

VILLAGE OF ITASCA, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Year Ended
April 30, 2016



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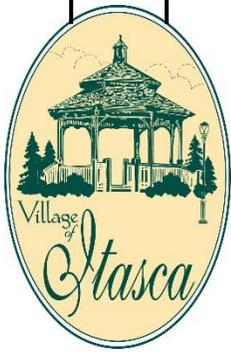
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INTRODUCTORY SECTION



Village of Itasca

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630.773-0835 . Fax 630.773.2505 . www.itasca.com

October 21, 2016

To the Honorable Mayor, Members of the Village Board, and Citizens of the Village of Itasca, Illinois:

The annual report for the Village of Itasca, Illinois, for the year ended April 30, 2016 is hereby submitted. The submittal of this report meets the State of Illinois requirement for all general-purpose local governments to publish, within six months of the closing of the fiscal year, a complete set of audited financial statements presented in conformity with generally accepted auditing standards.

Responsibility for the accuracy of the data in this report and completeness of its presentation lies solely with the Village of Itasca' management. The Village has established internal controls that are designed to protect the municipality's assets from loss, theft and misuse and to compile total and reliable information. As the cost of internal control should not exceed its benefits, the controls in place have been designed to provide reasonable, rather than absolute assurance, that the financial statements presented are free from material misstatements. To the best of our knowledge, this financial report is accurate and complete in all material aspects and fairly reflects the Village's financial position and changes in financial position of the various funds of the Village and the Village as a whole.

We are pleased to report that independent audit firm Sikich LLP has issued an unmodified opinion on the Village of Itasca' financial statements for the year ended April 30, 2016. The independent auditor's report is located at the front of the financial section of this report.

Included with the financial statements is a narrative overview and analysis of the financial statements in the form of *Management Discussion and Analysis (MD&A)*. The MD&A complements this transmittal letter and should be read in conjunction with it. The financial statements include a view at the government-wide level, the fund level, and are supplemented by notes to the financial statements.

Profile of the Government

The Village of Itasca, incorporated in 1890, is located at the junction of Interstate 290, Veterans Memorial Tollway, and the Elgin-O'Hare Expressway. Itasca began with a population of 76, which has since grown to 8,649. The Village covers an area of approximately 5.1 square miles and is located in DuPage County, Illinois, approximately 23 miles northwest of Chicago. Itasca is an upscale, residential community that

prides itself on the high quality of living it affords its residents. It also boasts a large Class A Office park and two manufacturing districts.

The Village is governed by a Board consisting of a mayor and six trustees, all of whom are elected at-large on a non-partisan basis. Policy-making and legislative authority are vested in the Village Board. The board is responsible for, but not limited to, passing ordinances, adopting the budget, appointing committees, and hiring both the Village Administrator and Village Attorney. The Mayor is responsible for appointing the heads of various departments with the Village Board's consent. The Mayor is elected to serve a four-year term and the trustees serve four-year staggered terms, with three Board members elected every other two years. The elected officials collectively work as a unified Board, volunteer their time and resources to advance good government, and remain supportive of the professionals who run daily departmental operations of the Village government.

The Village Administrator is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to-day operations of the government. The Village of Itasca provides a full range of services, including but not limited to; administrative, financial, police protection, public works, snow plowing planning and zoning, economic development, a nature center, code enforcement, and community events. The Village also operates a water and sewer utility.

The annual budget serves as the foundation for the Village of Itasca's financial planning and control. The Village Board is required to adopt a final budget and appropriation ordinance by no later than July 31st. The budget is prepared by each departmental Director and submitted to the Finance Director and Village Administrator for review. It is reflected at a fund, function and activity level. After administrative review and adjustments, the budget is presented to the finance committee and the Village Board for final review. The Village Board holds a public hearing and may add to, subtract from, or change budgeted amounts. After the budget has been adopted, any revisions that alter the total expenditures of any fund requires special approval of the Village Board.

Local Economy and Finances

Itasca is a mature community located in the O'Hare Industrial corridor of the Chicago metropolitan area, with limited land for new development. Equalized assessed valuation, (EAV) of real property at the end of the fiscal year totaled \$556,974,125, a decrease of 24.93% over the past eight years. Additionally, this valuation is an increase of 8.01% over the previous year, which is much better than the decreases the past 5 years. At a rate of 33.3% of market value, the equalized assessed valuation translates into \$1.97 billion of investment in the community.

Approximately 563 businesses operate in the Village, many located in the industrial and business parks in the north part of Itasca. The Village has experienced a steady decline over the past ten years in collected sales tax revenue and the Village is still actively seeking methods to attract and retain retailers. The Village is also moderately dependent on utility taxes that fluctuate with the weather and are often unpredictable. Additionally, due to the lack of state laws limiting Non-Home communities, it is difficult for communities to adjust for diminishing revenues such as telecommunications taxes. Telecommunications tax is steadily declining and is predicted to be obsolete in the next five to ten years

unless Springfield allows municipalities to tax the data packages that are replacing landlines at record rates.

Income tax revenue collections have improved over the prior years. The Village has also experienced solid building permit revenue over that past several years and is predicting to receive favorable permit revenue in FYE17. Although the economy is showing some signs of improvement, the Village remains vigilant in aggressively monitoring operating and capital expenditures to sustain its financial stability.

Long-term Financial Planning

In the fall of 2015, the Village of Itasca Mayor, Board of Trustees, Village Administrator, Village Clerk, Village Attorney, Village Engineer, Department Heads, and other key managerial staff participated in a Strategic Planning process. Prior to a two day planning session, the elected officials and key personnel participated in a survey that led to talking points for the two-day in-person strategic planning sessions. Throughout the two day strategic planning sessions, the selected participants of elected officials and key personnel participated in exercises to develop the Village's plan. The Village hired consultants to facilitate the Hoshin Planning model to guide the process.

One of the outcomes of the strategic planning sessions was the development of a GAP analysis to determine what are the drivers, the means and the desired outcome. The results are recorded as follows:

Driver: What the organization does to produce the outcome.

- Fiscal Sustainability. Maintain a positive financial position with a long-term perspective of achieving greater reliance on local revenue sources. Ensure that operating revenues and expenditures are in balance, while continuing to invest in critical infrastructure.
- Policies and Procedures. Village operations provide consistent, effective and efficient use of Village Resources.
- Intergovernmental Relations. Village will work with other government entities to meet our service and quality goals.

Means: How the organization produces the outcome.

- Economic Development. Maintain and promote a diverse and thriving business community.
- Staffing Priorities. Village values and prioritizes personnel initiatives.
- Infrastructure and Capital. Upgrade of Village Properties, resolution of the Waste Water Treatment Plant, and aesthetic issues.

Outcome: What is the desired result.

- ✓ Quality of Life. Residents and businesses have quiet enjoyment of their property.
- ✓ Resident Satisfaction. Establish initiatives to engage residents to determine needs and desires achieving satisfaction by beneficiaries.

The Village Board has a collective agreement that keeping fiscal sustainability, following policies and procedures, and pursuing intergovernmental relations are at the core of short-term and long-term decisions is what will drive the quality of life and resident satisfaction for the Village. The Village is dedicated to pursuing economic development opportunities, addressing staffing priorities and prioritizing improving infrastructure and capital as a means of obtaining the outcome.

The Village Board and staff have identified projects that are scheduled out for the next one to five years in order to move towards the desired outcome of resident satisfaction and quality of life. The Village has been proactive this year in working with other government entities in order to achieve these goals. Additionally, the Village has plans to adopt updated financial policies and procedures during FYE 17.

The Village Board and staff have developed a five year Capital Improvement Plan that it updates and adopts each year prior to the start of the budget process.

The budget for the twelve months ended April 30, 2017 is balanced which is a critical component of fiscal sustainability. The focus for managing the 2017 budget will involve critically examining each line item searching for opportunities for cost savings and improved service. As a non-home rule community the Village is vulnerable to the impacts of declined revenue without sufficient means to raise revenues without voter approval, uncertainty of what Springfield could impose on local governments, both through unfunded mandates and reduced revenues, and pension expenses that are increasing at a rate faster than what we are able to collect through property tax increases due to PTELL. The Village Board's directive for the past several years indicated a strong Village commitment to annually increase our fund balances as a priority for long term financial health. The Village is pleased to report that as of April 30, 2016, the fund balance in the general fund is \$9,677,387, which is equal to 89.7% of the 2017 operating expenditure budget. This balance exceeds the Village's goal of 50% of the following year's annual operating budget.

Major Initiatives

The Village has long sought the creation of a Quiet Zone for the railroad tracks. A quiet zone is a status whereby trains are not required to blow their horns as they pass at grade crossings, which is a federal mandate. To establish the quiet zone, the Village did have to put up the medians on Prospect, Walnut, Catalpa and Rohlwing. The Village was successful during FYE 2016 at establishing the Quiet Zone, however, trains are still required to blow their horns if they see a safety related issue, such as a pedestrian walking around the downed gates.

Construction on the Elgin-O'Hare Expressway (IL-390) has begun, and the Village is doing all that it can to position itself to take advantage of this project now and into the future. With the construction of the new IL-390 highway, the Village has joined forces with Elk Grove Village, Roselle, Hanover Park and Schaumburg to oppose the project proposed by Com Ed to install 150' high poles along IL 390 from Prospect Avenue west to the Village of Hanover Park.

The Village of Itasca, through the Suburban O'Hare Commission and the O'Hare Noise Compatibility Commission, has been working with the FAA to update the plan on rotating the use of runways overnight to provide relief to those living under the runways that are frequently used. Initial efforts and feedback has been critical in the analysis of success in reducing the noise heard by the airplanes. These efforts will continue during FYE 17.

In 2016, the Itasca Police Department became an accredited police agency through the Illinois Association of Chiefs of Police (ILACP). The program entitled Illinois Law Enforcement Accreditation Program (ILEAP) recognizes professional police management practices with respect to policies and procedures,

discipline and training. Also in January of 2016, the Itasca Police Department undertook the closing of their communication center to a consolidated dispatch center entitled (ACDC) Addison Combined Dispatch Center.

In the spring of 2016, the Community Development department issued its first set of permits to a developer to build three apartment buildings that house 300 units along Arlington Heights Road. These apartments are considered to be luxury units. The Village is also issuing permits for new home construction and a new medical association facility in the Hamilton Lakes corridor. As these land plans work their way through the entitlement process, the 2017 budget conservatively reflects this growth in revenue.

Acknowledgements

We express our appreciation to Mayor Jeffery Pruyn and the Village Board of Trustees for their interest and support in planning and conducting the operations of the Village of Itasca in a responsible manner. The preparation of this report could not have been accomplished without the dedicated services of the Finance Department staff. We would like to express our appreciation to all Finance Department staff that assisted and contributed in the preparation of this report. We are pleased to present to you the Annual Financial Report as we continue to pursue our goal of operating municipal services with excellence and within a balanced budget.

Respectfully Submitted,



Evan Teich
Village Administrator



Julie Ciesla, CPFO
Finance Director

VILLAGE OF ITASCA, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2016

LEGISLATIVE

Jeff Pruyn, President

Board of Trustees

Jeff Aiani

Marty Hower

Ellen Leahy

Michael Latoria

Frank Madaras

Lucy Santorsola

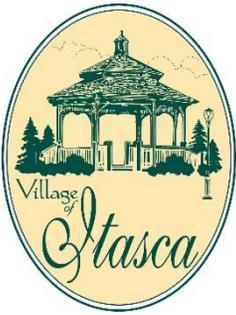
Melody Craven, Clerk

William Fates, Treasurer (appointed)

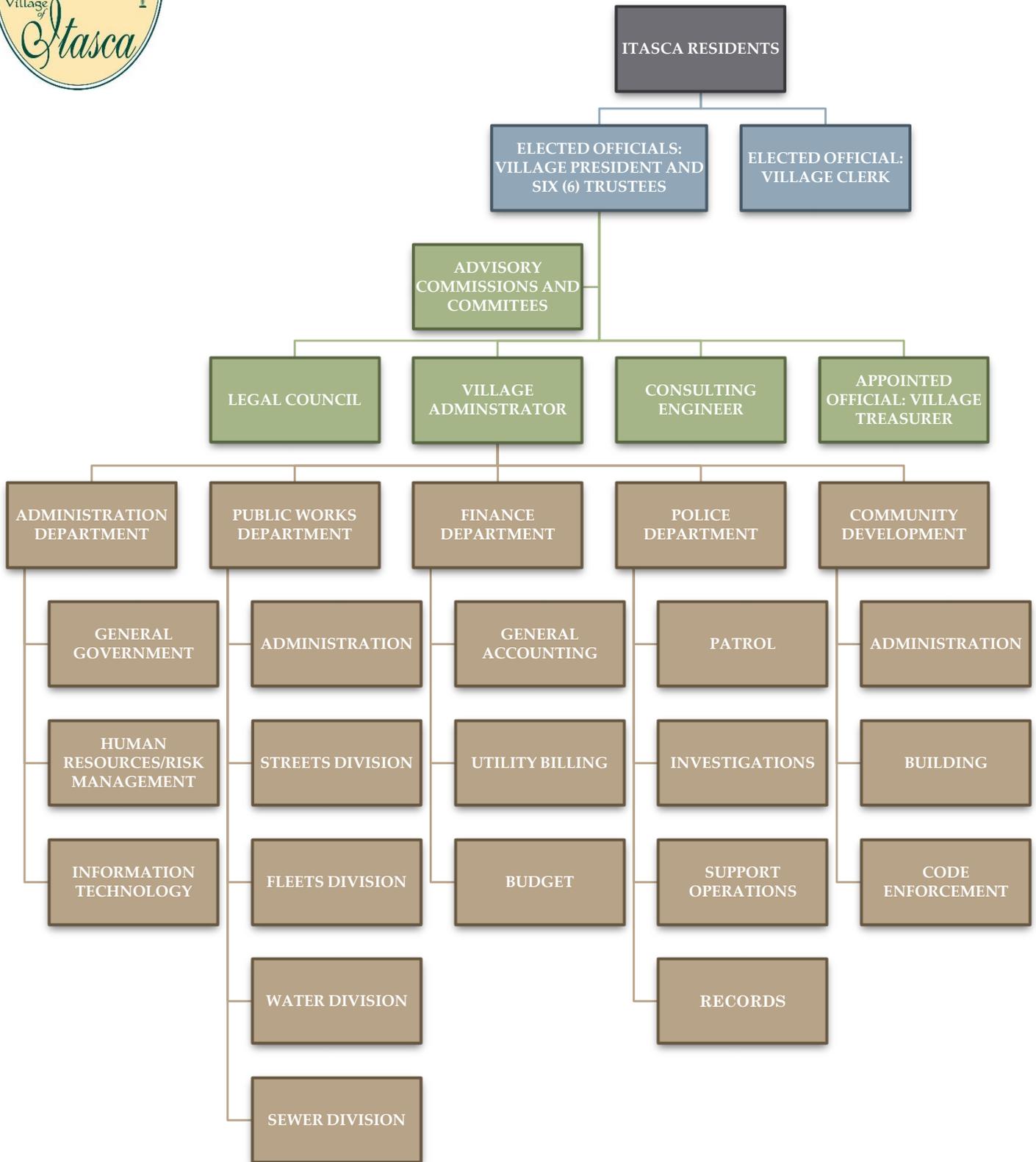
ADMINISTRATIVE

Evan Teich, Village Administrator

Julie Ciesla, Finance Director



VILLAGE OF ITASCA MUNICIPAL ORGANIZATION STRUCTURE



FINANCIAL SECTION



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Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Itasca, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Itasca, Illinois (the Village), as of and for the year ended April 30, 2016, and the related notes to 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 the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Itasca, Illinois, as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 12, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to Measurement Date*. The implementation of this guidance established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; modified certain disclosures in the notes to financial statements; and the required supplementary information. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and supplemental data are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements

and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section and the supplemental data 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.

Sikich LLP

Naperville, Illinois
October 18, 2016

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

As the management of the Village of Itasca (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2016. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Letter of Transmittal on pages ii through vi and the Village's financial statements beginning on page 4.

FINANCIAL HIGHLIGHTS

- Net Position for the prior year was restated for both governmental activities and business-type activities related to the recording of the net pension liabilities for IMRF and the Police pension funds. Total Net Position was restated and reduced by \$14.1 million, from \$102.3 million to \$88.2 million.
 - The prior year's net position of governmental activities was restated and reduced by \$13.6 million from \$91.3 million to \$77.7 million.
 - The prior year's net position of business-type activities was restated and reduced by \$0.5 million from \$11.0 million to \$10.5 million.
- Total Village's net position decreased from \$88.2 million as of April 30, 2015 to \$85.1 million as of April 30, 2016.
- As of April 30, 2016, the unrestricted fund balance for the General fund balance was \$9.7 million or 76.5% of General Fund expenditures.

USING THE FINANCIAL SECTION OF THIS ANNUAL REPORT

In accordance with generally accepted accounting principles, the Village presents its financial statements so as to offer two perspectives of its financial position and results of operations. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the Village for specific purposes. The focus of the fund statements is on major funds. Both perspectives (government-wide and major fund) address likely user questions, provide a broad basis for comparison (year to year or government to government), and enhance the Village's accountability.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the aggregate difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Additionally, one would need to evaluate nonfinancial factors, such as the condition of Village

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

infrastructure, the satisfaction of constituents, and other information beyond the scope of this report to make a more complete assessment of whether the Village as a whole has improved or deteriorated.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as an event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, community development, and public works. The business-type activities of the Village include a water and sewer system. Fiduciary activities, such as employee pension plans, are not available to fund Village programs and, therefore, are not included in government-wide statements.

The Village's financial reporting includes the funds of the Village (primary government). The Village is required to adopt the library tax levy and the budget in the form of the appropriations ordinance. The library has a separate governing board that is elected, and therefore, the Village is not financially accountable for the Library because the Library is not a component unit. The financial information for the Library is reported separately from the financial information of the Village.

The government-wide financial statements can be found on pages 4 through 7 of this report.

Fund Financial Statements.

A fund is a grouping of related accounts that is used to maintain control over resources segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the Village can be divided into three categories: 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. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains 12 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and General Obligation 2008 Fund, which are considered to be "major" funds. Data from the other 10 governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic government fund financial statements are presented on pages 8-11 of this report.

Proprietary funds. The Village maintains one proprietary fund, the enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water and sewer utilities function. Proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail. As the proprietary funds are reported on a full accrual bases, the Village of Itasca fund statements for the Water and Sewer fund mirror the government-wide statements.

The basic proprietary fund financial statements are presented on 12-14 of this report.

Fiduciary funds. Fiduciary Funds are used to account for resources held for 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 own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village maintains one fiduciary fund: the Police Pension Fund.

The basic fiduciary fund financial statements are presented on pages 15-16 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 17 of this report.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budget to actual comparisons for the General Fund and major governmental funds and the Village's progress in funding its obligation to provide pensions to its employees. Required supplementary information can be found on pages 53 through 61 of this report. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 62 through 87 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. The following table reflects the condensed Statement of Net Position.

| Statement of Net Position | | | | | | |
|---|---------------------|---------------------|--------------------|---------------------|---------------------|----------------------|
| As of April 30, 2016 and 2015 | | | | | | |
| | Governmental | | Business Type | | Total | |
| | Activities | | Activities | | Primary Government | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Current & Other Assets | \$21,403,617 | \$21,834,137 | \$2,014,641 | \$2,321,251 | \$23,418,258 | \$24,155,388 |
| Capital Assets | 86,053,552 | 87,863,906 | 44,208,251 | 46,072,463 | 130,261,803 | 133,936,369 |
| Deferred Outflow of Resources | 4,549,423 | 75,814 | 513,466 | - | 5,062,889 | 75,814 |
| Total Assets and Deferred Outflows | 112,006,592 | 109,773,857 | 46,736,358 | 48,393,714 | 158,742,950 | 158,167,571 |
| Current Liabilities | 3,564,239 | 2,973,358 | 2,354,442 | 33,881,285 | 5,918,681 | 36,854,643 |
| Non-Current Liabilities | 29,178,385 | 12,187,004 | 35,201,737 | 3,521,474 | 64,380,122 | 15,708,478 |
| Deferred Inflow of Resources | 3,361,804 | 3,322,783 | - | - | 3,361,804 | 3,322,783 |
| Total Liabilities and Deferred Inflows | 36,104,428 | 18,483,145 | 37,556,179 | 37,402,759 | 73,660,607 | 55,885,904 |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 77,774,223 | 78,202,970 | 8,705,616 | 9,467,059 | 86,479,839 | 87,670,029 |
| Restricted | 5,315,395 | 5,503,700 | - | - | 5,315,395 | 5,503,700 |
| Unrestricted | (7,187,454) | 7,584,042 | 474,563 | 1,523,896 | (6,712,891) | 9,107,938 |
| Total Net Position | \$75,902,164 | \$91,290,712 | \$9,180,179 | \$10,990,955 | \$85,082,343 | \$102,281,667 |

A large portion of the Village's net position, \$86,479,839 or 101.6 percent, reflects its investment in capital assets (for example, land, buildings and improvements, and equipment and vehicles), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

GOVERNMENT-WIDE FINANCAL ANALYSIS (cont.)

An additional portion, \$5,315,395 or 6.2 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. As of April 30, 2016, the Village is reporting unrestricted net position of (\$6,712,891) or (7.8) percent. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

Activities

The following table summarizes the revenue and expenses of the Village's activities.

| | Changes of Net Position For the Fiscal Year Ended April 30, 2016 and 2015 | | | | | |
|--------------------------------|--|----------------------|-----------------------------|----------------------|-----------------------------|-----------------------|
| | Governmental Activities | | Business Type Activities | | Total Primary Government | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| REVENUES | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | \$ 1,214,340 | \$ 1,428,309 | \$ 7,568,954 | \$ 6,561,926 | \$ 8,783,294 | \$ 7,990,235 |
| Grants and Contributions | | | | | | |
| Operating | 221,232 | 211,962 | - | - | 221,232 | 211,962 |
| Capital | 32,399 | 153,613 | - | - | 32,399 | 153,613 |
| General Revenues | | | | | | - |
| Property Taxes | 3,529,622 | 3,269,634 | - | - | 3,529,622 | 3,269,634 |
| Other Taxes | 8,785,600 | 9,560,968 | 448,652 | 451,661 | 9,234,252 | 10,012,629 |
| Other | 1,058,299 | 763,808 | 184,463 | 290,304 | 1,242,762 | 1,054,112 |
| Total Revenues | 14,841,492 | 15,388,294 | 8,202,069 | 7,303,891 | 23,043,561 | 22,692,185 |
| EXPENSES | | | | | | |
| General Government | 3,479,155 | 4,703,106 | - | - | 3,479,155 | 4,703,106 |
| Public Safety | 6,058,119 | 5,440,539 | - | - | 6,058,119 | 5,440,539 |
| Community Development | 942,210 | 753,760 | - | - | 942,210 | 753,760 |
| Public Works | 5,642,221 | 6,281,524 | - | - | 5,642,221 | 6,281,524 |
| Water and Sewer | - | - | 9,558,386 | 8,637,501 | 9,558,386 | 8,637,501 |
| Interest Expense | 478,048 | 567,260 | - | - | 478,048 | 567,260 |
| Total Expenses | 16,599,753 | 17,746,189 | 9,558,386 | 8,637,501 | 26,158,139 | 26,383,690 |
| Changes in Net Position | | | | | | |
| before transfers | (1,758,261) | (2,357,895) | (1,356,317) | (1,333,610) | (3,114,578) | (3,691,505) |
| Transfers | - | (490,777) | - | 490,777 | - | - |
| Change in Net Position | (1,758,261) | (2,848,672) | (1,356,317) | (842,833) | (3,114,578) | (3,691,505) |
| Net Position, May 1 | 91,290,712 | 94,139,384 | 10,990,955 | 11,833,788 | 102,281,667 | 105,973,172 |
| Change in accounting principle | (13,630,287) | - | (454,459) | - | (14,084,746) | - |
| Net Position, May 1, restated | 77,660,425 | 94,139,384 | 10,536,496 | 11,833,788 | 88,196,921 | 105,973,172 |
| Net Position, April 30 | \$ 75,902,164 | \$ 91,290,712 | \$ 9,180,179 | \$ 10,990,955 | \$ 85,082,343 | \$ 102,281,667 |

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont.)

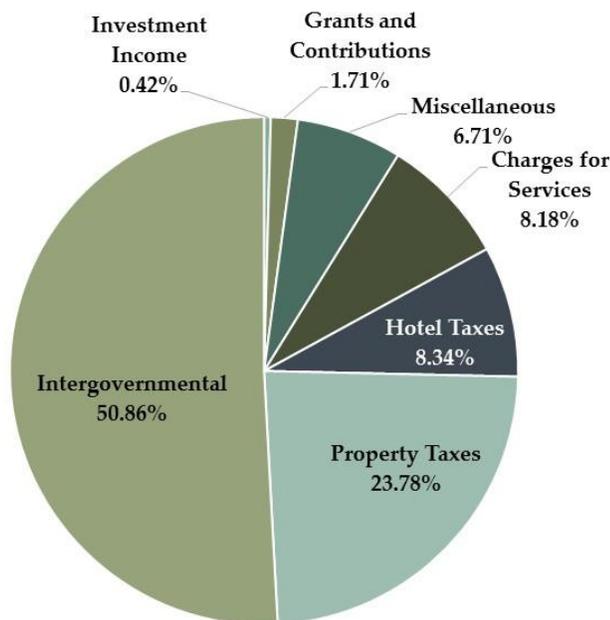
The Village's combined net position decreased by \$3.1 million from \$88.2 to \$85.1 million during 2016. This change is the result of \$1.8 million and \$1.4 million decreases in the net position of governmental activities and business-type activities, respectively. The change in net position was significantly impacted by the Village's implementation of Statement No. 68, Accounting and Financial Reporting for Pensions, of the Governmental Accounting Standards Board. The implementation of this new financial reporting standard entailed the recognition of net pension liabilities totaling \$20.3 million and deferred outflows of resources amounting to \$5.0 million as of April 30, 2016. These items pertain to the Village's participation in the Itasca Police Pension Fund, and Illinois Municipal Retirement Fund. Under previous financial reporting standards, the Village was only required to report its obligations to the pension funds as required supplementary information (i.e., the obligations did not affect the statement of net position).

For more detailed information, see the Statement of Net Position on pages 4 and 5.

Governmental Activities

Revenues for governmental activities totaled \$14.8 million, while the cost of all governmental functions totaled \$16.6 million. This results in a decrease in net position before transfers and change in accounting principle of \$1.8 million. For the year ended April 30, 2015, revenues of \$15.4 million were less than expenses of \$17.7 million, resulting in decrease in net position before transfers of \$2.4. The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance on property taxes and intergovernmental revenues and taxes to fund governmental activities.

Governmental Activities as of April 30, 2016
% of Revenues by Source



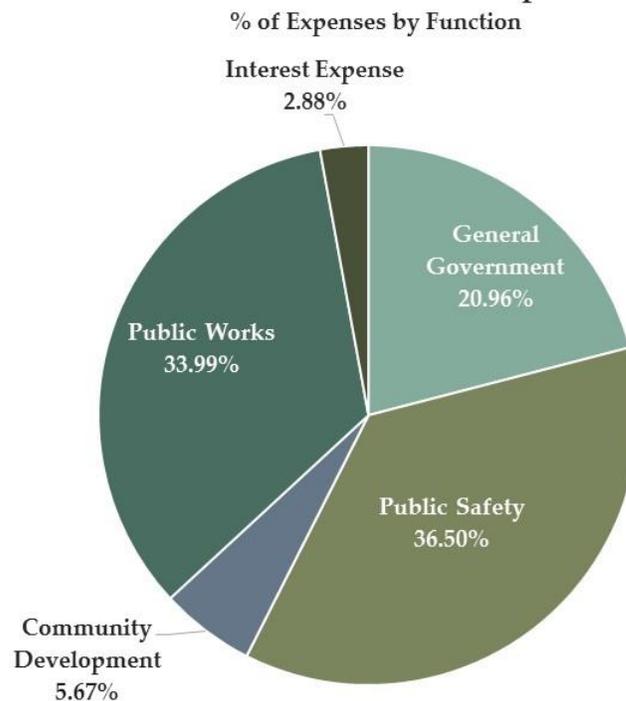
VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont.)

FYE 2016 expenses for governmental activities totaled \$16.6 million, decreasing by \$1.1 million or 6.5% compared to FYE 2015 expenses.

Itasca's largest share of costs allocated to governmental activities was in the area of Public Safety (law enforcement), accounting for 36.50% of total governmental expenses. This was followed by Public Works activities, making up 33.99% of total governmental spending, which includes Public Works operating and maintenance activities as well as the Village's infrastructure rehabilitation and replacement program. General Government activities and interest expense round out total governmental activities at 20.96% which includes legislative boards and commissions, general administration, legal services, financial management, engineering services, employee relations, and building maintenance. Community Development, accounts for 5.67% of total government spending, and Interest Expense accounts for 2.88% of total government spending.

Governmental Activities as of April 30, 2016



Business-Type activities

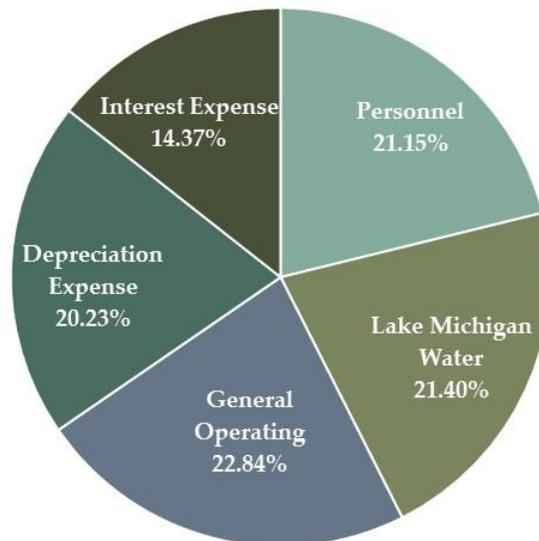
Business-Type activities posted total revenues of \$8.2 million, while the cost of all business-type activities totaled \$9.6 million. This results in a decrease in net position before transfers of \$1.4 million. The primary reason for this decrease is attributable to the depreciation expense and interest payments and operations of the sewer system. For the year ended April 30, 2015, revenues of \$7.3 million were less than expenses of \$8.6 million, resulting in a decrease in net position before transfers of \$1.3 million.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Itasca's total business-type activities are limited to the activities of its sole enterprise fund, the Water and Sewer Fund. Total expenses for water and sewer activities for FY2016 totaled \$9.6 million, an increase of over \$0.9 million or 10.7% from the prior year. Water and sewer activities include the purchase of Lake Michigan water through the Village's participation in the DuPage Water Commission, maintaining the Village's water distribution systems including mains, pumps, reservoirs, metering and billing, as well as, the maintenance of the Village's sanitary sewage collection system and its treatment at the Sewer Treatment Plan. Total system expenses can be categorized in the following manner:

Business Type Activities as of April 30, 2016
% of Expenses by Type



Governmental Funds

As noted earlier, the focus of fund reporting is the short-term inflow and outflow of expendable resources. Fund balance is a useful indicator in assessing available resources with respect to meeting future obligations.

At April 30, 2016 governmental funds reported combined fund balances of \$14.9 million. Of this amount, \$9.6 million is unassigned and is available for future obligations. About \$5.3 million is restricted, with \$2.2 million for tourism, generated by the hotel tax, \$2.2 million for capital projects and \$0.5 million for debt service. The remainder of restricted funds relate to public safety, and highway and streets.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (cont.)

Major Governmental Funds

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. For the fiscal year ended April 30, 2016, fund balance in the General Fund decreased by \$486,414 from current year activities. Change to fund balance is a combination of revenues of \$12.0 million compared to expenditures of \$12.6 million, adjusted for other financing sources and uses of a net \$135,972. Other financing sources represent a transfer from the Hotel Tax Fund to support the operations of the Nature Center. After all activity and adjustments are accounted for, the General Fund has an ending fund balance of \$9.7 million.

Proprietary Funds

The focus for the proprietary fund at the fund level is synonymous with that found at the government-wide level. Reporting is on a full-accrual basis with short-term and long-term emphasis on financial data. The Water and Sewer Fund is the sole proprietary fund for the Village of Itasca. This fund records all financial activity relating to the municipality's water and sewer operations. The Water and Sewer Fund provides the same type of information in the government-wide financial statements reflected as "Business-type" activities, but in more detail.

At April 30, 2016, net position of the proprietary fund totaled \$9.2 million. Cash and investments totaled \$1.0 million, a decrease of \$8,151. Operating revenues increased 13.1% from the previous year to \$7.7 million. The consumption was down from the prior year about 0.71%. Operating expenses (including depreciation) of \$9.6 million were 10.7% higher than the previous year. Operating expenses are artificially high due to the costs associated with operating the sewer plant at less than optimal levels. January 1st 2016, the volumetric rate increased by about 7.5% and the fixed revenue rate structure was adjusted to bring in an additional \$500,000 annually to offset the predicted shortfall the fund would experience to meet the service demands to maintain and operate a water and sewer system. The projected rate increases are sufficient to account for a consistent decline of 2.5% in water usage, debt repayment, anticipated debt repayment of loans related to correcting the treatment plant, ongoing litigation and engineering expenses related to the treatment plant, increasing resources dedicated to capital expenditures, and to accumulate sufficient reserves to meet the funds current liabilities.

Fiduciary Funds

The Village's one single-employer pension plan experienced a net decrease in the Net Position of \$788,156 in the fiscal year ended April 30, 2016. Deductions for benefits and other smaller items increased about 18%, from \$1.1 million in the prior year to \$1.3 million this year. Cash and investments totaled \$14.5 million as of April 30th.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS (cont.)

General Fund Budgetary Highlights

The original budget for the General Fund and actual expenditures did not exceed the budgeted amount. The General Fund was budgeted to use fund reserves of \$1.1 million in FYE 2016, with revenues at \$14.0 million and expenses at \$15.1 million. Revenues in the general fund were \$1.5 million under budget. The majority of the decrease is due to unfavorable budget variances in: utility taxes (\$202,464), grants (\$425,141), state sales taxes (\$628,993), and a deferred developer contribution of (\$125,000). Expenditures in the general fund were \$2.5 million under the budget. This was due in a large part to having vacant positions for extended periods of time, capital projects not being completed, budgeted transfer out was reallocated as a loan from another fund, as well as, continued cost reduction efforts.

General Fund Budgetary Highlights
Fiscal Year Ended April 30, 2016

| | Final Budget | Actual |
|---|-----------------------|---------------------|
| REVENUES | | |
| Taxes | \$ 2,838,594 | \$ 2,564,342 |
| Licenses and permits | 801,550 | 756,655 |
| Intergovernmental | 8,111,968 | 7,391,561 |
| Charges for Services | 144,000 | 148,505 |
| Fines and foreits | 360,750 | 309,180 |
| Other revenue | 1,345,692 | 861,247 |
| Total revenues | 13,602,554 | 12,031,490 |
| EXPENDITURES | | |
| General Government | \$2,786,324 | \$2,280,683 |
| Public safety | 6,163,111 | 5,543,869 |
| Community Development | 1,158,754 | 895,383 |
| Public works | 3,920,286 | 3,241,538 |
| Debt Services | 692,400 | 692,403 |
| Total expenditures | 14,720,875 | 12,653,876 |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers (out) | (430,000) | - |
| Transfers (in) | 413,215 | 135,972 |
| Total other financing sources (uses) | (16,785) | 135,972 |
| Net Change in Fund Balance | \$ (1,135,106) | \$ (486,414) |
| Fund Balance, May 1 | | 10,163,801 |
| Fund Balance, April 30 | | \$ 9,677,387 |

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The Village's investment in capital assets for both its governmental and business-type activities as of April 30, 2016 is \$130.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles and equipment, infrastructure, sewer lines, water lines, water towers, water wells and water treatment facilities as well as intangible assets. The following schedule reflects the Village's capital asset balances as of April 30, 2016.

| | Capital Assets | | | | | |
|--|---------------------------------|----------------------|-----------------------------|----------------------|-----------------------------|-----------------------|
| | Net of Accumulated Depreciation | | | | | |
| | Governmental Activities | | Business Type Activities | | Total Primary Government | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Land and improvements | \$ 40,473,800 | \$ 40,473,800 | \$ 1,335,645 | \$ 1,335,645 | \$ 41,809,445 | \$ 41,809,445 |
| Capital Assets, being depreciated | | | | | | |
| Building and Improvements | 12,711,458 | 12,980,590 | - | - | 12,711,458 | 12,980,590 |
| Machinery and Equipment | 331,804 | 323,422 | 326,978 | 273,138 | 658,782 | 596,560 |
| Transportation equipment | 494,421 | 442,652 | - | - | 494,421 | 442,652 |
| Infrastructure | 32,042,069 | 33,643,442 | - | - | 32,042,069 | 33,643,442 |
| Water and sewer systems | | - | 42,545,628 | 44,464,000 | 42,545,628 | 44,464,000 |
| Total Capital Assets, being depreciated | 45,579,752 | 47,390,106 | 42,872,606 | 44,737,138 | 88,452,358 | 92,127,244 |
| Total | \$ 86,053,552 | \$ 87,863,906 | \$ 44,208,251 | \$ 46,072,783 | \$ 130,261,803 | \$ 133,936,689 |

Capital additions for the year totaled \$1.2 million for governmental funds and \$126,439 for the business-type activities of the water and sewer fund. Additions included the following major projects:

Governmental Funds:

- \$204,000 on Transportation Equipment, for a bucket truck and four vehicles.
- \$65,806 on Machinery and Equipment, for a compressor, copier, squad car computers, vehicle lift and salt spreader.
- \$984,595 million on Infrastructure, for storm water drainage improvements and park enhancements at Happy Acres including a walking path and fishing dock.

Business-Type Fund:

- \$126,000 on Machinery and Equipment, for pumps and a vehicle lift

Additional information on the Village's capital assets is presented in the notes to the basic financial statements on pages 28 and 29.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

CAPITAL ASSETS AND DEBT ADMINISTRATION (cont.)

Long-term debt

During the fiscal year, bonded debt was decreased by \$2.6 million. At the end of the fiscal year, the Village had total bonded debt outstanding of \$34.1 million. Of this amount, \$7.6 million is funded directly from property taxes. As a non-home rule government, under Illinois Law, the Village is limited to issuing debt to a level no greater than 8.625 % of the equalized assessed value. As of April 30, 2016 the Village debt represented 1.4% of the equalized assessed value.

| | Long-Term Debt Outstanding | | | | | |
|---------------------------------------|-----------------------------------|----------------------|----------------------|----------------------|---------------------------|----------------------|
| | Governmental | | Business Type | | Total | |
| | Activities | | Activities | | Primary Government | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| General Obligation Bonds | \$ 3,440,000 | \$ 4,225,000 | \$ 22,980,000 | \$ 23,330,000 | \$ 26,420,000 | \$ 27,555,000 |
| General Fund Refunding Certificates | 4,160,000 | 4,665,000 | - | - | 4,160,000 | 4,665,000 |
| Special Service Area Bonds | 3,535,000 | 3,705,000 | - | - | 3,535,000 | 3,705,000 |
| IEPA Loan | - | - | 12,000,000 | 12,750,000 | 12,000,000 | 12,750,000 |
| IDOT Loan | - | - | 458,946 | 458,946 | 458,946 | 458,946 |
| Bonded Debt Total | 11,135,000 | 12,595,000 | 35,438,946 | 36,538,946 | 46,573,946 | 49,133,946 |
| Compensated Absences | 701,697 | 787,167 | 160,194 | 168,286 | 861,891 | 955,453 |
| Net postemployment benefit obligation | 32,136 | 32,553 | - | - | 32,136 | 32,553 |
| Net pension liability | 18,648,642 | 13,546,680 | 1,117,854 | 498,831 | 19,766,496 | 14,045,511 |
| Other | 303,915 | 351,750 | 63,689 | 66,458 | 367,604 | 418,208 |
| Combined LT Debt Total | 19,686,390 | 14,718,150 | 1,341,737 | 733,575 | 21,028,127 | 15,451,725 |
| Total | \$ 30,821,390 | \$ 27,313,150 | \$ 36,780,683 | \$ 37,272,521 | \$ 67,602,073 | \$ 64,585,671 |

Bond Ratings

During the spring of 2016, the village was able to maintain its Aa2, very strong credit position, bond rating from Moody's. Maintaining the Aa2 stable was based on the following factors:

- Robust financial position
- Strong socioeconomic profile
- Solid tax base
- Mid-ranged debt liability and sizable pension burden

Additional information on the Village's long-term debt is presented in the notes to the basic financial statements on pages 29 to 32.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

ECONOMIC FACTORS

The local Village economy continues to hold firm in spite of a weak State economy. The Village of Itasca is primarily an affluent residential community heavily reliant on property, sales taxes and utility sales.

- The Village is directly impacted by the financial condition of the State of Illinois. The political environment in Springfield is being closely monitored for legislation that could reduce or eliminate the shared revenue, and in turn impact the level of service to the residents.
- The Illinois Department of Revenue certified the CPI used for calculating the Village's 2015 tax Levy to be 0.7%. Any increase in CPI along with the value of new construction will be used to offset the growing cost of funding for the police pension fund for the village. The Village has been impacted by actuarial assumption changes in the calculation of the Annual Required Contribution (ARC). The increases in the ARC have been higher than the combined CPI and new construction, as a result, has decreased the portion of the property tax levy available for operations by \$150,000 in FY 2016.
- The Village has a strong reliance on sales tax revenue. During 2015, two of the top 10 sales tax providers are no longer in business or have moved to another taxing district. The village will continue to monitor economic trends relating to retail sales and adjust forecasts/spending as appropriate.
- As of April 30, 2016, two union contracts for police personnel will be expired and negotiations are underway. The Village will work towards negotiating reasonable salary and benefit increases that are predicted to be in-line with market conditions, allowing for increased stability in the operating budget of the village.

The above factors were taken into consideration for funding and planning purposes for current and future fiscal years. At April 30, 2016 the unrestricted fund balance of the General Fund was 76.5% of total expenditures of the current year and 89.7% of the budgeted expenditures for the fiscal year ending April 30, 2017. Both figures are well above the current practiced policy of 50%.

As we have done in the past, regardless of what adverse actions against municipal revenues may result from Springfield, we are prepared to take actions necessary to ensure we are able to continue to operate within our means while meeting the service needs of the community.

The Water/Sewer Fund had cash and investments of \$1.0 million as of April 30, 2016. The fund also had unrestricted net position of \$474,563. The Village monitors both revenues and expenses to determine the rate levels necessary to cover the maintenance and long term replacement infrastructure needs of the Water/Sewer Fund. The Village Board approved a rate increase plan, with increases effective January 1st of each year.

VILLAGE OF ITASCA, ILLINOIS
Management's Discussion and Analysis
For the Year Ended April 30, 2016

CONTACTING THE VILLAGE'S FINANCIAL MANGEMENT

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 Julie Ciesla, Finance Director, Village of Itasca, 550 N. Irving Park Road, Itasca, IL.

BASIC FINANCIAL STATEMENTS

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

| | Primary Government | | |
|---|------------------------------------|-------------------------------------|--------------------|
| | Governmental Activities | Business-Type Activities | Total |
| ASSETS | | | |
| Cash and investments | \$ 14,451,635 | \$ 1,041,777 | \$ 15,493,412 |
| Receivables | | | |
| Property taxes | 3,361,804 | - | 3,361,804 |
| Accounts receivable | - | 1,402,864 | 1,402,864 |
| Sales and income taxes | 1,076,196 | - | 1,076,196 |
| Other | 669,241 | - | 669,241 |
| Due from library | 1,402,748 | - | 1,402,748 |
| Due from fiduciary fund | 11,993 | - | 11,993 |
| Internal balances | 430,000 | (430,000) | - |
| Capital assets | | | |
| Capital assets not being depreciated | 40,473,800 | 1,335,645 | 41,809,445 |
| Capital assets being depreciated (net of accumulated depreciation) | 45,579,752 | 42,872,606 | 88,452,358 |
| Total assets | 107,457,169 | 46,222,892 | 153,680,061 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension Items - IMRF | 692,184 | 513,466 | 1,205,650 |
| Pension Items - Police Pension | 3,797,653 | - | 3,797,653 |
| Unamortized loss on refunding | 59,586 | - | 59,586 |
| Total deferred outflows of resources | 4,549,423 | 513,466 | 5,062,889 |
| Total assets and deferred outflows of resources | 112,006,592 | 46,736,358 | 158,742,950 |

(This statement is continued on the following page.)

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2016

| | Primary Government | | |
|---|------------------------------------|-------------------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | Total |
| LIABILITIES | | | |
| Accounts payable | \$ 885,498 | \$ 409,254 | \$ 1,294,752 |
| Accrued payroll | 80,221 | 25,058 | 105,279 |
| Accrued interest | 176,685 | 341,184 | 517,869 |
| Unearned revenue | 62,575 | - | 62,575 |
| Escrow deposits | 536,851 | - | 536,851 |
| Due to library | 171 | - | 171 |
| Due to other governments | 179,233 | - | 179,233 |
| Noncurrent liabilities | | | |
| Due within one year | 1,643,005 | 1,578,946 | 3,221,951 |
| Due in more than one year | 29,178,385 | 35,201,737 | 64,380,122 |
| | | | |
| Total liabilities | 32,742,624 | 37,556,179 | 70,298,803 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Property taxes | 3,361,804 | - | 3,361,804 |
| | | | |
| Total liabilities and deferred inflows of resources | 36,104,428 | 37,556,179 | 73,660,607 |
| NET POSITION | | | |
| Net investment in capital assets | 77,774,223 | 8,705,616 | 86,479,839 |
| Restricted | | | |
| Public safety | 35,375 | - | 35,375 |
| Streets | 320,821 | - | 320,821 |
| Tourism | 2,252,892 | - | 2,252,892 |
| Debt service | 485,254 | - | 485,254 |
| Special service areas | 2,221,053 | - | 2,221,053 |
| Unrestricted | (7,187,454) | 474,563 | (6,712,891) |
| | | | |
| TOTAL NET POSITION | \$ 75,902,164 | \$ 9,180,179 | \$ 85,082,343 |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues | | |
|---------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| PRIMARY GOVERNMENT | | | | |
| Governmental Activities | | | | |
| General government | \$ 3,479,155 | \$ - | \$ - | \$ - |
| Public safety | 6,058,119 | 309,180 | - | - |
| Community development | 942,210 | 756,655 | - | 32,399 |
| Public works | 5,642,221 | 148,505 | 221,232 | - |
| Interest expense | 478,048 | - | - | - |
| Total governmental activities | 16,599,753 | 1,214,340 | 221,232 | 32,399 |
| Business-Type Activities | | | | |
| Water and sewer | 9,558,386 | 7,568,954 | - | - |
| TOTAL PRIMARY GOVERNMENT | \$ 26,158,139 | \$ 8,783,294 | \$ 221,232 | \$ 32,399 |

| | Net (Expense) Revenue and Changes in Net Position | | |
|--------------------------------|--|-------------------------------------|----------------------|
| | Primary Government | | |
| | Governmental Activities | Business-Type Activities | Total |
| | \$ (3,479,155) | \$ - | \$ (3,479,155) |
| | (5,748,939) | - | (5,748,939) |
| | (153,156) | - | (153,156) |
| | (5,272,484) | - | (5,272,484) |
| | (478,048) | - | (478,048) |
| | <u>(15,131,782)</u> | - | <u>(15,131,782)</u> |
| | - | (1,989,432) | (1,989,432) |
| | <u>(15,131,782)</u> | <u>(1,989,432)</u> | <u>(17,121,214)</u> |
| General Revenues | | | |
| Taxes | | | |
| Property | 3,529,622 | - | 3,529,622 |
| Hotel | 1,237,362 | - | 1,237,362 |
| Intergovernmental | 7,548,238 | 448,652 | 7,996,890 |
| Miscellaneous | 995,486 | 183,328 | 1,178,814 |
| Investment income | 62,813 | 1,135 | 63,948 |
| Total | <u>13,373,521</u> | <u>633,115</u> | <u>14,006,636</u> |
| CHANGE IN NET POSITION | <u>(1,758,261)</u> | <u>(1,356,317)</u> | <u>(3,114,578)</u> |
| NET POSITION, MAY 1 | 91,290,712 | 10,990,955 | 102,281,667 |
| Change in accounting principle | <u>(13,630,287)</u> | <u>(454,459)</u> | <u>(14,084,746)</u> |
| NET POSITION, MAY 1, RESTATED | <u>77,660,425</u> | <u>10,536,496</u> | <u>88,196,921</u> |
| NET POSITION, APRIL 30 | <u>\$ 75,902,164</u> | <u>\$ 9,180,179</u> | <u>\$ 85,082,343</u> |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2016

| | General | General Obligation 2008 | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|-------------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and investments | \$ 9,139,035 | \$ 2,696 | \$ 5,309,904 | \$ 14,451,635 |
| Receivables | | | | |
| Property taxes | 2,065,260 | 766,396 | 530,148 | 3,361,804 |
| Other | 525,997 | - | 143,244 | 669,241 |
| Sales and income taxes | 1,076,196 | - | - | 1,076,196 |
| Due from library | - | 1,402,748 | - | 1,402,748 |
| Due from fiduciary funds | 11,993 | - | - | 11,993 |
| Due from other funds | 65,587 | - | - | 65,587 |
| Advance to other funds | 430,000 | - | - | 430,000 |
| TOTAL ASSETS | \$ 13,314,068 | \$ 2,171,840 | \$ 5,983,296 | \$ 21,469,204 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 714,615 | \$ - | \$ 170,883 | \$ 885,498 |
| Accrued payroll | 77,976 | - | 2,245 | 80,221 |
| Unearned revenue | 62,575 | - | - | 62,575 |
| Escrow deposits | 536,851 | - | - | 536,851 |
| Due to library | 171 | - | - | 171 |
| Due to other funds | - | 65,587 | - | 65,587 |
| Due to other governments | 179,233 | - | - | 179,233 |
| Total liabilities | 1,571,421 | 65,587 | 173,128 | 1,810,136 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property taxes | 2,065,260 | 766,396 | 530,148 | 3,361,804 |
| Unavailable revenue - due from other governments | - | 1,402,748 | - | 1,402,748 |
| Total deferred inflows of resources | 2,065,260 | 2,169,144 | 530,148 | 4,764,552 |
| Total liabilities and deferred inflows of resources | 3,636,681 | 2,234,731 | 703,276 | 6,574,688 |
| FUND BALANCES | | | | |
| Restricted | | | | |
| Public safety | 35,375 | - | - | 35,375 |
| Debt service | - | - | 485,254 | 485,254 |
| Highway and streets | - | - | 320,821 | 320,821 |
| Tourism | - | - | 2,252,892 | 2,252,892 |
| Special service areas | - | - | 2,221,053 | 2,221,053 |
| Unrestricted | | | | |
| Unassigned (deficit) | 9,642,012 | (62,891) | - | 9,579,121 |
| Total fund balances | 9,677,387 | (62,891) | 5,280,020 | 14,894,516 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 13,314,068 | \$ 2,171,840 | \$ 5,983,296 | \$ 21,469,204 |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

April 30, 2016

| | |
|--|-----------------------------|
| FUND BALANCES OF GOVERNMENTAL FUNDS | \$ 14,894,516 |
| Amounts reported for governmental activities in the statements of net position are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds | 86,053,552 |
| Intergovernmental receivable from the Library is not unavailable revenue on the statement of net position | 1,402,748 |
| Premiums (discounts) on bonds are expensed in governmental funds but capitalized and amortized in the statement of net position | |
| Premium on issuance of bonds | (303,915) |
| Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds | |
| General obligation bonds | (3,440,000) |
| General obligation debt certificates | (4,160,000) |
| Special service area bonds | (3,535,000) |
| Unamortized loss on refunding | 59,586 |
| Accrued interest payable | (176,685) |
| Compensated absences | (701,697) |
| Net other postemployment benefit obligation | (32,136) |
| Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position | (1,506,937) |
| Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position | 692,184 |
| Net pension liability for the Police Pension Fund is shown as a liability on the statement of net position | (17,141,705) |
| Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position | <u>3,797,653</u> |
| NET POSITION OF GOVERNMENTAL ACTIVITIES | <u><u>\$ 75,902,164</u></u> |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

| | General | General Obligation 2008 | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|-------------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | |
| Property taxes | \$ 2,261,018 | \$ 756,196 | \$ 512,409 | \$ 3,529,623 |
| Hotel taxes | - | - | 1,236,684 | 1,236,684 |
| Licenses and permits | 756,655 | - | - | 756,655 |
| Intergovernmental | 7,391,561 | - | - | 7,391,561 |
| Food and beverage tax | 303,324 | - | - | 303,324 |
| Grants | 32,399 | - | 221,232 | 253,631 |
| Charges for services | 148,505 | - | - | 148,505 |
| Fines | 309,180 | - | - | 309,180 |
| Investment income | 45,023 | 290 | 17,500 | 62,813 |
| Miscellaneous | 783,825 | 205,738 | 6,600 | 996,163 |
| Total revenues | 12,031,490 | 962,224 | 1,994,425 | 14,988,139 |
| EXPENDITURES | | | | |
| Current | | | | |
| General government | 2,280,683 | - | 1,271,193 | 3,551,876 |
| Public safety | 5,543,869 | - | - | 5,543,869 |
| Community development | 895,383 | - | - | 895,383 |
| Public works | 3,241,538 | - | - | 3,241,538 |
| Debt service | | | | |
| Principal | 505,000 | 785,000 | 170,000 | 1,460,000 |
| Interest and fiscal agent fees | 187,403 | 174,528 | 169,537 | 531,468 |
| Capital outlay | - | - | 421,000 | 421,000 |
| Total expenditures | 12,653,876 | 959,528 | 2,031,730 | 15,645,134 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (622,386) | 2,696 | (37,305) | (656,995) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 135,972 | - | 104,066 | 240,038 |
| Transfer (out) | - | - | (240,038) | (240,038) |
| Total other financing sources (uses) | 135,972 | - | (135,972) | - |
| NET CHANGE IN FUND BALANCES | (486,414) | 2,696 | (173,277) | (656,995) |
| FUND BALANCES (DEFICIT), MAY 1 | 10,163,801 | (65,587) | 5,453,297 | 15,551,511 |
| FUND BALANCES (DEFICIT), APRIL 30 | \$ 9,677,387 | \$ (62,891) | \$ 5,280,020 | \$ 14,894,516 |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

| | |
|--|-----------------------|
| NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS | \$ (656,995) |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures; however, they are capitalized and depreciated in the statement of activities | 1,204,259 |
| The gain (loss) on disposal of capital assets is reported on the statement of activities as a increase (decrease) of expense | (11,493) |
| The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a decrease of principal outstanding in the statement of activities | 1,460,000 |
| Intergovernmental revenue from the Library is not revenue on the statement of activities | (146,647) |
| The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities | (834,482) |
| The change in deferred outflows and inflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities | 632,368 |
| The change in the net pension liability for the Police Pension Fund is reported only in the statement of activities | (4,267,480) |
| The change in deferred outflows and inflows of resources for the Police Pension Fund is reported only in the statement of activities | 3,797,653 |
| Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds | |
| Depreciation | (3,003,120) |
| Change in compensated absences payable | 13,839 |
| Change in net other postemployment benefit | 417 |
| Amortization of bond premium | 47,835 |
| Amortization of loss on refunding | (16,228) |
| Change in accrued interest payable | 21,813 |
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ (1,758,261) |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND

April 30, 2016

| | <u>Water and Sewer</u> |
|---|------------------------|
| CURRENT ASSETS | |
| Cash and investments | \$ 1,041,777 |
| Accounts receivable | 1,402,864 |
| | <hr/> |
| Total current assets | 2,444,641 |
| | <hr/> |
| NONCURRENT ASSETS | |
| Capital assets | |
| Cost | 70,072,441 |
| Less accumulated depreciation | 25,864,190 |
| | <hr/> |
| Total noncurrent assets | 44,208,251 |
| | <hr/> |
| Total assets | 46,652,892 |
| | <hr/> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Pension items - IMRF | 513,466 |
| | <hr/> |
| Total deferred outflows of resources | 513,466 |
| | <hr/> |
| Total assets and deferred outflows of resources | 47,166,358 |
| | <hr/> |
| CURRENT LIABILITIES | |
| Accounts payable | 409,254 |
| Accrued payroll | 25,058 |
| Bonds and loans payable-current portion | 1,578,946 |
| Accrued interest | 341,184 |
| | <hr/> |
| Total current liabilities | 2,354,442 |
| | <hr/> |
| NONCURRENT LIABILITIES | |
| Advances from other funds | 430,000 |
| Bonds payable | 21,923,689 |
| IEPA loan payable | 12,000,000 |
| Compensated absences payable | 160,194 |
| Net pension liability | 1,117,854 |
| | <hr/> |
| Total noncurrent liabilities | 35,631,737 |
| | <hr/> |
| Total liabilities | 37,986,179 |
| | <hr/> |
| NET POSITION | |
| Net investment in capital assets | 8,705,616 |
| Unrestricted | 474,563 |
| | <hr/> |
| TOTAL NET POSITION | <u>\$ 9,180,179</u> |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND**

For the Year Ended April 30, 2016

| | <u>Water and Sewer</u> |
|--|-------------------------------|
| OPERATING REVENUES | |
| Charges for services | |
| Water fees | \$ 3,877,439 |
| Sewer fees | 3,691,515 |
| Miscellaneous | <u>183,328</u> |
| Total operating revenues | <u>7,752,282</u> |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | |
| Salaries/stipends | 1,324,459 |
| Payroll taxes | 413,135 |
| Employee benefits | 284,416 |
| General operating | 2,639,199 |
| Repairs and maintenance | 1,071,570 |
| Professional services | 286,631 |
| Special services | 164,653 |
| Insurance | <u>67,234</u> |
| Total operating expenses excluding depreciation | <u>6,251,297</u> |
| OPERATING INCOME BEFORE DEPRECIATION | 1,500,985 |
| Depreciation | <u>1,933,553</u> |
| OPERATING INCOME (LOSS) | <u>(432,568)</u> |
| NON-OPERATING REVENUES (EXPENSES) | |
| Interest expense | (1,373,536) |
| Bond stimulus payment | 448,652 |
| Investment income | <u>1,135</u> |
| Total non-operating revenues (expenses) | <u>(923,749)</u> |
| CHANGE IN NET POSITION | <u>(1,356,317)</u> |
| NET POSITION, MAY 1 | 10,990,955 |
| Change in accounting principle | <u>(454,459)</u> |
| NET POSITION, MAY 1, RESTATED | <u>10,536,496</u> |
| NET POSITION, APRIL 30 | <u><u>\$ 9,180,179</u></u> |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2016

| | <u>Water and Sewer</u> |
|--|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from customers and users | \$ 7,620,741 |
| Payments to suppliers | (4,041,239) |
| Payments to employees | (1,918,206) |
| | <hr/> |
| Net cash from operating activities | 1,661,296 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | |
| Advance from general fund | 430,000 |
| | <hr/> |
| Net cash from noncapital financing activities | 430,000 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | |
| Acquisition of capital assets | (69,341) |
| Bond stimulus payment | 448,652 |
| IEPA loan principal payments | (750,000) |
| Bond principal payments | (350,000) |
| Interest paid on bonds payable | (1,379,893) |
| | <hr/> |
| Net cash from capital and related financing activities | (2,100,582) |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Investment income | 1,135 |
| | <hr/> |
| Net cash from investing activities | 1,135 |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (8,151) |
| CASH AND CASH EQUIVALENTS, MAY 1 | 1,049,928 |
| | <hr/> |
| CASH AND CASH EQUIVALENTS, APRIL 30 | \$ 1,041,777 |
| | <hr/> <hr/> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES | |
| Operating income (loss) | \$ (432,568) |
| Adjustments to reconcile operating income (loss) to net cash used in operating activities | |
| Depreciation and amortization | 1,933,553 |
| Changes in assets and liabilities | |
| Accounts receivable | (131,541) |
| Accounts payable | 188,048 |
| Accrued payroll | (38,033) |
| Compensated absences | (8,092) |
| Pension items - IMRF | 149,929 |
| | <hr/> |
| NET CASH FROM OPERATING ACTIVITIES | \$ 1,661,296 |
| | <hr/> <hr/> |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
POLICE PENSION TRUST FUND**

April 30, 2016

ASSETS

| | | |
|---------------------------------|----|----------------|
| Cash and short-term investments | \$ | 100,628 |
| Investments, at fair value | | |
| Mutual funds | | 7,835,823 |
| U.S. Treasury securities | | 2,005,180 |
| U.S. agency securities | | 624,646 |
| Corporate bonds | | 1,836,923 |
| Corporate equity securities | | 1,816,047 |
| Money market mutual funds | | 211,103 |
| Accrued interest | | <u>26,266</u> |
| Total assets | | 14,456,616 |

LIABILITIES

| | | |
|---------------------|--|---------------|
| Due to general fund | | <u>11,993</u> |
|---------------------|--|---------------|

**NET POSITION RESTRICTED
FOR PENSIONS**

\$ 14,444,623

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
POLICE PENSION TRUST FUND**

For the Year Ended April 30, 2016

ADDITIONS

| | |
|---|------------------|
| Employer contributions | \$ 704,812 |
| Employee contributions | <u>219,289</u> |
| Total contributions | <u>924,101</u> |
| Investment income | |
| Interest and dividend income | 406,443 |
| Net depreciation in fair value of investments | <u>(713,512)</u> |
| Total investment income | (307,069) |
| Less investment expense | <u>(103,667)</u> |
| Net investment income | <u>(410,736)</u> |
| Total additions | <u>513,365</u> |

DEDUCTIONS

| | |
|-------------------------|------------------|
| Benefit payments | 1,256,271 |
| Administrative expenses | <u>45,250</u> |
| Total deductions | <u>1,301,521</u> |

NET DECREASE (788,156)

**NET POSITION RESTRICTED
FOR PENSIONS**

| | |
|----------|----------------------|
| May 1 | <u>15,232,779</u> |
| April 30 | <u>\$ 14,444,623</u> |

See accompanying notes to financial statements.

VILLAGE OF ITASCA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Itasca, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applicable to governments (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village operates under a Board of Trustees - President - Administrator form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, water and sanitation, culture-recreation, public improvements, planning and zoning, and general administrative services.

As required by GAAP, these financial statements present the Village and any component units. Component units are entities for which the Village is considered to be financially accountable. "Blended" component units, although legally separate entities, are, in substance, part of the Village's operations.

Based on the criteria of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, there are no component units for which the Village is considered to be financially accountable.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain Village functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the Village's general activities. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes pension trust fund which is generally used to account for assets that the Village holds in fiduciary or on behalf of others as their agent.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statements of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment, or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The General Obligation 2008 Fund accounts for the principal and interest payments of the Series 2008 general obligation bonds.

The Village reports the following major proprietary fund:

The Water and Sewer Fund accounts for the provision of potable water services and sewer services to the residential, commercial, and industrial users. All activities necessary to provide such services are accounted for in this fund, including but not limited to: administration, operations, maintenance, billing, and collection.

The Village reports the following fiduciary fund:

The Police Pension Fund accounts for the accumulation of resources to pay police pension costs. Resources are contributed by members at rates fixed by state statutes and by the government through an annual property tax levy.

d. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and pension fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes, income taxes, and telecommunications taxes which use a 90-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Sales taxes owed to the state at year end; franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year end on behalf of the Village are also recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The Village reports unearned and unavailable/deferred revenue on its financial statements. Unavailable/deferred revenues arise when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the government before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for unearned revenue and the deferred inflows of resources for unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Short-term investments are stated at cost or amortized cost plus accrued interest. Long-term investments (those with original maturities over one year) are recorded at fair value.

Illinois Funds, a money market mutual fund created by the Illinois State Legislature and controlled by the Illinois State Treasurer is reported at a \$1 per share value, which equals the Village's fair value in the pool.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

g. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories, if any, are recorded as expenditures when purchased.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report, if any, are recorded as prepaid items/expenses.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of more than \$75,000 for streets, bridges, and storm sewers, \$15,000 for sidewalks, \$2,500 for lights, and \$1,500 for all other capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|------------------------------------|-------|
| Buildings and improvements | 10-50 |
| Machinery, vehicles, and equipment | 7-10 |
| Transportation equipment | 10 |
| Infrastructure | 20-50 |
| Water and sewer system | 40 |

j. Compensated Absences

The Village's employees earn vacation leave pay, which generally must be taken within the next year following its accumulation. Nine paid holidays are granted to full-time employees. Employees also earn personal leave pay, which must be taken in the calendar year granted. It is also the Village's policy to allow employees to earn sick leave up to a maximum of 72 days. An employee may be compensated for any unused accumulated sick leave upon separation, provided that the employee meets certain criteria. All pay due in the event of termination is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured; for example, as a result of employee resignations and retirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations

In the government-wide financial statements and proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, government funds recognize bond premiums and discounts 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 expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Village Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator. Any residual fund balance of the General Fund or any deficit fund balance in other governmental funds are reported as unassigned.

The Village has not adopted a flow of funds policy and, therefore, applies the flow of funds from GASB Statement No. 54, which prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds. For net position, restricted funds are spent first then unrestricted funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Position (Continued)

None of the restricted net position or restricted fund balance results from enabling legislation adopted by the Village.

m. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

o. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

p. Risk Management

The Village is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health; injuries to employees; and net income losses. The Village purchases private insurance for its employee health risks, workers' compensation, and liability coverages.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. COMPLIANCE - DEFICIT FUND EQUITY

The following fund had a deficit balance at April 30, 2016:

| Fund | Deficit |
|------------------------------|-----------|
| General Obligation 2008 Fund | \$ 62,891 |

3. DEPOSITS AND INVESTMENTS

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participants fair value), and the Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and 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 IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and yield.

The Village maintains a cash and investment pool that is available for use by most funds. The deposits and investments of the Police Pension Fund are held separately from those of other funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments."

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be return 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.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

b. Investments

As of April 30, 2016, the Village has the following investments and maturities in debt securities:

| Investment Type | Fair Value | Investment Maturities (in Years) | |
|--|---------------------|-------------------------------------|---------------------|
| | | Less than 1 | 1-5 |
| Illinois Metropolitan Investment Trust | \$ 1,443,296 | \$ - | \$ 1,443,296 |
| Negotiable CDs | 7,207,738 | 2,853,902 | 4,353,836 |
| TOTAL | \$ 8,651,034 | \$ 2,853,902 | \$ 5,797,132 |

c. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the market 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 short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

d. Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village primarily invests in negotiable certificates of deposit and external investment pools. Illinois Funds, the money market mutual funds, and the Illinois Metropolitan Investment Fund are all rated AAA. The negotiable certificates of deposit are not rated but are covered by FDIC insurance up to \$250,000.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, 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, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940.

Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

IMET is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and 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 IMET's share price, the price for which the investment could be sold.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS AND INVESTMENTS (Continued)

e. Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village investment policy requires third party safekeeping based on a written agreement.

f. Concentration of Credit Risk

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. It is the policy of the Village to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in over-concentration in a security, maturity, issuer, or class of securities. The Village's investment policy requires the Village to diversify its investments by security instrument and institution. Diversification by security instrument is as follows: U.S. Treasury obligations - 100% maximum; United States Government agency securities and instrumentalities of government sponsored corporations - 100% maximum; certificates of deposit (CDs) commercial banks - 33% maximum, the exception would be when the CDs are being invested using the Certificate of Deposit Account Registry Service (CDARS) or similar system; Illinois Governmental Cash Investment Fund - 20% maximum; and Illinois Metropolitan Investment Fund - 15%. Diversification by institution is as follows: CDs - no more than 15% of the total portfolio with any one institution.

4. RECEIVABLES

a. Property Taxes

Property taxes for 2015 attached as an enforceable lien on January 1, 2015 on property values assessed as of the same date and are recorded as receivables and unavailable revenue at April 30, 2016. The levy is intended to finance operations of the next fiscal year. Taxes are levied by December 2015 (by passage of a Tax Levy Ordinance). Tax bills are prepared by DuPage County payable in two installments, on or about June 1 and September 1, 2016. The County collects such taxes and remits them periodically. The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has not been recorded as a receivable as of April 30, 2016 as the tax has not yet been levied by the Village and will not be levied until December 2016 and, therefore, the levy is not measurable at April 30, 2016.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. RECEIVABLES (Continued)

b. Other Receivables

Other receivables consist of the following receivables at April 30, 2016:

| | | |
|--------------------------------------|--|--------------------------|
| GOVERNMENTAL ACTIVITIES | | |
| Other miscellaneous receivables | | \$ 532,619 |
| Hotel tax | | 116,938 |
| Motor Fuel Tax | | <u>19,684</u> |
| TOTAL GOVERNMENTAL ACTIVITIES | | <u><u>\$ 669,241</u></u> |

5. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2016 was as follows:

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|----------------------|-----------------------|------------------|----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 40,473,800 | \$ - | \$ - | \$ 40,473,800 |
| Total capital assets not being depreciated | <u>40,473,800</u> | <u>-</u> | <u>-</u> | <u>40,473,800</u> |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 19,057,217 | - | - | 19,057,217 |
| Machinery and equipment | 987,614 | 65,806 | - | 1,053,420 |
| Transportation equipment | 1,744,806 | 153,858 | 55,299 | 1,843,365 |
| Infrastructure | 110,026,317 | 984,595 | - | 111,010,912 |
| Total capital assets being depreciated | <u>131,815,954</u> | <u>1,204,259</u> | <u>55,299</u> | <u>132,964,914</u> |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | 6,076,627 | 269,132 | - | 6,345,759 |
| Machinery, vehicles, and equipment | 664,192 | 57,424 | - | 721,616 |
| Transportation equipment | 1,302,154 | 90,596 | 43,806 | 1,348,944 |
| Infrastructure | 76,382,875 | 2,585,968 | - | 78,968,843 |
| Total accumulated depreciation | <u>84,425,848</u> | <u>3,003,120</u> | <u>43,806</u> | <u>87,385,162</u> |
| Total capital assets being depreciated, net | <u>47,390,106</u> | <u>(1,798,861)</u> | <u>11,493</u> | <u>45,579,752</u> |
| GOVERNMENTAL ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | <u>\$ 87,863,906</u> | <u>\$ (1,798,861)</u> | <u>\$ 11,493</u> | <u>\$ 86,053,552</u> |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

| | Balances May 1 | Increases | Decreases | Balances April 30 |
|---|----------------------|-----------------------|------------------|----------------------|
| BUSINESS-TYPE ACTIVITIES | | | | |
| Capital assets not being depreciated | | | | |
| Land and improvements | \$ 1,335,645 | \$ - | \$ - | \$ 1,335,645 |
| Total capital assets not being depreciated | 1,335,645 | - | - | 1,335,645 |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 500,167 | - | - | 500,167 |
| Equipment | 1,614,347 | 126,439 | - | 1,740,786 |
| Water and sewer system | 66,552,941 | - | 57,098 | 66,495,843 |
| Total capital assets being depreciated | 68,667,455 | 126,439 | 57,098 | 68,736,796 |
| Less accumulated depreciation for | | | | |
| Buildings and improvements | 500,167 | - | - | 500,167 |
| Equipment | 1,341,209 | 72,599 | - | 1,413,808 |
| Water and sewer system | 22,089,261 | 1,860,954 | - | 23,950,215 |
| Total accumulated depreciation | 23,930,637 | 1,933,553 | - | 25,864,190 |
| Total capital assets being depreciated, net | 44,736,818 | (1,807,114) | 57,098 | 42,872,606 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| CAPITAL ASSETS, NET | \$ 46,072,463 | \$ (1,807,114) | \$ 57,098 | \$ 44,208,251 |

Depreciation expense related to governmental activities was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES

| | |
|-----------------------|------------------|
| General government | \$ 155,219 |
| Public safety | 87,420 |
| Community development | 5,968 |
| Public works | <u>2,754,513</u> |

**TOTAL DEPRECIATION EXPENSE -
GOVERNMENTAL ACTIVITIES**

\$ 3,003,120

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the government. The Village also issued bonds where the government pledges income derived from the special service areas to pay debt service.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

A summary of changes in long-term debt reported in the governmental activities of the Village for the year ended April 30, 2016 is as follows:

Governmental Activities

| Issue | Interest Rate | Final Maturity Date | Beginning Balances, Restated | Additions | Retirements | Ending Balances | Due Within One Year |
|--|---------------|---------------------|------------------------------|--------------|--------------|-----------------|---------------------|
| General obligation bonds | | | | | | | |
| Series 2008B | 3.0% to 4.0% | 12/15/2018 | \$ 2,740,000 | \$ - | \$ 645,000 | \$ 2,095,000 | \$ 675,000 |
| Series 2008A | 3.0% to 4.0% | 12/15/2018 | 1,485,000 | - | 140,000 | 1,345,000 | 145,000 |
| Less amortized premium to: | | | | | | | |
| Series 2008B | | | 48,184 | - | 5,353 | 42,831 | 5,353 |
| Series 2008A | | | 36,289 | - | 9,073 | 27,216 | 9,073 |
| General fund refunding debt certificates | | | | | | | |
| Series 2010 | 2.0% to 4.0% | 12/1/2022 | 4,665,000 | - | 505,000 | 4,160,000 | 525,000 |
| Less amortized premium | | | | | | | |
| Series 2010 | | | 267,277 | - | 33,409 | 233,868 | 33,409 |
| Special service area bonds | | | | | | | |
| Series 2014 | 4.5% | 12/15/2033 | 3,210,000 | - | 110,000 | 3,100,000 | 115,000 |
| Series 2006 | 4.5% | 12/15/2021 | 495,000 | - | 60,000 | 435,000 | 65,000 |
| Compensated absences payable | | | | | | | |
| | | | 787,167 | - | 85,470 | 701,697 | 70,170 |
| Net postemployment benefit obligation | | | | | | | |
| | | | 32,553 | - | 417 | 32,136 | - |
| Net pension liability - | | | | | | | |
| IMRF | | | 672,455 | 834,482 | - | 1,506,937 | - |
| Police Pension | | | 12,874,225 | 4,267,480 | - | 17,141,705 | - |
| TOTAL GOVERNMENTAL ACTIVITIES | | | \$ 27,313,150 | \$ 5,101,962 | \$ 1,593,722 | \$ 30,821,390 | \$ 1,643,005 |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Business-Type Activities

| Issue | Beginning Balances, Restated | Additions | Retirements | Ending Balances | Due Within One Year |
|--|------------------------------------|-------------------|---------------------|----------------------|------------------------|
| General obligation bonds - Series 2009A | \$ 23,330,000 | \$ - | \$ 350,000 | \$ 22,980,000 | \$ 370,000 |
| IEPA loan | 12,750,000 | - | 750,000 | 12,000,000 | 750,000 |
| IDOT loan | 458,946 | - | - | 458,946 | 458,946 |
| Unamortized bond premium | 66,458 | - | 2,769 | 63,689 | - |
| Compensated absences payable | 168,286 | 8,737 | 16,829 | 160,194 | - |
| Net pension liability - IMRF | 498,831 | 619,023 | - | 1,117,854 | - |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 37,272,521 | \$ 627,760 | \$ 1,119,598 | \$ 36,780,683 | \$ 1,578,946 |

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

| Fiscal Year | Governmental Activities | | | | | |
|----------------|--------------------------|-------------------|------------------------|-------------------|---------------------|---------------------|
| | General Obligation Bonds | | Refunding Certificates | | SSA Bonds | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2017 | \$ 820,000 | \$ 143,588 | \$ 525,000 | \$ 166,400 | \$ 180,000 | \$ 161,172 |
| 2018 | 850,000 | 110,425 | 550,000 | 145,400 | 185,000 | 152,845 |
| 2019 | 875,000 | 76,050 | 570,000 | 123,400 | 195,000 | 144,261 |
| 2020 | 165,000 | 40,275 | 595,000 | 100,600 | 205,000 | 135,170 |
| 2021 | 170,000 | 32,850 | 615,000 | 76,800 | 220,000 | 125,570 |
| 2022 | 180,000 | 25,200 | 640,000 | 52,200 | 225,000 | 115,230 |
| 2023 | 185,000 | 17,100 | 665,000 | 26,600 | 150,000 | 104,625 |
| 2024 | 195,000 | 8,775 | - | - | 155,000 | 97,875 |
| 2025 | - | - | - | - | 165,000 | 90,900 |
| 2026 | - | - | - | - | 170,000 | 83,475 |
| 2027 | - | - | - | - | 180,000 | 75,825 |
| 2028 | - | - | - | - | 185,000 | 67,725 |
| 2029 | - | - | - | - | 195,000 | 59,400 |
| 2030 | - | - | - | - | 205,000 | 50,625 |
| 2031 | - | - | - | - | 215,000 | 41,400 |
| 2032 | - | - | - | - | 225,000 | 31,725 |
| 2033 | - | - | - | - | 235,000 | 21,600 |
| 2034 | - | - | - | - | 245,000 | 11,025 |
| TOTAL | \$ 3,440,000 | \$ 454,263 | \$ 4,160,000 | \$ 691,400 | \$ 3,535,000 | \$ 1,570,448 |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

b. Debt Service Requirements to Maturity (Continued)

| Fiscal Year | Business-Type Activities | | | |
|----------------|--------------------------|----------------------|----------------------|-------------|
| | General Obligation Bonds | | IEPA Loan | |
| | Principal | Interest | Principal | Interest |
| 2017 | \$ 370,000 | \$ 1,364,740 | \$ 750,000 | \$ - |
| 2018 | 380,000 | 1,348,830 | 750,000 | - |
| 2019 | 400,000 | 1,331,350 | 750,000 | - |
| 2020 | 420,000 | 1,312,350 | 750,000 | - |
| 2021 | 440,000 | 1,291,350 | 750,000 | - |
| 2022 | 470,000 | 1,268,910 | 750,000 | - |
| 2023 | 490,000 | 1,243,766 | 750,000 | - |
| 2024 | 520,000 | 1,217,060 | 750,000 | - |
| 2025 | 550,000 | 1,188,460 | 750,000 | - |
| 2026 | 580,000 | 1,158,210 | 750,000 | - |
| 2027 | 610,000 | 1,124,570 | 750,000 | - |
| 2028 | 640,000 | 1,089,190 | 750,000 | - |
| 2029 | 680,000 | 1,052,070 | 750,000 | - |
| 2030 | 720,000 | 1,012,630 | 750,000 | - |
| 2031 | 760,000 | 968,710 | 750,000 | - |
| 2032 | 1,190,000 | 922,350 | 750,000 | - |
| 2033 | 1,630,000 | 849,760 | - | - |
| 2034 | 1,730,000 | 750,330 | - | - |
| 2035 | 1,840,000 | 644,800 | - | - |
| 2036 | 1,950,000 | 530,720 | - | - |
| 2037 | 2,070,000 | 490,820 | - | - |
| 2038 | 2,200,000 | 281,480 | - | - |
| 2039 | 2,340,000 | 145,080 | - | - |
| TOTAL | \$ 22,980,000 | \$ 22,587,536 | \$ 12,000,000 | \$ - |

7. INDIVIDUAL FUND DISCLOSURES

a. Interfund Receivables/Payables

Individual interfund balances at April 30, 2016 are shown as follows:

| Fund | Interfund Receivables | Interfund Payables |
|-------------------------|--------------------------|-----------------------|
| General | | |
| General Obligation 2008 | \$ 65,587 | \$ - |
| Police Pension | 11,993 | - |
| Debt Service | | |
| General Obligation 2008 | | |
| General | - | 65,587 |
| Police Pension | - | 11,993 |
| TOTAL | \$ 77,580 | \$ 77,580 |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES (Continued)

a. Interfund Receivables/Payables

These balances resulted from the time lag between dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

b. Advances To/From

As of April 30, 2016, major individual fund advances between funds were as follows:

| <u>Fund</u> | <u>Advance To</u> | <u>Advance From</u> |
|----------------------------|-----------------------|-------------------------|
| General Water and Sewer | \$ 430,000 | \$ - |
| Water and Sewer General | - | 430,000 |
| TOTAL | \$ 430,000 | \$ 430,000 |

During the year, the General Fund advanced the Water and Sewer Fund \$430,000 for Capital Projects. This advance will be repaid in future years.

c. Transfers In/Out

Individual interfund transfers during the fiscal year ended April 30, 2016 were as follows:

| | <u>Transfers In</u> | <u>Transfers Out</u> |
|---|-------------------------|--------------------------|
| General | \$ 135,972 | \$ - |
| Spring Lake Special Service Area Debt Service | 104,066 | - |
| Spring Lake Special Service Area Capital Projects | - | 104,066 |
| Hotel Tax | - | 135,972 |
| TOTAL | \$ 240,038 | \$ 240,038 |

The transfer from the Hotel Tax Fund was to support the nature center activities. The transfer from the Spring Lake Special Service Area Capital Projects Fund to the Spring Lake Special Service Area Debt Service Fund was to correctly allocate funds designated for debt service repayment.

8. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. 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.

9. COMMITMENTS

a. DuPage Water Commission

The Village is a customer of the DuPage Water Commission (the Commission) and has executed a Water Supply Contract with the Commission for a term ending in the year 2024. The contract provides that the Village pay its proportionate share of "fixed costs" (debt service and capital costs) to the Commission, such obligation being unconditional and irrevocable whether or not water is delivered.

The Village's water supply agreement with the Commission provides that the Village is responsible for water usage under the contract. Additionally, each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

b. Sales Tax Incentive Agreements

The Village has an agreement with a local retailer based upon sales tax revenue generated and paid by this retailer during the calendar year. The Village will remit 40% of sales tax revenue in excess of \$376,373 paid by this retailer. The agreement expires on March 26, 2034 or when total payments to the retailer are \$1,000,000. As of and for the year ended April 30, 2016, a liability of \$32,878 has been accrued and payments of \$99,629 were made. As of April 30, 2016, the Village has incurred total incentives of \$132,507.

10. DEFINED BENEFIT PENSION PLANS

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; and the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for both plans are governed by ILCS and can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.IMRF.org. The Police Pension Plan also issues a separate report.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police 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. The plan is treated as a cost sharing plan by the Village and Library. 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.

Plan Membership

At December 31, 2015, most recent information available, IMRF membership consisted of:

| | |
|---|---------|
| Inactive plan members | |
| currently receiving benefits | 51 |
| Inactive plan members entitled to but not yet | |
| receiving benefits | 50 |
| Active plan members | 59 |
| TOTAL | 160 |

The IMRF data included in the table above includes membership of both the Village and the Itasca Community Library (the Library).

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2015 was 11.70% of covered payroll.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

| | |
|----------------------------|-------------------|
| Actuarial valuation date | December 31, 2015 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.75% |
| Salary increases | 3.75% to 14.50% |
| Interest rate | 7.50% |
| Cost of living adjustments | 3.00% |
| Asset valuation method | Market value |

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

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. 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 the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.48% used to determine the total pension liability.

Changes in the Net Pension Liability

| | (a) | (b) | (a) - (b) |
|--|----------------------------|-----------------------------------|--------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| BALANCES AT JANUARY 1, 2015 | \$ 21,231,698 | \$ 19,827,130 | \$ 1,404,568 |
| Changes for the period | | | |
| Service cost | 364,367 | - | 364,367 |
| Interest | 1,576,421 | - | 1,576,421 |
| Difference between expected and actual experience | 245,018 | - | 245,018 |
| Changes in assumptions | 28,617 | - | 28,617 |
| Employer contributions | - | 419,289 | (419,289) |
| Employee contributions | - | 161,265 | (161,265) |
| Net investment income | - | 98,753 | (98,753) |
| Benefit payments and refunds | (733,741) | (733,741) | - |
| Other (net transfer) | - | (207,880) | 207,880 |
| Net changes | 1,480,682 | (262,314) | 1,742,996 |
| BALANCES AT DECEMBER 31, 2015 | \$ 22,712,380 | \$ 19,564,816 | \$ 3,147,564 |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

The table presented on the previous page includes amounts for both the Village and the Library. The Village's proportionate share of the net pension liability at January 1, 2015, the employer contributions, and net pension liability at December 31, 2015 was \$1,171,286, \$349,650, and \$2,624,791, respectively. The Library's proportionate share of the net pension liability at January 1, 2015, the employer contributions, and net pension liability at December 31, 2015 was \$233,282, \$69,639, and \$522,773, respectively.

Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2016, the Village recognized pension expense of \$718,885.

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 179,467 | \$ - |
| Changes in assumption | 20,961 | - |
| Contributions made after measurement date | 145,555 | - |
| Net difference between projected and actual earnings on pension plan investments | 1,099,793 | - |
| TOTAL | \$ 1,445,776 | \$ - |

The deferred outflows presented in the table above include amounts for both the Village and the Library. The Village's proportionate share of the deferred outflows of resources at April 30, 2016 was \$1,205,650. The Library's proportionate share of the deferred outflows of resources at April 30, 2016 was \$240,126.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense by the Village as follows:

| <u>Year Ending</u> <u>April 30,</u> | |
|--|----------------------------|
| 2017 | \$ 411,723 |
| 2018 | 290,326 |
| 2019 | 274,321 |
| 2020 | 229,280 |
| 2021 | - |
| Thereafter | - |
| TOTAL | <u>\$ 1,205,650</u> |

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village and the Library calculated using the discount rate of 7.48% as well as what the Village and the Library's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.48%) or 1 percentage point higher (8.48%) than the current rate:

| | 1% Decrease (6.48%) | Current Discount Rate (7.48%) | 1% Increase (8.48%) |
|---------------------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability (Village) | \$ 5,224,713 | \$ 2,624,791 | \$ 533,142 |
| Net pension liability (Library) | 1,040,593 | 522,773 | 106,184 |
| Net pension liability (Total) | <u>\$ 6,265,306</u> | <u>\$ 3,147,564</u> | <u>\$ 639,326</u> |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and 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 plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

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.

Plan Membership

At April 30, 2016, membership consisted of:

| | |
|--|----------------------|
| Inactive plan members currently receiving benefits | 23 |
| Inactive plan members entitled to but not yet receiving benefits | - |
| Active plan members | <u>22</u> |
| TOTAL | <u><u>45</u></u> |

Benefits Provided

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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% of the original pension, and 3% compounded annually thereafter.

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

Contributions

Employees are required by ILCS 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, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has been contributing 100% of the past service costs by 2040. For the year ended April 30, 2016, the Village's contribution was 35.63% of covered payroll.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The investment policy was not changed during the year.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

| Asset Class | Target | Long-Term Expected Real Rate of Return |
|--|--------|--|
| U.S. Cash | 3.0% | 0.00% |
| U.S. Fixed Income | 32.0% | 0.21% |
| Emerging Markets Debt | 3.0% | 2.36% |
| U.S. Large Cap Equity | 5.0% | 5.00% |
| U.S. Small/Mid Cap Equity | 7.5% | 6.04% |
| U.S. Preferred Securities | 4.0% | 3.02% |
| U.S. Convertible Bonds | 6.0% | 4.05% |
| International Developed Markets Equity | 6.0% | 5.97% |
| Emerging Markets Equity | 9.0% | 7.52% |
| Real Estate | 7.5% | 6.02% |
| Tactical All Asset | 10.0% | 3.70% |
| MLP's | 4.0% | 3.20% |
| Floating rate notes | 3.0% | 3.10% |

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

ILCS limits 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 which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation of 2.5%) were developed for each major assets 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 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, 2016 are listed in the table above.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities, and mutual funds and contract values for insurance contracts.

Investment Concentrations

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Fund's investments.

Investment Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (2.68%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy does not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

Interest Rate Risk

| Investment Type | Fair Value | Investment Maturities (in Years) | | | |
|--------------------------|---------------------|----------------------------------|---------------------|---------------------|---------------------|
| | | Less than 1 | 1-5 | 6-10 | Greater than 10 |
| U.S. agency securities | \$ 624,646 | \$ - | \$ - | \$ - | \$ 624,646 |
| U.S. Treasury securities | 2,005,180 | - | 1,235,940 | 452,546 | 316,694 |
| Corporate bonds | 1,836,923 | 10,420 | 487,900 | 950,418 | 388,185 |
| TOTAL | \$ 4,466,749 | \$ 10,420 | \$ 1,723,840 | \$ 1,402,964 | \$ 1,329,525 |

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its 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 for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, 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 and corporate bonds. However, the investment policy is silent regarding exposure to credit risk. The U.S. agency obligations and corporate bonds are rated AA+ and CCC+ to AA, respectively, by Standard and Poor's.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund's investment policy requires a third party custodian. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

| | |
|----------------------------|----------------------------------|
| Actuarial valuation date | April 30, 2016 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 4.50% |
| Interest rate | 7.55% |
| Cost of living adjustments | 3.00% (Tier 1) 2.00% (Tier 2) |
| Asset valuation method | Market |

Mortality rates were based on the RP 2014 Mortality Table (BCHA) projected to 2016 using improvement scale MP-2015. The other non-economic actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.55%. 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 the Village contributions will be made at rates equal to the difference between 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 projected future benefit payments of current plan members.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.55% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.55%) or 1 percentage point higher (8.55%) than the current rate:

| | 1% Decrease (6.55%) | Current Discount Rate (7.55%) | 1% Increase (8.55%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability | \$ 21,288,480 | \$ 17,141,705 | \$ 13,718,867 |

Changes in the Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|--|--------------------------------------|--|---------------------------------------|
| BALANCES AT MAY 1, 2015 | \$ 28,107,004 | \$ 15,232,779 | \$ 12,874,225 |
| Changes for the period | | | |
| Service cost | 409,850 | - | 409,850 |
| Interest | 2,074,655 | - | 2,074,655 |
| Difference between expected and actual experience | 316,067 | - | 316,067 |
| Changes of assumptions | 1,935,023 | - | 1,935,023 |
| Employer contributions | - | 704,812 | (704,812) |
| Employee contributions | - | 219,289 | (219,289) |
| Net investment income | - | (410,736) | 410,736 |
| Benefit payments and refunds | (1,256,271) | (1,256,271) | - |
| Administrative expense | - | (45,250) | 45,250 |
| Net changes | 3,479,324 | (788,156) | 4,267,480 |
| BALANCES AT APRIL 30, 2016 | \$ 31,586,328 | \$ 14,444,623 | \$ 17,141,705 |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

There was a change with respect to Actuarial Assumptions from the prior year to reflect revised expectations with respect to mortality rates. The mortality rates have been changed to the RP 2014 Mortality Table (BCHA) projected to 2016 using improvement scale MP-2015.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2016, the Village recognized police pension expense of \$1,174,641. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to the Fund from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 316,067 | \$ - |
| Changes in assumption | 1,935,023 | - |
| Net difference between projected and actual earnings on pension plan investments | 1,546,563 | - |
| TOTAL | \$ 3,797,653 | \$ - |

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

| Year Ending April 30, | |
|--------------------------|---------------------|
| 2017 | \$ 742,215 |
| 2018 | 742,215 |
| 2019 | 742,215 |
| 2020 | 742,215 |
| 2021 | 742,213 |
| Thereafter | 86,580 |
| TOTAL | \$ 3,797,653 |

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care 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 governmental and business-type activities.

b. Benefits Provided

In addition to providing the pension benefits described, the Village provides postemployment health care 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 governmental and business-type activities.

c. Membership

At April 30, 2015, the most recent valuation performed, membership consisted of:

| | |
|--|---------------------|
| Retirees and beneficiaries currently receiving benefits | 14 |
| Terminated employees entitled to benefits but not yet receiving them | - |
| Active employees | <u>58</u> |
| TOTAL | <u><u>72</u></u> |
| Participating Employers | <u><u>1</u></u> |

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2014, 2015, and 2016 were as follows:

| Year Ended | Annual OPEB Cost | Employer Contributions | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|------------|------------------|------------------------|--|---------------------|
| 2014 | \$ 46,693 | \$ 38,919 | 83.4% | \$ 21,611 |
| 2015 | 104,357 | 101,241 | 97.0% | 32,552 |
| 2016 | 108,497 | 108,913 | 100.4% | 32,136 |

The net OPEB obligation (NOPEBO) as April 30, 2016, was calculated as follows:

| | |
|--|-------------------------|
| Annual required contribution | \$ 109,077 |
| Interest on net OPEB obligation | 1,303 |
| Adjustment to annual required contribution | <u>(1,883)</u> |
| Annual OPEB cost | 108,497 |
| Contributions made | <u>108,913</u> |
| Decrease in net OPEB obligation | (416) |
| Net OPEB obligation, beginning of year | <u>32,552</u> |
| NET OPEB OBLIGATION, END OF YEAR | <u><u>\$ 32,136</u></u> |

Funded Status and Funding Progress. The funded status of the plan as of April 30, 2015, the most recent valuation performed, was as follows:

| | |
|---|--------------|
| Actuarial accrued liability (AAL) | \$ 1,367,098 |
| Actuarial value of plan assets | - |
| Unfunded actuarial accrued liability (UAAL) | 1,367,098 |
| Funded ratio (actuarial value of plan assets/AAL) | 0.00% |
| Covered payroll (active plan members) | \$ 4,412,868 |
| UAAL as a percentage of covered payroll | 30.98% |

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

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 financial statements, presents multi-year 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, 2015, actuarial valuation, most recent valuation date, the entry-age actuarial cost method was used. The actuarial assumptions included 4.00% investment rate of return (net of administrative expenses) and an initial annual healthcare cost trend rate of 7.58% with an ultimate healthcare cost trend rate of 5.00%. Both rates include a 3.00% inflation assumption. The actuarial value of assets was based on fair value at April 30, 2015. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open 30-year basis.

12. CHANGE IN ACCOUNTING PRINCIPLE

| | Increase (Decrease) |
|---|------------------------|
| CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES | |
| Change in accounting principle | |
| To write-off the Police Pension Plan net pension asset | \$ (143,423) |
| To record the Police Pension Plan net pension liability | (12,874,225) |
| To record the deferred outflow of resources for contributions after the measurement date | 59,816 |
| To record the IMRF net pension liability | <u>(672,455)</u> |
| TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES | <u>\$ (13,630,287)</u> |

VILLAGE OF ITASCA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. CHANGE IN ACCOUNTING PRINCIPLE (Continued)

| | <u>Increase (Decrease)</u> |
|---|--------------------------------|
| CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES | |
| To record the deferred outflow of resources for contributions after the measurement date | \$ 44,372 |
| To record the IMRF net pension liability | <u>(498,831)</u> |
| TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES | <u>\$ (454,459)</u> |

With the implementation of GASB Statement No. 68 and No. 71, the Village is required to retroactively record the net pension liability and related deferred outflow of resources, and write-off any net pension assets.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016

| | Original and Final Budget | Actual |
|--|--------------------------------------|---------------|
| REVENUES | | |
| Property taxes | \$ 2,538,594 | \$ 2,261,018 |
| Licenses | 143,550 | 150,534 |
| Building and other permits | 658,000 | 606,121 |
| Intergovernmental | | |
| Sales | 4,591,168 | 3,962,175 |
| Less incentives | (150,000) | (132,507) |
| State income | 843,900 | 921,745 |
| Replacement | 110,000 | 85,025 |
| Local use | 160,000 | 200,687 |
| Auto rental | - | - |
| Telecommunications | 1,193,400 | 1,086,762 |
| Utility Tax | 1,363,500 | 1,267,674 |
| Food & Beverage Tax | 300,000 | 303,324 |
| Grants | 457,540 | 32,399 |
| Parking and other fees | 144,000 | 148,505 |
| Police fines and other receipts | 360,750 | 309,180 |
| Investment income | 30,012 | 45,023 |
| Developer contribution | 125,000 | - |
| Miscellaneous | 733,140 | 783,825 |
| | <hr/> | <hr/> |
| Total revenues | 13,602,554 | 12,031,490 |
| EXPENDITURES | | |
| Current | | |
| General government | | |
| Administrative | 2,376,878 | 2,132,657 |
| Nature center | 409,446 | 148,026 |
| Public safety | 6,163,111 | 5,543,869 |
| Community development | 1,158,754 | 895,383 |
| Public works | 3,920,286 | 3,241,538 |
| Debt service | | |
| Principal | 505,000 | 505,000 |
| Interest and fiscal agent fees | 187,400 | 187,403 |
| | <hr/> | <hr/> |
| Total expenditures | 14,720,875 | 12,653,876 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <hr/> | <hr/> |
| | (1,118,321) | (622,386) |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers in | 413,215 | 135,972 |
| Transfers (out) | (430,000) | - |
| | <hr/> | <hr/> |
| Total other financing sources (uses) | (16,785) | 135,972 |
| NET CHANGE IN FUND BALANCE | <hr/> | <hr/> |
| | \$ (1,135,106) | (486,414) |
| FUND BALANCES, MAY 1 | | <hr/> |
| | | 10,163,801 |
| FUND BALANCES, APRIL 30 | | <hr/> |
| | | \$ 9,677,387 |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2016

LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

The Village Board of Trustees passes and approves an annual appropriation ordinance and an operating budget. The operating budget proposes expenditures and a means to finance them. The appropriations ordinance determines the legal level at which expenditures/expenses may not exceed appropriations. The legal level of control is administered at the fund level. All appropriations lapse at year end.

The following procedures have been established in approving the budget and passing the appropriation ordinance:

- a. A proposed budget is prepared by the Village President and Village Administrator and is reviewed by the Village Board of Trustees. Public meetings are held to obtain citizen comment.
- b. The proposed budget is approved by motion of the Village Board of Trustees.
- c. An annual appropriation ordinance with the same level of revenues and expenditures is prepared based upon the approved budget. A public hearing is held to obtain citizen comment.
- d. The appropriation ordinance is passed and approved by the Village Board of Trustees.
- e. The Village Board of Trustees may modify the appropriation ordinance through a supplemental appropriation ordinance. There were no supplemental appropriation ordinances during the year.

The approved budget is reflected in these schedules to provide a more meaningful comparison of planned to actual operations. The budget is adopted for the General, Special Revenue, Debt Service, Capital Projects, and Enterprise Funds, except for the CMD Special Service Area Debt Service Fund and the Old Thorndale Special Service Area Debt Service Fund. The General Obligation 2008 Fund had expenditures of \$959,528 with a budget of \$753,790.

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

| | <u>2016</u> |
|---|--------------------|
| Actuarially determined contribution | \$ 366,166 |
| Contributions in relation to the actuarially determined contribution | <u>366,166</u> |
| CONTRIBUTION DEFICIENCY (Excess) | <u><u>\$ -</u></u> |
| Covered-employee payroll | \$ 2,988,468 |
| Contributions as a percentage of covered-employee payroll | 12.25% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013 and 2014. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 28 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.5% annually, projected salary increases assumption of 4.4 to 16.0% compounded annually, and postretirement benefit increases of 3.0% compounded annually.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2016

| | <u>2016*</u> |
|--|---------------------|
| Employer's proportion of net pension liability | 83.39% |
| Employer's proportionate share of net pension liability | \$ 2,624,791 |
| Employer's covered-employee payroll | 2,988,468 |
| Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 87.83% |
| Plan fiduciary net position as a percentage of the total pension liability | 86.14% |

*IMRF's measurement date is December 31, 2015; therefore, information above is presented for the calendar year ended December 31, 2015.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Seven Fiscal Years

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|--------------------|------------------|------------------|-------------------|-------------------|-------------------|--------------------|
| Actuarially determined contribution | \$ 490,884 | \$ 620,922 | \$ 621,324 | \$ 537,359 | \$ 576,591 | \$ 676,543 | \$ 694,619 |
| Contributions in relation to the actuarially determined contribution | 502,722 | 606,037 | 596,937 | 545,817 | 578,545 | 677,725 | 704,812 |
| CONTRIBUTION DEFICIENCY (Excess) | \$ (11,838) | \$ 14,885 | \$ 24,387 | \$ (8,458) | \$ (1,954) | \$ (1,182) | \$ (10,193) |
| Covered-employee payroll | \$ 1,987,850 | \$ 1,973,692 | \$ 1,877,990 | \$ 1,998,734 | \$ 1,991,755 | \$ 2,148,640 | \$ 1,977,927 |
| Contributions as a percentage of covered-employee payroll | 25.3% | 30.7% | 31.8% | 27.3% | 29.0% | 31.5% | 35.6% |

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.55% annually, projected salary increases assumption of 4.50% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

April 30, 2016

| | 2015 | 2016 |
|---|----------------------|----------------------|
| TOTAL PENSION LIABILITY | | |
| Service cost | \$ 360,963 | \$ 409,850 |
| Interest | 1,739,122 | 2,074,655 |
| Changes of benefit terms | - | - |
| Differences between expected and actual experience | 814,832 | 316,067 |
| Changes of assumptions* | 1,724,772 | 1,935,023 |
| Benefit payments, including refunds of member contributions | (1,041,152) | (1,256,271) |
| | 3,598,537 | 3,479,324 |
| Net change in total pension liability | | |
| Total pension liability - beginning | 24,508,467 | 28,107,004 |
| TOTAL PENSION LIABILITY - ENDING | \$ 28,107,004 | \$ 31,586,328 |
| PLAN FIDUCIARY NET POSITION | | |
| Contributions - employer | \$ 677,725 | \$ 704,812 |
| Contributions - member | 215,723 | 219,289 |
| Net investment income | 759,851 | (410,736) |
| Benefit payments, including refunds of member contributions | (1,041,152) | (1,256,271) |
| Administrative expense | (25,762) | (45,250) |
| | 586,385 | (788,156) |
| Net change in plan fiduciary net position | | |
| Plan fiduciary net position - beginning | 14,646,394 | 15,232,779 |
| PLAN FIDUCIARY NET POSITION - ENDING | \$ 15,232,779 | \$ 14,444,623 |
| EMPLOYER'S NET PENSION LIABILITY | \$ 12,874,225 | \$ 17,141,705 |
| Plan fiduciary net position as a percentage of the total pension liability | 54.20% | 45.70% |
| Covered-employee payroll | \$ 2,148,640 | \$ 1,977,927 |
| Employer's net pension liability as a percentage of covered-employee payroll | 599.20% | 866.70% |

*Changes in assumptions related to mortality were made since the prior measurement date

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

April 30, 2016

| | <u>2015</u> | <u>2016</u> |
|--|-------------|-------------|
| Annual money-weighted rate of return, net of investment expense | 5.19% | (2.68%) |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2016

| Actuarial Valuation Date April 30, | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Entry-Age | (3) Funded Ratio (1) / (2) | (4) Unfunded AAL (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|---|--|--|---|--|------------------------------------|--|
| 2016 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2015 | \$ - | \$ 1,367,098 | 0.00% | \$ 1,367,098 | \$ 4,412,868 | 31.00% |
| 2014 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2013 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2012 | - | 849,939 | 0.00% | 849,939 | 5,066,169 | 16.80% |
| 2011 | - | 137,602 | 0.00% | 137,602 | 5,224,311 | 2.63% |

N/A - No valuation in this year.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2016

| <u>Fiscal Year</u> | <u>Employer Contributions</u> | <u>Annual Required Contribution (ARC)</u> | <u>Percentage Contributed</u> |
|---------------------------|--------------------------------------|--|--------------------------------------|
| 2016 | \$ 108,913 | \$ 109,077 | 99.85% |
| 2015 | 101,241 | 104,882 | 96.53% |
| 2014 | 38,919 | 46,745 | 83.26% |
| 2013 | 38,919 | 46,693 | 83.35% |
| 2012 | 4,497 | 7,855 | 57.25% |
| 2011 | 4,497 | 7,855 | 57.25% |

(See independent auditor's report.)

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

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016

| | Budget | Actual |
|-----------------------------------|-----------|-----------|
| ADMINISTRATIVE | | |
| Salaries/stipends | | |
| President | \$ 13,500 | \$ 11,098 |
| Trustees | 15,000 | 14,955 |
| Administrator | 60,418 | 59,822 |
| Clerk | 1,500 | - |
| Clerical | 348,077 | 296,012 |
| | 438,495 | 381,887 |
| Payroll taxes | | |
| FICA | 33,810 | 31,256 |
| Unemployment tax | 2,500 | (1,045) |
| IMRF | 52,021 | 52,769 |
| | 88,331 | 82,980 |
| Employee benefits | | |
| Group insurance | 95,500 | 89,700 |
| Uniforms | 3,000 | 1,211 |
| | 98,500 | 90,911 |
| Operating | | |
| Gas heating/electric | 23,000 | 25,667 |
| Telephone | 13,000 | 15,459 |
| Postage | 8,000 | 5,207 |
| Publication legal notices | 4,000 | 3,039 |
| Codification | 12,000 | - |
| Operating supplies - general | 5,000 | 7,301 |
| Conferences | 6,500 | 3,034 |
| Office supplies | 9,000 | 7,329 |
| Physical | 500 | 414 |
| Wellness | 5,000 | 1,946 |
| Employee recruitment | 2,500 | 3,047 |
| Training | 18,000 | 9,417 |
| Employee assistance program | 4,500 | 4,500 |
| Dues, subscriptions, and meetings | 17,900 | 13,250 |
| Rentals | 6,420 | 8,697 |
| Community relations | 23,000 | 13,962 |
| Safety program | 21,000 | 8,317 |
| Software | 2,500 | 378 |
| Hardware | 1,500 | - |
| Support agreements - IT | 33,346 | 32,503 |
| Miscellaneous | 4,000 | 341 |
| | 220,666 | 163,808 |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | Budget | Actual |
|-----------------------------------|-----------|-----------|
| ADMINISTRATIVE (Continued) | | |
| Repairs and maintenance | | |
| Building | \$ 22,000 | \$ 40,574 |
| Total repairs and maintenance | 22,000 | 40,574 |
| Professional services | | |
| Legal and accounting | 265,000 | 244,686 |
| Payroll | 14,000 | 13,384 |
| Audit | 24,000 | 24,874 |
| Newsletter | 22,000 | 17,014 |
| Janitorial | 49,000 | 39,297 |
| Software | 2,000 | 2,310 |
| Consulting services | 83,000 | 68,023 |
| Other | 5,000 | 5,000 |
| Total professional services | 464,000 | 414,588 |
| Special services | | |
| Village share - garbage | 860,441 | 838,310 |
| Grants | | |
| Seniors | 8,000 | 8,000 |
| Other grants | 15,000 | 30,000 |
| Total grants | 23,000 | 38,000 |
| Insurance | | |
| Liability | 20,000 | 20,510 |
| Workers' compensation | 8,600 | 8,348 |
| Total insurance | 28,600 | 28,858 |
| Capital expenditures | | |
| Equipment | 132,845 | 52,741 |
| Total capital expenditures | 132,845 | 52,741 |
| Total administrative | 2,376,878 | 2,132,657 |
| NATURE CENTER | | |
| Salaries/stipends | | |
| Naturalist | - | 2,884 |
| General labor | 82,090 | 75,327 |
| Total salaries/stipends | 82,090 | 78,211 |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|-----------------------------------|------------------|------------------|
| NATURE CENTER (Continued) | | |
| Payroll taxes | | |
| FICA | \$ 2,424 | \$ 1,732 |
| Unemployment tax | 332 | 157 |
| Total payroll taxes | <u>2,756</u> | <u>1,889</u> |
| Employee benefits | | |
| Group insurance | 14,930 | 15,487 |
| Uniforms | 150 | - |
| Total employee benefits | <u>15,080</u> | <u>15,487</u> |
| Operating | | |
| Gas heating | 3,300 | 1,504 |
| Telephone | 3,000 | 3,086 |
| Postage | 100 | 50 |
| Operating supplies - general | 5,000 | 1,588 |
| Office supplies | 600 | 218 |
| Dues, subscriptions, and meetings | 2,300 | 925 |
| Rentals | 500 | 173 |
| Program supplies | 4,000 | 1,953 |
| Employee physicals | 200 | 162 |
| Total operating | <u>19,000</u> | <u>9,659</u> |
| Repair and maintenance | | |
| Structures | 234,820 | 20,749 |
| Total repairs and maintenance | <u>234,820</u> | <u>20,749</u> |
| Professional services | | |
| Veterinary | 700 | - |
| Janitorial | 7,500 | 7,059 |
| Engineering | 10,000 | 2,160 |
| Graphics | 2,000 | - |
| Consulting | 10,000 | - |
| Other services | 16,000 | 3,159 |
| Total professional services | <u>46,200</u> | <u>12,378</u> |
| Insurance | | |
| Liability | 8,764 | 9,015 |
| Workers' compensation | 736 | 638 |
| Total insurance | <u>9,500</u> | <u>9,653</u> |
| Total nature center | <u>409,446</u> | <u>148,026</u> |
| Total general government | <u>2,786,324</u> | <u>2,280,683</u> |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|---|---------------|---------------|
| PUBLIC SAFETY | | |
| Salaries/stipends | | |
| Police chief | \$ 127,575 | \$ 116,077 |
| Police officers | 2,329,706 | 2,167,807 |
| Clerk/dispatchers | 461,936 | 333,949 |
| Clerk/dispatchers overtime | 40,233 | 48,208 |
| Police overtime | 180,646 | 172,137 |
| Police court time | 50,000 | 15,601 |
| | <hr/> | <hr/> |
| Total salaries/stipends | 3,190,096 | 2,853,779 |
| | <hr/> | <hr/> |
| Payroll taxes | | |
| FICA | 243,362 | 225,588 |
| Unemployment tax | 6,649 | 6,429 |
| IMRF | 47,946 | 42,605 |
| | <hr/> | <hr/> |
| Total payroll taxes | 297,957 | 274,622 |
| | <hr/> | <hr/> |
| Employee benefits | | |
| Group insurance | 750,391 | 762,841 |
| Uniforms | 22,300 | 22,499 |
| Pension contribution | 950,000 | 690,504 |
| | <hr/> | <hr/> |
| Total employee benefits | 1,722,691 | 1,475,844 |
| | <hr/> | <hr/> |
| Operating | | |
| Telephone | 20,000 | 20,793 |
| Postage | 3,000 | 2,947 |
| Operating supplies - general | 1,980 | 2,333 |
| Motor fuel and lubrication | 52,000 | 33,496 |
| Office supplies | 10,000 | 10,808 |
| Court, meetings, local, and miscellaneous | 8,500 | 7,829 |
| Dues, subscriptions, and meetings | 75,924 | 3,845 |
| Training | 19,532 | 22,232 |
| Employee physicals | 500 | 1,140 |
| Shooting expenditure | 18,358 | 17,039 |
| Evidence | 3,250 | 4,082 |
| D.A.R.E. | 18,110 | 17,234 |
| Crime prevention | 8,550 | 5,916 |
| DUI technology | 12,500 | 7,832 |
| Volunteer | 6,872 | 1,007 |
| Addison dispatch center | - | 64,500 |
| Safety program | 20,000 | 20,445 |
| Other operating expenditures | 2,200 | 1,502 |
| | <hr/> | <hr/> |
| Total operating | 281,276 | 244,980 |
| | <hr/> | <hr/> |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | Budget | Actual |
|----------------------------------|-----------|-----------|
| PUBLIC SAFETY (Continued) | | |
| Repairs and maintenance | | |
| Vehicles | \$ 50,000 | \$ 44,973 |
| Hand-held equipment | 3,700 | 3,365 |
| Equipment | 41,200 | 17,640 |
| Building maintenance | 229,438 | 258,044 |
| | 324,338 | 324,022 |
| | | |
| Professional services | | |
| Prosecution cost | 84,000 | 74,555 |
| Police social services | 18,340 | 15,980 |
| Software | 13,500 | 11,981 |
| Police commission | 12,500 | 10,383 |
| | 128,340 | 112,899 |
| | | |
| Insurance | | |
| Liability | 53,574 | 98,008 |
| Workers' compensation | 76,346 | 75,159 |
| | 129,920 | 173,167 |
| | | |
| Capital expenditures | | |
| Vehicles | 55,000 | 50,485 |
| Equipment | 33,493 | 34,071 |
| | 88,493 | 84,556 |
| | | |
| Total public safety | 6,163,111 | 5,543,869 |
| COMMUNITY DEVELOPMENT | | |
| Salaries/stipends | | |
| Building commissioner | 87,954 | 88,315 |
| Building inspector | 246,000 | 161,537 |
| Clerical | 96,000 | 78,009 |
| | 429,954 | 327,861 |
| | | |
| Payroll taxes | | |
| FICA | 40,000 | 29,512 |
| Unemployment tax | 2,000 | 1,453 |
| IMRF | 47,000 | 42,498 |
| | 89,000 | 73,463 |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | Budget | Actual |
|--|-----------|-----------|
| COMMUNITY DEVELOPMENT (Continued) | | |
| Employee benefits | | |
| Group insurance | \$ 45,000 | \$ 40,736 |
| Uniforms | 3,500 | 2,724 |
| | 48,500 | 43,460 |
| | | |
| Operating | | |
| Telephone | 20,000 | 13,917 |
| Postage | 3,000 | 2,817 |
| Publication legal notices | 6,000 | 852 |
| Operating supplies - general | 5,000 | 4,306 |
| Motor fuel and lubrication | 3,000 | 1,258 |
| Conference | 8,000 | 7,460 |
| Office supplies | 6,000 | 5,322 |
| Training | 12,500 | 3,159 |
| Dues, subscriptions, and meetings | 17,000 | 8,676 |
| Operating software | 2,500 | - |
| Other | 500 | 1,441 |
| | 83,500 | 49,208 |
| | | |
| Repairs and maintenance | | |
| Vehicles | 37,000 | 24,816 |
| Buildings | 7,000 | 4,783 |
| Equipment | 15,000 | 10,131 |
| | 59,000 | 39,730 |
| | | |
| Professional services | | |
| Planner | 70,000 | 70,497 |
| Engineering | 100,000 | 135,785 |
| Inspections | 55,000 | 57,738 |
| Plan review | 10,000 | - |
| | | |
| Professional services (Continued) | | |
| GIS mapping | 15,000 | 6,030 |
| Consulting | 10,000 | 2,386 |
| Other professional services | 5,300 | 238 |
| Planning | 30,000 | 25,516 |
| | 295,300 | 298,190 |
| | | |
| Commissions | | |
| Planning | 8,000 | 7,618 |
| Historical | 7,500 | 3,077 |
| Economic development | 100,000 | 16,233 |
| | 115,500 | 26,928 |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | Budget | Actual |
|--|-----------|----------|
| COMMUNITY DEVELOPMENT (Continued) | | |
| Insurance | | |
| Liability | \$ 5,000 | \$ 4,879 |
| Workers' compensation | 8,000 | 7,914 |
| | 13,000 | 12,793 |
| Total insurance | | |
| Capital expenditures | | |
| Land | 25,000 | 23,750 |
| | 25,000 | 23,750 |
| Total capital expenditures | | |
| | 1,158,754 | 895,383 |
| PUBLIC WORKS | | |
| Salaries/stipends | | |
| Directors/supervisors | 142,586 | 140,225 |
| General labor | 436,381 | 380,402 |
| Clerical | 25,884 | 29,737 |
| | 604,851 | 550,364 |
| Total salaries/stipends | | |
| Payroll taxes | | |
| FICA | 46,258 | 42,103 |
| Unemployment tax | 8,767 | 1,782 |
| IMRF | 70,744 | 72,150 |
| | 125,769 | 116,035 |
| Total payroll taxes | | |
| Employee benefits | | |
| Group insurance | 107,876 | 97,145 |
| Uniforms | 2,500 | 4,594 |
| | 110,376 | 101,739 |
| Total employee benefits | | |
| Operating | | |
| Electricity | 50,000 | 58,272 |
| Gas heating | 11,000 | 18,286 |
| Telephone | 10,000 | 10,437 |
| Postage | 400 | 330 |
| Conferences | 1,000 | 1,100 |
| Operating supplies - general | 10,000 | 6,317 |
| Motor fuel and lubrication | 25,000 | 18,696 |
| Office supplies | 2,000 | 1,678 |
| Training | - | 474 |
| Dues, subscriptions, and meetings | 1,400 | 864 |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | Budget | Actual |
|---------------------------------|----------|----------|
| PUBLIC WORKS (Continued) | | |
| Operating (Continued) | | |
| Rentals | \$ 2,000 | \$ 1,851 |
| Employee physicals | 1,000 | 1,212 |
| Rubbish removal | 8,000 | 4,784 |
| Streets - bulk materials | 12,000 | 12,146 |
| | 133,800 | 136,447 |
| Repairs and maintenance | | |
| Vehicles | 25,000 | 28,275 |
| Building | 25,000 | 19,042 |
| Equipment | 18,500 | 14,697 |
| Street lights | 75,000 | 77,368 |
| Parking lots | 5,000 | 8,969 |
| Storm sewers | 30,000 | 14,140 |
| Parkways and parks | 45,000 | 36,834 |
| Street signs | 15,000 | 14,222 |
| Other repairs and maintenance | 151,000 | 169,545 |
| Sidewalks | 75,000 | 87,542 |
| | 464,500 | 470,634 |
| Professional services | | |
| Engineering | 495,000 | 414,557 |
| | 495,000 | 414,557 |
| Special services | | |
| Veterinary and animal control | 3,000 | 2,077 |
| Mosquito abatement | 75,000 | 69,306 |
| Snow removal | 84,530 | 47,558 |
| Branch contract | 30,000 | 34,882 |
| Lawn maintenance | 84,000 | 58,499 |
| Tree trimming | 59,500 | 53,515 |
| Tree planting | 30,000 | 37,853 |
| Traffic signals | 15,000 | 22,906 |
| | 381,030 | 326,596 |
| Insurance | | |
| Liability | 25,969 | 27,198 |
| Workers' compensation | 18,695 | 18,330 |
| | 44,664 | 45,528 |

(This schedule is continued on the following page.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (Continued)

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|---------------------------------|----------------------|----------------------|
| PUBLIC WORKS (Continued) | | |
| Capital expenditures | | |
| Streets (not MFT) | \$ 1,560,296 | \$ 1,079,638 |
| Total capital expenditures | <u>1,560,296</u> | <u>1,079,638</u> |
| Total public works | <u>3,920,286</u> | <u>3,241,538</u> |
| DEBT SERVICE | | |
| Principal | 505,000 | 505,000 |
| Interest and fiscal agents | <u>187,400</u> | <u>187,403</u> |
| Total debt service | <u>692,400</u> | <u>692,403</u> |
| TOTAL EXPENDITURES | <u>\$ 14,720,875</u> | <u>\$ 12,653,876</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL OBLIGATION 2008 FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|----------------------------------|-----------------|--------------------|
| REVENUES | | |
| Property taxes | \$ 760,815 | \$ 756,196 |
| Library bond payments | - | 205,738 |
| Investment income | 200 | 290 |
| | <hr/> | |
| Total revenues | 761,015 | 962,224 |
| | <hr/> | |
| EXPENDITURES | | |
| Debt service | | |
| Principal | 645,000 | 785,000 |
| Interest | 107,988 | 173,726 |
| Bond agent fees | 802 | 802 |
| | <hr/> | |
| Total expenditures | 753,790 | 959,528 |
| | <hr/> | |
| NET CHANGE IN FUND BALANCE | <u>\$ 7,225</u> | 2,696 |
| FUND BALANCE (DEFICIT), MAY 1 | | <u>(65,587)</u> |
| FUND BALANCE (DEFICIT), APRIL 30 | | <u>\$ (62,891)</u> |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ITASCA, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

| | <u>Special Revenue</u> | | <u>Debt Service</u> | |
|--|-------------------------------|----------------------|---|---|
| | <u>Motor Fuel Tax</u> | <u>Hotel Tax</u> | <u>Spring Lake Special Service Area</u> | <u>CMD Special Service Area</u> |
| ASSETS | | | | |
| Cash and investments | \$ 303,980 | \$ 2,298,493 | \$ 89,932 | \$ 45,722 |
| Receivables | | | | |
| Property taxes | - | - | 87,542 | - |
| Other | 19,684 | 121,694 | - | - |
| TOTAL ASSETS | <u>\$ 323,664</u> | <u>\$ 2,420,187</u> | <u>\$ 177,474</u> | <u>\$ 45,722</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 2,843 | \$ 165,050 | \$ - | \$ - |
| Accrued payroll | - | 2,245 | - | - |
| Total liabilities | 2,843 | 167,295 | - | - |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property taxes | - | - | 87,542 | - |
| Total liabilities and deferred inflows of resources | - | 167,295 | 87,542 | - |
| FUND BALANCES | | | | |
| Restricted | | | | |
| Debt service | - | - | 89,932 | 45,722 |
| Highway and streets | 320,821 | - | - | - |
| Tourism | - | 2,252,892 | - | - |
| Special service areas | - | - | - | - |
| Unrestricted | | | | |
| Unassigned | - | - | - | - |
| Total fund balances | <u>320,821</u> | <u>2,252,892</u> | <u>89,932</u> | <u>45,722</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | <u>\$ 323,664</u> | <u>\$ 2,420,187</u> | <u>\$ 177,474</u> | <u>\$ 45,722</u> |

| Debt Service | | Capital Projects | | | | | Total Nonmajor Governmental Funds |
|--|---|---|---|--|---|---------------------|--|
| Hamilton Lakes Special Service Area | Old Thorndale Special Service Area | Spring Lake Special Service Area | CMD Special Service Area | Hamilton Lakes Special Service Area | Old Thorndale Special Service Area | | |
| \$ 255,722 | \$ 93,878 | \$ 291,414 | \$ 96,671 | \$ 1,548,577 | \$ 285,515 | \$ 5,309,904 | |
| 257,078 | - | 44,115 | - | 141,413 | - | 530,148 | |
| - | - | - | - | 1,866 | - | 143,244 | |
| <u>\$ 512,800</u> | <u>\$ 93,878</u> | <u>\$ 335,529</u> | <u>\$ 96,671</u> | <u>\$ 1,691,856</u> | <u>\$ 285,515</u> | <u>\$ 5,983,296</u> | |
| \$ - | \$ - | \$ - | \$ 2,990 | \$ - | \$ - | \$ 170,883 | |
| - | - | - | - | - | - | 2,245 | |
| - | - | - | 2,990 | - | - | 173,128 | |
| 257,078 | - | 44,115 | - | 141,413 | - | 530,148 | |
| 257,078 | - | 44,115 | 2,990 | 141,413 | - | 703,276 | |
| 255,722 | 93,878 | - | - | - | - | 485,254 | |
| - | - | - | - | - | - | 320,821 | |
| - | - | - | - | - | - | 2,252,892 | |
| - | - | 291,414 | 93,681 | 1,550,443 | 285,515 | 2,221,053 | |
| - | - | - | - | - | - | - | |
| <u>255,722</u> | <u>93,878</u> | <u>291,414</u> | <u>93,681</u> | <u>1,550,443</u> | <u>285,515</u> | <u>5,280,020</u> | |
| <u>\$ 512,800</u> | <u>\$ 93,878</u> | <u>\$ 335,529</u> | <u>\$ 96,671</u> | <u>\$ 1,691,856</u> | <u>\$ 285,515</u> | <u>\$ 5,983,296</u> | |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

| | Special Revenue | | Debt Service | |
|--|----------------------|---------------------|--|-----------------------------------|
| | Motor Fuel Tax | Hotel Tax | Spring Lake Special Service Area | CMD Special Service Area |
| REVENUES | | | | |
| Property taxes | \$ - | \$ - | \$ 85,401 | \$ - |
| Hotel tax | - | 1,236,684 | - | - |
| Operating grants | 221,232 | - | - | - |
| Investment income | 246 | 6,891 | 45 | - |
| Miscellaneous | - | 6,600 | - | - |
| | | | | |
| Total revenues | 221,478 | 1,250,175 | 85,446 | - |
| | | | | |
| EXPENDITURES | | | | |
| General government | - | 1,271,193 | - | - |
| Debt service | | | | |
| Principal | - | - | 60,000 | - |
| Interest and fiscal agent fees | - | - | 24,552 | - |
| Capital outlay | | | | |
| Streets and highways | 200,901 | - | - | - |
| | | | | |
| Total expenditures | 200,901 | 1,271,193 | 84,552 | - |
| | | | | |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 20,577 | (21,018) | 894 | - |
| | | | | |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | 104,066 | - |
| Transfers (out) | - | (135,972) | - | - |
| | | | | |
| Total other financing sources (uses) | - | (135,972) | 104,066 | - |
| | | | | |
| NET CHANGE IN FUND BALANCES | 20,577 | (156,990) | 104,960 | - |
| FUND BALANCES (DEFICIT), MAY 1 | 300,244 | 2,409,882 | (15,028) | 45,722 |
| | | | | |
| FUND BALANCES, APRIL 30 | <u>\$ 320,821</u> | <u>\$ 2,252,892</u> | <u>\$ 89,932</u> | <u>\$ 45,722</u> |

| Debt Service | | Capital Projects | | | | | Total Nonmajor Governmental Funds |
|---|--|--|-----------------------------------|---|--|--------------|--|
| Hamilton Lakes Special Service Area | Old Thorndale Special Service Area | Spring Lake Special Service Area | CMD Special Service Area | Hamilton Lakes Special Service Area | Old Thorndale Special Service Area | | |
| \$ 254,875 | \$ - | \$ 41,888 | \$ - | \$ 130,245 | \$ - | \$ 512,409 | |
| - | - | - | - | - | - | 1,236,684 | |
| - | - | - | - | - | - | 221,232 | |
| 2,019 | - | 2,896 | 168 | 4,812 | 423 | 17,500 | |
| - | - | - | - | - | - | 6,600 | |
| 256,894 | - | 44,784 | 168 | 135,057 | 423 | 1,994,425 | |
| - | - | - | - | - | - | 1,271,193 | |
| 110,000 | - | - | - | - | - | 170,000 | |
| 144,985 | - | - | - | - | - | 169,537 | |
| - | - | - | 4,357 | 132,428 | 83,314 | 421,000 | |
| 254,985 | - | - | 4,357 | 132,428 | 83,314 | 2,031,730 | |
| 1,909 | - | 44,784 | (4,189) | 2,629 | (82,891) | (37,305) | |
| - | - | - | - | - | - | 104,066 | |
| - | - | (104,066) | - | - | - | (240,038) | |
| - | - | (104,066) | - | - | - | (135,972) | |
| 1,909 | - | (59,282) | (4,189) | 2,629 | (82,891) | (173,277) | |
| 253,813 | 93,878 | 350,696 | 97,870 | 1,547,814 | 368,406 | 5,453,297 | |
| \$ 255,722 | \$ 93,878 | \$ 291,414 | \$ 93,681 | \$ 1,550,443 | \$ 285,515 | \$ 5,280,020 | |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|---|------------------|--------------------------|
| REVENUES | | |
| Intergovernmental allotments - operating grants | \$ 217,000 | \$ 221,232 |
| High growth cities program | 96,000 | - |
| Investment income | 135 | 246 |
| | <hr/> | |
| Total revenues | 313,135 | 221,478 |
| EXPENDITURES | | |
| Capital outlay | | |
| Streets and highways | 220,000 | 200,901 |
| | <hr/> | |
| NET CHANGE IN FUND BALANCE | <u>\$ 93,135</u> | 20,577 |
| FUND BALANCE, MAY 1 | | <u>300,244</u> |
| FUND BALANCE, APRIL 30 | | <u><u>\$ 320,821</u></u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL TAX FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|--|---------------------|---------------------|
| REVENUES | | |
| Hotel tax | \$ 1,208,700 | \$ 1,236,684 |
| Investment income | 5,000 | 6,891 |
| Miscellaneous | 4,500 | 6,600 |
| | | |
| Total revenues | <u>1,218,200</u> | <u>1,250,175</u> |
| | | |
| EXPENDITURES | | |
| General government | | |
| Police overtime | 70,000 | 58,851 |
| Operation staff | 216,798 | 226,180 |
| Public relations | 465,850 | 356,089 |
| Marketing | 289,000 | 240,779 |
| Equipment | 455,000 | 389,294 |
| | | |
| Total expenditures | <u>1,496,648</u> | <u>1,271,193</u> |
| | | |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(278,448)</u> | <u>(21,018)</u> |
| | | |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers (out) | <u>(399,476)</u> | <u>(135,972)</u> |
| | | |
| Total other financing sources (uses) | <u>(399,476)</u> | <u>(135,972)</u> |
| | | |
| NET CHANGE IN FUND BALANCE | <u>\$ (677,924)</u> | <u>(156,990)</u> |
| | | |
| FUND BALANCE, MAY 1 | | <u>2,409,882</u> |
| | | |
| FUND BALANCE, APRIL 30 | | <u>\$ 2,252,892</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE SPECIAL SERVICE AREA DEBT SERVICE FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|--|---------------|------------------|
| REVENUES | | |
| Property taxes | \$ 85,401 | \$ 85,401 |
| Investment income | 40 | 45 |
| Total revenues | <u>85,441</u> | <u>85,446</u> |
| EXPENDITURES | | |
| Debt service | | |
| Principal | 60,000 | 60,000 |
| Interest | 24,552 | 24,552 |
| Bond agent fees | - | - |
| Total expenditures | <u>84,552</u> | <u>84,552</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>889</u> | <u>894</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers in | - | 104,066 |
| Total other financing sources (uses) | <u>-</u> | <u>104,066</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ 889</u> | 104,960 |
| FUND BALANCE (DEFICIT), MAY 1 | | <u>(15,028)</u> |
| FUND BALANCE, APRIL 30 | | <u>\$ 89,932</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HAMILTON LAKES SPECIAL SERVICE AREA DEBT SERVICE FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|-------------------------------|-----------------|-------------------|
| REVENUES | | |
| Property taxes | \$ 254,450 | \$ 254,875 |
| Investment income | 2,800 | 2,019 |
| | <hr/> | |
| Total revenues | 257,250 | 256,894 |
| | <hr/> | |
| EXPENDITURES | | |
| Debt service | | |
| Principal | 110,000 | 110,000 |
| Interest | 144,450 | 144,450 |
| Bond agent fees | 535 | 535 |
| | <hr/> | |
| Total expenditures | 254,985 | 254,985 |
| | <hr/> | |
| NET CHANGE IN FUND BALANCE | <u>\$ 2,265</u> | 1,909 |
| | <hr/> | |
| FUND BALANCE, MAY 1 | | 253,813 |
| | <hr/> | |
| FUND BALANCE, APRIL 30 | | <u>\$ 255,722</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPRING LAKE SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|--|-------------------|-------------------|
| REVENUES | | |
| Property taxes | \$ 41,888 | \$ 41,888 |
| Investment income | 1,200 | 2,896 |
| | <hr/> | <hr/> |
| Total revenues | 43,088 | 44,784 |
| | <hr/> | <hr/> |
| EXPENDITURES | | |
| Capital outlay | | |
| Capital maintenance | 50,000 | - |
| Bond agent fees | 1,000 | - |
| | <hr/> | <hr/> |
| Total expenditures | 51,000 | - |
| | <hr/> | <hr/> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <hr/> | <hr/> |
| | (7,912) | 44,784 |
| | <hr/> | <hr/> |
| OTHER FINANCING SOURCES (USES) | | |
| Transfers (out) | - | (104,066) |
| | <hr/> | <hr/> |
| Total other financing sources (uses) | - | (104,066) |
| | <hr/> | <hr/> |
| NET CHANGE IN FUND BALANCE | <u>\$ (7,912)</u> | (59,282) |
| FUND BALANCE, MAY 1 | | <u>350,696</u> |
| FUND BALANCE, APRIL 30 | | <u>\$ 291,414</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CMD SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|-----------------------------------|---------------------|------------------|
| REVENUES | | |
| Investment income | \$ 1,500 | \$ 168 |
| EXPENDITURES | | |
| Capital outlay | 145,890 | 4,357 |
| Total expenditures | 145,890 | 4,357 |
| NET CHANGE IN FUND BALANCE | <u>\$ (144,390)</u> | (4,189) |
| FUND BALANCE, MAY 1 | | <u>97,870</u> |
| FUND BALANCE, APRIL 30 | | <u>\$ 93,681</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HAMILTON LAKES SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|-------------------------------|---------------------|----------------------------|
| REVENUES | | |
| Property taxes | \$ 131,361 | \$ 130,245 |
| Investment income | 4,000 | 4,812 |
| | <hr/> | |
| Total revenues | 135,361 | 135,057 |
| | <hr/> | |
| EXPENDITURES | | |
| Capital outlay | 390,000 | 132,428 |
| | <hr/> | |
| Total expenditures | 390,000 | 132,428 |
| | <hr/> | |
| NET CHANGE IN FUND BALANCE | <u>\$ (254,639)</u> | 2,629 |
| FUND BALANCE, MAY 1 | | <u>1,547,814</u> |
| FUND BALANCE, APRIL 30 | | <u><u>\$ 1,550,443</u></u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
OLD THORNDALE SPECIAL SERVICE AREA CAPITAL PROJECTS FUND**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|-------------------------------|---------------------|-------------------|
| REVENUES | | |
| Investment income | \$ - | \$ 423 |
| EXPENDITURES | | |
| Capital outlay | 462,252 | 83,314 |
| Total expenditures | 462,252 | 83,314 |
| NET CHANGE IN FUND BALANCE | <u>\$ (462,252)</u> | (82,891) |
| FUND BALANCE, MAY 1 | | <u>368,406</u> |
| FUND BALANCE, APRIL 30 | | <u>\$ 285,515</u> |

(See independent auditor's report.)

MAJOR PROPRIETARY FUND

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|--|--------------------|---------------------|
| OPERATING REVENUES | | |
| Charges for services | | |
| Water fees | \$ 4,041,813 | \$ 3,877,439 |
| Sewer fees | 4,007,103 | 3,691,515 |
| Other revenues | 130,187 | 183,328 |
| | <u>8,179,103</u> | <u>7,752,282</u> |
| OPERATING EXPENSES EXCLUDING DEPRECIATION | | |
| Salaries and stipends | 1,376,989 | 1,324,459 |
| Payroll taxes | 285,329 | 263,206 |
| Employee benefits | 298,173 | 284,416 |
| General operating | 2,707,161 | 2,639,199 |
| Repairs and maintenance | 829,100 | 1,071,570 |
| Professional services | 636,650 | 286,631 |
| Special services | 155,000 | 164,653 |
| Insurance | 64,585 | 67,234 |
| Capital | 71,296 | 69,341 |
| | <u>6,424,283</u> | <u>6,170,709</u> |
| OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION | 1,754,820 | 1,581,573 |
| Depreciation and amortization | - | 1,933,553 |
| OPERATING INCOME (LOSS) | <u>1,754,820</u> | <u>(351,980)</u> |
| NON-OPERATING REVENUES (EXPENSES) | | |
| Investment income | 1,000 | 1,135 |
| Bond stimulus payment | 451,902 | 448,652 |
| Debt service | | |
| Principal repayment | (1,100,000) | (1,100,000) |
| Interest expense | (1,380,042) | (1,373,536) |
| Transfer from general fund | 430,000 | - |
| | <u>(1,597,140)</u> | <u>(2,023,749)</u> |
| NET INCOME (LOSS) BUDGETARY BASIS | <u>\$ 157,680</u> | <u>(2,375,729)</u> |
| ADJUSTMENTS TO GAAP BASIS | | |
| Capitalized assets | | 69,341 |
| Increase in net pension liability | | (149,929) |
| Principal repayment | | <u>1,100,000</u> |
| Total adjustments to GAAP basis | | <u>1,019,412</u> |
| CHANGE IN NET POSITION | | <u>(1,356,317)</u> |
| NET POSITION, MAY 1 | | 10,990,955 |
| Change in accounting principle | | <u>(454,459)</u> |
| NET POSITION, MAY 1, RESTATED | | <u>10,536,496</u> |
| NET POSITION, APRIL 30 | | <u>\$ 9,180,179</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND**

For the Year Ended April 30, 2016

| | Budget | Actual |
|-----------------------------------|---------------|---------------|
| OPERATING EXPENSES | | |
| Salaries and stipends | | |
| President | \$ 6,800 | \$ 5,550 |
| Trustees | 13,680 | 8,576 |
| Clerical | 173,440 | 181,261 |
| Directors/superintendents | 233,446 | 229,724 |
| Operations staff | 783,176 | 782,600 |
| Overtime | 112,743 | 63,573 |
| Administrator | 53,704 | 53,175 |
| | 1,376,989 | 1,324,459 |
| | | |
| Payroll taxes | | |
| FICA | 104,536 | 103,498 |
| Unemployment taxes | 19,815 | 3,764 |
| IMRF | 160,978 | 155,944 |
| | 285,329 | 263,206 |
| | | |
| Employee benefits | | |
| Group insurance | 292,873 | 275,850 |
| Uniforms | 5,300 | 8,566 |
| | 298,173 | 284,416 |
| | | |
| General operating | | |
| Education | 5,000 | 617 |
| Gas heat | 6,000 | 775 |
| Electricity | 316,000 | 349,794 |
| Telephone | 14,000 | 13,979 |
| Postage | 15,500 | 15,449 |
| Publication legal notices | 500 | 43 |
| Supplies - general | 11,000 | 10,503 |
| Supplies - office | 5,000 | 5,634 |
| Supplies - sewer treatment | 150,000 | 125,368 |
| Supplies - water treatment | 5,000 | 2,884 |
| Motor fuel and lubrication | 33,000 | 18,144 |
| Conferences | 4,500 | 2,801 |
| Dues, subscriptions, and meetings | 4,550 | 11,123 |

(This schedule is continued on the following pages.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND (Continued)

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|---------------------------------------|---------------|---------------|
| OPERATING EXPENSES (Continued) | | |
| General operating (Continued) | | |
| Training | \$ 3,500 | \$ 1,094 |
| Rentals | 4,200 | 1,854 |
| Employee physicals | 1,200 | 911 |
| Rubbish removal | 11,000 | 9,462 |
| Water meters | 10,000 | 14,696 |
| Safety program | 4,000 | 869 |
| Lab tests pretreatment | 7,000 | 5,951 |
| Operating software | 10,000 | 1,300 |
| Hardware | 5,600 | - |
| Other operating expenses | - | 165 |
| DuPage Water Commission | 2,080,611 | 2,045,783 |
| | <hr/> | <hr/> |
| Total general operating | 2,707,161 | 2,639,199 |
| | <hr/> | <hr/> |
| Repairs and maintenance | | |
| Vehicles | 12,500 | 11,313 |
| Equipment | 14,000 | 13,600 |
| Bulk material | 10,000 | 12,661 |
| Structures | 138,000 | 83,059 |
| Wells | 33,000 | 52,184 |
| Treatment plant | 453,300 | 617,428 |
| Lift stations | 50,000 | 109,337 |
| Sanitary sewers | 50,000 | 106,033 |
| Water systems | 55,800 | 50,296 |
| Meter repair | 12,500 | 15,659 |
| | <hr/> | <hr/> |
| Total repairs and maintenance | 829,100 | 1,071,570 |
| | <hr/> | <hr/> |
| Professional services | | |
| Legal | 439,500 | 157,267 |
| Engineering | 83,500 | 20,004 |
| Accounting | 40,000 | 33,906 |
| Payroll | 2,400 | 3,320 |
| Audit | 28,000 | 24,873 |
| Janitorial | 17,250 | 14,118 |
| Other services | 26,000 | 33,143 |
| | <hr/> | <hr/> |
| Total professional services | 636,650 | 286,631 |
| | <hr/> | <hr/> |

(This schedule is continued on the following page.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER AND SEWER FUND (Continued)**

For the Year Ended April 30, 2016

| | <u>Budget</u> | <u>Actual</u> |
|---------------------------------------|----------------------------|----------------------------|
| OPERATING EXPENSES (Continued) | | |
| Special services | | |
| Sludge removal | \$ 80,000 | \$ 62,079 |
| Industrial pre-treatment | 75,000 | 102,574 |
| | <u>155,000</u> | <u>164,653</u> |
| | | |
| Insurance | | |
| Liability | 22,275 | 25,768 |
| Workers' compensation | 42,310 | 41,466 |
| | <u>64,585</u> | <u>67,234</u> |
| | | |
| Capital expenses - equipment | <u>71,296</u> | <u>69,341</u> |
| | | |
| TOTAL OPERATING EXPENSES | <u><u>\$ 6,424,283</u></u> | <u><u>\$ 6,170,709</u></u> |

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF ITASCA, ILLINOIS

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2008B - VILLAGE PORTION

April 30, 2016

| | |
|-------------------------|----------------------------|
| Date of Issue | November 5, 2008 |
| Date of Maturity | December 15, 2018 |
| Authorized Issue | \$ 6,905,000 |
| Denomination of Bonds | \$ 5,000 |
| Interest Rates | 3% to 4% |
| Interest Dates | June 15 and December 15 |
| Principal Maturity Date | December 15 |
| Payable at | Chase Chicago, Illinois |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending | Principal | Interest | Total | Interest Due On | | | |
|-----------------------------------|---------------------|-------------------|---------------------|------------------------|------------------|--------------------|------------------|
| | | | | June 15 | Amount | December 15 | Amount |
| 2017 | \$ 675,000 | \$ 83,800 | \$ 758,800 | 2016 | \$ 41,900 | 2016 | \$ 41,900 |
| 2018 | 700,000 | 56,800 | 756,800 | 2017 | 28,400 | 2017 | 28,400 |
| 2019 | 720,000 | 28,800 | 748,800 | 2018 | 14,400 | 2018 | 14,400 |
| | <u>\$ 2,095,000</u> | <u>\$ 169,400</u> | <u>\$ 2,264,400</u> | | <u>\$ 84,700</u> | | <u>\$ 84,700</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING DEBT CERTIFICATE, SERIES 2010**

April 30, 2016

| | |
|-------------------------|--|
| Date of Issue | May 11, 2010 |
| Date of Maturity | December 1, 2022 |
| Authorized Issue | \$ 6,955,000 |
| Denomination of Bonds | \$ 5,000 |
| Interest Rates | 2% to 4% |
| Interest Dates | June 1 and December 1 |
| Principal Maturity Date | December 1 |
| Payable at | Bank of New York Mellon Chicago, Illinois |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending | Principal | Interest | Total | Interest Due On | | | |
|-----------------------------------|---------------------|-------------------|---------------------|------------------------|-------------------|-------------------|-------------------|
| | | | | June 1 | Amount | December 1 | Amount |
| 2017 | \$ 525,000 | \$ 166,400 | \$ 691,400 | 2016 | \$ 83,200 | 2016 | \$ 83,200 |
| 2018 | 550,000 | 145,400 | 695,400 | 2017 | 72,700 | 2017 | 72,700 |
| 2019 | 570,000 | 123,400 | 693,400 | 2018 | 61,700 | 2018 | 61,700 |
| 2020 | 595,000 | 100,600 | 695,600 | 2019 | 50,300 | 2019 | 50,300 |
| 2021 | 615,000 | 76,800 | 691,800 | 2020 | 38,400 | 2020 | 38,400 |
| 2022 | 640,000 | 52,200 | 692,200 | 2021 | 26,100 | 2021 | 26,100 |
| 2023 | 665,000 | 26,600 | 691,600 | 2022 | 13,300 | 2022 | 13,300 |
| | <u>\$ 4,160,000</u> | <u>\$ 691,400</u> | <u>\$ 4,851,400</u> | | <u>\$ 345,700</u> | | <u>\$ 345,700</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
SPECIAL SERVICE AREA BONDS, SERIES 2006**

April 30, 2016

| | |
|-------------------------|----------------------------|
| Date of Issue | August 15, 2006 |
| Date of Maturity | December 15, 2021 |
| Authorized Issue | \$ 900,000 |
| Denomination of Bonds | \$ 5,000 |
| Interest Rates | 4.3% to 5.1% |
| Interest Dates | June 15 and December 15 |
| Principal Maturity Date | December 15 |
| Payable at | Chase Chicago, Illinois |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending | Principal | Interest | Total | Interest Due On | | | |
|-----------------------------------|-------------------|------------------|-------------------|------------------------|------------------|--------------------|------------------|
| | | | | June 15 | Amount | December 15 | Amount |
| 2017 | \$ 65,000 | \$ 21,672 | \$ 86,672 | 2016 | \$ 10,836 | 2016 | \$ 10,836 |
| 2018 | 65,000 | 18,520 | 83,520 | 2017 | 9,260 | 2017 | 9,260 |
| 2019 | 70,000 | 15,336 | 85,336 | 2018 | 7,668 | 2018 | 7,668 |
| 2020 | 75,000 | 11,870 | 86,870 | 2019 | 5,935 | 2019 | 5,935 |
| 2021 | 80,000 | 8,120 | 88,120 | 2020 | 4,060 | 2020 | 4,060 |
| 2022 | 80,000 | 4,080 | 84,080 | 2021 | 2,040 | 2021 | 2,040 |
| | <u>\$ 435,000</u> | <u>\$ 79,598</u> | <u>\$ 514,598</u> | | <u>\$ 39,799</u> | | <u>\$ 39,799</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2009A**

April 30, 2016

| | |
|-------------------------|---------------------------------------|
| Date of Issue | December 3, 2009 |
| Date of Maturity | February 1, 2039 |
| Authorized Issue | \$ 24,000,000 |
| Denomination of Bonds | \$ 5,000 |
| Interest Rates | 3.3% to 6.2% |
| Interest Dates | February 1 and August 1 |
| Principal Maturity Date | February 1 |
| Payable at | Bank of New York Chicago, Illinois |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending | Principal | Interest | Total | Interest Due On | | | |
|--------------------------|----------------------|----------------------|----------------------|-----------------|----------------------|----------|----------------------|
| | | | | February 1 | Amount | August 1 | Amount |
| 2017 | \$ 370,000 | \$ 1,364,740 | \$ 1,734,740 | 2017 | \$ 682,370 | 2016 | \$ 682,370 |
| 2018 | 380,000 | 1,348,830 | 1,728,830 | 2018 | 674,415 | 2017 | 674,415 |
| 2019 | 400,000 | 1,331,350 | 1,731,350 | 2019 | 665,675 | 2018 | 665,675 |
| 2020 | 420,000 | 1,312,350 | 1,732,350 | 2020 | 656,175 | 2019 | 656,175 |
| 2021 | 440,000 | 1,291,350 | 1,731,350 | 2021 | 645,675 | 2020 | 645,675 |
| 2022 | 470,000 | 1,268,910 | 1,738,910 | 2022 | 634,455 | 2021 | 634,455 |
| 2023 | 490,000 | 1,243,766 | 1,733,766 | 2023 | 621,883 | 2022 | 621,883 |
| 2024 | 520,000 | 1,217,060 | 1,737,060 | 2024 | 608,530 | 2023 | 608,530 |
| 2025 | 550,000 | 1,188,460 | 1,738,460 | 2025 | 594,230 | 2024 | 594,230 |
| 2026 | 580,000 | 1,158,210 | 1,738,210 | 2026 | 579,105 | 2025 | 579,105 |
| 2027 | 610,000 | 1,124,570 | 1,734,570 | 2027 | 562,285 | 2026 | 562,285 |
| 2028 | 640,000 | 1,089,190 | 1,729,190 | 2028 | 544,595 | 2027 | 544,595 |
| 2029 | 680,000 | 1,052,070 | 1,732,070 | 2029 | 526,035 | 2028 | 526,035 |
| 2030 | 720,000 | 1,012,630 | 1,732,630 | 2030 | 506,315 | 2029 | 506,315 |
| 2031 | 760,000 | 968,710 | 1,728,710 | 2031 | 484,355 | 2030 | 484,355 |
| 2032 | 1,190,000 | 922,350 | 2,112,350 | 2032 | 461,175 | 2031 | 461,175 |
| 2033 | 1,630,000 | 849,760 | 2,479,760 | 2033 | 424,880 | 2032 | 424,880 |
| 2034 | 1,730,000 | 750,330 | 2,480,330 | 2034 | 375,165 | 2033 | 375,165 |
| 2035 | 1,840,000 | 644,800 | 2,484,800 | 2035 | 322,400 | 2034 | 322,400 |
| 2036 | 1,950,000 | 530,720 | 2,480,720 | 2036 | 265,360 | 2035 | 265,360 |
| 2037 | 2,070,000 | 409,820 | 2,479,820 | 2037 | 204,910 | 2036 | 204,910 |
| 2038 | 2,200,000 | 281,480 | 2,481,480 | 2038 | 140,740 | 2037 | 140,740 |
| 2039 | 2,340,000 | 145,080 | 2,485,080 | 2039 | 72,540 | 2038 | 72,540 |
| | <u>\$ 22,980,000</u> | <u>\$ 22,506,536</u> | <u>\$ 45,486,536</u> | | <u>\$ 11,253,268</u> | | <u>\$ 11,253,268</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
SPECIAL SERVICE AREA BONDS, SERIES 2014**

April 30, 2016

| | |
|-------------------------|---------------------------------------|
| Date of Issue | February 11, 2014 |
| Date of Maturity | December 15, 2033 |
| Authorized Issue | \$ 3,340,000 |
| Denomination of Bonds | \$ 5,000 |
| Interest Rates | 4.5% |
| Interest Dates | June 15 and December 15 |
| Principal Maturity Date | December 15 |
| Payable at | Bank of New York Chicago, Illinois |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending | Principal | Interest | Total | Interest Due On | | | |
|--------------------------|---------------------|---------------------|---------------------|-----------------|-------------------|-------------|-------------------|
| | | | | June 15 | Amount | December 15 | Amount |
| 2017 | \$ 115,000 | \$ 139,500 | \$ 254,500 | 2016 | \$ 69,750 | 2016 | \$ 69,750 |
| 2018 | 120,000 | 134,325 | 254,325 | 2017 | 67,162 | 2017 | 67,162 |
| 2019 | 125,000 | 128,925 | 253,925 | 2018 | 64,463 | 2018 | 64,463 |
| 2020 | 130,000 | 123,300 | 253,300 | 2019 | 61,650 | 2019 | 61,650 |
| 2021 | 140,000 | 117,450 | 257,450 | 2020 | 58,725 | 2020 | 58,725 |
| 2022 | 145,000 | 111,150 | 256,150 | 2021 | 55,575 | 2021 | 55,575 |
| 2023 | 150,000 | 104,625 | 254,625 | 2022 | 52,312 | 2022 | 52,312 |
| 2024 | 155,000 | 97,875 | 252,875 | 2023 | 48,938 | 2023 | 48,938 |
| 2025 | 165,000 | 90,900 | 255,900 | 2024 | 45,450 | 2024 | 45,450 |
| 2026 | 170,000 | 83,475 | 253,475 | 2025 | 41,738 | 2025 | 41,738 |
| 2027 | 180,000 | 75,825 | 255,825 | 2026 | 37,913 | 2026 | 37,913 |
| 2028 | 185,000 | 67,725 | 252,725 | 2027 | 33,863 | 2027 | 33,863 |
| 2029 | 195,000 | 59,400 | 254,400 | 2028 | 29,700 | 2028 | 29,700 |
| 2030 | 205,000 | 50,625 | 255,625 | 2029 | 25,312 | 2029 | 25,312 |
| 2031 | 215,000 | 41,400 | 256,400 | 2030 | 20,700 | 2030 | 20,700 |
| 2032 | 225,000 | 31,725 | 256,725 | 2031 | 15,862 | 2031 | 15,862 |
| 2033 | 235,000 | 21,600 | 256,600 | 2032 | 10,800 | 2032 | 10,800 |
| 2034 | 245,000 | 11,025 | 256,025 | 2033 | 5,512 | 2033 | 5,512 |
| | <u>\$ 3,100,000</u> | <u>\$ 1,490,850</u> | <u>\$ 4,590,850</u> | | <u>\$ 745,425</u> | | <u>\$ 745,425</u> |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF INSURANCE IN FORCE

April 30, 2016

| Type of Coverage | Amount of Coverage | Expiration Date | Insurance Company |
|--|--------------------|-----------------|--|
| Commercial property | | 5/1/2016 | Federal Insurance Company |
| Building and contents | \$ 69,590,899 | | |
| Business income including extra expense | 2,050,000 | | |
| General liability | | 5/1/2016 | Argonaut Great Central Insurance Company |
| General aggregate | 3,000,000 | | |
| Products and completed ops aggregate | 3,000,000 | | |
| Personal and advertising injury | 1,000,000 | | |
| Each occurrence | 1,000,000 | | |
| Fire damage (any one fire) | 1,000,000 | | |
| Monies and securities | 50,000 | | |
| Commercial automobile | | 5/1/2016 | Argonaut Great Central Insurance Company |
| Liability | 1,000,000 | | |
| Personal injury protection | N/A | | |
| Uninsured motorist | 100,000 | | |
| Underinsured motorist | 100,000 | | |
| Umbrella | | 5/1/2016 | Argonaut Great Central Insurance Company |
| Liability | 9,000,000 | | |
| Annual aggregate | 9,000,000 | | |
| Retained limit | 1,000,000 | | |
| Workers' compensation | | 12/31/2016 | Illinois Public Risk Fund |
| Each accident | 2,500,000 | | |
| Disease - policy limit | 2,500,000 | | |
| Disease - each employee | 2,500,000 | | |
| Law enforcement liability | | 5/1/2016 | Argonaut Great Central Insurance Company |
| Annual aggregate | 3,000,000 | | |
| Each person/each wrongful act | 1,000,000 | | |
| Public officials' and employment practices liability | | 5/1/2016 | Argonaut Great Central Insurance Company |
| Annual aggregate | 3,000,000 | | |
| Each wrongful act | 1,000,000 | | |
| Cyber liability | | 6/2/2016 | Lloyd's London |
| Annual aggregate | 1,000,000 | | |
| Each and every claim | 1,000,000 | | |
| Storage tank liability | | 8/1/2016 | Ace Tank Safe |
| Annual aggregate | 1,000,000 | | |
| Per storage tank | 1,000,000 | | |

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

**SCHEDULE OF ASSESSED VALUATIONS,
TAX RATES, AND TAX EXTENSIONS**

April 30, 2016

| <u>Levy Year</u> | <u>2015</u> | <u>2014</u> |
|------------------|-----------------------|-----------------------|
| Residential | \$ 233,030,760 | \$ 218,227,923 |
| Farms | 12,895 | 13,170 |
| Commercial | 154,191,190 | 137,943,310 |
| Industrial | 169,739,280 | 156,149,166 |
| | <u>\$ 556,974,125</u> | <u>\$ 512,333,569</u> |

| <u>Levy Year</u> | <u>2015</u> | | <u>2014</u> | |
|-------------------|-----------------|---------------------|-----------------|---------------------|
| | <u>Rate</u> | <u>Taxes</u> | <u>Rate</u> | <u>Taxes</u> |
| | <u>Extended</u> | <u>Extended</u> | <u>Extended</u> | <u>Extended</u> |
| Corporate | 0.2063 | \$ 1,149,038 | 0.2638 | \$ 1,351,536 |
| Bond and interest | 0.1376 | 766,396 | 0.1485 | 760,815 |
| Police Pension | 0.1645 | 916,222 | 0.1356 | 694,724 |
| TOTAL | <u>0.5084</u> | <u>\$ 2,831,656</u> | <u>0.5479</u> | <u>\$ 2,807,075</u> |

The Village also collects taxes from Special Service Areas within the Village for the payment of principal and interest on bonds and maintenance of roads. The taxes extended for the Special Service Areas for 2015 and 2014 were \$530,147 and \$515,708, respectively.

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2016

| | |
|---|-----------------------|
| Assessed valuation - 2015 | <u>\$ 556,974,125</u> |
| Legal debt limit - 8.625% of assessed valuation | \$ 48,039,018 |
| Amount of debt applicable to debt limit | |
| Village's general obligation debt | <u>7,600,000</u> |
| LEGAL DEBT MARGIN | <u>\$ 40,439,018</u> |

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate, exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

(See independent auditor's report.)

VILLAGE OF ITASCA, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

| | 2007 | 2008 | 2009 | 2010 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| GOVERNMENTAL ACTIVITIES | | | | |
| Net investment in capital assets | \$ 90,363,723 | \$ 90,666,984 | \$ 89,814,800 | \$ 88,007,793 |
| Restricted | 1,212,231 | 1,862,030 | 1,253,137 | 1,258,176 |
| Unrestricted | 4,763,977 | 5,216,861 | 5,750,004 | 3,982,441 |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 96,339,931 | \$ 97,745,875 | \$ 96,817,941 | \$ 93,248,410 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Net investment in capital assets | \$ 9,761,557 | \$ 9,875,478 | \$ 10,895,076 | \$ 15,160,848 |
| Unrestricted | 3,203,420 | 4,164,856 | 2,604,176 | 2,291,186 |
| TOTAL BUSINESS-TYPE ACTIVITIES | \$ 12,964,977 | \$ 14,040,334 | \$ 13,499,252 | \$ 17,452,034 |
| PRIMARY GOVERNMENT | | | | |
| Net investment in capital assets | \$ 100,125,280 | \$ 100,542,462 | \$ 100,709,876 | \$ 103,168,641 |
| Restricted | 1,212,231 | 1,862,030 | 1,253,137 | 1,258,176 |
| Unrestricted | 7,967,397 | 9,381,717 | 8,354,180 | 6,273,627 |
| TOTAL PRIMARY GOVERNMENT | \$ 109,304,908 | \$ 111,786,209 | \$ 110,317,193 | \$ 110,700,444 |

The Village implemented GASB Statement No. 68 during 2016.

Data Source

Audited Financial Statements

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------|----------------|----------------|----------------|----------------|---------------|
| \$ 86,086,632 | \$ 84,355,772 | \$ 82,462,526 | \$ 79,463,098 | \$ 78,202,970 | \$ 77,774,223 |
| 1,531,216 | 3,135,730 | 3,703,525 | 4,159,291 | 5,503,700 | 5,315,395 |
| 4,348,107 | 5,064,981 | 7,298,521 | 10,516,995 | 7,584,042 | (7,187,454) |
| \$ 91,965,955 | \$ 92,556,483 | \$ 93,464,572 | \$ 94,139,384 | \$ 91,290,712 | \$ 75,902,164 |
| \$ 18,219,626 | \$ 12,273,883 | \$ 11,769,338 | \$ 10,421,964 | \$ 9,467,059 | \$ 8,705,616 |
| (2,796,758) | 2,318,579 | 1,310,939 | 1,411,824 | 1,523,896 | 474,563 |
| \$ 15,422,868 | \$ 14,592,462 | \$ 13,080,277 | \$ 11,833,788 | \$ 10,990,955 | \$ 9,180,179 |
| \$ 104,306,258 | \$ 96,629,655 | \$ 94,231,864 | \$ 89,885,062 | \$ 87,670,029 | \$ 86,479,839 |
| 1,531,216 | 3,135,730 | 3,703,525 | 4,159,291 | 5,503,700 | 5,315,395 |
| 1,551,349 | 7,383,560 | 8,609,460 | 11,928,819 | 9,107,938 | (6,712,891) |
| \$ 107,388,823 | \$ 107,148,945 | \$ 106,544,849 | \$ 105,973,172 | \$ 102,281,667 | \$ 85,082,343 |

VILLAGE OF ITASCA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

| | 2007 | 2008 | 2009 | 2010 |
|---|------------------------|------------------------|------------------------|------------------------|
| EXPENSES | | | | |
| Governmental activities | | | | |
| General government | \$ 2,941,755 | \$ 3,581,580 | \$ 2,290,560 | \$ 3,169,008 |
| Public safety | 4,148,812 | 4,286,245 | 4,575,914 | 4,496,515 |
| Community development | 741,270 | 935,394 | 720,154 | 630,901 |
| Public works | 6,461,997 | 6,087,127 | 6,977,922 | 7,265,891 |
| Interest | 785,497 | 783,039 | 520,596 | 586,624 |
| Total governmental activities expenses | 15,079,331 | 15,673,385 | 15,085,146 | 16,148,939 |
| Business-type activities | | | | |
| Water and sewer | 3,665,069 | 3,751,457 | 4,286,466 | 5,175,724 |
| Interest | - | - | - | - |
| Total business-type activities expenses | 3,665,069 | 3,751,457 | 4,286,466 | 5,175,724 |
| TOTAL PRIMARY GOVERNMENT EXPENSES | \$ 18,744,400 | \$ 19,424,842 | \$ 19,371,612 | \$ 21,324,663 |
| PROGRAM REVENUES | | | | |
| Governmental activities | | | | |
| Charges for services | | | | |
| Public safety | \$ 368,587 | \$ 361,356 | \$ 450,838 | \$ 519,982 |
| Community development | 1,054,575 | 974,183 | 833,278 | 522,792 |
| Public Works | 199,299 | 170,857 | 236,314 | 122,632 |
| Operating grants and contributions | 240,885 | 231,773 | 216,643 | 209,518 |
| Capital grants and contributions | 29,021 | 34,965 | 29,497 | 31,624 |
| Total governmental activities program revenues | 1,892,367 | 1,773,134 | 1,766,570 | 1,406,548 |
| Business-type activities | | | | |
| Charges for services | | | | |
| Water and sewer | 3,227,030 | 3,786,271 | 3,755,646 | 3,956,315 |
| Capital grants and contributions | - | 443,923 | - | 5,000,000 |
| Total business-type activities program revenues | 3,227,030 | 4,230,194 | 3,755,646 | 8,956,315 |
| TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES | \$ 5,119,397 | \$ 6,003,328 | \$ 5,522,216 | \$ 10,362,863 |
| NET REVENUE (EXPENSE) | | | | |
| Governmental activities | \$ (13,186,964) | \$ (13,900,251) | \$ (13,318,576) | \$ (14,742,391) |
| Business-type activities | (438,039) | 478,737 | (530,820) | 3,780,591 |
| TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE) | \$ (13,625,003) | \$ (13,421,514) | \$ (13,849,396) | \$ (10,961,800) |

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----|--------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| \$ | 3,023,830 | \$ 2,907,797 | \$ 2,539,131 | \$ 2,877,330 | \$ 4,703,106 | \$ 3,479,155 |
| | 5,010,422 | 5,005,282 | 4,898,678 | 4,938,440 | 5,440,539 | 6,058,119 |
| | 544,921 | 596,880 | 627,001 | 982,497 | 753,760 | 942,210 |
| | 4,634,428 | 4,367,247 | 5,320,761 | 5,566,081 | 6,281,524 | 5,642,221 |
| | 483,783 | 455,089 | 424,737 | 580,185 | 567,260 | 478,048 |
| | 13,697,384 | 13,332,295 | 13,810,308 | 14,944,533 | 17,746,189 | 16,599,753 |
| | 5,013,429 | 5,075,192 | 6,191,690 | 6,933,727 | 8,637,501 | 9,558,386 |
| | 1,402,584 | 1,402,584 | 1,402,734 | 1,400,011 | - | - |
| | 6,416,013 | 6,477,776 | 7,594,424 | 8,333,738 | 8,637,501 | 9,558,386 |
| \$ | 20,113,397 | \$ 19,810,071 | \$ 21,404,732 | \$ 23,278,271 | \$ 26,383,690 | \$ 26,158,139 |
| \$ | 404,189 | \$ 431,769 | \$ 412,952 | \$ 485,700 | \$ 390,293 | \$ 309,180 |
| | 554,281 | 707,154 | 643,243 | 1,058,825 | 905,238 | 756,655 |
| | 127,079 | 130,679 | 120,415 | 118,705 | 132,778 | 148,505 |
| | 265,159 | 248,220 | 205,955 | 213,525 | 211,962 | 221,232 |
| | 180,823 | 57,932 | 131,517 | 393,789 | 153,613 | 32,399 |
| | 1,531,531 | 1,575,754 | 1,514,082 | 2,270,544 | 1,793,884 | 1,467,971 |
| | 4,100,378 | 4,898,635 | 5,762,679 | 6,481,304 | 6,561,926 | 7,568,954 |
| | - | - | - | - | - | - |
| | 4,100,378 | 4,898,635 | 5,762,679 | 6,481,304 | 6,561,926 | 7,568,954 |
| \$ | 5,631,909 | \$ 6,474,389 | \$ 7,276,761 | \$ 8,751,848 | \$ 8,355,810 | \$ 9,036,925 |
| \$ | (12,165,853) | \$ (11,756,541) | \$ (12,296,226) | \$ (12,673,989) | \$ (15,952,305) | \$ (15,131,782) |
| | (2,315,635) | (1,579,141) | (1,831,745) | (1,852,434) | (2,075,575) | (1,989,432) |
| \$ | (14,481,488) | \$ (13,335,682) | \$ (14,127,971) | \$ (14,526,423) | \$ (18,027,880) | \$ (17,121,214) |

VILLAGE OF ITASCA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

| | 2007 | 2008 | 2009 | 2010 |
|---|----------------------|----------------------|-----------------------|----------------------|
| GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS | | | | |
| Governmental activities | | | | |
| Taxes | | | | |
| Property | \$ 2,973,502 | \$ 3,150,538 | \$ 3,197,830 | \$ 3,585,694 |
| Hotel | 1,106,901 | 1,287,674 | 1,074,228 | 775,908 |
| Intergovernmental | 9,439,468 | 8,921,315 | 7,321,700 | 6,277,113 |
| Miscellaneous | 421,512 | 548,799 | 336,229 | 460,596 |
| Investment income | 249,759 | 314,503 | 212,177 | 73,549 |
| Transfers in (out) | - | - | 248,478 | - |
| Total governmental activities | 14,191,142 | 14,222,829 | 12,390,642 | 11,172,860 |
| Business-type activities | | | | |
| Intergovernmental | - | - | - | - |
| Miscellaneous | 94,829 | 98,091 | 103,751 | 121,029 |
| Investment income | 159,854 | 192,068 | 134,465 | 51,162 |
| Transfers in (out) | - | - | (248,478) | - |
| Total business-type activities | 254,683 | 290,159 | (10,262) | 172,191 |
| TOTAL PRIMARY GOVERNMENT | \$ 14,445,825 | \$ 14,512,988 | \$ 12,380,380 | \$ 11,345,051 |
| CHANGE IN NET POSITION | | | | |
| Governmental activities | \$ 1,004,178 | \$ 322,578 | \$ (927,934) | \$ (3,569,531) |
| Business-type activities | (183,356) | 768,896 | (541,082) | 3,952,782 |
| TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION | \$ 820,822 | \$ 1,091,474 | \$ (1,469,016) | \$ 383,251 |

Data Source

Audited Financial Statements

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----|-------------|---------------|---------------|---------------|----------------|----------------|
| \$ | 2,845,048 | \$ 2,891,673 | \$ 2,922,967 | \$ 2,979,754 | \$ 3,269,634 | \$ 3,529,622 |
| | 893,270 | 1,042,657 | 1,229,225 | 1,214,144 | 1,260,731 | 1,237,362 |
| | 6,289,842 | 7,892,212 | 8,518,068 | 8,474,428 | 8,300,237 | 7,548,238 |
| | 824,101 | 503,931 | 626,420 | 639,080 | 713,792 | 995,486 |
| | 31,137 | 16,596 | 35,226 | 41,397 | 50,016 | 62,813 |
| | - | - | - | - | (490,777) | - |
| | 10,883,398 | 12,347,069 | 13,331,906 | 13,348,803 | 13,103,633 | 13,373,521 |
| | - | 490,777 | 490,777 | 451,761 | 451,661 | 448,652 |
| | 117,357 | 173,003 | 143,008 | 152,334 | 288,910 | 183,328 |
| | 169,112 | 84,955 | 6,797 | 1,850 | 1,394 | 1,135 |
| | - | - | - | - | 490,777 | - |
| | 286,469 | 748,735 | 640,582 | 605,945 | 1,232,742 | 633,115 |
| \$ | 11,169,867 | \$ 13,095,804 | \$ 13,972,488 | \$ 13,954,748 | \$ 14,336,375 | \$ 14,006,636 |
| \$ | (1,282,455) | \$ 590,528 | \$ 1,035,680 | \$ 674,814 | \$ (2,848,672) | \$ (1,758,261) |
| | (2,029,166) | (830,406) | (1,191,163) | (1,246,489) | (842,833) | (1,356,317) |
| \$ | (3,311,621) | \$ (239,878) | \$ (155,483) | \$ (571,675) | \$ (3,691,505) | \$ (3,114,578) |

VILLAGE OF ITASCA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| | 2007 | 2008 | 2009 | 2010 |
|---|---------------------|---------------------|---------------------|---------------------|
| GENERAL FUND | | | | |
| Restricted | \$ 15,683 | \$ 57,645 | \$ 52,353 | \$ 66,301 |
| Unrestricted | | | | |
| Unassigned | 5,254,091 | 5,873,196 | 5,206,535 | 3,504,380 |
| TOTAL GENERAL FUND | \$ 5,269,774 | \$ 5,930,841 | \$ 5,258,888 | \$ 3,570,681 |
| ALL OTHER GOVERNMENTAL FUNDS | | | | |
| Restricted | | | | |
| Debt Service Funds | \$ 482,546 | \$ 485,115 | \$ 139,505 | \$ 146,577 |
| Highways and streets | - | 361,229 | 207,863 | 423,612 |
| Tourism | - | 884,148 | 870,615 | 621,686 |
| Special service areas | - | - | - | - |
| Unrestricted | | | | |
| Assigned | 2,228,818 | 407,897 | 1,372,780 | 1,390,737 |
| Unassigned | - | - | - | - |
| TOTAL ALL OTHER GOVERNMENTAL FUNDS | \$ 2,711,364 | \$ 2,138,389 | \$ 2,590,763 | \$ 2,582,612 |

*The Village implemented GASB Statement No. 54 for the fiscal year ended April 30, 2012.

Data Source

Audited Financial Statements

| 2011 | 2012* | 2013 | 2014 | 2015 | 2016 |
|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| \$ 66,378 | \$ 28,829 | \$ 29,750 | \$ 32,584 | \$ 35,375 | \$ 35,375 |
| 3,847,515 | 5,982,901 | 8,071,249 | 9,851,800 | 10,128,426 | 9,642,012 |
| <u>\$ 3,913,893</u> | <u>\$ 6,011,730</u> | <u>\$ 8,100,999</u> | <u>\$ 9,884,384</u> | <u>\$ 10,163,801</u> | <u>\$ 9,677,387</u> |
| \$ 146,018 | \$ 144,975 | \$ 144,975 | \$ 399,709 | \$ 393,413 | \$ 485,254 |
| 315,492 | 197,337 | 209,596 | 236,020 | 300,244 | 320,821 |
| 1,003,328 | 1,289,202 | 1,838,982 | 2,271,858 | 2,409,882 | 2,252,892 |
| - | 1,475,387 | 1,480,222 | 4,460,058 | 2,364,786 | 2,221,053 |
| 1,401,661 | - | - | - | - | - |
| - | (62,801) | (62,714) | (66,874) | (80,615) | (62,891) |
| <u>\$ 2,866,499</u> | <u>\$ 3,044,100</u> | <u>\$ 3,611,061</u> | <u>\$ 7,300,771</u> | <u>\$ 5,387,710</u> | <u>\$ 5,217,129</u> |

VILLAGE OF ITASCA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

| | 2007 | 2008 | 2009 | 2010 |
|--|---------------------|---------------------|---------------------|-----------------------|
| REVENUES | | | | |
| Taxes | \$ 2,973,502 | \$ 3,150,538 | \$ 3,197,830 | \$ 3,585,694 |
| Hotel taxes | 1,106,901 | 1,287,674 | 1,074,228 | 775,908 |
| Licenses and permits | 1,054,575 | 974,183 | 833,278 | 522,792 |
| Intergovernmental | 9,439,468 | 8,921,315 | 7,321,700 | 6,277,113 |
| Food and beverage tax | - | - | - | - |
| Grants | 275,547 | 266,738 | 246,140 | 241,142 |
| Charges for services | 199,299 | 170,857 | 236,314 | 122,632 |
| Fines and forfeits | 368,587 | 361,356 | 450,838 | 519,982 |
| Investment income | 249,759 | 314,503 | 212,177 | 73,549 |
| Miscellaneous | 415,871 | 548,799 | 336,229 | 460,596 |
| Total revenues | 16,083,509 | 15,995,963 | 13,908,734 | 12,579,408 |
| EXPENDITURES | | | | |
| General government | 2,875,802 | 3,288,520 | 3,243,367 | 3,034,057 |
| Public safety | 4,251,280 | 4,243,856 | 4,498,301 | 4,431,600 |
| Community development | 730,593 | 939,489 | 712,405 | 623,152 |
| Public works | 3,296,808 | 4,004,222 | 3,484,131 | 3,826,295 |
| Debt service | | | | |
| Principal | 1,210,000 | 1,305,000 | 1,495,000 | 1,750,000 |
| Interest | 785,497 | 767,909 | 563,410 | 610,662 |
| Issuance costs | - | - | 68,671 | - |
| Capital outlay | 974,830 | 254,685 | 380,177 | - |
| Total expenditures | 14,124,810 | 14,803,681 | 14,445,462 | 14,275,766 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 1,958,699 | 1,192,282 | (536,728) | (1,696,358) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 327,000 | 1,264,565 | 107,055 |
| Transfers (out) | - | (327,000) | (1,016,087) | (107,055) |
| Bonds issued at par | 900,000 | - | 6,905,000 | - |
| Premium on bonds issued | - | - | 99,797 | - |
| Payment to escrow agent | - | - | (6,936,126) | - |
| Total other financing sources (uses) | 900,000 | - | 317,149 | - |
| NET CHANGE IN FUND BALANCES | \$ 2,858,699 | \$ 1,192,282 | \$ (219,579) | \$ (1,696,358) |
| DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES | 13.22% | 13.77% | 13.88% | 10.38% |

Data Source

Audited Financial Statements

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----|-------------|--------------|--------------|--------------|----------------|--------------|
| \$ | 2,845,048 | \$ 2,891,673 | \$ 2,922,967 | \$ 2,979,754 | \$ 3,269,634 | \$ 3,529,623 |
| | 893,270 | 1,042,657 | 1,229,225 | 1,214,144 | 1,260,731 | 1,236,684 |
| | 554,281 | 707,154 | 643,243 | 1,058,825 | 905,238 | 756,655 |
| | 6,289,842 | 7,751,241 | 8,219,668 | 8,197,985 | 8,019,155 | 7,391,561 |
| | - | 140,971 | 298,400 | 276,443 | 281,082 | 303,324 |
| | 445,982 | 306,152 | 337,472 | 607,313 | 365,575 | 253,631 |
| | 127,079 | 130,679 | 120,415 | 118,705 | 132,778 | 148,505 |
| | 404,189 | 431,769 | 412,952 | 485,700 | 390,293 | 309,180 |
| | 31,137 | 16,596 | 35,226 | 41,397 | 50,016 | 62,813 |
| | 824,100 | 503,931 | 626,420 | 769,080 | 848,792 | 996,163 |
| | 12,414,928 | 13,922,823 | 14,845,988 | 15,749,346 | 15,523,294 | 14,988,139 |
| | 2,580,592 | 2,535,508 | 2,492,045 | 3,053,028 | 2,956,224 | 3,551,876 |
| | 4,842,148 | 4,826,298 | 4,785,808 | 4,719,758 | 5,092,099 | 5,543,869 |
| | 537,172 | 589,131 | 619,252 | 974,748 | 746,902 | 895,383 |
| | 1,885,239 | 1,784,094 | 2,512,072 | 2,788,188 | 3,545,124 | 3,241,538 |
| | 1,050,000 | 1,075,000 | 1,110,000 | 1,265,000 | 1,440,000 | 1,460,000 |
| | 513,474 | 466,314 | 436,378 | 482,338 | 560,577 | 531,468 |
| | 99,143 | - | - | 82,385 | - | - |
| | 379,204 | 371,040 | 234,203 | 250,805 | 2,325,235 | 421,000 |
| | 11,886,972 | 11,647,385 | 12,189,758 | 13,616,250 | 16,666,161 | 15,645,134 |
| | 527,956 | 2,275,438 | 2,656,230 | 2,133,096 | (1,142,867) | (656,995) |
| | 188,328 | 280,975 | (119,530) | 127,833 | 315,130 | 240,038 |
| | (188,328) | (280,975) | 119,530 | (127,833) | (805,907) | (240,038) |
| | 6,955,000 | - | - | 3,340,000 | - | - |
| | 434,323 | - | - | - | - | - |
| | (7,290,180) | - | - | - | - | - |
| | 99,143 | - | - | 3,340,000 | (490,777) | - |
| \$ | 627,099 | \$ 2,275,438 | \$ 2,656,230 | \$ 5,473,096 | \$ (1,633,644) | \$ (656,995) |
| | 12.53% | 15.45% | 12.45% | 12.73% | 10.53% | 12.40% |

VILLAGE OF ITASCA, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

| Levy Year | Fiscal Year | Farm | Residential Property | Commercial Property | Industrial Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Estimated Actual Taxable Value |
|------------------|--------------------|-------------|-----------------------------|----------------------------|----------------------------|-------------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| 2006 | 2007 | \$ 7,778 | \$ 295,504,050 | \$ 166,689,100 | \$ 206,376,723 | \$ 668,577,651 | \$ 0.3618 | \$ 2,007,740,694 | 33.30% |
| 2007 | 2008 | 7,122 | 330,340,316 | 170,646,600 | 207,026,446 | 708,020,484 | 0.3503 | 2,126,187,640 | 33.30% |
| 2008 | 2009 | 7,712 | 342,677,353 | 183,671,090 | 215,541,930 | 741,898,085 | 0.3411 | 2,227,922,177 | 33.30% |
| 2009 | 2010 | 7,549 | 343,982,282 | 186,325,060 | 207,669,070 | 737,983,961 | 0.3475 | 2,216,168,051 | 33.30% |
| 2010 | 2011 | 8,995 | 314,640,341 | 169,290,760 | 186,121,655 | 670,061,751 | 0.3888 | 2,012,197,450 | 33.30% |
| 2011 | 2012 | 9,896 | 273,668,733 | 156,950,010 | 186,755,430 | 617,384,069 | 0.4290 | 1,854,006,213 | 33.30% |
| 2012 | 2013 | 10,890 | 242,912,083 | 150,714,120 | 171,702,060 | 565,339,153 | 0.4811 | 1,697,715,174 | 33.30% |
| 2013 | 2014 | 11,974 | 222,443,542 | 140,820,800 | 162,870,496 | 526,146,812 | 0.5257 | 1,580,020,456 | 33.30% |
| 2014 | 2015 | 13,170 | 218,227,923 | 137,943,310 | 156,149,166 | 512,333,569 | 0.5479 | 1,538,539,246 | 33.30% |
| 2015 | 2016 | 12,895 | 233,030,760 | 154,191,190 | 169,739,280 | 556,974,125 | 0.5084 | 1,672,594,970 | 33.30% |

Note: Property in the Village is reassessed each year. Property is assessed at 33.3% of actual value.

Data Source

Dupage County Clerk

VILLAGE OF ITASCA, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

| Fiscal Year | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Debt limit | \$ 57,664,822 | \$ 61,066,767 | \$ 63,988,710 | \$ 63,651,117 | \$ 57,792,826 | \$ 53,249,376 | \$ 48,760,505 | \$ 45,380,163 | \$ 44,188,770 | \$ 48,039,018 |
| Total net debt applicable to limit | 13,950,000 | 15,630,000 | 13,950,000 | 15,210,000 | 13,745,000 | 12,565,000 | 9,600,000 | 10,140,000 | 8,890,000 | 7,600,000 |
| LEGAL DEBT MARGIN | \$ 41,034,822 | \$ 45,436,767 | \$ 50,038,710 | \$ 48,441,117 | \$ 44,047,826 | \$ 40,684,376 | \$ 39,160,505 | \$ 35,240,163 | \$ 35,298,770 | \$ 40,439,018 |
| TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT | 24.2% | 25.6% | 21.8% | 23.9% | 23.8% | 23.6% | 19.7% | 22.3% | 20.1% | 15.8% |

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

VILLAGE OF ITASCA, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Calendar Years

| Calendar Year | Village Direct Rate | Non-Home Rule Sales Tax Rate | DuPage County Water Commission | DuPage County | Regional Transportation Authority | State Rate | Total |
|----------------------|----------------------------|-------------------------------------|---------------------------------------|----------------------|--|-------------------|--------------|
| 2007 | 1.00% | 0.50% | 0.25% | 0.25% | 0.25% | 5.00% | 7.25% |
| 2008 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2009 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2010 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2011 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2012 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2013 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2014 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2015 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |
| 2016 | 1.00% | 0.50% | 0.25% | 0.25% | 0.75% | 5.00% | 7.75% |

Data Source

Department of Revenue

VILLAGE OF ITASCA, ILLINOIS

GENERAL SALES TAX BY CATEGORY

Last Ten Calendar Years

| Calendar Year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General merchandise | \$ 3,859 | \$ 4,391 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Food | 69,010 | 75,375 | 77,681 | 58,027 | 69,685 | 71,356 | 59,645 | 47,343 | 44,408 | 39,726 |
| Drinking and eating places | 227,594 | 233,291 | 214,604 | 190,185 | 191,295 | 211,215 | 199,475 | 201,522 | 212,164 | 216,663 |
| Apparel | 50 | 85 | - | - | - | - | - | - | - | - |
| Furniture, H.H. and Radio | 1,834,595 | 1,458,839 | 701,759 | 418,238 | 355,206 | 401,768 | 536,120 | 672,675 | 557,776 | 629,881 |
| Lumber, building hardware | 101,756 | 133,851 | 159,711 | 97,365 | 128,416 | 150,210 | 114,813 | 70,321 | 75,764 | 78,416 |
| Automobile and filling stations | 238,120 | 203,780 | 215,781 | 217,969 | 255,310 | 332,154 | 332,510 | 316,819 | 310,032 | 317,187 |
| Drugs and miscellaneous retail | 624,364 | 1,304,740 | 688,817 | 567,531 | 436,620 | 860,024 | 1,005,514 | 1,229,242 | 1,144,855 | 898,115 |
| Agriculture and all others | 1,695,064 | 1,056,674 | 1,477,110 | 1,560,867 | 1,429,088 | 885,155 | 842,335 | 548,828 | 544,068 | 556,700 |
| Manufacturers | 314,405 | 272,434 | 223,746 | 185,519 | 218,433 | 114,804 | 129,186 | 122,365 | 129,276 | 110,001 |
| TOTAL | \$ 5,108,816 | \$ 4,743,461 | \$ 3,759,209 | \$ 3,295,702 | \$ 3,084,053 | \$ 3,026,686 | \$ 3,219,597 | \$ 3,209,115 | \$ 3,018,342 | \$ 2,846,690 |
| VILLAGE DIRECT SALES TAX RATE | 1.00% |

Note: Data available for calendar year only.

Data Source

Illinois Department of Revenue

VILLAGE OF ITASCA, ILLINOIS

NON-HOME RULE SALES TAX BY CATEGORY

Last Ten Calendar Years

| Calendar Year | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General merchandise | \$ 1,291 | \$ 2,195 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Food | 30,679 | 33,557 | 34,504 | 24,691 | 30,889 | 32,148 | 26,832 | 21,101 | 18,996 | 16,314 |
| Drinking and eating places | 112,374 | 116,546 | 107,187 | 95,028 | 95,545 | 105,530 | 99,676 | 100,670 | 105,428 | 108,218 |
| Apparel | 25 | 43 | - | - | - | - | - | - | - | - |
| Furniture, H.H. and radio | 901,488 | 725,453 | 350,879 | 209,120 | 177,604 | 200,886 | 268,061 | 336,338 | 278,889 | 314,853 |
| Lumber, building hardware | 64,841 | 66,914 | 78,901 | 49,498 | 64,208 | 74,140 | 57,336 | 35,159 | 37,869 | 39,199 |
| Automobile and filling stations | 87,979 | 43,477 | 91,441 | 86,522 | 104,673 | 143,824 | 142,331 | 135,476 | 132,050 | 107,926 |
| Drugs and miscellaneous retail | 274,905 | 620,471 | 308,856 | 250,876 | 186,931 | 397,634 | 469,900 | 484,400 | 438,877 | 370,836 |
| Agriculture and all others | 838,621 | 524,556 | 606,279 | 504,141 | 557,078 | 308,945 | 289,407 | 252,599 | 271,262 | 272,605 |
| Manufacturers | 154,241 | 138,890 | 110,346 | 91,360 | 107,892 | 55,569 | 63,048 | 59,493 | 62,826 | 52,872 |
| TOTAL | \$ 2,466,444 | \$ 2,272,102 | \$ 1,688,392 | \$ 1,311,237 | \$ 1,324,820 | \$ 1,318,677 | \$ 1,416,591 | \$ 1,425,236 | \$ 1,346,196 | \$ 1,282,822 |
| VILLAGE NON-HOME RULE TAX RATE | 0.50% |

Data available for calendar year only.

Data Source

Illinois Department of Revenue