450	450	420
Senior Citizen Licenses	15,000	15,000	7,935
Dealer Licenses	200	200	125
Vehicle Licenses	39,950	39,950	36,134

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
<b>Licenses and Permits - Continued</b>			
Alarm User Licenses	\$ 27,500	27,500	22,350
Building Permits	1,707,100	1,707,100	1,964,346
Engineering Permits	500,000	500,000	737,458
Scavenger Licenses	22,500	22,500	25,250
Total Licenses and Permits	3,487,700	3,487,700	3,831,390
<b>Charges for Services</b>			
Court Reporter/Filing Fee	5,000	5,000	7,177
Collection Box Fees	3,000	3,000	1,950
Ambulance Fees	1,050,000	1,086,000	1,043,587
Engineering Fees	40,000	40,000	26,955
Elevator Inspection Fees	30,000	30,000	26,880
Off Duty Detail - Fire and Police	-	-	2,468
High School Counselor	95,000	95,000	94,513
Contract Unincorporated Fire	25,000	25,000	23,236
CPR Training	5,000	5,000	6,353
Police Report Copies	5,000	5,000	7,130
Health Reinspection Fees	1,000	1,000	1,450
Total Charges for Services	1,259,000	1,295,000	1,241,699
<b>Fines and Forfeitures</b>			
Circuit Court Fines	250,000	250,000	194,674
DUI Fines	10,000	10,000	9,945
Local Ordinance Fines	300,000	300,000	323,622
False Alarm Fines	25,000	25,000	51,800
Other Fines and Forfeitures	557,200	557,200	608,711
Total Fines and Forfeitures	1,142,200	1,142,200	1,188,752
<b>Interest</b>			
Interest on Investments	665,000	665,000	687,757
Interest on Property Tax	500	500	2,596
Total Interest	665,500	665,500	690,353

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2018

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	Budget		Actual
	Original	Final	
Miscellaneous			
Miscellaneous Revenue - Other	\$ 86,600	86,600	267,375
Sales of Surplus Property	35,000	35,000	69,070
Property Rental	730,000	730,000	790,937
Nonrevenue Receipts - Other	10,000	10,000	28,757
Reimbursement of Expenditures	100,000	100,000	257,025
Total Miscellaneous	961,600	961,600	1,413,164
Total Revenues	58,592,274	58,592,274	60,505,384

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**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
<b>General Government</b>			
<b>Village Board</b>			
Personal Services	\$ 426,749	382,708	358,954
Supplies	14,915	14,915	9,677
Communication	39,815	44,815	28,393
Professional Development	175,375	175,375	133,555
Maintenance Service	3,000	3,000	2,240
Other Charges	1,899,642	1,909,461	1,382,493
	<u>2,559,496</u>	<u>2,530,274</u>	<u>1,915,312</u>
Reimbursement from Waterworks and Sewerage	(601,100)	(601,100)	(601,104)
Total Village Board	<u>1,958,396</u>	<u>1,929,174</u>	<u>1,314,208</u>
<b>Village Clerk</b>			
Personal Services	172,245	236,002	235,671
Supplies	2,500	2,500	1,993
Communication	5,900	5,900	3,935
Professional Development	5,455	5,455	1,590
Maintenance Service	500	500	329
Other Charges	10,350	10,350	10,158
	<u>196,950</u>	<u>260,707</u>	<u>253,676</u>
Reimbursement from Waterworks and Sewerage	(29,100)	(29,100)	(29,100)
Total Village Clerk	<u>167,850</u>	<u>231,607</u>	<u>224,576</u>
<b>Village Manager</b>			
Personal Services	1,811,501	1,897,877	1,895,411
Supplies	23,950	25,950	25,637
Communication	17,650	17,110	10,774
Professional Development	118,375	76,430	64,882
Maintenance Service	250,040	256,040	250,302
Other Charges	277,576	190,859	173,293
Capital Outlay	344,805	382,195	327,552
	<u>2,843,897</u>	<u>2,846,461</u>	<u>2,747,851</u>
Reimbursement from Waterworks and Sewerage	(130,000)	(130,000)	(129,996)
Total Village Manager	<u>2,713,897</u>	<u>2,716,461</u>	<u>2,617,855</u>



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
<b>General Government - Continued</b>			
Finance			
Personal Services	\$ 1,785,798	2,774,976	2,716,676
Supplies	8,500	10,755	9,593
Communication	101,240	86,526	62,234
Professional Development	12,480	14,740	14,739
Maintenance Service	9,225	9,225	4,848
Other Charges	286,100	340,104	255,707
Capital Outlay	5,151,000	202,136	7,539
	<u>7,354,343</u>	<u>3,438,462</u>	<u>3,071,336</u>
Reimbursement from Waterworks and Sewerage	(781,250)	(781,250)	(781,260)
Total Finance	<u>6,573,093</u>	<u>2,657,212</u>	<u>2,290,076</u>
Total General Government	<u>11,413,236</u>	<u>7,534,454</u>	<u>6,446,715</u>
<b>Public Safety</b>			
Fire			
Personal Services	16,041,701	18,234,423	18,213,195
Supplies	447,250	410,198	372,374
Communication	44,060	45,836	47,178
Professional Development	183,015	151,797	153,933
Maintenance Service	181,200	139,343	134,534
Other Charges	662,715	461,516	484,734
Capital Outlay	761,708	927,766	861,024
Total Fire	<u>18,321,649</u>	<u>20,370,879</u>	<u>20,266,972</u>
Police			
Personal Services	16,085,433	18,068,433	17,989,800
Supplies	278,540	266,910	202,810
Communication	74,040	82,535	82,534
Professional Development	239,520	239,520	178,785
Maintenance Service	116,000	116,000	84,005
Other Charges	1,168,195	1,167,195	872,486
Capital Outlay	397,631	482,441	397,230
Total Police	<u>18,359,359</u>	<u>20,423,034</u>	<u>19,807,650</u>
Total Public Safety	<u>36,681,008</u>	<u>40,793,913</u>	<u>40,074,622</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued  
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
Highways and Streets			
Community Development			
Personal Services	\$ 2,285,938	2,245,938	2,227,702
Supplies	19,150	19,246	16,346
Communication	21,140	21,140	19,943
Professional Development	24,510	18,410	12,032
Maintenance Service	31,170	31,170	26,091
Other Charges	102,060	148,060	125,801
Capital Outlay	64,629	80,833	65,532
Total Community Development	<u>2,548,597</u>	<u>2,564,797</u>	<u>2,493,447</u>
Streets			
Personal Services	4,185,758	4,166,758	4,124,402
Supplies	613,300	635,610	450,051
Communication	15,850	16,289	13,000
Professional Development	22,405	21,405	5,010
Maintenance Service	996,045	992,884	634,625
Other Charges	531,255	574,740	309,801
Capital Outlay	435,206	457,452	412,111
	<u>6,799,819</u>	<u>6,865,138</u>	<u>5,949,000</u>
Reimbursement from Waterworks and Sewerage	(670,000)	(670,000)	(669,996)
Total Streets	<u>6,129,819</u>	<u>6,195,138</u>	<u>5,279,004</u>
Total Highways and Streets	<u>8,678,416</u>	<u>8,759,935</u>	<u>7,772,451</u>
Total Expenditures	<u>56,772,660</u>	<u>57,088,302</u>	<u>54,293,788</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, 2018**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Taxes			
Property Taxes	\$ 3,881,775	3,881,775	3,784,235
Interest	3,000	3,000	(765)
Miscellaneous	287,340	287,340	249,964
<b>Total Revenues</b>	<b>4,172,115</b>	<b>4,172,115</b>	<b>4,033,434</b>
<b>Expenditures</b>			
Debt Service			
Principal Retirement			
2010 General Obligation Bonds	125,000	125,000	125,000
2012 General Obligation Bonds	2,125,000	2,125,000	2,125,000
2017 Note Payable	-	10,000,000	10,000,000
Interest and Fiscal Charges			
2010 General Obligation Bonds	765,885	765,885	765,881
2012 General Obligation Bonds	1,114,800	1,114,800	1,114,800
2017 Note Payable	-	79,948	79,947
Fiscal Charges	5,000	137,008	81,007
<b>Total Expenditures</b>	<b>4,135,685</b>	<b>14,347,641</b>	<b>14,291,635</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	36,430	(10,175,526)	(10,258,201)
<b>Other Financing Sources (Uses)</b>			
Debt Issuance	-	-	20,477,270
Premium on Debt Issuance	-	-	2,091,128
Payment to Escrow Agent	-	(12,695,511)	(12,695,511)
Transfers In	-	-	192,893
	-	(12,695,511)	10,065,780
<b>Net Change in Fund Balance</b>	<b>36,430</b>	<b>(22,871,037)</b>	<b>(192,421)</b>
Fund Balance - May 1			1,515,955
Fund Balance - April 30			1,323,534

**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, 2018**

	Budget		Actual
	Original	Final	
<b>Revenues</b>			
Property Taxes			
Telecommunication Taxes	\$ 800,000	800,000	784,184
Intergovernmental	-	-	22,963
Fines and Forfeitures	-	-	22,316
Interest	15,000	15,000	392,702
Miscellaneous	-	-	5,075,910
<b>Total Revenues</b>	<b>815,000</b>	<b>815,000</b>	<b>6,298,075</b>
<b>Expenditures</b>			
Capital Outlay			
Finance	7,000,000	11,838,800	11,702,318
Fire	-	21,058,182	1,448,759
Public Buildings	-	-	350,234
Community Development	250,000	183,157	182,403
Streets	-	39,130,175	17,364,462
<b>Total Expenditures</b>	<b>7,250,000</b>	<b>72,210,314</b>	<b>31,048,176</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,435,000)	(71,395,314)	(24,750,101)
<b>Other Financing Sources</b>			
Debt Issuance	-	-	54,492,730
Premium on Debt Issuance	-	-	6,335,805
Transfers In	7,000,000	7,000,000	7,000,000
	7,000,000	7,000,000	67,828,535
Net Change in Fund Balance	565,000	(64,395,314)	43,078,434
Fund Balance - May 1			6,109,354
Fund Balance - April 30			49,187,788

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, 2018

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,000,000	1,000,000	1,435,370
Interest	100	100	156
Total Revenues	<u>1,000,100</u>	<u>1,000,100</u>	<u>1,435,526</u>
Expenditures			
Highways and Streets			
Other Charges	302,000	607,659	607,658
Capital Outlay	400,000	255,816	161,615
Debt Service			
Interest and Fiscal Charges	415,000	415,000	412,710
Total Expenditures	<u>1,117,000</u>	<u>1,278,475</u>	<u>1,181,983</u>
Net Change in Fund Balance	<u>(116,900)</u>	<u>(278,375)</u>	253,543
Fund Balance - May 1			<u>(1,018,499)</u>
Fund Balance - April 30			<u>(764,956)</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, 2018

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ -	-	4,351,911
Interest	-	-	2,757
Total Revenues	-	-	4,354,668
Expenditures			
Capital Outlay			
Mayor and Board	415,000	7,413,446	6,741,263
Net Change in Fund Balance	<u>(415,000)</u>	<u>(7,413,446)</u>	(2,386,595)
Fund Balance - May 1			<u>(16,085,990)</u>
Fund Balance - April 30			<u>(18,472,585)</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.

### **Green 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.

### **Higgins Road Corridor Redevelopment Fund**

To account for the purchase, maintenance, and redevelopment expenditures associated with the Higgins Road Corridor redevelopment project area.

### **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, 2018**

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**See Following Page**



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet  
April 30, 2018**

	<u>Motor Fuel Tax</u>	<u>Green</u>	<u>Special Asset Seizure</u>
<b>ASSETS</b>			
Cash and Investments	\$ 619,082	915,255	330,906
Receivables - Net of Allowances			
Other	-	11,765	-
Due from Other Governments	75,837	-	-
Prepays	-	38,484	-
Total Assets	<u>694,919</u>	<u>965,504</u>	<u>330,906</u>
<b>LIABILITIES</b>			
Accounts Payable	4,312	20,792	3,078
Accrued Payroll	-	-	-
Unearned Revenue	-	8,374	-
Advances from Other Funds	-	-	-
Total Liabilities	<u>4,312</u>	<u>29,166</u>	<u>3,078</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	-	-	-
Grants	-	-	244,925
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>244,925</u>
Total Liabilities and Deferred Inflows of Resources	<u>4,312</u>	<u>29,166</u>	<u>248,003</u>
<b>FUND BALANCES</b>			
Nonspendable	-	38,484	-
Restricted	690,607	897,854	82,903
Unassigned	-	-	-
Total Fund Balances	<u>690,607</u>	<u>936,338</u>	<u>82,903</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>694,919</u>	<u>965,504</u>	<u>330,906</u>

Revenue		Capital Projects			Totals
Foreign Fire	Cable Television	Devon/Rohlwing Redevelopment	Residential Enhancement	Higgins Road Redevelopment	
423,950	211,564	449,337	629,664	-	3,579,758
-	143,924	-	-	-	155,689
-	-	-	-	-	75,837
-	2,352	-	-	-	40,836
423,950	357,840	449,337	629,664	-	3,852,120
25,470	21,674	56,141	1,207	656	133,330
-	5,898	-	-	-	5,898
-	-	-	-	-	8,374
-	-	475,774	-	5,277,509	5,753,283
25,470	27,572	531,915	1,207	5,278,165	5,900,885
-	-	269,448	-	-	269,448
-	-	-	-	-	244,925
-	-	269,448	-	-	514,373
25,470	27,572	801,363	1,207	5,278,165	6,415,258
-	2,352	-	-	-	40,836
398,480	327,916	-	628,457	-	3,026,217
-	-	(352,026)	-	(5,278,165)	(5,630,191)
398,480	330,268	(352,026)	628,457	(5,278,165)	(2,563,138)
423,950	357,840	449,337	629,664	-	3,852,120

**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, 2018**

	Motor Fuel Tax	Green	Special Asset Seizure
Revenues			
Taxes	\$ -	-	-
Intergovernmental	845,832	-	-
Licenses and Permits	-	114,209	-
Charges for Services	-	707,050	-
Fines and Forfeitures	-	-	26,679
Interest	6,039	3,575	1,923
Miscellaneous	-	33,459	-
Total Revenues	<u>851,871</u>	<u>858,293</u>	<u>28,602</u>
Expenditures			
Current			
Public Safety	-	-	32,490
Highways and Streets	1,203,371	-	-
Health Services	-	734,701	-
Community Services	-	-	-
Capital Outlay	-	-	-
Debt Service			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>1,203,371</u>	<u>734,701</u>	<u>32,490</u>
Net Change in Fund Balances	(351,500)	123,592	(3,888)
Fund Balances - May 1	<u>1,042,107</u>	<u>812,746</u>	<u>86,791</u>
Fund Balances - April 30	<u><u>690,607</u></u>	<u><u>936,338</u></u>	<u><u>82,903</u></u>

Revenue		Capital Projects			Totals
Foreign Fire	Cable Television	Devon/Rohlwing Redevelopment	Residential Enhancement	Higgins Road Redevelopment	
126,478	448,201	568,111	-	-	1,142,790
-	-	-	-	-	845,832
-	-	-	-	-	114,209
-	-	-	-	-	707,050
-	-	-	365,546	-	392,225
4,394	1,259	148	(1,799)	-	15,539
-	20	-	-	-	33,479
<u>130,872</u>	<u>449,480</u>	<u>568,259</u>	<u>363,747</u>	<u>-</u>	<u>3,251,124</u>
53,754	-	-	-	-	86,244
-	-	-	-	656	1,204,027
-	-	-	-	-	734,701
-	434,850	-	-	-	434,850
35,728	134,519	49,533	288,422	5,277,509	5,785,711
-	-	230,195	-	-	230,195
-	-	273,062	-	-	273,062
<u>89,482</u>	<u>569,369</u>	<u>552,790</u>	<u>288,422</u>	<u>5,278,165</u>	<u>8,748,790</u>
41,390	(119,889)	15,469	75,325	(5,278,165)	(5,497,666)
<u>357,090</u>	<u>450,157</u>	<u>(367,495)</u>	<u>553,132</u>	<u>-</u>	<u>2,934,528</u>
<u>398,480</u>	<u>330,268</u>	<u>(352,026)</u>	<u>628,457</u>	<u>(5,278,165)</u>	<u>(2,563,138)</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, 2018

	Budget		Actual
	Original	Final	
Revenues			
Intergovernmental	\$ 880,600	880,600	845,832
Interest	4,000	4,000	6,039
Total Revenues	<u>884,600</u>	<u>884,600</u>	<u>851,871</u>
Expenditures			
Highways and Streets			
Supplies	85,000	85,000	68,419
Maintenance Service	1,407,800	1,407,800	1,134,952
Total Expenditures	<u>1,492,800</u>	<u>1,492,800</u>	<u>1,203,371</u>
Net Change in Fund Balance	<u>(608,200)</u>	<u>(608,200)</u>	(351,500)
Fund Balance - May 1			<u>1,042,107</u>
Fund Balance - April 30			<u>690,607</u>

VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Green - Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2018

	Budget		Actual
	Original	Final	
Revenues			
Licenses and Permits	\$ 110,000	110,000	114,209
Charges for Services	740,400	740,400	707,050
Interest	5,000	5,000	3,575
Miscellaneous	58,000	58,000	33,459
Total Revenues	<u>913,400</u>	<u>913,400</u>	<u>858,293</u>
Expenditures			
Health Services			
Supplies	99,328	99,328	98,942
Communication	7,000	7,000	-
Other Charges	731,874	731,874	635,759
Total Expenditures	<u>838,202</u>	<u>838,202</u>	<u>734,701</u>
Net Change in Fund Balance	<u>75,198</u>	<u>75,198</u>	123,592
Fund Balance - May 1			<u>812,746</u>
Fund Balance - April 30			<u>936,338</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, 2018

	Budget		Actual
	Original	Final	
Revenues			
Fines and Forfeitures	\$ -	-	26,679
Interest	100	100	1,923
Total Revenues	100	100	28,602
Expenditures			
Public Safety			
Supplies	1,200	1,200	851
Professional Development	10,815	10,815	4,320
Other Charges	6,500	6,500	4,108
Capital Outlay	26,000	26,000	23,211
Total Expenditures	44,515	44,515	32,490
Net Change in Fund Balance	(44,415)	(44,415)	(3,888)
Fund Balance - May 1			86,791
Fund Balance - April 30			82,903

**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, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes	\$ 120,000	120,000	126,478
Interest	500	500	4,394
Total Revenues	<u>120,500</u>	<u>120,500</u>	<u>130,872</u>
Expenditures			
Public Safety			
Supplies	17,800	17,800	13,285
Communication	500	500	-
Professional Development	19,100	23,688	23,686
Maintenance Service	16,000	16,000	11,731
Other Charges	9,500	9,500	5,052
Capital Outlay	59,400	59,922	35,728
Total Expenditures	<u>122,300</u>	<u>127,410</u>	<u>89,482</u>
Net Change in Fund Balance	<u>(1,800)</u>	<u>(6,910)</u>	41,390
Fund Balance - May 1			<u>357,090</u>
Fund Balance - April 30			<u><u>398,480</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, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Franchise Fees - Cable	\$ 465,000	465,000	448,201
Interest	1,000	1,000	1,259
Miscellaneous	300	300	20
Total Revenues	<u>466,300</u>	<u>466,300</u>	<u>449,480</u>
Expenditures			
Community Services			
Personal Services	334,989	346,300	346,156
Supplies	9,950	9,950	6,018
Communication	42,900	46,611	44,258
Professional Development	5,750	6,301	6,300
Maintenance Service	5,100	5,100	5,057
Other Charges	33,600	31,750	27,061
Capital Outlay	157,000	143,277	134,519
Total Expenditures	<u>589,289</u>	<u>589,289</u>	<u>569,369</u>
Net Change in Fund Balance	<u>(122,989)</u>	<u>(122,989)</u>	(119,889)
Fund Balance - May 1			<u>450,157</u>
Fund Balance - April 30			<u><u>330,268</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, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 650,000	650,000	568,111
Interest	100	100	148
Total Revenues	<u>650,100</u>	<u>650,100</u>	<u>568,259</u>
Expenditures			
Capital Outlay			
Mayor and Board	53,000	53,000	49,533
Debt Service			
Principal Retirement	230,195	230,195	230,195
Interest and Fiscal Charges	356,805	356,805	273,062
Total Expenditures	<u>640,000</u>	<u>640,000</u>	<u>552,790</u>
Net Change in Fund Balance	<u>10,100</u>	<u>10,100</u>	15,469
Fund Balance - May 1			<u>(367,495)</u>
Fund Balance - April 30			<u><u>(352,026)</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, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Fines and Forfeitures			
Red Light Camera Fines	\$ 562,500	562,500	365,546
Interest	3,000	3,000	(1,799)
Total Revenues	<u>565,500</u>	<u>565,500</u>	<u>363,747</u>
Expenditures			
Capital Outlay			
Community Development	<u>300,000</u>	<u>320,658</u>	<u>288,422</u>
Net Change in Fund Balance	<u>265,500</u>	<u>244,842</u>	75,325
Fund Balance - May 1			<u>553,132</u>
Fund Balance - April 30			<u>628,457</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Higgins Road Redevelopment - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2018**

	Budget		Actual
	Original	Final	
Revenues			
Interest	\$ -	-	-
Expenditures			
Highways and Streets			
Other Charges	-	700	656
Capital Projects			
Highways and Streets	-	-	5,277,509
Expenditures	-	700	5,278,165
Net Change in Fund Balance	-	(700)	(5,278,165)
Fund Balance - May 1			-
Fund Balance - April 30			(5,278,165)

## **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, 2018**

	Budget		Actual
	Original	Final	
Operating Revenues			
Charges for Services	\$ 20,932,500	20,932,500	20,698,466
Late Payment Charges	160,000	160,000	222,543
Total Operating Revenues	<u>21,092,500</u>	<u>21,092,500</u>	<u>20,921,009</u>
Operating Expenses			
Administration	3,055,135	3,148,216	2,491,675
Operations			
Water Division	16,410,814	22,876,965	12,093,558
Sewer Division	2,116,100	6,671,629	1,141,848
Storm Sewer Maintenance	4,562,710	7,898,480	192,575
Depreciation and Amortization	-	-	2,118,210
Total Operating Expenses	<u>26,144,759</u>	<u>40,595,290</u>	<u>18,037,866</u>
Operating Income (Loss)	<u>(5,052,259)</u>	<u>(19,502,790)</u>	<u>2,883,143</u>
Nonoperating Revenues (Expenses)			
Miscellaneous	42,000	42,000	1,288
Other Income	40,000	40,000	4,789,402
Disposal of Capital Assets	5,000	5,000	4,578
Interest Income	125,000	125,000	1,105,704
Interest Expense and Premium	(2,183,270)	(2,183,270)	(1,115,974)
	<u>(1,971,270)</u>	<u>(1,971,270)</u>	<u>4,784,998</u>
Income (Loss) Before Capital Grant	(7,023,529)	(21,474,060)	7,668,141
Capital Grant	-	-	<u>35,477</u>
Change in Net Position	<u>(7,023,529)</u>	<u>(21,474,060)</u>	7,703,618
Net Position - May 1			<u>48,435,774</u>
Net Position - April 30			<u><u>56,139,392</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, 2018**

	Budget		Actual
	Original	Final	
Charges for Services			
Water Division			
Metered Water Revenue	\$ 16,672,500	16,672,500	16,512,463
Connection Fees	125,000	125,000	209,326
Inspection Fees	5,000	5,000	-
Other Water Revenue	115,000	115,000	84,429
Total Water Division	<u>16,917,500</u>	<u>16,917,500</u>	<u>16,806,218</u>
Sewer Division			
Metered Sewer Revenue	4,000,000	4,000,000	3,876,248
Connection Fees	15,000	15,000	16,000
Total Sewer Division	<u>4,015,000</u>	<u>4,015,000</u>	<u>3,892,248</u>
Total Charges for Services	<u>20,932,500</u>	<u>20,932,500</u>	<u>20,698,466</u>
Miscellaneous			
Late Payment Charges	<u>160,000</u>	<u>160,000</u>	<u>222,543</u>
Total Operating Revenues	<u>21,092,500</u>	<u>21,092,500</u>	<u>20,921,009</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, 2018

	Budget		Actual
	Original	Final	
Administration			
Personal Services	\$ 204,080	204,080	18,968
Supplies	10,800	10,800	6,877
Communication	7,000	7,000	7,389
Professional Development	4,250	4,250	582
Maintenance Service	2,300	2,300	1,697
Other Charges	2,826,705	2,702,705	2,456,162
Capital Outlay	-	217,081	-
Total Administration	3,055,135	3,148,216	2,491,675
Operations			
Water Division			
Personal Services	1,239,335	1,239,335	1,180,166
Supplies	208,500	207,509	195,548
Communication	3,000	3,000	626
Professional Development	6,079	6,079	2,696
Maintenance Service	543,500	1,104,231	718,847
Purchased Water	10,401,400	10,425,640	9,933,488
Capital Outlay	4,009,000	9,891,171	62,187
Total Water Division	16,410,814	22,876,965	12,093,558
Sewer Division			
Personal Services	899,140	899,140	852,166
Supplies	68,200	63,860	55,124
Communication	200	200	-
Professional Development	3,260	3,260	1,645
Maintenance Service	365,000	356,106	70,128
Other Charges	132,700	169,700	63,744
Capital Outlay	647,600	5,179,363	99,041
Total Sewer Division	2,116,100	6,671,629	1,141,848



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, 2018

	Budget		Actual
	Original	Final	
Operations - Continued			
Storm Sewer Maintenance			
Personal Services	\$ 157,660	157,660	107,968
Supplies	41,000	44,000	35,208
Communication	100	100	515
Professional Development	300	300	-
Maintenance Service	150,700	154,121	29,778
Other Charges	39,950	46,431	8,127
Capital Outlay	4,173,000	7,495,868	10,979
Total Storm Sewer Maintenance	4,562,710	7,898,480	192,575
Total Operations	23,089,624	37,447,074	13,427,981
Depreciation and Amortization	-	-	2,118,210
Total Operating Expenses	26,144,759	40,595,290	18,037,866

**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, 2018**

	Budget		Actual
	Original	Final	
Operating Revenues			
Interfund Services	\$ 1,303,009	1,303,009	1,405,508
Operating Expenses			
General Government	35,000	564,254	43,563
Highways and Streets	292,500	483,940	34,037
Public Safety	710,000	1,995,690	6,124
Community Services	-	12,225	4,688
Depreciation	-	-	845,336
Total Operating Expenses	1,037,500	3,056,109	933,748
Operating Income (Loss)	265,509	(1,753,100)	471,760
Nonoperating Revenues			
Interest Income	50,000	50,000	20,442
Change in Net Position	315,509	(1,703,100)	492,202
Net Position - May 1			10,973,439
Net Position - April 30			11,465,641

**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, 2018**

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	Budget		Actual
	Original	Final	
Interfund Services			
General Government			
Other	\$ 61,805	61,805	61,800
Public Safety			
Fire	608,308	608,308	710,804
Police	223,381	223,381	223,380
	<u>831,689</u>	<u>831,689</u>	<u>934,184</u>
Highways and Streets			
Streets	344,886	344,886	344,892
Engineering	64,629	64,629	64,632
	<u>409,515</u>	<u>409,515</u>	<u>409,524</u>
Total Operating Revenues	<u>1,303,009</u>	<u>1,303,009</u>	<u>1,405,508</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, 2018**

	Budget		Actual
	Original	Final	
General Government			
Village Manager	\$ 35,000	564,254	163,619
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(120,056)
Total General Government	35,000	564,254	43,563
Highways and Streets			
Streets	292,500	483,940	264,468
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(230,431)
Total Highways and Streets	292,500	483,940	34,037
Public Safety			
Police	180,000	437,390	3,304
Fire	530,000	1,558,300	223,131
	710,000	1,995,690	226,435
Less Nonoperating Items			
Capital Assets Capitalized	-	-	(220,311)
Total Public Safety	710,000	1,995,690	6,124
Community Services			
Community Development	-	12,225	4,688
Less Nonoperating Items			
Capital Assets Capitalized	-	-	-
Total Community Services	-	12,225	4,688
Depreciation	-	-	845,336
Total Operating Expenses	1,037,500	3,056,109	933,748

# 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, 2018

	Police Pension	Fire Pension	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 658,120	944,067	1,602,187
Investments			
U.S. Treasury Obligations	9,253,584	7,630,037	16,883,621
U.S. Agency Obligations	3,517,735	3,288,835	6,806,570
State and Local Obligations	764,389	922,368	1,686,757
Corporate Bonds	11,384,763	10,446,562	21,831,325
Insurance Contracts	1,447,634	576,741	2,024,375
Mutual Funds	52,704,421	49,579,219	102,283,640
Money Markets	6,151,536	4,469,743	10,621,279
Receivables			
Accrued Interest	178,840	160,826	339,666
Prepays	-	180	180
Total Assets	86,061,022	78,018,578	164,079,600
<b>LIABILITIES</b>			
Due to General Fund	1,018,751	1,154,307	2,173,058
<b>NET POSITION</b>			
Restricted for Pensions	85,042,271	76,864,271	161,906,542

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Pension Trust Funds**

**Combining Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended April 30, 2018**

	Police Pension	Fire Pension	Totals
<b>Additions</b>			
Contributions - Employer	\$ 3,172,449	3,482,106	6,654,555
Contributions - Plan Members	820,637	836,375	1,657,012
Other Contributions	2,075,889	2,075,889	4,151,778
<b>Total Contributions</b>	<b>6,068,975</b>	<b>6,394,370</b>	<b>12,463,345</b>
<b>Investment Earnings</b>			
Interest Earned	1,284,678	631,043	1,915,721
Net Change in Fair Value	4,704,302	4,680,291	9,384,593
	5,988,980	5,311,334	11,300,314
Less Investment Expenses	(111,436)	(95,246)	(206,682)
<b>Net Investment Income</b>	<b>5,877,544</b>	<b>5,216,088</b>	<b>11,093,632</b>
<b>Total Additions</b>	<b>11,946,519</b>	<b>11,610,458</b>	<b>23,556,977</b>
<b>Deductions</b>			
Administration	9,485	9,328	18,813
Benefits and Refunds	5,313,464	6,301,128	11,614,592
<b>Total Deductions</b>	<b>5,322,949</b>	<b>6,310,456</b>	<b>11,633,405</b>
<b>Change in Fiduciary Net Position</b>	<b>6,623,570</b>	<b>5,300,002</b>	<b>11,923,572</b>
<b>Net Position - May 1</b>	<b>78,418,701</b>	<b>71,564,269</b>	<b>149,982,970</b>
<b>Net Position - April 30</b>	<b>85,042,271</b>	<b>76,864,271</b>	<b>161,906,542</b>

**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, 2018**

	Budget		Actual
	Original	Final	
<b>Additions</b>			
Contributions - Employer	\$ 3,207,510	3,207,510	3,172,449
Contributions - Plan Members	825,000	825,000	820,637
Other Contributions	-	-	2,075,889
Total Contributions	<u>4,032,510</u>	<u>4,032,510</u>	<u>6,068,975</u>
<b>Investment Income</b>			
Interest Earned	5,000,500	5,000,500	1,284,678
Net Change in Fair Value	-	-	4,704,302
	<u>5,000,500</u>	<u>5,000,500</u>	<u>5,988,980</u>
Less Investment Expenses	(150,000)	(197,033)	(111,436)
Net Investment Income	<u>4,850,500</u>	<u>4,803,467</u>	<u>5,877,544</u>
Total Additions	<u>8,883,010</u>	<u>8,835,977</u>	<u>11,946,519</u>
<b>Deductions</b>			
Administration	6,000	6,000	9,485
Benefits and Refunds	5,600,000	5,552,967	5,313,464
Total Deductions	<u>5,606,000</u>	<u>5,558,967</u>	<u>5,322,949</u>
Change in Fiduciary Net Position	<u>3,277,010</u>	<u>3,277,010</u>	6,623,570
Net Position - May 1			<u>78,418,701</u>
Net Position - April 30			<u>85,042,271</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, 2018**

	Budget		Actual
	Original	Final	
<b>Additions</b>			
Contributions - Employer	\$ 3,525,750	3,525,750	3,482,106
Contributions - Plan Members	820,000	820,000	836,375
Other Contributions	-	-	2,075,889
Total Contributions	<u>4,345,750</u>	<u>4,345,750</u>	<u>6,394,370</u>
<b>Investment Income</b>			
Interest Earned	5,000,500	5,000,500	631,043
Net Change in Fair Value	-	-	4,680,291
	<u>5,000,500</u>	<u>5,000,500</u>	<u>5,311,334</u>
Less Investment Expenses	(150,000)	(150,000)	(95,246)
Net Investment Income	<u>4,850,500</u>	<u>4,850,500</u>	<u>5,216,088</u>
Total Additions	<u>9,196,250</u>	<u>9,196,250</u>	<u>11,610,458</u>
<b>Deductions</b>			
Administration	5,500	5,500	9,328
Benefits and Refunds	6,525,000	6,525,000	6,301,128
Total Deductions	<u>6,530,500</u>	<u>6,530,500</u>	<u>6,310,456</u>
Change in Fiduciary Net Position	<u>2,665,750</u>	<u>2,665,750</u>	5,300,002
Net Position - May 1			<u>71,564,269</u>
Net Position - April 30			<u>76,864,271</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, 2018**

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

Amount Available for Debt Service	\$ 1,323,534
Amount to be Provided for Retirement of General Long-Term Debt	<u>217,194,166</u>
Total	<u><u>218,517,700</u></u>

**General Long-Term Debt Payable**

Compensated Absences Payable	1,633,240
Net Pension Liabilities - IMRF, Police and Fire	103,731,119
Net Other Post-Employment Benefits Obligation	19,987,764
General Obligation Bonds Payable	90,860,000
Limited Obligation Note Payable	<u>2,305,577</u>
Total	<u><u>218,517,700</u></u>

# OTHER SUPPLEMENTAL INFORMATION



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

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

**April 30, 2018**

Date of Issue	July 1, 2010
Date of Maturity	January 1, 2019
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
2017	\$ 145,000	759,788	904,788	2018	<u>379,894</u>	2019	<u>379,894</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

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

**April 30, 2018**

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
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>25,745,000</u>	<u>5,879,800</u>	<u>31,624,800</u>		<u>2,939,900</u>		<u>2,939,900</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

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

**April 30, 2018**

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
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>31,590,000</u>	<u>12,071,458</u>	<u>43,661,458</u>		<u>6,035,729</u>		<u>6,035,729</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2017**

**April 30, 2018**

Date of Issue	August 29, 2017
Date of Maturity	January 1, 2038
Authorized Issue	\$53,370,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% - 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
2017	\$ 1,015,000	3,160,983	4,175,983	2018	1,980,533	2019	1,180,450
2018	1,855,000	2,320,300	4,175,300	2019	1,160,150	2020	1,160,150
2019	1,925,000	2,246,100	4,171,100	2020	1,123,050	2021	1,123,050
2020	2,005,000	2,169,100	4,174,100	2021	1,084,550	2022	1,084,550
2021	2,085,000	2,088,900	4,173,900	2022	1,044,450	2023	1,044,450
2022	2,145,000	2,026,350	4,171,350	2023	1,013,175	2024	1,013,175
2023	2,210,000	1,962,000	4,172,000	2024	981,000	2025	981,000
2024	2,280,000	1,895,700	4,175,700	2025	947,850	2026	947,850
2025	2,390,000	1,781,700	4,171,700	2026	890,850	2027	890,850
2026	2,510,000	1,662,200	4,172,200	2027	831,100	2028	831,100
2027	2,635,000	1,536,700	4,171,700	2028	768,350	2029	768,350
2028	2,770,000	1,404,950	4,174,950	2029	702,475	2030	702,475
2029	2,905,000	1,266,450	4,171,450	2030	633,225	2031	633,225
2030	3,050,000	1,121,200	4,171,200	2031	560,600	2032	560,600
2031	3,205,000	968,700	4,173,700	2032	484,350	2033	484,350
2032	3,335,000	840,500	4,175,500	2033	420,250	2034	420,250
2033	3,500,000	673,750	4,173,750	2034	336,875	2035	336,875
2034	3,675,000	498,750	4,173,750	2035	249,375	2036	249,375
2035	3,860,000	315,000	4,175,000	2036	157,500	2037	157,500
2036	4,015,000	160,600	4,175,600	2037	80,300	2038	80,300
	<u>53,370,000</u>	<u>30,099,933</u>	<u>83,469,933</u>		<u>15,450,008</u>		<u>14,649,925</u>



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Long-Term Debt Requirements  
General Obligation Bonds of 2017A**

**April 30, 2018**

Date of Issue	November 30, 2017
Date of Maturity	January 1, 2031
Authorized Issue	\$11,600,000
Denomination of Bonds	\$5,000
Interest Rates	4.00% - 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
2017	\$ -	607,571	607,571	2018	327,871	2019	279,700
2018	125,000	559,400	684,400	2019	279,700	2020	279,700
2019	120,000	554,400	674,400	2020	277,200	2021	277,200
2020	120,000	549,600	669,600	2021	274,800	2022	274,800
2021	145,000	544,800	689,800	2022	272,400	2023	272,400
2022	165,000	539,000	704,000	2023	269,500	2024	269,500
2023	165,000	532,400	697,400	2024	266,200	2025	266,200
2024	310,000	525,800	835,800	2025	262,900	2026	262,900
2025	430,000	513,400	943,400	2026	256,700	2027	256,700
2026	480,000	496,200	976,200	2027	248,100	2028	248,100
2027	3,125,000	477,000	3,602,000	2028	238,500	2029	238,500
2028	3,145,000	320,750	3,465,750	2029	160,375	2030	160,375
2029	3,270,000	163,500	3,433,500	2030	81,750	2031	81,750
	<u>11,600,000</u>	<u>6,383,821</u>	<u>17,983,821</u>		<u>3,215,996</u>		<u>3,167,825</u>

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Schedule of Insurance in Force  
April 30, 2018**

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**See Following Page**

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Schedule of Insurance in Force  
April 30, 2018**

Name of Company	Policy Number	Policy Expiration Date	Types of Coverage
Federal Insurance Company	3590-58-34 ILL	5/1/2018	Property Supplemental Property Personal Property Mobile Equipment Vehicles Automatic Builders Risk Ingress/Egress
Lloyd's of London	PK1000316	5/1/2018	Excess General Liability
Lloyd's of London	PK1000316	5/1/2018	Business Automobile
Lloyd's of London	PK1000316	5/1/2018	Terrorism
Safety National	SP4054822	5/1/2018	Excess Workers' Compensation Employers' Liability
Citizens Insurance Co of America	BDC-1027434	5/1/2018	Public Employee Dishonesty Computer Fraud Forgery
High-Level Excess Liability Pool	N/A	Continuous	Excess Liability
Hudson	SFD31210356-02	5/1/2018	Fire Pension Fiduciary Liability
Hudson	SFD31210357-02	5/1/2018	Police Pension Fiduciary Liability
Colony Insurance Company	PP202142	5/1/2018	Storage Tank Pollution Liability (Above and Underground Tanks)
Lloyd's of London	ASE16C001043	5/1/2018	Cyber Liability

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Amount of Coverage

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\$ 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, 2018 (Unaudited)**

	2009	2010	2011	2012
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 75,867,514	77,669,269	81,556,902	86,490,455
Restricted	6,166,560	6,013,665	6,287,191	17,577,488
Unrestricted	27,416,532	23,397,938	23,186,449	10,435,571
<b>Total Governmental   Activities Net Position</b>	<b>109,450,606</b>	<b>107,080,872</b>	<b>111,030,542</b>	<b>114,503,514</b>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	17,628,574	17,356,800	16,588,596	15,861,935
Restricted	-	-	-	-
Unrestricted	6,670,829	7,389,177	9,503,588	12,406,286
<b>Total Business-Type   Activities Net Position</b>	<b>24,299,403</b>	<b>24,745,977</b>	<b>26,092,184</b>	<b>28,268,221</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	93,496,088	95,026,069	98,145,498	102,352,390
Restricted	6,166,560	6,013,665	6,287,191	17,577,488
Unrestricted	34,087,361	30,787,115	32,690,037	22,841,857
<b>Total Primary Government   Net Position</b>	<b>133,750,009</b>	<b>131,826,849</b>	<b>137,122,726</b>	<b>142,771,735</b>

\* Accrual Basis of Accounting

2013	2014	2015	2016	2017	2018
90,406,230	89,178,493	97,009,234	99,080,043	99,121,435	102,798,196
19,076,455	18,198,410	21,003,954	19,608,089	18,376,973	60,194,749
7,196,777	11,886,570	13,828,049	(96,663,729)	(108,757,520)	(143,581,964)
116,679,462	119,263,473	131,841,237	22,024,403	8,740,888	19,410,981
17,452,144	18,523,599	17,301,450	17,210,740	16,996,452	19,011,013
-	-	-	-	-	-
13,352,847	14,829,339	16,149,811	15,639,436	31,439,322	37,128,379
30,804,991	33,352,938	33,451,261	32,850,176	48,435,774	56,139,392
107,858,374	107,702,092	114,310,684	116,290,783	116,117,887	121,809,209
19,076,455	18,198,410	21,003,954	19,608,089	18,376,973	60,194,749
20,549,624	26,715,909	29,977,860	(81,024,293)	(77,318,198)	(106,453,585)
147,484,453	152,616,411	165,292,498	54,874,579	57,176,662	75,550,373



VILLAGE OF ELK GROVE VILLAGE, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years\*  
April 30, 2018 (Unaudited)

	2009	2010	2011	2012
<b>Expenses</b>				
Governmental Activities				
General Government	\$ 7,723,538	7,816,492	6,021,650	6,442,630
Public Safety	31,358,172	29,672,776	29,537,215	31,403,018
Public Works	12,130,844	8,865,233	10,942,184	11,794,447
Interest on Long-Term Debt	2,587,735	2,582,202	3,188,344	2,916,534
Total Governmental Activities Expenses	<u>53,800,289</u>	<u>48,936,703</u>	<u>49,689,393</u>	<u>52,556,629</u>
Business-Type Activities				
Water and Sewer	9,884,021	10,164,937	10,310,010	10,704,713
Total Primary Government Expenses	<u>63,684,310</u>	<u>59,101,640</u>	<u>59,999,403</u>	<u>63,261,342</u>
<b>Program Revenues</b>				
Governmental Activities				
Charges for Services				
General Government	1,614,586	1,498,465	2,067,850	2,423,718
Public Safety	1,955,190	2,513,620	2,515,287	2,201,444
Public Works	812,710	754,530	826,652	-
Operating Grants/Contributions	3,039,173	2,238,851	2,769,080	2,185,921
Capital Grants/Contributions	1,938,653	956,544	5,026,938	4,653,361
Total Governmental Activities Program Revenues	<u>9,360,312</u>	<u>7,962,010</u>	<u>13,205,807</u>	<u>11,464,444</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	9,799,067	10,577,310	11,631,422	12,864,262
Operating Grants and Contributions				
Water and Sewer	-	-	-	-
Capital Grants and Contributions				
Water and Sewer	-	-	-	-
Total Business-Type Activities Program Revenues	<u>9,799,067</u>	<u>10,577,310</u>	<u>11,631,422</u>	<u>12,864,262</u>
Total Primary Government Program Revenues	<u>19,159,379</u>	<u>18,539,320</u>	<u>24,837,229</u>	<u>24,328,706</u>
<b>Net (Expenses) Revenues</b>				
Governmental Activities	(44,439,977)	(40,974,693)	(36,483,586)	(41,092,185)
Business-Type Activities	(84,954)	412,373	1,321,412	2,159,549
Total Primary Government Net (Expenses) Revenues	<u>(44,524,931)</u>	<u>(40,562,320)</u>	<u>(35,162,174)</u>	<u>(38,932,636)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities				
Taxes				
Property	15,764,384	16,063,847	16,847,942	17,988,762
Sales	13,688,255	11,875,499	12,772,013	14,358,516
Utility	4,287,211	4,257,988	4,442,456	4,438,941
Income	3,164,144	2,758,150	2,707,548	2,713,539
Other	3,179,799	2,462,115	2,806,689	2,547,862
Interest	1,160,235	619,172	673,049	576,738
Miscellaneous	547,903	483,310	183,559	1,940,799
Total Governmental Activities	<u>41,791,931</u>	<u>38,520,081</u>	<u>40,433,256</u>	<u>44,565,157</u>
Business-Type Activities				
Interest	111,051	22,306	18,016	14,207
Miscellaneous	9,838	11,895	6,779	2,281
Contributions	-	-	-	-
Total Business-Type Activities	<u>120,889</u>	<u>34,201</u>	<u>24,795</u>	<u>16,488</u>
Total Primary Government	<u>41,912,820</u>	<u>38,554,282</u>	<u>40,458,051</u>	<u>44,581,645</u>
<b>Changes in Net Position</b>				
Governmental Activities	(2,648,046)	(2,454,612)	3,949,670	3,472,972
Business-Type Activities	35,935	446,574	1,346,207	2,176,037
Total Primary Government	<u>(2,612,111)</u>	<u>(2,008,038)</u>	<u>5,295,877</u>	<u>5,649,009</u>

\* Accrual Basis of Accounting

2013	2014	2015	2016	2017	2018
6,673,074	7,073,272	8,038,407	8,086,571	23,080,387	10,146,098
32,786,120	34,656,480	35,372,521	53,878,401	45,625,408	34,657,420
11,826,791	14,124,506	14,261,643	14,239,465	13,737,840	23,980,535
2,673,149	2,845,783	2,740,893	2,668,045	2,547,430	4,469,024
53,959,134	58,700,041	60,413,464	78,872,482	84,991,065	73,253,077
13,019,910	15,461,344	16,087,554	21,376,575	18,255,353	19,153,840
66,979,044	74,161,385	76,501,018	100,249,057	103,246,418	92,406,917
2,601,979	2,675,037	3,414,159	3,106,836	4,442,554	3,983,138
2,546,085	2,543,424	2,634,913	2,943,351	2,934,392	2,693,244
-	-	-	-	-	-
2,723,036	2,240,526	2,444,980	2,482,659	2,241,507	2,316,207
1,369,200	2,714,902	298,156	6,810	47,097	22,963
9,240,300	10,173,889	8,792,208	8,539,656	9,665,550	9,015,552
15,570,880	17,935,222	18,831,605	21,164,331	20,670,311	20,922,297
-	-	-	-	49,711	-
-	-	-	-	461,015	35,477
15,570,880	17,935,222	18,831,605	21,164,331	21,181,037	20,957,774
24,811,180	28,109,111	27,623,813	29,703,987	30,846,587	29,973,326
(44,718,834)	(48,526,152)	(51,621,256)	(70,332,826)	(75,325,515)	(64,237,525)
2,550,970	2,473,878	2,744,051	(212,244)	2,925,684	1,803,934
(42,167,864)	(46,052,274)	(48,877,205)	(70,545,070)	(72,399,831)	(62,433,591)
18,882,962	19,226,518	18,712,324	19,560,931	19,641,354	25,439,069
15,468,871	18,639,938	23,966,286	24,554,182	25,831,879	26,871,383
4,466,100	4,839,941	4,943,574	5,219,833	5,171,376	5,779,559
2,985,423	3,228,099	3,244,280	3,530,426	3,131,324	3,004,019
2,883,868	3,339,154	3,490,365	3,942,208	3,801,353	5,136,306
556,402	345,270	986,319	833,607	777,531	1,304,757
1,651,141	1,479,072	1,373,004	1,498,606	3,687,004	7,372,525
46,894,767	51,097,992	56,716,152	59,139,793	62,041,821	74,907,618
(15,908)	66,857	211,495	142,416	130,081	1,105,704
1,708	7,212	10,142	6,953	12,529,833	4,793,980
-	-	-	-	-	-
(14,200)	74,069	221,637	149,369	12,659,914	5,899,684
46,880,567	51,172,061	56,937,789	59,289,162	74,701,735	80,807,302
2,175,933	2,571,840	5,094,896	(11,193,033)	(13,283,694)	10,670,093
2,536,770	2,547,947	2,965,688	(62,875)	15,585,598	7,703,618
4,712,703	5,119,787	8,060,584	(11,255,908)	2,301,904	18,373,711

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**April 30, 2018 (Unaudited)**

	2009	2010	2011	2012
General Fund				
Reserved	\$ 2,608,428	3,440,482	3,324,446	-
Unreserved	19,684,204	16,502,542	17,209,065	-
Nonspendable	-	-	-	3,049,166
Unassigned	-	-	-	18,687,987
Total General Fund	22,292,632	19,943,024	20,533,511	21,737,153
All Other Governmental Funds				
Reserved	6,227,062	6,075,770	17,942,811	-
Unreserved, Reported in,				
Special Revenue Funds	6,826,370	6,785,492	6,448,774	-
Debt Service Funds	-	-	-	-
Capital Projects Funds	5,041,637	2,219,937	(2,977,416)	-
Nonspendable	-	-	-	65,388
Restricted	-	-	-	17,577,488
Unassigned	-	-	-	(3,644,874)
Total All Other Governmental Funds	18,095,069	15,081,199	21,414,169	13,998,002
Total Governmental Funds	40,387,701	35,024,223	41,947,680	35,735,155

\* Modified Accrual Basis of Accounting

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

2013	2014	2015	2016	2017	2018
-	-	-	-	-	-
-	-	-	-	-	-
2,510,321	3,502,181	3,875,791	3,356,201	3,912,817	4,028,168
20,507,001	21,092,431	20,862,337	25,679,050	31,258,522	30,161,874
23,017,322	24,594,612	24,738,128	29,035,251	35,171,339	34,190,042
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
58,863	59,639	55,398	38,322	83,880	47,236
19,834,151	19,421,740	21,680,113	20,264,203	19,003,867	61,518,283
(3,246,487)	(2,893,810)	(2,432,077)	(2,755,502)	(17,471,984)	(24,867,732)
16,646,527	16,587,569	19,303,434	17,547,023	1,615,763	36,697,787
39,663,849	41,182,181	44,041,562	46,582,274	36,787,102	70,887,829

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\*  
April 30, 2018 (Unaudited)**

	2009	2010	2011	2012
<b>Revenues</b>				
Taxes	\$ 35,516,527	33,415,210	35,344,450	38,097,904
Intergovernmental	8,222,992	5,544,339	6,103,304	5,642,029
Licenses and Permits	1,727,255	1,619,191	2,030,478	2,193,371
Charges for Services	1,473,729	1,992,167	1,778,182	2,021,534
Fines and Forfeitures	1,657,984	1,606,045	1,653,391	1,196,721
Interest	1,160,235	619,172	673,049	524,127
Miscellaneous	1,268,422	1,335,602	1,275,108	2,076,126
<b>Total Revenues</b>	<b>51,027,144</b>	<b>46,131,726</b>	<b>48,857,962</b>	<b>51,751,812</b>
<b>Expenditures</b>				
General Government	7,872,337	5,913,063	5,612,828	5,044,203
Public Safety	28,260,038	27,669,965	27,626,873	28,830,013
Public Works	11,184,426	9,887,266	10,137,824	8,140,807
Capital Outlay	23,978,253	4,432,147	7,841,281	11,064,834
Debt Service				
Principal Retirement	1,410,000	1,450,000	1,505,000	1,565,000
Interest and Fiscal Charges	2,534,299	2,227,641	2,210,699	3,319,480
<b>Total Expenditures</b>	<b>75,239,353</b>	<b>51,580,082</b>	<b>54,934,505</b>	<b>57,964,337</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(24,212,209)</b>	<b>(5,448,356)</b>	<b>(6,076,543)</b>	<b>(6,212,525)</b>
<b>Other Financing Sources (Uses)</b>				
Debt Issuance	-	-	13,000,000	-
Premium on Debt Issuance	-	-	-	-
Payment to Escrow Agent	-	-	-	-
Disposal of Capital Assets	-	-	-	-
Transfers In	-	19,793	-	-
Transfers Out	-	(19,793)	-	-
	-	-	13,000,000	-
<b>Net Change in Fund Balances</b>	<b>(24,212,209)</b>	<b>(5,448,356)</b>	<b>6,923,457</b>	<b>(6,212,525)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>7.86%</b>	<b>7.92%</b>	<b>7.98%</b>	<b>9.96%</b>

\* Modified Accrual Basis of Accounting

2013	2014	2015	2016	2017	2018
40,377,083	44,538,282	39,923,768	41,788,336	42,237,026	50,833,829
5,604,343	6,437,994	16,301,122	16,497,183	16,741,316	16,880,959
2,582,927	2,668,359	3,386,413	3,074,534	4,365,626	3,945,599
1,828,805	1,960,947	1,968,425	1,991,710	2,037,597	1,948,749
1,531,585	1,391,404	1,519,951	1,878,434	1,808,583	1,603,293
514,361	448,931	777,419	738,821	742,356	1,284,315
2,284,722	1,559,061	1,422,362	1,599,277	3,739,692	7,405,984
54,723,826	59,004,978	65,299,460	67,568,295	71,672,196	83,902,728
6,000,749	6,422,865	7,801,937	7,094,531	7,644,922	7,616,266
30,201,194	32,971,467	35,478,691	36,428,866	38,651,137	40,160,866
8,732,739	9,140,779	9,979,777	9,995,949	10,579,398	11,369,736
3,523,346	4,506,578	4,182,270	7,209,053	19,647,022	46,148,953
1,934,024	2,252,059	2,192,989	2,357,419	2,340,305	12,480,195
2,582,686	2,956,023	2,806,222	2,734,812	2,604,584	2,727,407
52,974,738	58,249,771	62,441,886	65,820,630	81,467,368	120,503,423
1,749,088	755,207	2,857,574	1,747,665	(9,795,172)	(36,600,695)
31,845,000	-	-	-	-	74,970,000
4,708,077	-	-	-	-	8,426,933
(34,373,471)	-	-	-	-	(12,695,511)
-	-	1,807	793,047	-	-
-	1,400,000	5,146,420	2,000,000	-	7,192,893
-	(1,400,000)	(5,146,420)	(2,000,000)	-	(7,192,893)
2,179,606	-	1,807	793,047	-	70,701,422
3,928,694	755,207	2,859,381	2,540,712	(9,795,172)	34,100,727
8.94%	9.17%	8.37%	7.74%	6.34%	17.60%

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years  
April 30, 2018 (Unaudited)**

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Tax Levy Year	Residential Property	Commercial Property	Industrial Property
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
2017	695,236,717	269,579,294	935,810,673

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.

Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
\$ 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%
2,462,168	1,903,088,851	0.960	5,709,266,554	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, 2018 (Unaudited)**

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	2008	2009	2010
Overlapping Rates			
DuPage County	0.156	0.155	0.166
DuPage Forest Preserve District	0.121	0.122	0.132
Township of Addison Town	0.044	0.045	0.051
Addison Township Road	0.066	0.067	0.076
Village of Elk Grove Village	0.518	0.747	1.024
Elk Grove Village Public Library	0.175	0.230	0.289
Bensenville Park District	0.326	0.312	0.361
School District #2	2.706	2.753	3.116
High School District #100	1.394	1.399	1.616
Community College District #502	0.186	0.213	0.235
	<hr/>	<hr/>	<hr/>
Total Overlapping Rates	5.692	6.042	7.066

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.

2011	2012	2013	2014	2015	2016	2017
0.177	0.193	0.204	0.206	0.197	0.185	0.175
0.141	0.154	0.166	0.169	0.162	0.151	0.131
0.057	0.066	0.071	0.074	0.072	0.068	0.065
0.085	0.098	0.107	0.111	0.108	0.101	0.097
0.960	0.702	0.696	1.330	1.159	1.088	1.048
0.282	0.207	0.204	0.391	0.341	0.318	0.316
0.413	0.472	0.510	0.518	0.523	0.493	0.476
3.541	4.074	4.425	4.572	4.531	4.277	4.094
1.807	2.064	2.232	2.302	2.293	2.174	2.085
0.250	0.268	0.296	0.298	0.279	0.263	0.243
7.712	8.298	8.911	9.970	9.665	9.118	8.729

**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, 2018 (Unaudited)**

	2008	2009	2010
<b>Village Direct Rates</b>			
General	0.199	0.214	0.229
Bonds and Interest	0.122	0.130	0.169
Pensions	0.164	0.197	0.243
Emergency Management	0.004	0.005	0.005
<b>Total Direct Rates</b>	<b>0.489</b>	<b>0.546</b>	<b>0.646</b>
<b>Overlapping Rates</b>			
Cook County	0.415	0.415	0.423
Forest Preserve	0.051	0.049	0.051
Elk Grove Township	0.059	0.064	0.071
Northwest Mosquito Abatement	0.008	0.008	0.009
Metro Water Reclamation District	0.252	0.261	0.274
Elk Grove Village Public Library	0.168	0.203	0.220
Elk Grove Village Park District	0.490	0.524	0.563
School District #59	1.810	1.945	2.129
High School District #214	1.587	1.636	1.839
Community College District #512	0.256	0.258	0.295
<b>Total Overlapping Rates</b>	<b>5.096</b>	<b>5.363</b>	<b>5.874</b>
<b>Total Direct and Overlapping Rates</b>	<b>5.585</b>	<b>5.909</b>	<b>6.520</b>

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.

2011	2012	2013	2014	2015	2016	2017
0.273	0.300	0.388	0.381	0.388	0.326	0.323
0.181	0.198	0.229	0.225	0.228	0.205	0.205
0.290	0.342	0.342	0.345	0.400	0.413	0.432
0.006	0.006	0.006	-	-	-	-
0.750	0.846	0.965	0.951	1.015	0.944	0.960
0.487	0.531	0.591	0.568	0.586	0.533	0.527
0.058	0.063	0.069	0.069	0.069	0.063	0.062
0.081	0.064	0.111	0.111	0.113	0.095	0.094
0.010	0.011	0.013	0.013	0.011	0.010	0.010
0.320	0.370	0.417	0.430	0.426	0.406	0.402
0.265	0.301	0.341	0.335	0.350	0.335	0.351
0.634	0.711	0.805	0.810	0.827	0.749	0.768
2.422	2.673	3.172	3.176	3.291	2.998	3.031
2.067	2.324	2.768	2.776	2.881	2.527	2.563
0.334	0.373	0.444	0.451	0.466	0.416	0.425
6.678	7.421	8.731	8.739	9.020	8.132	8.233
7.428	8.267	9.696	9.690	10.035	9.076	9.193

**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, 2018 (Unaudited)**

	2008	2009	2010
<b>Village Direct Rates</b>			
General	0.199	0.214	0.229
Bonds and Interest	0.122	0.130	0.169
Pensions	0.164	0.197	0.243
Emergency Management	0.004	0.005	0.005
<b>Total Direct Rates</b>	<b>0.489</b>	<b>0.546</b>	<b>0.646</b>
<b>Overlapping Rates</b>			
Cook County	0.415	0.415	0.423
Forest Preserve	0.051	0.049	0.051
Schaumburg Township	0.089	0.092	0.110
Schaumburg Township Library	0.254	0.258	0.295
Metro Water Reclamation District	0.252	0.261	0.274
Northwest Mosquito Abatement	0.008	0.008	0.009
Elk Grove Village Park District	0.490	0.524	0.563
School District #54	2.559	2.592	2.996
High School District #211	1.928	1.916	2.204
Community College District #512	0.256	0.258	0.295
<b>Total Overlapping Rates</b>	<b>6.302</b>	<b>6.373</b>	<b>7.220</b>
<b>Total Direct and Overlapping Rates</b>	<b>6.791</b>	<b>6.919</b>	<b>7.866</b>

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.

2011	2012	2013	2014	2015	2016	2017
0.273	0.300	0.388	0.381	0.381	0.326	0.323
0.181	0.198	0.229	0.225	0.225	0.205	0.205
0.290	0.342	0.342	0.345	0.345	0.413	0.432
0.006	0.006	0.006	-	-	-	-
0.750	0.846	0.965	0.951	0.951	0.944	0.960
0.487	0.531	0.591	0.568	0.586	0.533	0.527
0.058	0.063	0.069	0.069	0.069	0.063	0.062
0.125	0.137	0.161	0.163	0.171	0.148	0.152
0.321	0.331	0.384	0.386	0.402	0.352	0.357
0.320	0.370	0.417	0.430	0.426	0.406	0.402
0.010	0.011	0.013	0.013	0.011	0.010	0.010
0.634	0.711	0.805	0.810	0.827	0.749	0.768
3.196	3.578	4.148	4.168	4.332	3.790	3.844
2.482	2.772	3.197	3.213	3.309	2.871	2.922
0.334	0.373	0.444	0.451	0.466	0.416	0.425
7.967	8.877	10.229	10.271	10.599	9.338	9.469
8.717	9.723	11.194	11.222	11.550	10.282	10.429

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago  
April 30, 2018 (Unaudited)**

Taxpayer	2017 (1)			2009 (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	\$ 71,546,370	1	3.76%			
Tarantula Ventures, LLC	43,602,700	2	2.29%			
Regent O'Hare LLC (3)	43,602,700	3	2.29%	\$ 38,340,820	3	1.51%
Hamilton Partners, Inc.	22,532,049	4	1.18%	31,825,271	5	1.25%
Cosmic Ventures LLC	18,488,706	5	0.97%			
Centerpoint Properties	18,403,353	6	0.97%	44,441,681	2	1.75%
25 Northwest PNT BVD 400	14,669,640	7	0.77%			
FSP Property Management	14,309,628	8	0.75%			
ADP, Inc.	12,724,797	9	0.67%	21,150,062	9	0.83%
HCR Manocare	11,714,865	10	0.62%			
Crane & Norcross				85,559,667	1	3.37%
Gullo Family Properties				35,528,385	4	1.40%
Elk Grove Industrial LLC				24,924,110	6	0.98%
Rogers Industrial Park				24,581,309	7	0.97%
AMB Properties				22,468,422	8	0.88%
John Buck Co.				20,631,530	10	0.81%
	<u>271,594,808</u>		<u>14.27%</u>	<u>349,451,257</u>		<u>13.75%</u>

Data Source: Office of the County Clerk

(1) The figures represent equalized assessed values from 2017.

(2) The figures represent the totals of numerous parcels with a 2008 EAV of approximately \$200,000 or more as recorded in the Cook and DuPage County Assessor's offices.

(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, 2018 (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
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%
2016	17,955,517	17,572,630	97.87%	-	17,572,630	97.87%

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, 2018 (Unaudited)**

	2008	2009	2010	2011
General Merchandise	\$ 45,858,041	45,292,387	48,669,700	36,708,000
Food	73,844,646	71,047,306	72,269,900	70,875,000
Drinking and Eating Places	66,989,974	58,997,324	58,082,100	65,551,800
Apparel	6,558,096	5,774,191	2,090,100	11,781,200
Furniture & H.H. & Radio	25,778,999	18,880,743	12,308,200	11,402,700
Lumber, Building Hardware	74,013,062	43,180,806	42,329,100	45,989,700
Automobile and Filing Stations	47,419,348	45,037,332	56,218,700	70,570,600
Drugs and Miscellaneous Retail	91,245,711	72,959,772	70,521,800	86,049,000
Agriculture and All Other	225,068,518	193,167,580	199,856,100	216,350,000
Manufacturers	44,839,481	41,147,907	39,076,700	38,346,900
Totals	701,615,876	595,485,348	601,422,400	653,624,900
Total Tax Rate	10.00%	10.00%	9.5% (a)	9.50%

Data Source: Illinois Department of Revenue

Note: Data reflects sales in Cook County

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

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

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

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

2012	2013	2014	2015	2016	2017
62,478,600	65,822,600	63,994,814	64,084,772	62,271,858	64,018,701
69,045,979	68,197,900	63,211,545	52,194,492	52,140,228	52,240,016
70,993,852	72,616,500	77,066,125	82,971,940	88,681,813	91,258,115
1,476,057	1,670,600	1,549,400	1,762,452	2,521,123	1,894,033
13,848,121	16,540,800	17,090,620	24,040,228	20,152,287	24,224,919
46,201,881	52,721,500	70,412,310	76,706,415	80,133,381	79,717,021
75,232,481	74,534,600	83,208,116	80,970,912	99,088,426	102,155,315
79,334,261	80,819,700	89,640,894	105,890,541	109,112,360	121,693,651
254,015,048	338,064,800	325,465,878	354,284,557	369,379,874	371,086,773
34,358,393	27,372,000	32,495,866	28,572,544	33,541,674	27,923,490
706,984,673	798,361,000	824,135,568	871,478,853	917,023,024	936,212,034
9.25% (b)	9.00% (c)	9.00%	9.00%	10.00% (d)	10.00%

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Direct and Overlapping Sales Tax Rates - Last Ten Calendar Years  
April 30, 2018 (Unaudited)**

Calendar Year	Village Direct Rate	State Rate	RTA Rate	Cook County Rate	Total Tax Rate
2008	1.00%	6.25%	1.00%	1.75%	10.00%
2009	1.00%	6.25%	1.00%	1.25% (1)	9.50%
2010	1.00%	6.25%	1.00%	1.25%	9.50%
2011	1.00%	6.25%	1.00%	1.00% (2)	9.25%
2012	1.00%	6.25%	1.00%	0.75% (3)	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%	9.00%
2016	1.00%	6.25%	1.00%	1.75% (4)	10.00%
2017	1.00%	6.25%	1.00%	1.75%	10.00%

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

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

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

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

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

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Schedule of Legal Debt Margin  
April 30, 2018 (Unaudited)**

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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, 2018 (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			
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	6.80%	2,413.41
2018	102,425,650	2,305,577	32,647,238	137,378,465	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, 2018 (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)
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%	2,308.46
2018	135,072,888	-	135,072,888	7.10%	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, 2018 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 104,731,227	100.000%	\$ 104,731,227
Overlapping Debt			
Schools:			
School District #2	33,521,000	7.84%	2,626,370
School District #7	955,000	12.39%	118,325
School District #54	-	7.66%	-
School District #59	12,385,000	52.03%	6,443,916
High School District #100	10,300,000	9.87%	1,016,610
High School District #211	-	4.60%	-
High School District #214	40,650,000	16.54%	6,723,510
Community College District #502	210,280,000	0.27%	567,756
Community College District #512	126,895,000	9.31%	11,813,925
Others:			
Cook County	3,085,186,750	1.18%	36,405,204
DuPage County	160,900,000	0.31%	498,790
Cook County Forest Preserve District	149,290,000	1.18%	1,761,622
DuPage County Forest Preserve District	111,117,382	0.31%	344,464
Metropolitan Water Reclamation District	2,480,560,091	1.21%	30,014,777
Bensenville Park District	5,340,000	6.79%	362,586
Elk Grove Park District	2,265,000	97.69%	2,212,679
Mount Prospect Park District	20,923,788	6.34%	1,326,568
Schaumburg Park District	14,505,000	1.94%	281,397
Wood Dale Park District	1,320,916	11.54%	152,434
Schaumburg Township District Public Library	-	6.95%	-
Total Overlapping Debt	6,466,394,927		102,670,931
Total Direct and Overlapping Debt	6,571,126,154		207,402,158

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, 2018 (Unaudited)**

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Calendar Year	Population	Per Capita Income	Total Personal Income	Unemployment Rate
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	33,251	35,492 **	1,180,144,492	5.00%
2017	32,776	- ***	-	4.20%

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 American Community Surveys (ACS) 5-year Estimates.

\*\*\*At the time of publication, the 2017 ACS Data Set was not available.



**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago  
April 30, 2018 (Unaudited)**

Employer	2018			2009		
	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%	900	2	0.90%
Symons by Dayton Superior	770	3	0.77%			
Cooper Lighting	600	4	0.60%			
Creative Werks	500	5	0.50%			
Lawrence Foods	500	5	0.50%			
Antioch Tire	470	7	0.47%			
Harvard Maintenance	420	8	0.42%			
Little Lady Foods	400	9	0.40%			
Graphic Packaging International	365	10	0.37%			
Citigroup				550	3	0.55%
American Academy of Pediatrics				375	4	0.38%
Village of Elk Grove Village				375	4	0.38%
Manor Care				275	6	0.28%
Elk Grove High School				265	7	0.27%
Steiner Electric				250	8	0.25%
R. R. Donnelley				220	9	0.22%
MSC Pre-Finish Metals				215	10	0.22%
	<u>8,225</u>		<u>8.23%</u>	<u>5,225</u>		<u>5.23%</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, 2018 (Unaudited)**

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**See Following Page**

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Full-Time Equivalent Village Government Employees by Function - Last Ten Fiscal Years  
April 30, 2018 (Unaudited)**

Fundction	2009	2010	2011
<b>General Government</b>			
Mayor/Board	9	9	9
Village Clerk	3	2	2
Village Manager's Office	9	9	9
Finance	18	18	18
Community Development**	19	18	18
Health/Community Services	7	7	7
Cable	3	3	3
<b>Public Safety</b>			
Police			
Officers	74	74	71
Administration/Civilians	35	34	33
Fire			
Firefighters and Officers	88	88	88
Administration/Civilians	19	18	12
<b>Public Works</b>			
Administration	15	16	13
Street Maintenance	25	25	24
Water/Sewer Operations	14	14	14
<b>Totals</b>	<b>338</b>	<b>335</b>	<b>321</b>

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.

2012	2013	2014	2015	2016	2017	2018
8	8	8	8	8	8	8
2	2	2	2	2	2	2
7	8	11	12	13	13	13
18	17	15	15	15	15	16
18	15	16	16	17	16	17
- *	-	-	-	-	-	-
3	4	4	4	4	4	4
66	68	71	76	72	68	68
34	34	35	35	35	35	35
85	83	80	85	84	86	85
10	10	11	9	9	9	9
13	16	16	16	17	17	17
23	24	21	22	21	22	22
13	13	14	14	16	17	17
300	302	304	314	313	312	313

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Calendar Years  
April 30, 2018 (Unaudited)**

Function/Program	2008	2009	2010
<b>Public Safety</b>			
<b>Police</b>			
Total Arrests	1,681	1,658	1,577
Call for Service	22,118	19,847	19,996
Traffic Tickets	9,389	8,507	9,231
<b>Fire</b>			
Ambulance Calls	3,159	3,077	3,116
Fire Calls	118	106	108
Fire Investigations	7	14	11
<b>Public Works</b>			
Street Resurfacing (Miles)	6.5	6.4	6.1
Leaves Collected (Cubic Yards)	10,750	13,840	10,254
Full Salting Operations	27	20	18
<b>Water and Sewer</b>			
Water Main Repairs	54	45	50
Average Daily Pumpage (MGD)	5.401	5.000	4.993
Storm Sewer Point Repairs	8	12	9
Sewer Mains Cleaned (ln. Feet)	49,035	7,466	60,094

Data Source: Village of Elk Grove Compendium

2011	2012	2013	2014	2015	2016	2017
1,288	1,147	1,167	1,056	1,098	1,116	1,022
15,519	14,192	14,391	14,505	14,707	14,852	14,505
7,786	8,339	9,959	8,684	9,232	7,528	6,579
3,100	3,081	3,345	3,400	3,550	3,848	3,962
95	147	109	111	90	137	110
15	14	22	22	13	10	15
12.8	5.2	6.0	4.0	4.0	4.6	10.9
14,108	6,679	9,513	8,205	6,726	6,300	6,726
20	11	20	22	12	20	14
60	96	118	53	52	37	60
5,000	5,219	4,946	4,696	4,770	4,820	5,010
10	6	5	-	1	-	6
48,016	80,819	55,247	67,126	19,500	35,468	24,689

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
April 30, 2018 (Unaudited)**

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Function/Program	2009	2010	2011
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	8
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

2012	2013	2014	2015	2016	2017	2018
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	25,000
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**

**Continuing Disclosures  
April 30, 2018 (Unaudited)**

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**See Following Page**

**VILLAGE OF ELK GROVE VILLAGE, ILLINOIS**  
**Cook and DuPage Counties**

**ANNUAL FINANCIAL INFORMATION**

**STATEMENT OF INDEBTEDNESS**

	Amount Applicable as of April 30, 2018	Assessed Value	Estimated True Value	Per Capita (Pop. 32,776)
Assessed Valuation of Taxable Real Property	\$ 1,903,088,851	100%	33.33%	\$ 58,063
Estimated True Value of Taxable Real Property	\$ 5,709,266,553	300%	1.00%	\$ 174,190
Direct General Obligation Bonded Debt <sup>1</sup>	\$ 134,750,000	7.08%	2.36%	\$ 4,111
Overlapping Bonded Debt Payable from Property Taxes <sup>2</sup>				
Schools	\$ 29,326,201	1.54%	0.51%	\$ 895
Other than Schools	\$ 73,366,988	3.86%	1.29%	\$ 2,238
<b>Total Overlapping Bonded Debt</b>	<b>\$ 102,693,189</b>	<b>5.40%</b>	<b>1.80%</b>	<b>\$ 3,133</b>
<b>Total Direct and Overlapping Bonded Debt</b>	<b>\$ 237,443,189</b>	<b>12.48%</b>	<b>4.16%</b>	<b>\$ 7,244</b>

Notes:

<sup>1</sup> 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.

<sup>2</sup> 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)	Series 2017 (Due 1/1)	Series 2017A (Due 1/1)	Total Debt	Cummulative Percent	Levy Year	Amount
2019	145,000	2,210,000	1,090,000	1,015,000	-	\$ 4,460,000	3.64%	2017	4,460,000
2020	-	2,310,000	1,130,000	1,855,000	125,000	\$ 5,420,000	8.07%	2018	9,880,000
2021	-	2,405,000	1,175,000	1,925,000	120,000	\$ 5,625,000	12.66%	2019	15,505,000
2022	-	2,500,000	1,220,000	2,005,000	120,000	\$ 5,845,000	17.44%	2020	21,350,000
2023	-	2,590,000	1,270,000	2,085,000	145,000	\$ 6,090,000	22.41%	2021	27,440,000
2024	-	2,680,000	1,335,000	2,145,000	165,000	\$ 6,325,000	27.57%	2022	33,765,000
2025	-	2,770,000	1,400,000	2,210,000	165,000	\$ 6,545,000	32.92%	2023	40,310,000
2026	-	2,755,000	1,450,000	2,280,000	310,000	\$ 6,795,000	38.47%	2024	47,105,000
2027	-	2,760,000	1,510,000	2,390,000	430,000	\$ 7,090,000	44.26%	2025	54,195,000
2028	-	2,765,000	1,560,000	2,510,000	480,000	\$ 7,315,000	50.23%	2026	61,510,000
2029	-	-	1,605,000	2,635,000	3,125,000	\$ 7,365,000	56.25%	2027	68,875,000
2030	-	-	1,655,000	2,770,000	3,145,000	\$ 7,570,000	62.43%	2028	76,445,000
2031	-	-	1,700,000	2,905,000	3,270,000	\$ 7,875,000	68.86%	2029	84,320,000
2032	-	-	1,755,000	3,050,000	-	\$ 4,805,000	72.78%	2030	89,125,000
2033	-	-	1,805,000	3,205,000	-	\$ 5,010,000	76.88%	2031	94,135,000
2034	-	-	1,860,000	3,335,000	-	\$ 5,195,000	81.12%	2032	99,330,000
2035	-	-	1,920,000	3,500,000	-	\$ 5,420,000	85.55%	2033	104,750,000
2036	-	-	1,985,000	3,675,000	-	\$ 5,660,000	90.17%	2034	110,410,000
2037	-	-	2,050,000	3,860,000	-	\$ 5,910,000	94.99%	2035	116,320,000
2038	-	-	2,115,000	4,015,000	-	\$ 6,130,000	100.00%	2036	122,450,000
	<b>\$ 145,000</b>	<b>\$ 25,745,000</b>	<b>\$ 31,590,000</b>	<b>\$ 53,370,000</b>	<b>\$ 11,600,000</b>	<b>\$ 122,450,000</b>			

**BONDED DEBT RATIOS & PER CAPITA DEBT  
LAST TEN GENERAL OBLIGATION BOND SALES <sup>1</sup>**

Amount Applicable as of April 30, 2018

Village Issues		Ratio to Estimated Actual Value		Per Capita	
Sale Date	Amount	Direct Debt	Direct and Overlapping	Direct and Overlapping	Population Estimate
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
August 29, 2017	53,370,000	2.23%	3.63%	\$ 6,240	32,931
November 30, 2017	11,600,000	2.22%	3.72%	\$ 6,398	32,931

Notes:

<sup>1</sup> Taken from applicable Official Statements. The last Village General Obligation issue prior to the April 10, 2001 issue was December 16, 1993.

**DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES <sup>1</sup>**  
**AS OF MAY 1, 2018**

Schools:	Percent of Village's EAV in Taxing Body	Outstanding Debt <sup>2</sup>	Applicable to the Village	
			Percent <sup>3</sup>	Amount
School District Number 2	2.74%	33,521,000	7.84%	\$ 2,626,370
School District Number 7	3.50%	955,000	12.39%	118,325
School District Number 54	18.47%	-	7.66%	-
School District Number 59	75.16%	12,385,000	52.03%	6,443,916
High School District 100	6.24%	10,300,000	9.87%	1,016,610
High School District 211	18.47%	-	4.60%	-
High School District 214	75.16%	40,650,000	16.54%	6,723,510
Community College District Number 502	6.24%	210,280,000	0.27%	567,756
Community College District Number 512	93.76%	126,895,000	9.31%	11,813,925
<b>Total Schools</b>				<b>\$ 29,310,412</b>
<b>Others:</b>				
Cook County	93.76%	3,085,186,750	1.18%	\$ 36,405,204
DuPage County	6.24%	160,900,000	0.31%	498,790
Cook County Forest Preserve District	93.76%	149,290,000	1.18%	1,761,622
DuPage County Forest Preserve District	6.24%	111,117,382	0.31%	344,464
Metropolitan Water Reclamation District	93.76%	2,480,560,091	1.21%	30,014,777
Bensenville Park District	2.74%	5,340,000	6.79%	362,586
Elk Grove Park District	84.49%	2,265,000	97.69%	2,212,679
Mount Prospect Park District	5.56%	20,923,788	6.34%	1,326,568
Schaumburg Park District	3.59%	14,505,000	1.94%	281,397
Wood Dale Park District	3.50%	1,320,916	11.54%	152,434
Schaumburg Township Public Library District	16.34%	-	6.94%	-
<b>Total Others</b>				<b>\$ 73,360,521</b>
<b>Total Schools and Others Overlapping Bonded Debt</b>				<b>\$ 102,670,933</b>

Notes:

<sup>1</sup> Source: Cook and DuPage County Clerks.

<sup>2</sup> Includes alternate revenue source bonds.

<sup>3</sup> Overlapping debt percentages based on 2017 EAV for Cook and DuPage Counties, the most current available.

**EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES <sup>1</sup>**

Tax Levy Year <sup>2</sup>	For General Taxing Purposes				For All Taxing Purposes		
	Gross Real Property	Less Exemptions <sup>3</sup>	Net for General Taxing Purposes <sup>4</sup>	EAV Change Over Prior Year	Net for General Taxing Purposes	Plus Incremental Valuation (TIF)	Total for All Taxing Purposes <sup>5</sup>
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
2017	2,047,624,994	144,536,143	1,903,088,851	0.84%	1,903,088,851	763,149,889	2,666,238,740

**TAX BASE DISTRIBUTION**

Village of Elk Grove	Tax Levy Year 2017	Percent of Total
Cook County	1,784,378,751	93.76%
DuPage County	118,710,100	6.24%
<b>Total</b>	<b>1,903,088,851</b>	<b>100.00%</b>

Notes:

<sup>1</sup> 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.

<sup>2</sup> 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).

<sup>3</sup> Includes three major categories of exemptions: Senior Citizen's Homestead Exemption (\$23,257,924 in 2017), Senior Citizen's Tax Freeze Homestead Exemption (\$24,338,377 in 2017) and General Homestead Exemption (\$93,671,262 in 2017). The Senior Citizen's Homestead Exemption is a reduction of \$8,000 (current through tax levy year 2017) 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 2017) 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.

<sup>4</sup> 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 2017 valuation, 75.16% of the Village is in Elk Grove Township (Cook County), 18.47% is in Schaumburg Township (Cook County) and 6.24% 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:

2013	\$101,468,030 (5.29%)
2014	\$102,323,000 (5.94%)
2015	\$105,524,190 (6.21%)
2016	\$111,551,130 (5.91%)
2017	\$118,710,100 (6.24%)

<sup>5</sup> 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 <sup>1</sup>**  
**BY LEVY YEAR**

	2013	2014	2015	2016	2017
<b>Village of Elk Grove Direct Rates</b>					
Corporate	0.388	0.381	0.388	0.326	0.323
Bonds and Interest	0.229	0.225	0.228	0.205	0.205
Pension	0.342	0.345	0.400	0.413	0.432
Emergency Management	0.006	-	-	-	-
<b>Total Village of Elk Grove</b>	<b>\$ 0.965</b>	<b>\$ 0.951</b>	<b>\$ 1.016</b>	<b>\$ 0.944</b>	<b>\$ 0.960</b>
<b>Overlapping Rates</b>					
Cook County (Including Forest Preserve)	0.660	0.637	0.655	0.596	0.589
Metropolitan Water Reclamation District	0.417	0.430	0.426	0.406	0.402
School District Number 59	3.172	3.176	3.291	2.998	3.031
High School District 214	2.768	2.776	2.881	2.527	2.563
Community College District Number 512	0.444	0.451	0.466	0.416	0.425
Elk Grove Public Library	0.341	0.335	0.350	0.335	0.351
Elk Grove Park District	0.805	0.810	0.827	0.749	0.768
Township and All Other	0.124	0.124	0.124	0.105	0.105
<b>Total <sup>2</sup></b>	<b>\$ 9.696</b>	<b>\$ 9.690</b>	<b>\$ 10.036</b>	<b>\$ 9.076</b>	<b>\$ 9.194</b>
<b>Village as a Percent of Total</b>	<b>9.95%</b>	<b>9.81%</b>	<b>10.12%</b>	<b>10.40%</b>	<b>10.44%</b>

Notes:

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

<sup>2</sup> Tax rate applicable to the largest tax code (16035), which is located in Elk Grove Township (Cook County).



**Retailers' Occupation, Service Occupation and Use Tax<sup>1</sup>**  
As of April 30, 2018

Fiscal Year	State Sales Tax Distributions	Home Rule Sales Tax Distributions	Total	Annual Percentage Change + (-)
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%
2018	10,881,442	8,548,040	19,429,482	1.06%

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 administrative 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, 2018 <sup>1</sup>	Percent
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%
2016	2017	\$ 17,955,517	\$ 17,572,630	97.87%

**TEN LARGEST TAXPAYERS <sup>2</sup>**

Rank	Taxpayer	Description of Business Property	2017 Assessed Valuation	% of Total Assessed Valuation
1	Prologis Tax Coordinator	Industrial Properties	\$ 71,546,370	3.76%
2	Tarantula Ventures LLC	Industrial Properties	\$ 43,602,700	2.29%
3	Regent O'Hare LLC	Industrial Properties	\$ 43,602,700	2.29%
4	Hamilton Partners Inc.	Industrial Properties	\$ 22,532,049	1.18%
5	Cosmic Ventures LLC	Commercial/Industrial Real Estate	\$ 18,488,706	0.97%
6	Centerpoint Properties	Industrial Properties	\$ 18,403,353	0.97%
7	25 Northwest PNT BVD 400	Commercial/Industrial Real Estate	\$ 14,669,640	0.77%
8	FSP Property Mgmt	Industrial Properties	\$ 14,309,628	0.75%
9	ADP Inc.	Industrial Properties	\$ 12,724,797	0.67%
10	HCR Manocare	Industrial Properties	\$ 11,714,865	0.62%
<b>Total</b>			<b>\$ 271,594,808</b>	<b>14.27%</b>

Notes:

<sup>1</sup> Source: Cook and DuPage County Treasurers' 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.

<sup>2</sup> The figures presented are totals of numerous parcels with a 2017 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.

**CAPITAL ASSETS AS OF APRIL 30, 2018**

	<b>Governmental Activities <sup>1</sup></b>	<b>Business-Type Activities</b>	<b>Total</b>
Land	\$ 12,881,160	\$ -	\$ 12,881,160
Buildings and Land Improvements	\$ 100,751,638	\$ 3,776,092	\$ 104,527,730
Machinery and Equipment	\$ 5,846,373	\$ 3,784,977	\$ 9,631,350
Licensed Vehicles	\$ 10,531,046	\$ 1,531,526	\$ 12,062,572
Infrastructure	\$ 130,919,353	\$ 64,700,162	\$ 195,619,515
Construction in Progress	\$ 19,308,061	\$ 2,868,622	\$ 22,176,683
<b>Subtotal</b>	<b>\$ 280,237,631</b>	<b>\$ 76,661,379</b>	<b>\$ 356,899,010</b>
<b>Less Accumulated Depreciation</b>	<b>\$ 112,203,380</b>	<b>\$ 34,166,960</b>	<b>\$ 146,370,340</b>
<b>Total</b>	<b>\$ 168,034,251</b>	<b>\$ 42,494,419</b>	<b>\$ 210,528,670</b>

Notes:

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



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

Audited <sup>2</sup>

Revenues/Transfers <sup>3</sup>	2013	2014	2015	2016	2017	2018	2019 Budget
Property Taxes	\$ 11,889,023	12,074,318	\$ 11,768,996	\$ 12,466,560	\$ 12,958,914	\$ 13,788,396	\$ 14,430,254
Sales & Use Taxes <sup>4</sup>	15,468,871	18,639,938	18,943,068	19,580,554	20,493,077	20,846,070	20,782,500
Food & Beverage <sup>5</sup>	813,663	840,100	885,262	945,155	963,782	977,029	1,000,000
State Income Tax	2,985,423	3,228,099	3,244,280	3,530,426	3,131,324	3,004,019	3,000,000
Franchise Taxes	284,160	297,758	278,978	294,551	263,402	250,652	264,000
Hotel/Motel Tax <sup>6</sup>	1,288,608	1,399,187	1,563,024	1,601,872	1,593,058	1,558,353	1,600,000
Motor Vehicle Licenses	792,247	694,699	771,149	715,837	565,231	591,812	255,200
Building Permits	882,668	954,485	1,666,695	1,041,268	2,084,177	1,536,202	2,000,000
Other Licenses/Permits	795,898	845,295	681,411	908,619	1,135,800	1,275,113	1,140,000
Charges for Service	1,027,704	1,221,321	1,153,733	1,266,291	1,330,129	1,238,831	1,459,000
Fines & Forfeits	1,408,509	1,286,126	1,390,194	1,458,461	1,507,134	1,130,880	1,134,000
Interest	491,553	438,903	722,055	660,530	661,850	780,369	765,000
Real Estate Transfer Tax	660,821	986,234	757,162	1,274,230	1,111,198	2,465,869	1,300,000
All Other Revenue	4,029,706	4,273,188	9,836,259	9,788,987	10,864,985	11,061,789	8,477,920
Transfers In	-	-	46,420	-	-	-	-
<b>Total Revenues/Transfers In</b>	<b>\$ 42,818,854</b>	<b>\$ 47,179,651</b>	<b>\$ 53,708,686</b>	<b>\$ 55,533,341</b>	<b>\$ 58,664,061</b>	<b>\$ 60,505,384</b>	<b>\$ 57,607,874</b>
<b>Expenditures</b>							
General Government	\$ 4,481,628	\$ 4,435,302	\$ 5,707,627	\$ 5,874,472	\$ 6,417,154	\$ 6,446,715	\$ 8,254,061
Public Safety	30,089,235	32,747,662	35,330,301	36,181,452	38,494,195	40,074,622	39,407,538
Highway and Streets	6,967,822	7,019,397	7,427,242	7,180,295	7,616,623	7,772,451	12,147,414
Transfers Out	-	1,400,000	5,100,000	2,000,000	-	7,192,893	5,200,000
<b>Total Expenditures/Transfers Out</b>	<b>\$ 41,538,685</b>	<b>\$ 45,602,361</b>	<b>\$ 53,565,170</b>	<b>\$ 51,236,219</b>	<b>\$ 52,527,972</b>	<b>\$ 61,486,681</b>	<b>\$ 65,009,013</b>
Revenues Over (Under) Expenditures	\$ 1,280,169	\$ 2,977,290	\$ 5,197,096	\$ 6,297,122	\$ 6,136,089	\$ 6,211,596	\$ (2,201,139)
<b>Fund Balance at April 30</b>	<b>\$ 23,017,322</b>	<b>\$ 24,594,612</b>	<b>\$ 24,738,128</b>	<b>\$ 29,035,250</b>	<b>\$ 35,171,339</b>	<b>\$ 34,190,042</b>	<b>\$ 26,788,903</b>
<b>Assets</b>							
Cash & Investments	\$ 22,474,336	\$ 22,767,837	\$ 22,143,194	25,231,701	\$ 31,819,882	\$ 30,859,039	
Receivables							
Property Taxes	6,429,239	6,151,094	6,539,816	7,167,324	7,607,743	7,763,917	
Other Receivables	630,908	1,055,791	1,042,999	1,267,767	1,241,192	1,060,658	
Due From Other Governments	4,549,417	4,865,423	5,558,367	5,746,902	5,991,813	5,526,735	
Advances to Other Funds	2,367,909	3,418,357	3,728,830	3,150,791	1,804,073	3,559,290	
All Other Assets	2,432,233	2,399,583	1,991,237	2,536,584	3,912,817	2,641,936	
<b>Total Assets</b>	<b>\$ 38,884,042</b>	<b>\$ 40,658,085</b>	<b>\$ 41,004,443</b>	<b>\$ 45,101,069</b>	<b>\$ 52,377,520</b>	<b>\$ 51,411,575</b>	
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>							
<b>Liabilities</b>							
Accounts Payable	\$ 1,125,496	\$ 1,146,327	\$ 1,049,150	1,075,945	\$ 1,431,190	\$ 1,247,325	
Accrued Vacation Liability	1,096,247	1,244,848	1,414,593	502,369	555,696	705,192	
Due to Other Funds	-	-	1,728	4,092	4,897	-	
All Other Liabilities	1,170,859	1,242,966	1,139,842	968,690	1,054,885	759,980	
Deferred Inflows of Resources							
Property Taxes	12,474,118	12,429,332	12,661,002	13,514,722	14,159,513	14,509,036	
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 15,866,720</b>	<b>\$ 16,063,473</b>	<b>\$ 16,266,315</b>	<b>\$ 16,065,818</b>	<b>\$ 17,206,181</b>	<b>\$ 17,221,533</b>	
<b>Fund Balances</b>							
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Reserved for Advances	-	-	-	-	-	-	
Undesignated	-	-	-	-	-	-	
Nonspendable	2,510,321	3,502,181	3,875,791	3,356,201	3,912,817	4,028,168	
Restricted	-	-	-	-	-	-	
Unassigned	20,507,001	21,092,431	20,862,337	25,679,050	31,258,522	30,161,874	
<b>Total Fund Balances</b>	<b>\$ 23,017,322</b>	<b>\$ 24,594,612</b>	<b>\$ 24,738,128</b>	<b>\$ 29,035,251</b>	<b>\$ 35,171,339</b>	<b>\$ 34,190,042</b>	
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 38,884,042</b>	<b>\$ 40,658,085</b>	<b>\$ 41,004,443</b>	<b>\$ 45,101,069</b>	<b>\$ 52,377,520</b>	<b>\$ 51,411,575</b>	

Notes:

<sup>1</sup> 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.  
<sup>2</sup> These condensed financial statements for the General Fund for the years ending April 30, 2013 - 2018, 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 auditors, are available upon request.  
<sup>3</sup> 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%). Effective July 1, 2017, the telecommunications tax increased to 6.00% with the additional 1.00% allocated into the Capital Projects Fund.

<sup>4</sup> Effective May 1, 2017, the Village increased the Natural Gas Use Tax by \$0.01 per therm for a total of \$0.02 per therm. 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%  
<sup>5</sup> Effective August 1, 1998, the Village implemented a 1.00% home rule tax on the sale of prepared food and alcoholic beverages.  
<sup>6</sup> 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,