

# Village of Addison Illinois



Comprehensive Annual

Financial Report

Year Ended April 30, 2017



The Village of Addison is located approximately 25 miles west of downtown Chicago in Du Page County

The picture on the front is of the brick paver walking track in the Village Green. Eight laps equal 1.1 miles. The Village Green is located directly to the East of the Village Hall. The renovation includes the walking track and a permanent hard surface for placement of the portable stage for the weekly Rock'n'Wheels concert series and car/motorcycle show held throughout the summer. Rock'n'Wheels offers free music from local and national bands along with food from local restaurants. In addition, the Historical District which is adjacent to the Village Hall on the south, holds tours of the Century House and Balzer House in addition to a weekly craft show. The event has become the place to go on Thursdays.

**VILLAGE OF ADDISON, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended  
April 30, 2017**

**Prepared by Finance Department**

**Roseanne M. Benson  
Finance Director/Treasurer**

**Deborah Norman  
Assistant Finance Director**

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# Village of Addison

## Elected Officials



### **Village of Addison Board of Trustees:**

#### ***Front row left to right:***

Trustee Cathy Kluczny, Mayor Richard Veenstra, and Village Clerk Lucille Zucchero

#### ***Back row left to right:***

Trustee Joseph McDermott, Trustee William Lynch, Trustee Harold Theodore, Deputy Mayor Thomas Hundley, and Trustee Sam Nasti

**VILLAGE OF ADDISON, ILLINOIS**

**PRINCIPAL OFFICIALS**

**April 30, 2017**

**Village Manager**

**Joseph E. Block, Jr.**

**Assistant Village Manager/Director of Community Development**

**John Berley**

**Finance Director/Treasurer**

**Roseanne M. Benson**

**Director of Public Works**

**Rick Federighi**

**Director of Police**

**Timothy Hayden**

**Director of Community Relations**

**Donald Weiss**

**Director of Personnel/Risk Management**

**Donald Pinson**

**Village Attorney**

**Robbins Schwarz**

**Audit Committee Member**

**Donald McComb**

**Audit Committee Member**

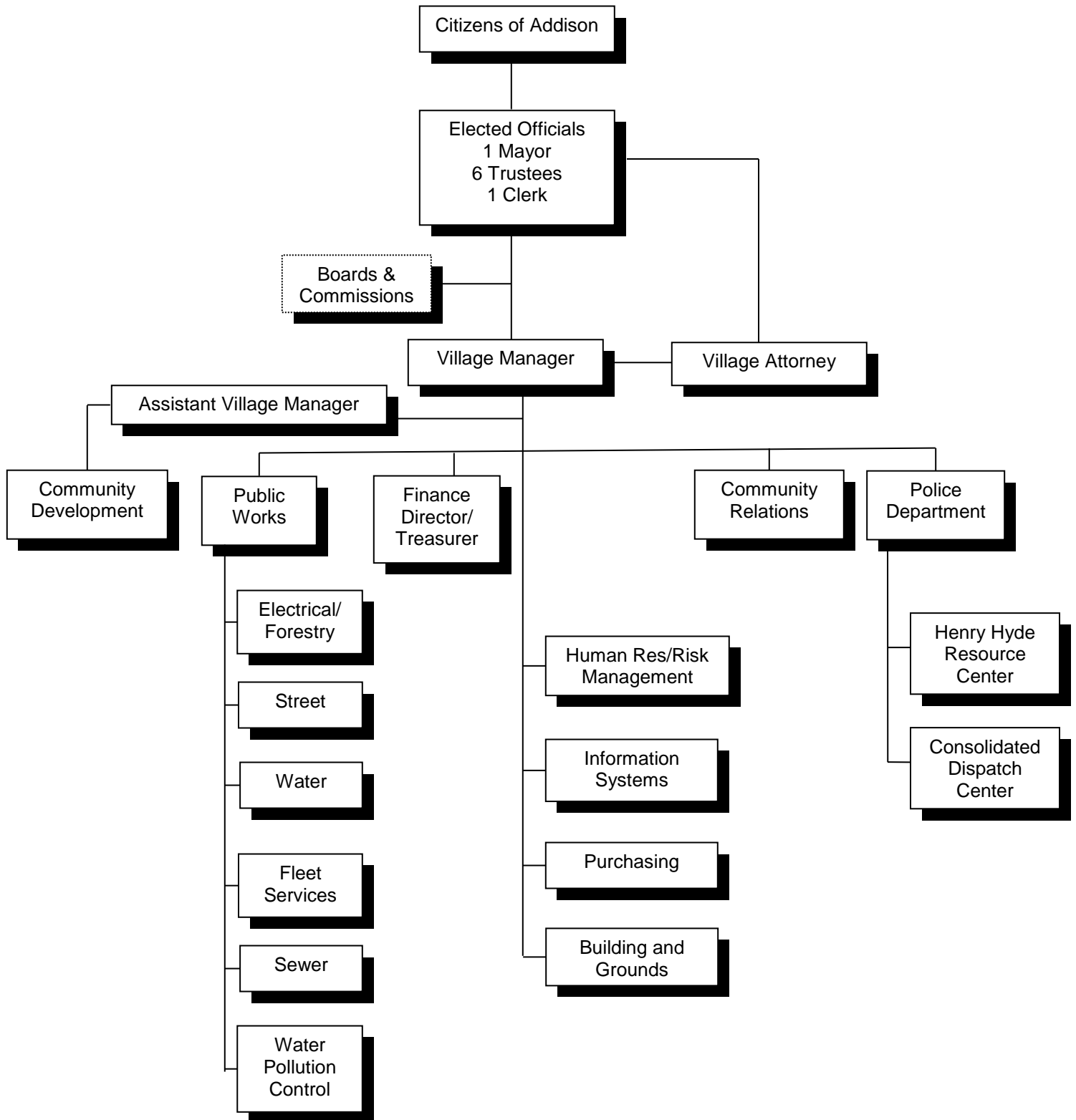
**Maria Cesario DeNicolo**

**Audit Committee Member**

**Sylvia Layne**

# VILLAGE OF ADDISON

## Organizational Structure



\*Fire services are provided by the Addison Fire Protection District, which is a separate taxing body. The Village has no authority over the District.



Government Finance Officers Association

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

Presented to

**Village of Addison  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2016**

Executive Director/CEO



# Village of Addison

## Finance Department

October 25, 2017

The Honorable Richard H. Veenstra, Mayor  
Members of the Village Board of Trustees  
Village Clerk Zucchero  
Citizens of the Village of Addison, Illinois

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the Village of Addison for the fiscal year ended April 30, 2017, is herein submitted as required by State Statute. State Statute requires an audit shall be made by a licensed public accountant, annually, and shall cover the immediately preceding fiscal year and shall be filed with the Comptroller within six months after the close of the fiscal year.

This report consists of management's representations concerning the finances of the Village of Addison. Consequently, management assumes full responsibility for the completeness and reliability of all of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not outweigh their benefits, the Village of Addison's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village of Addison's basic financial statements have been audited by Sikich, LLP, a firm of licensed Certified Public Accountants. They have issued an unmodified ("clean") opinion on the Village of Addison's basic financial statements for the fiscal year ended April 30, 2017. The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

**Profile of the Government.** The Village of Addison is rich in heritage, its history dating back to the years when the territory was inhabited by the Algonquin Indians. The first settlers arrived in 1833 and the community was incorporated on August 18, 1884. Located approximately 20 miles west of Chicago, in the County of DuPage, the Village occupies a land area of approximately 9.0 square miles and had a 2010 population of 36,942. The Village has a variety of housing options from rental units to single family homes. Prior to the housing slump, the average value of a single family home had ranged from \$300,000, to more than \$600,000. However, the housing slump and increase in foreclosed properties has negatively impacted that range. We are starting to see a rebound in home sales and an increase in home values.

The Village of Addison is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by State Statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council. See Note 3a in the Notes to Financial Statements regarding the property tax levy and corresponding receivable.

The Village of Addison operates under a Mayor-Council, Manager form of government. Addison is a home-rule municipal corporation governed by the Mayor and six trustees, who are elected on a non-partisan basis to serve four-year overlapping terms. The Village Manager is appointed by the Village Board and serves as the Chief Administrative Officer. The Village

Board is responsible for establishing Village policy, which, in turn, is implemented on a day-to-day basis by the Village Manager and Village staff.

The Village of Addison provides a full range of governmental services. Specifically, the Village provides police protection, water and sewer utilities, construction and maintenance of roadways and infrastructure, engineering, code enforcement, planning, zoning, finance and general administrative services. In addition, the Village operates a cable television station which televises Village Board meetings, special community events, community information bulletins and free movies as part of their broadcast schedule. Fire protection is provided by the Addison Fire Protection District #1 which is a separate entity and taxing body.

The Village also operates the Addison Consolidated Dispatch Center (ACDC). The center was established in 2012 and provides police dispatch services for the Village of Addison, the Village of Bensenville, the Village of Bloomingdale, the DuPage County Forest Preserve Police, the City of Wood Dale, the Village of Itasca, and the Village of Glendale Heights and the Village of Westmont. The Center provides fire dispatching to the Addison Fire Protection District, Tri-State Fire Protection District, Pleasantview Fire Protection District, Itasca Fire, Westmont Fire and Wood Dale Fire. The Center is capable of expanding services to other communities.

The Emergency Telephone System Board provided funding to update the radio console system and replace radios for sworn personnel to allow for interoperability between many agencies and solve area-wide radio frequency issues. The center will provide police dispatch services to the Village of Glendale Heights and Village of Westmont in FY 2017. In addition, the center will add fire dispatching services mid Fiscal 2017 for the Village of Bensenville Fire Protection District, Village of Itasca Fire Protection District, Tri-State Fire Protection District, Pleasantview Fire Protection District, Wood Dale Fire Protection District, along with the Addison Fire Protection District. The Village will build a new state of the art dispatch center on vacant land owned by the Village during FY 2017. The added space will allow the center to expand its services.

The Village's Park District, School Districts and Public Library, which are separate governmental entities, provide a wealth of services. Addison is served by a highly ranked public school system anchored by Addison Trail High School. Addison is also home to DeVry University. This west suburban location offers B.S. degrees in several categories of technology. DeVry also added an affiliation with the Chamberlain College of Nursing in 2008.

The Addison Park District, in addition to other facilities, operates the Family Aquatic Center, which is a national award winning outdoor water park offering a variety of water-related fun for the whole family. The Park District also manages two community centers, one of which includes a senior leisure center and the other an indoor pool and workout gym in addition to 24 park sites. Links & Tees Golf Facility is honored to be a Top 50 Stand-Alone Range by the Golf Range Association of America. The facility includes a nine-hole golf course, a miniature golf course, an outdoor driving range and putting green and an indoor golf dome, which includes a driving range, and putting and chipping areas.

The Addison Public Library, built in 2008, is a 56,000 s.f. state of the art facility utilizing several aspects of green engineering including a green roof. The Library has seen an increase in the number of circulated items and the number of patrons using the facility. The Library continues to collaborate with High School District #88 to operate Perks and Possibilities Café. The café is a joint venture between the Library and DuPage High School District #88. The café's operators are students from the Transitions Program and their advisors. This program helps cognitively disabled students, ages 19-21, learn life skills, obtain job training in a community setting, and transition to life after District #88. The old library building was remodeled and is occupied by DuPage High School District #88 for use as administrative offices and living classroom space for the Transitions Program.

The Village has evaluated other governmental services to determine whether they should be included in the Village's reporting entity. Excluded from the reporting entity are the various school districts, fire protection district, park district, library and township which fall within the Village's boundaries, but which do not meet the criteria for inclusion as set forth by Generally Accepted Accounting Principles (GAAP).

The annual budget serves as the foundation for the Village of Addison's financial planning and control. The budget process begins in November and culminates with passage by the Board before the end of the current fiscal year, April 30 and takes effect on May 1. The approved budget document serves as the basis of the Appropriations Ordinance which sets the legal spending limits of the Village. In November of each year, the Village Manager and the Finance Director distribute

the budget calendar and instructions to Department Heads. Departmental requests are then reviewed at the staff level. The Village Manager and Finance Director will then propose a balanced baseline budget and propose new programs for consideration by the Finance and Policy Committee of the Village Board. The Committee then considers the proposed budget and approves final spending levels. The Committee formally considers the budget in April after holding a public hearing and recommends final approval to the Village Board. The Village Board then approves the budget prior to April 30. The new budget takes effect May 1. The approved budget is prepared by fund, function (e.g. public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between funds, however, require the special approval of the Village Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and the Motor Fuel Tax Fund, this comparison is presented as part of the Required Supplementary Information. For governmental funds, with appropriated annual budgets, this comparison is presented in the Combining and Individual Fund Financial Statements and Schedules subsection of this report.

In addition, the Village mandates extensive budgeting controls. The objective of these controls is to ensure compliance with legal provisions embodied in the adoption of the annual appropriations ordinance (budget) by the Village's governing body. The annual budget covers activities of the general, special revenue, debt service, capital projects, enterprise, internal service and pension trust funds. All budget authorizations lapse at year end, and incomplete projects are usually re-budgeted in the subsequent fiscal year. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the budgeted amount) is at the fund level. As one method of accomplishing budgetary control, the Village reports encumbrances, if any, as reservations of fund balance since they do not constitute expenditures or liabilities. As demonstrated by the statements and schedules included in the financial section of the report, the Village continues to meet its responsibilities for sound financial management.

**Local economy.** The Village of Addison has a diversified commercial and retail base, as well as a substantial number of small and medium sized manufacturing companies. The Village is home to the largest industrial park in DuPage County and the fourth largest in Illinois, with 1,200 acres of industrial park, 800 acres of which are sheltered (with structures). Recent studies report a 96% occupancy rate in the industrial park. Over the years, the Village has experienced steady growth and is now in an enviable position of maintaining a high level of development due to available land and a desirable location. Long-term revenue trends show steady growth with sales tax and state income tax being the primary revenue sources for the Village. The economic downturn caused a drop to primary revenue sources. However, we are seeing a recovery in our primary revenue sources as the economy gets stronger.

The Village of Addison's strategic location has the advantage of being easily accessible from every direction. Four State highways penetrate and cross its boundaries including Route 20 (Lake Street), Route 53 (Rohlwing Road), Route 64 (North Avenue), and Route 83 (Robert Kingery Highway). Lake Street, the main street through the Village boasts over 30,000 cars traveling on a daily basis. Interstate I-290, the North-South Tollway I-355 and the Tri-State Tollway I-294 provide easy vehicular access to Addison. The Chicago Loop and Midway Airport are 35 minutes away; O'Hare International Airport is a 20 minute drive. Rail commuters can use METRA's Milwaukee District West Line station in Wood Dale, or the Union Pacific West Line in Villa Park, and may expect a 35 to 48 minute trip to the Loop. Two PACE bus routes were added to the Village in the summer of 2008 which now allow residents to go to a local shopping mall, and transfer to other bus routes within the county.

With a central location in the metropolitan area, Addison has attracted several regional distribution facilities, the largest being the United Parcel Service Distribution Center, which employs over 2,900 people. The Village is also the site of the international headquarters and expanded warehouse facilities for The Pampered Chef, a supplier of high-end kitchen utilities. The 43 acre site includes a 600,000 square foot warehouse and a 180,000 square foot office building.

The Lake Street Business and Entertainment Corridor is home to several commercial properties including a membership shopping club, big box retail store, hotel, movie theatre complex, drugstores, and several restaurants ranging from fast food and coffee shops to elegant steakhouse dining. The development of this corridor was accomplished thru the use of various Village incentives and private developers. The addition of a Caputo's grocery store (specializing in Italian, Mexican, Polish and Middle Eastern items) and Jimenez grocery provide specialty grocery shopping for our ethnically diverse community and surrounding communities.

During Fiscal 2017, the Village saw several major developments, including:

- Renovations to the Dominick's shopping plaza at Lake St. and Mill Road continued with the relocation of a Planet Fitness to this location. A Taco Bell replaced the vacant Fannie May building on the corner.
- Several restaurants opened in FY 2017 including a Popeye's Louisiana Chicken, Briki Café, specializing in Greek food, Shoeless Joes' sports bar and restaurant and a Firehouse Subs.
- Improvements to the Village Green area, west of Village Hall were completed. The improvements include a walking path, lighting and a solid foundation for the portable stage used for the summer Rock'N'Wheels concert series.
- Construction began on the Addison Consolidated Dispatch Center. The building will be a 20,700sq ft state of the art facility that will be rated for an F-4 storm. In addition to the dispatch center, the facility will also include an Emergency Operations Center and Village Information Technology infrastructure. The facility will also be able to provide back-up space for DuComm, the other dispatch agency in DuPage County.
- Two manufacturers expanded their facilities to house new machinery and expand production facilities.

During the next year, the Village will see major developments including:

- Construction will begin on The Enclave, located on the old 3-par golf course at Army Trail Road and Mill Road. Prices for the homes will start in the low \$300,000 range. Phase one will include forty-four one story single family homes, with an option for a second level.
- Woodland Estates will include 14 single family attached homes, complete with full basements. The development is located on western end of the Village on Route 53 and Woodland Avenue.
- A senior citizen facility that will include independent living thru memory care options is slated to start late FY 18. It will be located on the western end of the Village with easy access to the I-355/I-290 highway system.
- The Caputo's grocery store will begin an upscale renovation to include an expanded deli and seated eating area.
- The annexation of properties at the intersection of Rte. 53 and Lake St will begin.

Several new annexations and development of existing parcels from single-family home sites, commercial parcels, and major industrial buildings ranging in size to over 100,000 square feet have been ongoing in recent years. This trend has slowed in response to the overall economic condition. New home construction in the Village has slowed in conjunction with the national trend. Local builders have built numerous upscale homes in the recent past as a result of in-fills and teardowns, ranging in price from \$500,000 to \$1 million. Townhomes and condos have been constructed in the Village with prices starting at \$250,000 on up. Private land acquisitions for several developments were put on hold until the economy recovered. We are now seeing these developments start ground breaking and construction. We are seeing an increase in the purchase of foreclosed and vacant properties.

The Village government has actively promoted the Village to prospective business owners, and has constructed an extensive streetscape beautification project along the Lake Street Corridor. Other development promotions utilized by the Village include Tax Increment Financing (TIF) incentives, the creation of a business district qualifying this area for various state grants and loans, and sales tax sharing arrangements used as a development incentive.

The Village completed a feasibility study for the establishment of a Town Center in the commercial area located north of Lake Street and west of Addison Road (the eastern section of the Village). The Town Center Plan would redevelop this large and important commercial area of the Village and serve as a community focal point. The Village approved the plan and established it as a TIF district during FY 2007. The Town Center Plan includes mixed-use buildings, with commercial operations on the street level and residential dwellings on the upper floors.

In addition to the commercial and residential growth, the various local governmental units, business community, and service clubs have been active participants in maintaining the vitality of the Village. Through a strong sense of community

and a high rate of volunteerism, numerous community activities are hosted each year. Some of these annual events include, The Mayor's Community Charity Ball (25<sup>th</sup> Anniversary in 2015), the Police/Fire Merit Review Awards, the Holiday Tree Lighting Ceremony, the Tuesday night Concerts in the Park series, the Thursday night Rock'N'Wheels, (live music, car and bike show) and Addison by the Slice held in conjunction with the National Night Out event. The Historical District in Addison, which is just south of the Village Hall complex, holds tours of the two houses during the weekly Rock'N'Wheels events. These events attract a multitude of people from the Village and surrounding communities to downtown Addison.

**Long-term financial planning.** The Village, during the annual budget process, projects general operational expenditures over a three year period and capital expenditures over a five year period. This enables the Village to determine the best use of resources both currently and in future years. In addition, the Village leverages its cash outflow by applying for federal and state grants, and replaces water and sewer related infrastructure in conjunction with county or state road reconstruction projects. Joining other agencies for road construction projects not only gives the Village the ability to accomplish more with less, it also decreases the inconvenience to residents as their street is only torn up once. The Village has utilized General Obligation Bonds to fund some of the larger projects. However, this source is used only upon careful consideration by the board. In addition to judicious issuance of new General Obligation Bonds, the Village has taken advantage of dropping interest rates to refund, or refinance current debt as it becomes available. This process provides cost savings to the Village and its residents over the remaining life of the bond. The Village is proud of its AA+ rating by Fitch and AA rating by Standard and Poors.

**Relevant financial policies.** The Village's financial policy requires the maintenance of a minimum of three months cash balance in all operating funds. The Village has been successful in maintaining this level of balances. In addition, the maintenance of a scheduled replacement program for rolling stock is achieved by the establishment of an Equipment Replacement Fund, dedicated to providing for the replacement of all vehicles and related capital equipment.

**Major initiatives.** The coming year will see continued road improvements. The Village will complete the construction of a new facility for the Addison Consolidated Dispatch Center. The facility will allow for growth of the center and serve as a back-up facility for DuComm. The Village will begin the search for and the implementation of new Financial software.

**Awards and Acknowledgements.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Addison for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2016. This was the thirtieth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village of Addison has also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

**Acknowledgments.** The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. The dedicated department heads, supervisors and employees of the Village have worked hard to continue to provide services to our residents with limited resources and unique solutions. In addition, I would like to acknowledge and thank the Mayor and the Board of Trustees and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,



Roseanne M. Benson, CPA  
Finance Director/Treasurer

## **INDEPENDENT AUDITOR'S REPORT**

## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor  
Members of the Board of Trustees  
Village of Addison, 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 Addison, Illinois (the Village) as of and for the year ended April 30, 2017, 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 basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic 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 Addison, Illinois, as of April 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

*Sikich LLP*

Naperville, Illinois

October 19, 2017

**VILLAGE OF ADDISON, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**APRIL 30, 2017**

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This section of the Village of Addison's (the "Village") Comprehensive Annual Financial Report (CAFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended April 30, 2017 with comparison to the fiscal year ended April 30, 2016. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the subsequent years' challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the 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 Transmittal Letter which can be found on pages v-ix of this report.

### **Financial Highlights**

- The Village obtained an unmodified opinion from the independent audit firm, Sikich LLP.
- The net position of the Village of Addison at the close of the most recent fiscal year was \$138,810,724. Of this amount, the unrestricted net position posted a deficit \$29,663,348. The deficit unrestricted net position is due to the addition of the pension liability for the Village portion of the Illinois Municipal Retirement Fund (IMRF) which was \$13,386,835 and the Police Pension Liability that totals \$33,394,215. Excluding the addition of the liabilities, the net unrestricted position of \$17,117,705 is available to finance day to day operations.
- The Village's total net position increased by \$4,244,981 or 3.2% during the fiscal year ending April 30, 2017. Governmental net position increased \$5,114,783 or 6.4% while Business-type net position decreased \$869,802 or (1.6%).
- Government-wide expenses were \$54,132,849, funded with program revenues of \$25,368,561 and property, sales, telecommunications, and other taxes, interest, and miscellaneous of \$33,009,269; with the difference accounting for the increase in net position during the fiscal year of \$4,244,981.
- As of the close of the current fiscal year, the Village of Addison's governmental funds reported combined ending fund balances of \$24,306,271 an increase of \$8,751,178 or 56.3% in comparison with the prior year. This increase is primarily due to increases in restricted for Debt Service of \$7,902,644, increases in Unassigned Fund Balance of \$137,400, increases in restricted for Public Safety of \$209,355, increases in Assigned for Subsequent Budget of \$775,700, increases in Assigned for Debt Service of \$492,627 offset by decreases in Assigned for Capital Projects of \$306,240, offset by decreases in Restricted for Highways and Streets of \$174,911 and decreases in Restricted for Economic Development, \$234,203. Approximately 44.5% of the total fund balance amount, \$10,821,453, is *available for spending* at the government's discretion (*unrestricted, unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of the fund balance) for the General Fund was \$11,455,400 or 36.16% of General Fund expenditures. This exceeds the Village's target of 25%.

### **Overview of the Financial Statements**

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

(See independent auditor's report)

# VILLAGE OF ADDISON, ILLINOIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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### Government-Wide Financial Statements

The Government-Wide Financial Statements beginning on page 4 are designed to provide readers with a broad overview of the Village of Addison's finances, in a manner similar to a private-sector business.

The Statement of Net Position (pages 4 to 5) presents information on the Village's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Addison is improving or deteriorating.

The Statement of Activities (pages 6 to 7) presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

Both of the government-wide financial statements distinguish functions of the Village of Addison 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 of Addison include general government, public safety (police), community development, highways and streets, and interest. The business-type activities of the Village of Addison include the Waterworks and Sewerage fund.

The Governmental Activities reflect the Village's basic services, including police, public works, highways and streets, community development, and general administration. Property taxes, shared state sales taxes, local telecommunications taxes, shared state income taxes, and home rule sales taxes, finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Waterworks and Sewerage Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

### Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Addison, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All of the 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 the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

## VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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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 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 funds 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 15 individual governmental funds; 4 major funds and 11 non-major 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, Motor Fuel Tax Fund and Debt Service Fund, all of which are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated 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 appropriated budget for its general fund. Budgetary comparison schedules have been provided for the general fund and the motor fuel tax fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found beginning on page 8 of this report.

**Proprietary Funds.** The Village of Addison maintains two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. The Village has only one enterprise fund, the Waterworks and Sewerage Fund. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its central garage operations, management information systems and equipment replacement. All Internal Service Funds serve governmental rather than business-type functions and have been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (pages 13 to 17) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund which is considered a major fund of the Village and is presented in a separate column in the Fund Financial Statements. Conversely, all three Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements presented elsewhere in the report.

**Fiduciary Funds** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village of Addison's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found beginning on page 18 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 financial statements can be found immediately following the Basic Financial Statements section of this report beginning on page 20.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including the general fund and motor fuel tax fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements beginning on page 59.

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The combining and individual fund financial statements referred to earlier in connection with major governmental funds are presented immediately following the required supplementary information beginning on page 68. The combining and individual fund financial statements for non-major governmental, enterprise, and internal service funds are presented immediately following, beginning on page 84.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The net position of the Village of Addison was \$138,810,724 as of April 30, 2017.

By far the largest portion of the Village of Addison's net position, 118.8% reflects its net investment in capital assets. Net investment in capital assets is the investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The Village of Addison uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Addison'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 Addison's Net Position**

	Governmental Activities		Business-Type Activities		Total Primary Governmental	
	2017	2016	2017	2016	2017	2016
<b>Assets</b>						
Current and other assets	\$ 41,288,722	\$ 31,654,836	\$ 10,800,574	\$ 7,472,600	\$ 52,089,296	\$ 39,127,436
Capital Assets	141,934,276	135,009,310	59,572,311	59,966,613	201,506,587	194,975,923
Total Assets	183,222,998	166,664,146	70,372,885	67,439,213	253,595,883	234,103,359
<b>Deferred outflows of Resources</b>						
Unamortized loss on refunding	126,096	134,826	25,474	33,967	151,570	168,793
Pension Items - IMRF	3,879,233	4,335,280	1,866,209	2,085,620	5,745,442	6,420,900
Pension Items - police pension	1,930,526	2,574,035	0	0	1,930,526	2,574,035
	5,935,855	7,044,141	1,891,683	2,119,587	7,827,538	9,163,728
Total Assets and Deferred Outflows of Revenues	189,158,853	173,708,287	72,264,568	69,558,800	261,423,421	243,267,087
<b>Liabilities</b>						
Current Liabilities	3,703,347	2,719,583	1,531,330	996,149	5,234,677	3,715,732
Non-current Liabilities	79,055,389	71,673,602	17,022,556	14,028,078	96,077,945	85,701,680
Total Liabilities	82,758,736	74,393,185	18,553,886	15,024,227	101,312,622	89,417,412
<b>Deferred inflows of Resources</b>						
Unavailable revenue - property tax	9,340,602	8,990,444	0	0	9,340,602	8,990,444
Pension Items - IMRF	304,304	208,872	146,396	100,485	450,700	309,357
Pension Items - police pension	11,508,773	9,984,131	0	0	11,508,773	9,984,131
	21,153,679	19,183,447	146,396	100,485	21,300,075	19,283,932
<b>Net Position:</b>						
Invested in Cap assets, net of debt	116,873,726	112,392,728	48,076,005	51,239,618	164,949,731	163,632,346
Restricted	3,494,341	3,234,609	30,000	30,000	3,524,341	3,264,609
Unrestricted	(35,121,629)	(35,495,682)	5,458,281	3,164,470	(29,663,348)	(32,331,212)
Total Net Position	\$ 85,246,438	\$ 80,131,655	\$ 53,564,286	\$ 54,434,088	\$138,810,724	\$134,565,743

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Net Investment In Capital Assets**

The following table shows the calculation of Net Investment in Capital Assets.

**GOVERNMENTAL ACTIVITIES**

Capital Assets			\$ 141,934,276
Less: Outstanding Debt			
GOB Series 2006 C Library Building (Village Asset)	\$	400,000	
GOB Series 2008 Refunding		3,340,000	
GOB Series 2010 Taxable – Driscoll Property (Village Asset)		2,785,000	
GOB Series 2011 Refunding		470,000	
GOB Series 2012 Refunding (General Fund Portion)		694,485	
GOB Series 2012 Refunding (ERF Portion)		530,782	
GOB Series 2015 Refunding (partial of 2006C & 2007 )		8,995,000	
GOB Series 2016 A ACDC Building		9,525,000	
GOB Series 2016B Refunding 2006 A		2,130,000	
GOB Series 2017 ACDC and other Capital		2,468,303	
Net unamortized premium/discount/gain/losses		1,165,133	
			(32,503,703)
Add: Unspent Bond Proceeds			<u>7,443,153</u>
			<u>\$ 116,873,726</u>

**BUSINESS-TYPE ACTIVITIES**

Capital Assets			\$ 59,572,311
Less: Outstanding Debt - GOB Series 2012 (Water Portion)			
GOB Series 2012 (Water Portion)	\$	569,733	
GOB Series 2017 Water/Sewer Portion		2,931,697	
Illinois EPA Loan		7,848,252	
Net unamortized premium/discount/gain/losses		146,624	
Unamortized charge on refunding			
			<u>(11,496,306)</u>
			<u>\$ 48,076,005</u>

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

An additional portion of the Village of Addison’s net position, 2.5%, represents resources that are subject to restrictions on how they may be used. Prior to the addition of the liabilities, the net unrestricted position of \$17,117,705 is available to finance day to day operations.

The Village’s total net position increased by \$4,244,981 or 3.2% during the fiscal year ending April 30, 2017. Governmental net position increased \$5,114,783 or 6.4% while Business-type net position decreased \$869,802 or (1.6%).

**Governmental activities.** Governmental activities from operations increased net position of the Village by \$5,114,783 while business-type activities decreased net position by \$869,802 for a net increase in the Village of Addison’s net position of \$4,244,981. Key elements of these changes are as follows:

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Village of Addison's Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 7,299,900	\$ 5,473,752	\$15,977,868	\$15,084,269	\$23,277,768	\$20,558,021
Operating Grants	1,596,791	1,482,100	0	200,000	1,596,791	1,682,100
Capital Grants	494,002	1,978,904	0	0	494,002	1,978,904
General Revenues						
Property & Replacement Taxes	9,266,353	8,514,382	0	0	9,266,353	8,514,382
Sales & Home Rule Sales Taxes	16,659,461	17,795,178	0	0	16,659,461	17,795,178
Telecommunications Tax	1,136,401	1,227,999	0	0	1,136,401	1,227,999
Other Taxes	5,557,868	5,768,023	0	0	5,557,868	5,768,023
Other Revenue	359,700	349,653	29,486	5009	389,186	354,662
<b>Total Revenues</b>	<b>42,370,476</b>	<b>42,589,991</b>	<b>16,007,354</b>	<b>15,289,278</b>	<b>58,377,830</b>	<b>57,879,269</b>
<b>Expenses</b>						
General Government	5,220,251	4,872,160	0	0	5,220,251	4,872,160
Public Safety	19,824,104	18,833,454	0	0	19,824,104	18,833,454
Community Development	3,052,693	3,012,672	0	0	3,052,693	3,012,672
Highways and Streets	7,553,846	5,825,749	0	0	7,553,846	5,825,749
Interest & fiscal charges	1,271,466	1,026,274	0	0	1,271,466	1,026,274
Waterworks and Sewerage	0	0	17,210,489	16,061,021	17,210,489	16,061,021
<b>Total Expenses</b>	<b>36,922,360</b>	<b>33,570,309</b>	<b>17,210,489</b>	<b>16,061,021</b>	<b>54,132,849</b>	<b>49,631,330</b>
Changes in Net Position before Transfers	5,448,116	9,019,682	(1,203,135)	(771,743)	4,244,981	8,247,939
Transfers	(333,333)	(442,442)	333,333	442,442	0	0
Change in Net Position	<b>5,114,783</b>	<b>8,577,240</b>	<b>(869,802)</b>	<b>(329,301)</b>	<b>3,376,402</b>	<b>8,247,939</b>
Beginning Net Position	80,131,655	119,434,469	54,434,088	57,189,810	134,565,743	176,624,279
Change in accounting principle	0	(47,880,054)	0	(2,426,421)	0	(50,306,475)
Restated Beginning Position	<b>80,131,655</b>	<b>71,554,415</b>	<b>54,434,088</b>	<b>54,763,389</b>	<b>134,565,743</b>	<b>126,317,804</b>
<b>Ending Net Position</b>	<b>\$85,246,438</b>	<b>\$80,131,655</b>	<b>\$ 53,564,286</b>	<b>\$54,434,088</b>	<b>\$138,810,724</b>	<b>\$134,565,743</b>

Total Governmental Revenues decreased \$219,515. Charges for Services increased \$1,826,148 primarily due to the ACDC expansion while Property and Replacement taxes increased \$751,971. The increases are offset by a decrease in Sales tax and home rule sales tax of \$1,135,717 due to a one time State audit correction of \$1,925,121 in FY 2016 which did not re-occur in FY 2017 and Capital grants of \$1,484,902. The Village Received FEMA grant monies to buy flood damaged homes. Most of the homes were purchased in FY 2016. Other taxes posted a net decrease of \$210,155.

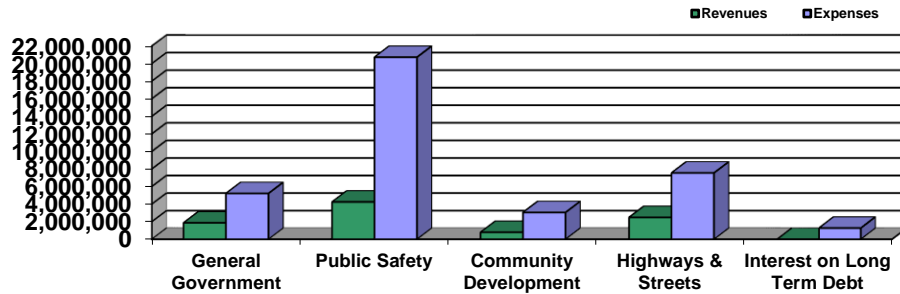
Charges for Services increased \$1,826,148 or 33.4% primarily due to increases in Police Dispatch Center related Fees of \$1,842,408, increases in Rentals and Concessions of \$65,762 offset by decreased fees for Planning, Development and Development Review fees of \$82,419.

Property and replacement taxes increased \$751,971 primarily due to an increases in the Corporate property tax levy of \$488,548; the Police Pension tax of \$36,809 along with increases in the TIF 2 property taxes of \$175,625 and replacement tax of \$38,293.

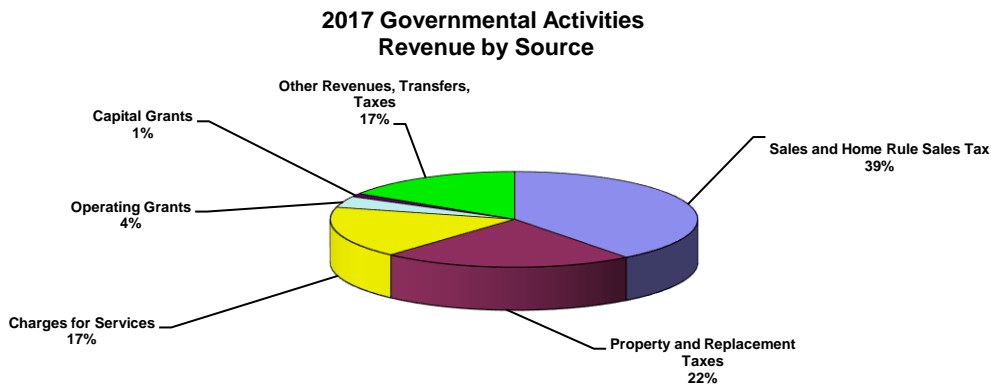
The Capital and Operating Grants decrease of \$1,570,211 includes \$979,854 in ACDC related grants in FY 2016 that did not re-occur in FY 2017; reduction of FEMA grants of \$196,358; reduction of CDBG grant of \$500,000 for grants received in FY 2016 that were not received in FY 2017, offset by increases in Federal Equitable Sharing Programs of \$159,652.

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**Program Revenues and Expenses – Governmental Activities**



**Revenues by Source – Governmental Activities**



For the fiscal year ended April 30, 2017 total revenues from Governmental Activities, excluding transfers, totaled \$42,370,476. Program revenues which include charges for services, capital grants and operating grants provided 22% of total revenues. The remaining 78% is from general revenues. Sales tax and home rule sales tax continue to be the Village's largest revenue source coming in at \$16,659,461 and representing 39% of total Governmental Activity revenue. Property and replacement tax revenues of \$9,266,353 represent 22% while other revenues, transfers and taxes (primarily telecommunications tax, local use tax, and real estate transfer tax) and other revenues total \$7,053,969 which represent 17% of the total Governmental Activity revenue.

The Village increased its property and replacement tax revenues from \$8,514,382 in Fiscal Year 2016 to \$9,266,353 in Fiscal Year 2017, an increase of \$751,971 or 8.8%. Property and replacement taxes increases are primarily due to increases in the Corporate property tax levy of \$488,548; the Police Pension tax of \$36,809 along with increases in the TIF 2 property taxes of \$175,625 and replacement tax of \$38,293. In addition, the Village experienced a \$27,666,663 increase in its equalized assessed valuation (EAV) from \$952,983,530 in the 2014 property tax year to \$980,650,193.

**Equalized Assessed Valuation**

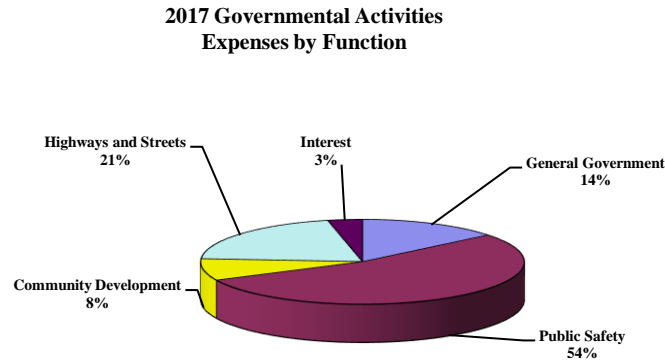
Levy Year	Fiscal Year	Assessed Valuation	State Equalization Factor	Equalized Assessed Valuation	EAV Growth	% Incr	<b><u>TOTAL EAV GROWTH</u></b>	
							New Growth/Annex.	Other Growth**
2007	2009	1,323,632,286	1.0000	1,323,632,286	55,607,278	4.39%	13,118,850	42,488,428
2008	2010	1,404,323,987	1.0000	1,404,323,987	80,691,701	6.10%	12,173,610	68,518,091
2009	2011	1,393,968,767	1.0000	1,393,968,767	(10,355,220)	(0.74)%	0	(10,355,220)
2010	2012	1,273,532,892	1.0000	1,273,532,892	(120,435,875)	(8.64)%	2,143,580	(122,579,455)
2011	2013	1,169,485,325	1.0000	1,169,485,325	(104,047,567)	(8.17)%	2,218,430	(106,265,997)
2012	2014	1,031,412,412	1.0000	1,031,412,412	(138,072,913)	(11.81)%	2,106,940	(140,179,853)
2013	2015	960,651,383	1.0000	960,651,383	(70,761,029)	(6.86)%	4,027,640	(74,788,639)
2014	2016	952,983,530	1.0000	952,983,530	(7,667,853)	(0.8)%	10,325,224	(17,993,077)
2015	2017	980,650,193	1.0000	980,650,193	27,666,663	2.9%	1,314,590	26,352,073

\*\*Other Growth includes reassessments (quadrennial/sale of property), remodeling, and increases or decreases in the state multiplier and EAV calculations in general.

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Please see Note 3a in the Notes to Financial Statements for discussion of the property tax levy. A 10 year comparison of EAV and Property Tax levies can be found in the Statistical Section of this report.

**Expenses:**



For the fiscal year ended April 30, 2017, expenses from Governmental Activities totaled \$36,922,360 or an increase from FY 2016 of \$3,352,051 or 10%. The increase in expenses is primarily due to increases in Public Safety \$990,650 (due to additional staffing for the Addison Consolidated Dispatch Center), Highway and Streets of \$1,728,097, interest expense of \$245,192 and General Government of \$348,091. The majority of the Governmental Activities expenses come from the General Fund. A more in-depth discussion of the General Fund results follows on page MD & A- 9.

**Business-Type Activities**

Business-type activities reduced the Village of Addison’s net position by \$869,802. This decrease is primarily due to an operating loss of \$1,027,799 and net non-operating expenses of \$175,336 offset by transfers in from other funds of \$333,333.

**Revenues:**

Charges for services increased \$893,599 or 5.9% over FY 2016 primarily due to a 2.5% increase in water and sewer rates of \$284,067, increases in unbilled accruals of \$352,786, increases in Insurance reimbursements of \$219,195, Sewer Surcharge fees of \$35,645 and Annexation and BMP Fees of \$172,060. The increases are offset by a decrease in consumption of \$155,786, and decreases in penalties of \$19,198. The total of all classes of consumption experienced a 1.37% decrease in FY 2017, as noted below.

**Comparison of Consumption (in 000 gallons)**

	<u>FY 2017</u>	<u>FY 2016</u>	<u>% Change</u>
Residential	502,600	425,920	18.00%
Commercial	128,822	122,414	5.23%
Industrial	201,342	201,820	(.24)%
Apartments	152,433	248,683	(38.70)%
	<u>985,197</u>	<u>998,837</u>	<u>(1.37)%</u>

The Village is a member of the DuPage Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 4 year rate plan in FY 2015. The four year plan is based on projected usage, Village expenses and charges from the DPWC.

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

Non-operating revenue decreased by \$175,523 primarily due to an increase in investment income of \$24,477 and a decrease in Intergovernmental revenues of \$200,000 from a Community Development Block Grant (CDBG) that did not occur in FY 2017. Non-operating expenses decreased by \$41,261, due to a decrease in interest expense of \$30,701, and no loss on sale of capital assets in FY 2017 compared to a loss of \$10,560 in FY 2016.

**Expenses:**

Operating expenses from all Business-Type Activities increased \$1,149,468. This increase is primarily attributed to increases in Personnel Costs of \$1,023,108 (IMRF Pension expense of \$601,418), Services and Charges of \$290,318, Supplies and Materials of \$89,483, and Interest Expense/Fiscal Service Fees of \$48,012. The increases are offset by decreases in Net Capital Outlay of \$203,999, depreciation expense of \$90,078, and Gain on Sale of Capital Assets of \$10,560.

**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

As noted earlier, the Village of Addison uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** The focus of the Village of Addison's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village of Addison's financing requirements. In particular, unrestricted/unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At April 30, 2017 the Governmental Funds (as presented on page 8) reported a combined ending fund balance of \$24,306,271 which is an \$8,751,178 or 56.3% increase from the beginning of the year balance of \$15,555,093. Of the total fund balance, \$11,455,400 is unrestricted/unassigned fund balance in the general fund indicating availability for continuing Village services. An additional \$711,341 is unrestricted, assigned for capital projects funds and \$6,447 is unrestricted, committed for community events. The unrestricted, assigned for debt service balance is \$1,041,667. Restricted fund balance of \$10,937,494 includes \$176,382 for economic development, \$402,754 for streets and highways, \$656,352 for public safety, and \$9,702,006 for debt service. A total of \$12,169 is non-spendable fund balance and is for notes receivable of \$6,511, and prepaid items of \$5,658.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance of the General Fund increased by \$1,498,048 in Fiscal 2017 compared to \$2,157,092 in Fiscal 2016. This is a \$659,044 or 30.6% decrease over Fiscal 2016. Revenues increased by \$553,237 or 1.71% from the prior year and expenditures increased by \$1,562,281 or 5.19% as shown below. Net other financing sources, Transfer In of \$350,000 in FY 2017 did not occur in FY 2016.

**General Fund Revenue Comparison**

	<u>2017</u>	<u>2016</u>	<u>\$ Increase (Decrease)</u>	<u>% Increase (Decrease)</u>
Taxes	\$ 22,196,901	\$ 22,163,059	\$ 33,842	0.15%
Licenses and Permits	2,402,262	2,484,384	(82,122)	(3.31)%
Intergovernmental	3,683,974	4,349,342	(665,368)	(15.30)%
Charges for Services	2,611,715	1,330,364	1,281,351	96.32%
Fines and Forfeits	1,054,526	1,054,601	(75)	(0.01)%
Investment Income	44,672	12,848	31,824	247.70%
Miscellaneous	834,976	881,191	(46,215)	(5.24)%
	<u>\$ 32,829,026</u>	<u>\$ 32,275,789</u>	<u>\$ 553,237</u>	<u>1.71%</u>

The largest increase in revenues came from a \$1,281,351 or 96.32% increase in Charges for Services. The increase is due to the addition of agencies to the Addison Consolidated Dispatch Center and corresponding charges of \$1,277,408.

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

**General Fund Expenditure Comparison**

	<b>FY 2017</b>	<b>FY 2016</b>	<b>\$ Increase (Decrease)</b>	<b>% Increase (Decrease)</b>
Personal Services	\$24,416,733	\$22,800,703	\$ 1,616,030	7.09 %
Supplies & Materials	837,600	807,670	29,930	3.871 %
Services & Charges	3,863,326	3,856,951	6,375	.17 %
Capital Outlay	33,685	82,693	(49,008)	(59.26)%
Transfer to Internal Service Funds	2,529,634	2,570,680	(41,046)	(1.60)%
	<u>\$31,680,978</u>	<u>\$30,118,697</u>	<u>\$ 1,562,281</u>	<u>5.19 %</u>

The largest increase of \$1,616,030 is in Personal Services. The consolidated dispatch center saw increases in personnel costs of \$1,319,368 due to the increase in staffing levels to accommodate an increase in agencies that are dispatched. Henry Hyde Resource Center increases of \$68,662 are due to additional part-time staffing. The increase in Supplies & Materials of \$29,930 is due to increases in the Police Department of \$27,731. Although Services and Charges remained relatively the same with a slight increase of \$6,375, the Police Department had a decrease of \$151,581 due to grant expense of \$202,223 in FY 2016 and not in FY 2017, offset by increases in conference and training of \$26,602 and IRMA Insurance charges of \$28,344. The Police decrease is offset by the Administration department increase of \$133,265, primarily legal fees \$106,571 and dues and subscriptions \$16,344. Decreases in Capital outlay is primarily due to the Police Department reduction in expenditures from FY 2016 of \$54,875.

The decrease in Transfer to Internal Service Funds is primarily due to decreases in covered costs such as fuel and computer related expenditures.

The Motor Fuel Tax (MFT) fund receives funds from motor fuel taxes collected by the state. The distribution is based upon population. These funds are to be used for the construction and maintenance of roads and highways. In addition, the Village implemented a 0.25% home rule sales tax effective January 1, 2012 to supplement the MFT funds received from the State. Revenues decreased \$541,260 from FY 2016 due to a decrease in Home Rule Sales Taxes of \$154,382 and the receipt of a Community Development Block Grant (CDBG) of \$300,000 in FY 2016 which did not occur in FY 2017 plus a decrease in reimbursement for road projects of \$109,991. Total expenditures decreased by \$1,183,772 over total FY 2016 primarily due to timing and payment of road projects that change from year to year as noted below.

**Motor Fuel Tax Fund Projects Comparison**

	<b>FY 17</b>	<b>FY 16</b>	<b>Difference</b>
Street Maintenance	\$ 2,332,745	\$ 3,067,158	\$ (734,413)
Street Resurfacing	9,684	262,037	(252,353)
Ardmore	154,932	188,569	(33,637)
Kings Point Patching	17,329	331,140	(313,811)
Swift	37,748	-	37,748
Sidewalks	284,541	132,654	151,887
Sidewalk- Trip	102,686	104,550	(1,864)
ADA sidewalk	50,335	86,500	(36,165)
IDOT LED upgrade	94	1,258	(1,164)
	<u>\$ 2,990,094</u>	<u>\$ 4,173,866</u>	<u>\$ 1,183,772</u>

The TIF 2 Fund had an expenditure increase of \$22,032 due to minimal expenditures in FY 2017.

The TIF 3 Fund had an increase in expenditures of \$886,403 due to redevelopment incentives in FY 2017 that did not occur in FY 2016.

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

The Debt Service fund receives property tax receipts and a 0.25% home rule sales tax in addition to transfers from other funds. The Debt Service Fund also transfers excess sales tax receipts to other funds. The Net Change (increase) in fund balance of \$952,118 in FY 2017 compares to an increase of \$576,779 in FY 2016. The Debt Service Fund posted a decrease in revenues of \$133,917 which is primarily due to a decrease in Home Rule Sales Tax of \$154,381. Expenditure increases of \$2,013,888 are primarily due to the pay down of the 2006C Refunding bond, \$2,310,000 offset by the \$324,341 Interest payment on the 2015 Refunding bond.

**Proprietary Funds.** The Village of Addison's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewerage Fund at the end of the year amounted to \$5,458,281 whereas unrestricted net position of the Internal Service Funds was \$3,555,171.

At April 30, 2017 the Water and Sewerage Fund (as presented on page 15) total net position decreased by \$869,802 or 1.6%. The Internal Service Funds' total net position decreased by \$77,881 or 1.2%. The decrease in the Internal Service Funds is primarily due to the difference between the annual charge to departments for services provided and the expenditures for those services.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Due to the economic downturn in Fiscal 2010 the Village took measures to decrease its expenditures as revenues were in a slump. One of the measures taken in FY 2010 was a Voluntary Separation Incentive Plan (VSIP) which allowed employees to leave with an incentive. The Village also repeated the VSIP in FY 2011 and FY 2014. The decrease in staff along with a strong fund balance has allowed the Village to weather the downturn without layoffs or Village determined staffing cuts.

**General Fund Budgetary Highlights**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
Revenues	\$ 31,742,300	\$ 31,742,300	\$ 32,829,026
Expenditures	<u>31,847,500</u>	<u>32,742,100</u>	<u>31,680,978</u>
Excess (Deficiency) of Revenues over Expenditures	(105,200)	(999,800)	1,148,048
Other Financing Sources (Uses)	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>
Net Changes in Fund Balance	<u>\$ 244,800</u>	<u>\$ (649,800)</u>	<u>\$ 1,498,048</u>

General Fund actual revenues were \$1,086,726 more than the original, and final budgeted amounts. A comparison of budget to actual is as follows:

**General Fund Revenues Comparison**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Change from Final Budget</b>
Taxes	\$ 21,272,400	\$ 21,272,400	\$ 22,196,901	\$ 924,501
Licenses, Permits & Fees	2,303,200	2,303,200	2,402,262	99,062
Intergovernmental	4,095,000	4,095,000	3,683,974	(411,026)
Charges For Services	2,182,000	2,182,000	2,611,715	429,715
Fines & Forfeitures	1,033,600	1,033,600	1,054,526	20,926
Investment Income	10,000	10,000	44,672	34,672
Miscellaneous	<u>846,100</u>	<u>846,100</u>	<u>834,976</u>	<u>(11,124)</u>
Total Revenues	<u>\$ 31,742,300</u>	<u>\$ 31,742,300</u>	<u>\$ 32,829,026</u>	<u>\$ 1,086,726</u>

**VILLAGE OF ADDISON, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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General Fund actual expenditures were \$1,061,122 less than the final budgeted amount. This includes decreases in Personal services of \$417,244, Supplies and Materials of \$183,012 (primarily street supplies \$87,947, other operating supplies \$26,630, office supplies \$17,225, clothing supplies. \$28,536, public grounds materials/supplies \$8,092 and chemicals, \$12,014); Services and Charges \$234,385 (primarily repairs and maintenance \$138,278, economic development incentives \$52,290 and communications, telephone, portable and postage of \$41,867), and Internal Service Fees of \$231,266 offset by increases in Capital Outlay of \$4,785.

**CAPITAL ASSETS**

The Village's investment in capital assets for its Governmental and Business-Type Activities as of April 30, 2017, amounts to \$201,506,587. The investment in capital assets includes land, buildings and structures, equipment, improvements other than buildings, infrastructure, and construction in progress. This amount represents a net increase (including additions and deductions) of \$6,530,664, from FY 2016. Detailed information regarding the change in capital assets for Governmental and Business-Type Activities can be found in Note 4 of the notes to financial statements.

The Governmental Activities capital assets net of depreciation increased from last year by \$6,924,966. The Business-Type Activities capital assets net of accumulated depreciation decreased by \$394,302.

**DEBT OUTSTANDING**

The Village currently has eight general obligation bond series and one taxable general obligation series outstanding. \$34,840,000 of general obligation bonds are outstanding at April 30, 2017.

The Village, under its home rule authority, does not have a legal debt limit. The Village is rated AA+ by Fitch Ratings and AA by Standard & Poor's. Additional information of the Village's long-term debt can be found in Note 6 in the notes to financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Village's 2016 Equalized Assessed Valuation (EAV) was comprised of 59% residential, 10% commercial, 31% industrial, and less than 1% of farm and railroad properties. The property tax revenue derived from the residential, commercial, and industrial properties has been stable. However as the housing market experienced a downturn we saw the affect that downturn had on our EAV. We are starting to see a comeback with increased EAV results. The 2016 EAV is used to determine the property tax rate for taxes received in FY 2018. Investment income increased due to better interest rates and higher invested balances. Sales tax and home rule sales tax revenues continued to grow. The Village's sales tax base does not have a large number of high end luxury stores and car dealerships that are usually impacted in times of economic downturn. The mix of business types limited the decrease in sales taxes, the last couple years that some other communities have experienced.

The Fiscal Year 2018 budget includes a .5% increase in general fund property tax, while the police pension levy increased by 9.8% due to funding requirements. All tax revenues were budgeted with minimal 3% increases, as the economic downturn is slowly turning. Sales taxes in the first two months of FY 2018 have been encouraging with a 3.8% increase from FY 2017 results. The Village is cautiously optimistic this upward trend will continue. Several new food and service businesses have moved into town which should provide some additional sales tax revenue. Income taxes are posting a 4% decrease in the first five months of FY 2018. This is due to a drop in the State Income Tax Rate.

The Village continues to be cautious with the FY 2018 budget and although some signs point to an economic upturn, unknowns such as proposed State Legislation which could negatively impact revenues from the State, require us to continue to keep a close eye on expenditures. It is anticipated that the Village will be able to maintain a 25% minimum fund balance in FY 2018. As the budget process for FY 2019 begins, the Village will have to address increases in health care costs, any changes by the State, and determine to what extent and how fast the economic recovery will impact the Village in both revenue streams and expenditures.

## **VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**

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The Village is a member of the DuPage Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 4 year rate plan in FY 2015. The four year plan is based on projected usage, Village expenses and charges from the DPWC.

The Village Board approved the 2016-2019 Strategic Plan, which includes continued economic development, enhancement of the community image and senior housing. Operational budgeted expenditures included minimal increases for salary adjustments and health and liability insurance costs. The budget includes some capital project programs including various road improvements, and various water main/sewer system replacements. In FY 2005, the Village received a road analysis indicating the overall condition of the Village roadways and a suggested maintenance program. The Fiscal 2018 Motor Fuel Tax budget includes \$1,807,000 in street maintenance projects to maintain a proper condition level.

### **CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Roseanne M. Benson, Finance Director/Treasurer, Village of Addison, 1 Friendship Plaza, Addison, Illinois 60101 [Rbenson@addison-il.org](mailto:Rbenson@addison-il.org) or thru the village website, [www.addisonadvantage.org](http://www.addisonadvantage.org).

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2017

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Cash and investments	\$ 25,469,222	\$ 6,887,409	\$ 32,356,631
Restricted cash and investments	-	30,000	30,000
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	9,340,602	-	9,340,602
Accounts	491	3,583,788	3,584,279
Other	273,784	-	273,784
Inventory	50,711	65,936	116,647
Illinois EPA revolving loan receivable	-	217,227	217,227
Notes receivable	6,511	-	6,511
Prepaid items	53,859	-	53,859
Due from other governments	6,093,542	-	6,093,542
Net other postemployment benefit asset	-	16,214	16,214
Capital assets, not being depreciated	64,007,417	1,791,300	65,798,717
Capital assets, being depreciated (net of accumulated depreciation)	77,926,859	57,781,011	135,707,870
<b>Total assets</b>	<b>183,222,998</b>	<b>70,372,885</b>	<b>253,595,883</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized charge on refunding	126,096	25,474	151,570
Pension items - IMRF	3,879,233	1,866,209	5,745,442
Pension items - police pension	1,930,526	-	1,930,526
<b>Total deferred outflows of resources</b>	<b>5,935,855</b>	<b>1,891,683</b>	<b>7,827,538</b>
<b>Total assets and deferred outflows of resources</b>	<b>189,158,853</b>	<b>72,264,568</b>	<b>261,423,421</b>
<b>LIABILITIES</b>			
Accounts payable	1,609,092	1,163,660	2,772,752
Accrued payroll	344,997	79,473	424,470
Accrued interest	581,770	111,728	693,498
Unearned revenues	467,082	-	467,082
Retainage payable	122,180	-	122,180
Other liabilities	578,226	176,469	754,695
Noncurrent liabilities			
Due within one year	3,537,935	848,012	4,385,947
Due in more than one year	75,517,454	16,174,544	91,691,998
<b>Total liabilities</b>	<b>82,758,736</b>	<b>18,553,886</b>	<b>101,312,622</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred revenue - property taxes	9,340,602	-	9,340,602
Pension items - IMRF	304,304	146,396	450,700
Pension items - police pension	11,508,773	-	11,508,773
<b>Total deferred inflows of resources</b>	<b>21,153,679</b>	<b>146,396</b>	<b>21,300,075</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>103,912,415</b>	<b>18,700,282</b>	<b>122,612,697</b>

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2017

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	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 116,873,726	\$ 48,076,005	\$ 164,949,731
Restricted for			
Special Service Area #1	-	30,000	30,000
Economic development	176,382	-	176,382
Highways and streets	402,754	-	402,754
Public safety	656,352	-	656,352
Debt service	2,258,853	-	2,258,853
Unrestricted	(35,121,629)	5,458,281	(29,663,348)
<b>TOTAL NET POSITION</b>	<b>\$ 85,246,438</b>	<b>\$ 53,564,286</b>	<b>\$ 138,810,724</b>

See accompanying notes to financial statements.

**VILLAGE OF ADDISON, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 5,220,251	\$ 1,863,061	\$ -	\$ -
Public safety	19,824,104	3,712,418	532,019	2,356
Community development	3,052,693	792,080	-	-
Highways and streets	7,553,846	932,341	1,064,772	491,646
Interest and fiscal charges	1,271,466	-	-	-
Total governmental activities	36,922,360	7,299,900	1,596,791	494,002
Business-Type Activities				
Water and sewerage	17,210,489	15,977,868	-	-
Total business-type activities	17,210,489	15,977,868	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 54,132,849</b>	<b>\$ 23,277,768</b>	<b>\$ 1,596,791</b>	<b>\$ 494,002</b>

	<b>Net (Expense) Revenue and Change in Net Position</b>		
	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
	\$ (3,357,190)	\$ -	\$ (3,357,190)
	(15,577,311)	-	(15,577,311)
	(2,260,613)	-	(2,260,613)
	(5,065,087)	-	(5,065,087)
	(1,271,466)	-	(1,271,466)
	(27,531,667)	-	(27,531,667)
	-	(1,232,621)	(1,232,621)
	-	(1,232,621)	(1,232,621)
	(27,531,667)	(1,232,621)	(28,764,288)
General Revenues			
Taxes			
Property and replacement	9,266,353	-	9,266,353
Sales	9,270,110	-	9,270,110
Home rule sales	7,389,351	-	7,389,351
Telecommunications	1,136,401	-	1,136,401
Other	2,065,932	-	2,065,932
Shared income taxes	3,491,936	-	3,491,936
Investment income	89,620	29,486	119,106
Miscellaneous	270,080	-	270,080
Transfers	(333,333)	333,333	-
Total	32,646,450	362,819	33,009,269
CHANGE IN NET POSITION	5,114,783	(869,802)	4,244,981
NET POSITION, MAY 1	80,131,655	54,434,088	134,565,743
<b>NET POSITION, APRIL 30</b>	<b>\$ 85,246,438</b>	<b>\$ 53,564,286</b>	<b>\$ 138,810,724</b>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

BALANCE SHEET  
GOVERNMENTAL FUNDS

April 30, 2017

	General	Motor Fuel Tax	ACDC Building	Debt Service	Nonmajor	Total
<b>ASSETS</b>						
Cash and investments	\$ 8,269,039	\$ -	\$ 8,567,658	\$ 2,864,624	\$ 1,452,914	\$ 21,154,235
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	7,951,425	-	-	899,123	490,054	9,340,602
Accounts	-	-	-	-	491	491
Other	273,784	-	-	-	-	273,784
Notes receivable	6,511	-	-	-	-	6,511
Prepaid items	5,658	-	-	-	-	5,658
Due from other governments	4,704,910	516,780	-	435,896	435,956	6,093,542
Due from other funds	440,162	-	-	-	-	440,162
<b>TOTAL ASSETS</b>	<b>\$ 21,651,489</b>	<b>\$ 516,780</b>	<b>\$ 8,567,658</b>	<b>\$ 4,199,643</b>	<b>\$ 2,379,415</b>	<b>\$ 37,314,985</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 379,042	\$ 7,386	\$ 971,120	\$ -	\$ 218,027	\$ 1,575,575
Accrued payroll	331,502	-	-	-	-	331,502
Accrued interest payable	-	-	153,385	-	-	153,385
Unearned revenues	168,025	-	-	-	299,057	467,082
Retainage payable	-	55,141	-	-	67,039	122,180
Other liabilities	578,226	-	-	-	-	578,226
Due to other funds	-	51,499	-	-	388,663	440,162
Total liabilities	1,456,795	114,026	1,124,505	-	972,786	3,668,112
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	7,951,425	-	-	899,123	490,054	9,340,602
<b>FUND BALANCES</b>						
Nonspendable in form						
Notes receivable	6,511	-	-	-	-	6,511
Prepaid items	5,658	-	-	-	-	5,658
Restricted for						
Economic development	-	-	-	-	176,382	176,382
Public safety	-	-	-	-	656,352	656,352
Highways and streets	-	402,754	-	-	-	402,754
Debt service	-	-	7,443,153	2,258,853	-	9,702,006
Unrestricted						
Committed for community events	-	-	-	-	6,447	6,447
Assigned for subsequent budget	775,700	-	-	-	-	775,700
Assigned for debt service	-	-	-	1,041,667	-	1,041,667
Assigned for capital projects	-	-	-	-	711,341	711,341
Unassigned (deficit)	11,455,400	-	-	-	(633,947)	10,821,453
Total fund balances	12,243,269	402,754	7,443,153	3,300,520	916,575	24,306,271
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 21,651,489</b>	<b>\$ 516,780</b>	<b>\$ 8,567,658</b>	<b>\$ 4,199,643</b>	<b>\$ 2,379,415</b>	<b>\$ 37,314,985</b>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

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

April 30, 2017

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<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	\$ 24,306,271
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	141,934,276
Less internal service funds' capital assets	(3,252,278)
Net other postemployment benefits obligation is not a current financial resource and, therefore, is not reported in the governmental funds	(265,150)
Less internal service funds' portion	13,338
The unamortized charge on refunding is not a current financial resource and, therefore, is not reported in the governmental funds	126,096
Less internal service funds' portion	(23,736)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(31,338,570)
Less internal service funds' portion	530,782
Termination benefits	(5,288)
Unamortized premium on general obligation bonds	(1,292,970)
Less internal service funds' portion	28,683
Unamortized discount on general obligation bonds	1,741
Compensated absences	(3,722,380)
Less internal service funds' portion	252,540
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported in governmental funds	(428,385)
Less internal service funds' portion	5,290
Net pension liability for the is shown as a liability on the Illinois Municipal Retirement Fund	(9,038,557)
Less internal service funds' portion	894,233
Police Pension	(33,394,215)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position	
Illinois Municipal Retirement Fund	3,574,929
Less internal service funds' portion	(353,685)
Police Pension	(9,578,247)
The net position of the internal service funds are included in the governmental activities in the statement of net position	<u>6,271,720</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 85,246,438</u></u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	General	Motor Fuel Tax	ACDC Building	Debt Service	Nonmajor	Total
<b>REVENUES</b>						
Taxes	\$ 22,196,901	\$ 1,847,338	\$ -	\$ 2,815,404	\$ 2,268,504	\$ 29,128,147
Licenses and permits	2,402,262	-	-	-	-	2,402,262
Intergovernmental	3,683,974	936,350	-	-	960,052	5,580,376
Charges for services	2,611,715	-	-	-	-	2,611,715
Fines and forfeits	1,054,526	-	-	-	-	1,054,526
Investment income	44,672	(1,282)	27,205	9,756	9,269	89,620
Miscellaneous	834,976	32,777	565,000	-	71,077	1,503,830
Total revenues	32,829,026	2,815,183	592,205	2,825,160	3,308,902	42,370,476
<b>EXPENDITURES</b>						
Current						
General government	4,544,164	-	168	-	42,327	4,586,659
Public safety	19,673,442	-	-	-	260,482	19,933,924
Community development	2,794,396	-	-	-	-	2,794,396
Highways and streets	4,668,976	2,990,094	-	-	-	7,659,070
Capital outlay	-	-	4,952,472	-	2,248,323	7,200,795
Debt service						
Principal retirement	-	-	-	4,225,544	-	4,225,544
Interest and fiscal charges	-	-	427,718	908,447	-	1,336,165
Total expenditures	31,680,978	2,990,094	5,380,358	5,133,991	2,551,132	47,736,553
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,148,048	(174,911)	(4,788,153)	(2,308,831)	757,770	(5,366,077)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	350,000	-	-	1,375,000	338,890	2,063,890
Transfers (out)	-	-	-	(333,333)	(2,063,890)	(2,397,223)
Proceeds from issuance of bonds	-	-	11,993,303	2,130,000	-	14,123,303
Premium on bonds sold	-	-	238,003	89,282	-	327,285
Total other financing sources (uses)	350,000	-	12,231,306	3,260,949	(1,725,000)	14,117,255
NET CHANGE IN FUND BALANCES	1,498,048	(174,911)	7,443,153	952,118	(967,230)	8,751,178
FUND BALANCES, MAY 1	10,745,221	577,665	-	2,348,402	1,883,805	15,555,093
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 12,243,269</b>	<b>\$ 402,754</b>	<b>\$ 7,443,153</b>	<b>\$ 3,300,520</b>	<b>\$ 916,575</b>	<b>\$ 24,306,271</b>

See accompanying notes to financial statements.

**VILLAGE OF ADDISON, 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, 2017

---

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** **\$ 8,751,178**

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

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities 10,256,229  
 Less amount applicable to internal service funds (907,152)

Depreciation is shown as a functional expense in governmental activities on the statement of activities (3,311,222)  
 Less amount applicable to internal service funds 679,127

The change in the net other postemployment benefits asset is shown as a functional expense on the statement of activities (51,617)  
 Less amount applicable to internal service funds 2,597

The unamortized accounting charge on refunding is shown as an expense on the statement of activities (25,096)  
 Less amount applicable to internal service funds 7,912

Long-term liabilities:

The decrease in termination benefits is recorded as long-term liabilities on the government-wide statements 14,641

The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities  
 General obligation bonds 2,249,117  
 Less amount applicable to internal service funds (168,573)

The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures, but are recorded as long-term liabilities and deferred outflows of resources on the government-wide statements  
 Issuance of refunding bonds (14,123,303)  
 Payment of refunded bonds 2,145,000  
 Premium on issuance of bonds (327,285)  
 Loss on refunding 16,365

The unamortized premium on bonds is shown as an increase of principal outstanding on the statement of net position and amortized over the life of the bonds 181,243  
 Less amount applicable to internal service funds (9,561)

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

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Long-term liabilities (Continued):

The unamortized discount on bonds issued in prior years is shown as a decrease of principal outstanding on the statement of net position and amortized over the life of the bonds	\$ (3,163)
The change in accrued interest is shown as a change in the interest expense on the statement of activities	(103,001)
The (increase) decrease in the compensated absences liability is shown as a functional expense on the statement of activities	(261,404)
Less amount applicable to internal service funds	22,663
The change in the net pension liability is reported only in the statement of activities	
Illinois Municipal Retirement Fund and	(283,548)
Less amount applicable to internal service funds	28,053
Police Pension	3,078,532
The change in deferred inflows and outflows of resources is reported only in the statement of activities	
Illinois Municipal Retirement Fund and	(548,686)
Less amount applicable to internal service funds	51,769
Police Pension	(2,168,151)
The change in net position in internal service funds is shown as a governmental activity on the statement of activities	<u>(77,881)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 5,114,783</u></u>

See accompanying notes to financial statements.

**VILLAGE OF ADDISON, ILLINOIS**

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

April 30, 2017

	<b>Business-Type Activities Waterworks and Sewerage</b>	<b>Governmental Activities Internal Service</b>
<b>CURRENT ASSETS</b>		
Cash and investments	\$ 6,887,409	\$ 4,314,987
Restricted cash and investments - Special Service Area #1	30,000	-
Receivables		
Accounts - billed	1,501,684	-
Accounts - unbilled	2,082,104	-
Prepaid items	-	48,201
Inventory	65,936	50,711
Illinois EPA revolving loan receivable	217,227	-
Total current assets	10,784,360	4,413,899
<b>NONCURRENT ASSETS</b>		
Net other postemployment benefits asset	16,214	-
Capital assets not being depreciated		
Land	1,129,911	-
Construction in progress	661,389	-
Total capital assets not being depreciated	1,791,300	-
Capital assets being depreciated		
Land improvements	97,668,574	-
Equipment and vehicles	3,866,525	8,290,279
Office equipment	8,729	696,308
Subtotal	101,543,828	8,986,587
Less accumulated depreciation	(43,762,817)	(5,734,309)
Net capital assets being depreciated	57,781,011	3,252,278
Total capital assets	59,572,311	3,252,278
Total noncurrent assets	59,588,525	3,252,278
Total assets	70,372,885	7,666,177
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized charge on refunding	25,474	23,736
Pension items - IMRF	1,866,209	383,791
Total deferred outflows of resources	1,891,683	407,527
Total assets and deferred outflows of resources	72,264,568	8,073,704

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION (Continued)  
 PROPRIETARY FUNDS

April 30, 2017

	<b>Business-Type Activities Waterworks and Sewerage</b>	<b>Governmental Activities Internal Service</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 979,024	\$ 33,517
Retainage payable	184,636	-
Accrued payroll	79,473	13,495
Accrued interest payable	111,728	5,290
Compensated absences	310,961	89,525
Termination benefits	7,932	-
Illinois EPA revolving loan	345,027	-
General obligation bonds payable	184,092	171,506
Other liabilities	176,469	-
Total current liabilities	<u>2,379,342</u>	<u>313,333</u>
<b>NONCURRENT LIABILITIES</b>		
Compensated absences payable	833,605	163,015
Net other postemployment benefits obligation	-	13,338
IMRF net pension liability	4,348,278	894,233
Illinois EPA revolving loan	7,503,225	-
General obligation bonds payable	3,489,436	387,959
Total noncurrent liabilities	<u>16,174,544</u>	<u>1,458,545</u>
Total liabilities	<u>18,553,886</u>	<u>1,771,878</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension items - IMRF	146,396	30,106
Total deferred inflows of resources	<u>146,396</u>	<u>30,106</u>
Total liabilities and deferred inflows of resources	<u>18,700,282</u>	<u>1,801,984</u>
<b>NET POSITION</b>		
Net investment in capital assets	48,076,005	2,716,549
Restricted for Special Service Area #1	30,000	-
Unrestricted	5,458,281	3,555,171
<b>TOTAL NET POSITION</b>	<u><u>\$ 53,564,286</u></u>	<u><u>\$ 6,271,720</u></u>

See accompanying notes to financial statements.

**VILLAGE OF ADDISON, ILLINOIS**

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS

For the Year Ended April 30, 2017

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Waterworks and Sewerage</b>	<b>Internal Service</b>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 15,977,868	\$ 3,093,339
Other	-	125,438
Total operating revenues	<u>15,977,868</u>	<u>3,218,777</u>
<b>OPERATING EXPENSES</b>		
Operations	-	2,694,550
Water	8,317,271	-
Sewer	2,170,051	-
Water pollution control	4,702,321	-
Depreciation	1,816,024	679,127
Total operating expenses	<u>17,005,667</u>	<u>3,373,677</u>
OPERATING INCOME (LOSS)	<u>(1,027,799)</u>	<u>(154,900)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Intergovernmental	-	-
Investment income	29,486	22,038
Interest expense	(204,822)	(15,616)
Gain (loss) on sale of capital assets	-	70,597
Total non-operating revenues (expenses)	<u>(175,336)</u>	<u>77,019</u>
CHANGE IN NET POSITION BEFORE TRANSFERS	<u>(1,203,135)</u>	<u>(77,881)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	333,333	-
Total transfers	<u>333,333</u>	<u>-</u>
CHANGE IN NET POSITION	(869,802)	(77,881)
NET POSITION, MAY 1	<u>54,434,088</u>	<u>6,349,601</u>
<b>NET POSITION, APRIL 30</b>	<u><u>\$ 53,564,286</u></u>	<u><u>\$ 6,271,720</u></u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS

For the Year Ended April 30, 2017

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Waterworks and Sewerage</u>	<u>Internal Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers and users	\$ 15,613,447	\$ -
Receipts (payments) from internal services transactions	(536,430)	3,093,339
Receipts from other sources	-	125,438
Payments to suppliers	(7,856,056)	(1,273,712)
Payments to employees	(6,039,574)	(1,290,937)
	<u>1,181,387</u>	<u>654,128</u>
Net cash from operating activities		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers in	<u>333,333</u>	-
Net cash from noncapital financing activities	<u>333,333</u>	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchase of capital assets	(1,204,495)	(907,152)
Proceeds from sale of capital assets	-	90,637
Principal paid on bonds	(180,918)	(168,573)
Principal paid on Illinois EPA Loans	(338,274)	-
Proceeds from new bonds	3,073,045	-
Interest paid on bonds	(177,301)	(19,163)
	<u>1,172,057</u>	<u>(1,004,251)</u>
Net cash from capital and related financing activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<u>29,486</u>	<u>22,038</u>
Net cash from investing activities	<u>29,486</u>	<u>22,038</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,716,263	(328,085)
CASH AND CASH EQUIVALENTS, MAY 1	<u>4,201,146</u>	<u>4,643,072</u>
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<u>\$ 6,917,409</u>	<u>\$ 4,314,987</u>

(This statement is continued on the following page.)

**VILLAGE OF ADDISON, ILLINOIS**

STATEMENT OF CASH FLOWS (Continued)  
 PROPRIETARY FUNDS

For the Year Ended April 30, 2017

	<b>Business-Type Activities</b>	<b>Governmental Activities</b>
	<b>Waterworks and Sewerage</b>	<b>Internal Service</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (1,027,799)	\$ (154,900)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	1,816,024	679,127
Changes in assets and liabilities		
Inventory	(26,907)	5,194
Accounts receivable	(364,421)	-
Prepaid items	-	(2,728)
Deferred outflows of resources - pension items - IMRF	219,411	45,121
Accounts payable	287,703	19,362
Accrued payroll	961	198
Deferred inflows of resources - pension items - IMRF	45,911	9,441
Compensated absences payable	116,048	22,663
Early retirement incentive	(18,797)	-
Net other postemployment benefits obligation	(3,156)	2,597
Net pension liability - IMRF	136,409	28,053
	<b>\$ 1,181,387</b>	<b>\$ 654,128</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		
<b>CASH AND INVESTMENTS</b>		
Cash and cash equivalents	\$ 6,887,409	\$ 4,314,987
Restricted cash and investments	30,000	-
	<b>\$ 6,917,409</b>	<b>\$ 4,314,987</b>
<b>TOTAL CASH AND INVESTMENTS</b>		
<b>NONCASH CAPITAL AND RELATED FINANCING TRANSACTIONS</b>		
Illinois EPA proceeds receivable	\$ 217,227	\$ -
Capital assets financed through accounts payable	(217,227)	-
	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL NONCASH CAPITAL AND RELATED FINANCING TRANSACTIONS</b>		

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS

April 30, 2017

---

	<b>Police Pension Trust</b>	<b>Agency</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 124,273	\$ 16,197
Investments, at fair value		
U.S. agency securities	5,196,749	-
U.S. Treasuries	6,996,255	-
Corporate bonds	1,955,658	-
Mutual funds	29,601,137	-
Money market mutual funds	379,175	-
Receivables		
Accrued interest	66,169	-
	<hr/>	<hr/>
Total assets	44,319,416	\$ 16,197
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Funds held for others	-	\$ 16,197
	<hr/>	<hr/>
Total liabilities	-	\$ 16,197
	<hr/>	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<hr/> <u>\$ 44,319,416</u>	

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS

For the Year Ended April 30, 2017

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	<u>Police Pension Trust</u>
<b>ADDITIONS</b>	
Contributions - employer	
Property taxes transferred from General Fund	\$ 2,763,130
Contributions - plan members	<u>611,609</u>
Total contributions	<u>3,374,739</u>
Investment income	
Net appreciation in fair value of investments	3,323,764
Interest earned on investments	<u>1,323,196</u>
Total investment income	4,646,960
Less investment expense	<u>(8,002)</u>
Net investment income	<u>4,638,958</u>
Total additions	<u>8,013,697</u>
<b>DEDUCTIONS</b>	
Benefits and refunds	3,570,537
Administration	141,982
Legal	<u>6,767</u>
Total deductions	<u>3,719,286</u>
NET INCREASE	4,294,411
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
May 1	<u>40,025,005</u>
April 30	<u><u>\$ 44,319,416</u></u>

See accompanying notes to financial statements.

# VILLAGE OF ADDISON, ILLINOIS

## NOTES TO FINANCIAL STATEMENTS

April 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Addison, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (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 is a municipal corporation governed by a seven-member board consisting of six trustees and the mayor. As required by GAAP, these financial statements present the Village and its component units, entities for which the government is considered to be financially accountable.

The Village's financial statements include a pension trust fund.

#### Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member Pension Board. Two members appointed by the Village's Mayor, one elected pension beneficiary, and two elected active police employees constitute the Pension Board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees, and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted and committed monies (special revenue funds), the acquisition and construction of capital assets (capital projects funds), and the accumulation of restricted, committed, or assigned resources for the payment of principal and interest on general long-term debt (debt service funds). 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 funds and an agency fund which are generally used to account for assets that the Village holds in fiduciary capacity 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, other than interfund services provided and used, 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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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.

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 Motor Fuel Tax Fund is used to account for maintenance of village owned streets, repavement, and street lights. Financing is provided by the Village's share of state motor fuel allotments and other village financing sources. The Village has elected to report this fund as major.

The Addison Consolidated Dispatch Center (ACDC) Building Fund is used to account for the construction and finishing costs, including furniture for the ACDC.

The Debt Service Fund accounts for the resources for the payment of principal and interest on the Village's general obligation debt.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage Fund accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing, and collection.

**VILLAGE OF ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The Village reports the following internal service funds:

Internal service funds account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis. The Fleet Services Fund accounts for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service. The Information Systems Fund accounts for the costs of running the Village's management information system. The Equipment Replacement Fund accounts for the purchase and replacement of the Village's vehicles.

The Village reports the following fiduciary funds:

Police Pension Trust Fund as a fiduciary fund to account for the Police Pension Fund.

Special Service Area #1 as an agency fund to account for assets held on behalf of third parties for the Armitage/Ardmore water main improvements and that do not involve the measurement of operating results.

**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 funds and pension trust 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.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

available if they are collected within 60 days of the end of the current fiscal period, except for sales 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 also are 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 deferred/unavailable revenue and unearned revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the deferred inflow for deferred/unavailable revenue or the liability from unearned revenue is removed from the financial statements and revenue is recognized.

**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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Cash and Investments (Continued)**

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 are recorded as prepaid items/expenses.

**i. Capital Assets**

Capital assets, which include property, plant, equipment, intangibles (software and easements), and infrastructure assets (e.g., roads, bridges, and storm water), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Capital Assets (Continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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 is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and structures	20-50
Equipment, vehicles, and software	4-20
Infrastructure	20-60
Public improvements	50-60

**j. Compensated Absences**

Vested or accumulated vacation and sick leave are reported as an expenditure and a fund liability of the governmental fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation or sick leave of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

Employees accrue one day sick time per month up to 12 per year. Sick time can be accumulated over the tenure of employment and is “bought back” upon leaving the Village using a percentage scale based on years of service. Vacation time is accumulated annually and is expected to be used the following year. Carryover for three months is allowed pending approval by the Village Manager.

**k. Long-Term Obligations**

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds financial statements. Bond premiums and discounts and gains (losses) on refundings, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k. Long-Term Obligations (Continued)**

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

**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 or from enabling legislation adopted by the Village. Committed fund balance is constrained modified or rescinded by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the 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's Manager and the Finance Director by the Board of Trustees. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The Village has established a fund balance reserve policy for its General Fund. The policy targets a minimum fund balance to be maintained in the General Fund equivalent to 25% of the budgeted expenditures in the fund. Any fund balance in the General Fund in excess of the 25% can be assigned a specific purpose or to cover projected deficits in the following budget year.

The Village's flow of funds assumption 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 funds and then unassigned 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 book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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. Accounting Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**o. 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.

**2. DEPOSITS AND INVESTMENTS**

The Village and pension funds categorizes the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

**2. DEPOSITS AND INVESTMENTS (Continued)**

**a. Village 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 Comptroller that maintains a \$1 per share value which is equal to the participants' fair value), and 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 rate of return.

**Deposits with Financial Institutions**

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral at 105% for all bank balances in excess of federal depository insurance, with the collateral held by the Village, an independent third party, or the Federal Reserve Bank of Chicago.

**Investments**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

**VILLAGE OF ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. DEPOSITS AND INVESTMENTS (Continued)**

**a. Village Deposits and Investments (Continued)**

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk by primarily investing in external investment pools. Illinois Funds and IMET are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. The Village's investment policy does not address this risk. To limit its exposure, the Village requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 50% of the Village's investment portfolio, exclusive of any securities held in Illinois Funds and IMET.

**3. RECEIVABLES - TAXES**

**a. Property Taxes**

Property taxes for 2016 attach as an enforceable lien on January 1, 2016, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2017, and are payable in two installments, on or about June 1, 2017 and September 1, 2017. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience. As the 2016 tax levy is intended to fund expenditures for the 2017-2018 fiscal year, these taxes are unavailable as of April 30, 2017.

The 2017 tax levy, which attached as an enforceable lien on property as of January 1, 2017, has not been recorded as a receivable as of April 30, 2017 as the tax has not yet been levied by the Village and will not be levied until December 2017 and, therefore, the levy is not measurable at April 30, 2017.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. RECEIVABLES - TAXES (Continued)**

**b. Due from Other Governments**

The following receivables are included in due from other governments on the statement of net position:

GOVERNMENTAL ACTIVITIES	
Sales tax	\$ 2,208,564
Home rule sales tax	1,743,585
Simplified telecommunications tax	274,744
Income tax	563,125
Local use tax	217,431
Motor fuel tax	80,883
Police dispatch	1,004,041
Other taxes	<u>1,169</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 6,093,542</u></b>

**4. CAPITAL ASSETS**

Capital asset activity for the year ended April 30, 2017 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 19,309,472	\$ 509,638	\$ -	\$ 19,819,110
Land rights of way	38,174,273	-	-	38,174,273
Construction in progress	1,212,034	9,851,468	5,049,468	6,014,034
Total capital assets not being depreciated	<u>58,695,779</u>	<u>10,361,106</u>	<u>5,049,468</u>	<u>64,007,417</u>
Capital assets being depreciated				
Buildings and structures	40,976,982	402,137	-	41,379,119
Equipment and vehicles	10,776,430	900,961	423,863	11,253,528
Infrastructure	82,018,718	3,621,452	-	85,640,170
Total capital assets being depreciated	<u>133,772,130</u>	<u>4,924,550</u>	<u>423,863</u>	<u>138,272,817</u>
Less accumulated depreciation for				
Buildings and structures	10,044,700	946,779	-	10,991,479
Equipment and vehicles	7,422,218	756,937	423,863	7,755,292
Infrastructure	39,991,681	1,607,506	-	41,599,187
Total accumulated depreciation	<u>57,458,599</u>	<u>3,311,222</u>	<u>423,863</u>	<u>60,345,958</u>
Total capital assets being depreciated, net	<u>76,313,531</u>	<u>1,613,328</u>	<u>-</u>	<u>77,926,859</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<b><u>\$ 135,009,310</u></b>	<b><u>\$ 11,974,434</u></b>	<b><u>\$ 5,049,468</u></b>	<b><u>\$ 141,934,276</u></b>

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 1,079,328
Public safety	313,260
Community development	57,951
Highways and streets, including depreciation of general infrastructure assets	<u>1,860,683</u>
<b>TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 3,311,222</u></b>

	Balances May 1	Increases	Decreases	Balances April 30
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 1,129,911	\$ -	\$ -	\$ 1,129,911
Construction in progress	3,386,056	991,981	3,716,648	661,389
Total capital assets not being depreciated	<u>4,515,967</u>	<u>991,981</u>	<u>3,716,648</u>	<u>1,791,300</u>
Capital assets being depreciated				
Public improvements	93,951,926	3,716,648	-	97,668,574
Equipment and vehicles	3,445,513	429,741	-	3,875,254
Total capital assets being depreciated	<u>97,397,439</u>	<u>4,146,389</u>	<u>-</u>	<u>101,543,828</u>
Less accumulated depreciation for				
Public improvements	39,634,417	1,649,152	-	41,283,569
Equipment and vehicles	2,312,376	166,872	-	2,479,248
Total accumulated depreciation	<u>41,946,793</u>	<u>1,816,024</u>	<u>-</u>	<u>43,762,817</u>
Total capital assets being depreciated, net	<u>55,450,646</u>	<u>2,330,365</u>	<u>-</u>	<u>57,781,011</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS, NET</b>	<u>\$ 59,966,613</u>	<u>\$ 3,322,346</u>	<u>\$ 3,716,648</u>	<u>\$ 59,572,311</u>

**5. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health; natural disasters; and injuries to the Village's employees.

The Village has purchased insurance from private insurance companies. Risks covered include medical, dental, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

**5. RISK MANAGEMENT (Continued)**

Intergovernmental Risk Management Agency

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperations Statute to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extension risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is aware of no additional contributions due to IRMA as of April 30, 2017.

**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. General obligation bonds have been issued for general government activities. In addition, general obligation bonds have been issued to refund general obligation bonds.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**a. General Obligation Bonds (Continued)**

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
<p>\$3,075,000 General Obligation Refunding Bond, Series 2006A, are due in annual installments (beginning December 15, 2011) ranging from \$130,000 to \$260,000 with interest at 3.7% to 4.5%. The call date is December 15, 2016.</p>	Debt Service	\$ 2,310,000	\$ -	\$ 2,310,000	\$ -	\$ -
<p>\$6,900,000 General Obligation Bonds, Series 2006C, are due in annual installments (beginning December 15, 2012) ranging from \$280,000 to \$675,000 with interest at 3.85% to 3.95%. The call date is December 15, 2015. The last payment is due December 15, 2018.</p>	Debt Service	770,000	-	370,000	400,000	400,000
<p>\$6,100,000 General Obligation Bonds, Series 2007, are due in annual installments (beginning December 15, 2012) ranging from \$245,000 to \$590,000 with interest at 3.875% to 3.950%. The call date is December 15, 2015. The last payment is due December 15, 2017.</p>	Debt Service	330,000	-	330,000	-	-
<p>\$6,015,000 General Obligation Refunding Bonds, Series 2008, are due in annual installments (beginning December 15, 2009 through December 15, 2020) ranging from \$265,000 to \$1,010,000 with interest at 3.25% to 5.00%.</p>	Debt Service	3,725,000	-	385,000	3,340,000	435,000
<p>\$3,500,000 Taxable General Obligation Bonds, Series 2010, are due in annual installments (beginning December 15, 2012 through December 15, 2030) ranging from \$60,000 to \$275,000 with interest at 2.05% to 5.30%.</p>	Debt Service	2,925,000	-	140,000	2,785,000	145,000
<p>\$2,835,000 General Obligation Refunding Bonds, Series 2011, are due in annual installments (beginning December 15, 2012 through December 15, 2017) ranging from \$405,000 to \$510,000 with interest at 2% to 4%.</p>	Debt Service	940,000	-	470,000	470,000	470,000

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**a. General Obligation Bonds (Continued)**

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
\$8,995,000 General Obligation Refunding Bonds, Series 2015, are due in annual installments (beginning December 15, 2017 through December 15, 2026) ranging from \$170,000 to \$595,000 with interest at 2% to 4%.	Debt Service	\$ 8,995,000	\$ -	\$ -	\$ 8,995,000	\$ 340,000
\$2,130,000 General Obligation Refunding Bonds, Series 2016B, are due in annual installments (beginning December 15, 2017 through December 15, 2026) ranging from \$92,500 to \$122,500 with interest at 2% to 3%.	Debt Service	-	2,130,000	-	2,130,000	185,000
\$9,525,000 General Obligation Bonds, Series 2016A, are due in annual installments (beginning December 15, 2021 through December 15, 2037) ranging from \$172,500 to \$475,000 with interest at 2% to 3%.	ACDC	-	9,525,000	-	9,525,000	-
\$3,985,000 General Obligation Refunding Bonds, Series 2012, are due in annual installments (beginning December 15, 2013 through December 15, 2019) ranging from \$530,000 to \$615,000 with interest at 2% to 3%.	Debt Service	915,029	-	220,544	694,485	224,402
	Water	750,616	-	180,883	569,733	184,092
	Equipment Replacement	699,355	-	168,573	530,782	171,506
\$5,400,000 General Obligation Bonds, Series 2017, are due in annual installments (beginning December 15, 2018 through December 15, 2032) ranging from \$150,000 to \$300,000 with interest at 3% to 4%.	ACDC	-	2,468,303	-	2,468,303	-
	Water	-	2,931,697	-	2,931,697	-
<b>TOTAL GENERAL OBLIGATION BONDS</b>		<b>\$ 22,360,000</b>	<b>\$ 17,055,000</b>	<b>\$ 4,575,000</b>	<b>\$ 34,840,000</b>	<b>\$ 2,555,000</b>

**b. Compensated Absences - Governmental Activities**

	Funded by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	General	\$ 3,231,099	\$ 1,240,085	\$ 1,001,344	\$ 3,469,840	\$ 1,074,545
Compensated absences	Internal Service	229,877	113,167	90,504	252,540	89,525
<b>TOTAL COMPENSATED ABSENCES</b>		<b>\$ 3,460,976</b>	<b>\$ 1,353,252</b>	<b>\$ 1,091,848</b>	<b>\$ 3,722,380</b>	<b>\$ 1,164,070</b>

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**c. Loan Payable - Business-Type Activities**

	Fund Debt Retired by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Illinois EPA loan - up to \$6,677,829 loan due in semiannual installments at 1.93% simple interest due beginning November 11, 2015.	Waterworks and Sewerage	\$ 6,327,407	\$ -	\$ 270,086	\$ 6,057,321	\$ 275,324
Illinois EPA loan - up to \$1,905,743 loan due in semiannual installments at 2.21% simple interest due beginning March 28, 2016.	Waterworks and Sewerage	1,641,892	217,227	68,188	1,790,931	69,703
<b>TOTAL LOANS PAYABLE</b>		<b>\$ 7,969,299</b>	<b>\$ 217,227</b>	<b>\$ 338,274</b>	<b>\$ 7,848,252</b>	<b>\$ 345,027</b>

**d. Compensated Absences - Business-Type Activities**

	Funded by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	Waterworks and Sewerage	\$ 1,028,518	\$ 414,677	\$ 298,629	\$ 1,144,566	\$ 310,961
<b>TOTAL COMPENSATED ABSENCES</b>		<b>\$ 1,028,518</b>	<b>\$ 414,677</b>	<b>\$ 298,629</b>	<b>\$ 1,144,566</b>	<b>\$ 310,961</b>

**e. Debt Service Requirements to Maturity**

Fiscal Year Ending April 30,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 2,370,908	\$ 1,285,498	\$ 3,656,406	\$ 184,092	\$ 111,560	\$ 295,652
2019	2,713,783	1,447,484	4,161,267	516,217	437,151	953,368
2020	2,824,059	1,367,195	4,191,254	520,941	421,666	942,607
2021	2,494,260	1,273,552	3,767,812	325,740	407,989	733,729
2022	1,757,130	1,047,402	2,804,532	162,870	235,347	398,217
2023-2027	10,060,650	4,409,935	14,470,585	814,350	1,098,559	1,912,909
2028-2032	3,990,650	1,871,637	5,862,287	814,350	944,646	1,758,996
2033-2037	4,177,130	674,065	4,851,195	162,870	169,385	332,255
2038	950,000	28,500	978,500	-	-	-
<b>TOTAL</b>	<b>\$ 31,338,570</b>	<b>\$ 13,405,268</b>	<b>\$ 44,743,838</b>	<b>\$ 3,501,430</b>	<b>\$ 3,826,303</b>	<b>\$ 7,327,733</b>

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**e. Debt Service Requirements to Maturity (Continued)**

Fiscal Year Ending April 30,	Illinois Environmental Protection Agency (EPA)		
	Business -Type Activities		
	Principal	Interest	Total
2018	\$ 345,027	\$ 149,979	\$ 495,006
2019	351,915	143,092	495,007
2020	358,941	136,066	495,007
2021	366,107	128,899	495,006
2022	373,418	121,588	495,006
2023-2027	1,981,984	493,050	2,475,034
2028-2032	2,188,015	287,020	2,475,035
2033-2036	1,665,618	66,902	1,732,520
<b>TOTAL</b>	<b>\$ 7,631,025</b>	<b>\$ 1,526,596</b>	<b>\$ 9,157,621</b>

The \$217,227 is due from the Illinois EPA. The Village has not yet received a revised debt maturity schedule.

**f. Changes in Long-Term Debt**

The following is a summary of changes in long-term liabilities for the year ended April 30, 2017:

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds payable	\$ 21,609,384	\$ 14,123,303	\$ 4,394,117	\$ 31,338,570	\$ 2,370,908
Unamortized discount on bonds	(4,904)	-	(3,163)	(1,741)	-
Unamortized premium on bonds	1,146,928	327,285	181,243	1,292,970	-
Termination benefits*	19,929	-	14,641	5,288	-
Compensated absences payable - governmental activities	3,460,976	1,353,252	1,091,848	3,722,380	1,164,070
Net pension liability - IMRF*	8,755,009	283,548	-	9,038,557	-
Net pension liability - Police Pension*	36,472,747	-	3,078,532	33,394,215	-
Net other postemployment benefits obligation*	213,533	51,617	-	265,150	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 71,673,602</b>	<b>\$ 16,139,005</b>	<b>\$ 8,757,218</b>	<b>\$ 79,055,389</b>	<b>\$ 3,534,978</b>

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**f. Changes in Long-Term Debt (Continued)**

\*Termination benefits, net pension liabilities, and net other postemployment benefits obligation are retired by the General Fund and Internal Service Funds.

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
<b>BUSINESS-TYPE ACTIVITIES</b>					
General obligation bonds payable	\$ 750,616	\$ 2,931,732	\$ 180,918	\$ 3,501,430	\$ 184,092
Illinois EPA loan payable	7,969,299	217,227	338,274	7,848,252	345,027
Unamortized premium on bonds	41,047	141,313	10,262	172,098	-
Termination benefits	26,729	-	18,797	7,932	7,932
Compensated absences payable - proprietary funds	1,028,518	414,677	298,629	1,144,566	310,961
Net pension liability - IMRF	4,211,869	136,409	-	4,348,278	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 14,028,078</b>	<b>\$ 3,841,358</b>	<b>\$ 846,880</b>	<b>\$ 17,022,556</b>	<b>\$ 848,012</b>

**g. Legal Debt Margin**

The Village is a home rule municipality.

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

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

To date, the General Assembly has set no limits for home rule municipalities.

**6. LONG-TERM DEBT (Continued)**

**h. Other Non-Obligation Type Bonded Debt**

Industrial Revenue Bonds

The Village has issued a total of \$53,110,000 of Industrial Revenue Bonds under the terms of its ordinance 0-74-8 dated March 18, 1974. The amount outstanding is undeterminable as of April 30, 2017.

The total amount of bonds issued by any village agency is limited by federal and state statute. Interest paid to institutions lending these funds is considered tax-exempt under current federal law. The Village is not obligated for the payment of principal and interest on the bonds and is not involved in any way with the servicing of the debt instruments. Neither the liability for the bonds or any activity therewith is reflected in the funds of the Village.

**i. Illinois EPA Loans Payable**

During the year ended April 30, 2014, the Village entered into a wastewater treatment works loan with the Illinois Environmental Protection Agency (EPA) for work related to the Addison North Waste Water Treatment Plant and its tributary pump stations and work at the Addison South AJ Larocca Waste Water Treatment plant and its tributary pump stations. The loan bears interest at 1.93% and is scheduled to mature on May 19, 2035. Simple interest is accrued on each loan disbursement on the day after the date of issuance with construction period interest compounding into the principal of the loan.

During the year ended April 30, 2015, the Village entered into a wastewater treatment works loan with the Illinois EPA to replace an antiquated existing excess flow pumping station. The loan bears interest at 2.21% and is scheduled to mature on September 28, 2035. Simple interest is accrued on each loan disbursement on the day after the date of issuance with construction period interest compounding into the principal of the loan.

**j. Current Refunding**

On November 15, 2016, the Village issued \$2,130,000 to refund \$2,145,000 of the General Obligation Bonds Series, 2006A. The proceeds of the bonds, includes \$89,282 premium and \$44,731 from existing sources were placed in an escrow account to provide all future debt service payments on the refunded bonds, which were called and paid in full on December 15, 2016. As a result of the refunding, the Village achieved cash flow savings of \$220,428 and an economic gain on the refunding of \$194,782.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

**k. Termination Benefits**

The Village offered health care termination benefits to certain personnel during the year ended April 30, 2014. Under the terms of the agreement, the Village is required to pay 100% of the monthly premium costs for medical insurance coverage for eligible employees and their eligible dependents for no less than and no more than 18 months. 12 retirees participated in the early retirement incentive. As of April 30, 2017, the Village had a liability under the termination agreement of \$13,220. All benefits are expected to be paid by September 2017.

**7. INDIVIDUAL FUND DISCLOSURES**

**a. Transfers**

Interfund transfers during the year ended April 30, 2017 consisted of the following:

Fund	Transfers In	Transfers Out
Debt Service	\$ 1,375,000	\$ 333,333
General	350,000	-
Waterworks and Sewerage	333,333	-
Nonmajor Governmental	338,890	2,063,890
<b>TOTAL</b>	<b>\$ 2,397,223</b>	<b>\$ 2,397,223</b>

The purpose of significant transfers is as follows:

- \$1,375,000 transferred from the Public Building Fund, a nonmajor governmental fund, to the Debt Service Fund for the principal and interest payments.
- \$350,000 transferred from the Public Buildings Fund (\$275,000) and Capital Projects Fund (\$75,000), nonmajor governmental funds, to the General Fund for general expenses.
- \$13,890 transferred from the Redevelopment Fund, a nonmajor governmental fund, to the Public Buildings Fund to cover equipment purchases.
- \$325,000 transferred from the Michael Lane TIF #2 Fund, a nonmajor governmental fund, to the Town Center TIF #3 Fund, a nonmajor governmental fund, for economic development.
- \$333,333 transferred from the Debt Service Fund to the Waterworks and Sewerage Fund. This amount was to fund the debt service payments.

**8. CONTINGENT LIABILITIES**

**a. Litigation**

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

**b. Grants**

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

**c. DuPage Water Commission**

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

**d. Economic Incentives**

The Village has entered into several agreements with local developers to rebate a portion of certain taxes derived from the operation of their businesses over a designated time period based on certain productivity criteria. The Village has a total potential commitment to all developers of \$2,593,520 payable in quarterly, semiannual, or annual payments through 2027. \$5,132,443 has been rebated as of April 30, 2017 and \$22,595 was payable as of April 30, 2017.

**9. 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 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.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**b. Benefits Provided**

The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's two retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

**c. Membership**

At April 30, 2016 (latest valuation available) membership consisted of:

Retirees and beneficiaries currently receiving benefits	51
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>219</u>
 TOTAL	 <u><u>270</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.

**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 the last three years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2015	\$ 207,903	\$ 109,809	52.82%	\$ 153,881
2016	262,848	216,253	82.27%	200,477
2017	264,712	216,253	81.69%	248,936

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**9. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

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

Annual required contribution	\$ 261,822
Interest on net OPEB obligation	8,019
Adjustment to annual required contribution	<u>(5,129)</u>
Annual OPEB cost	264,712
Contributions made	<u>216,253</u>
Increase in net OPEB obligation	48,459
Net OPEB obligation, beginning of year	<u>200,477</u>
<b>NET OPEB OBLIGATION, END OF YEAR</b>	<u><u>\$ 248,936</u></u>

Funded Status and Funding Progress: The funded status of the plan as of April 30, 2016 (latest valuation available) was as follows:

Actuarial accrued liability (AAL)	\$ 4,416,930
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	4,416,930
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 18,153,623
UAAL as a percentage of covered payroll	24.33%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to 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.

**9. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

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

In the April 30, 2016 actuarial valuation (latest valuation available), the entry-age normal actuarial cost method was used. The actuarial assumptions included no investment rate of return and an initial healthcare cost trend rate of 7.5% with an ultimate healthcare inflation rate of 5.5%. Both rates include a 3.0% inflation assumption and 4.0% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2017 was 30 years.

**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, the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue 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 <https://www.imrf.org/>. As noted above, IMRF is an agent multiple-employer defined benefit pension plan. The Village and the Addison Public Library (the Library) both participate in the plan and, therefore, the plan is treated as a cost-sharing plan.

**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. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

**VILLAGE OF ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Plan Membership*

At December 31, 2016, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	186
Inactive employees entitled to but not yet receiving benefits	78
Active employees	<u>204</u>
 TOTAL	 <u><u>468</u></u>

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

*Benefits Provided*

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 2.0% 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 2.0% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

*Contributions*

Participating members are required to contribute 4.50% 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 rate for the fiscal year ended April 30, 2017 was 13.18% of covered payroll.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Illinois Municipal Retirement Fund (Continued)

*Net Pension Liability*

The Village's net pension liability was measured as of December 31, 2016 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, 2016
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 2012). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**VILLAGE OF ADDISON, 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 7.50%. 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 employer 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 projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2016	\$ 83,720,988	\$ 69,380,269	\$ 14,340,719
Changes for the period			
Service cost	1,505,826	-	1,505,826
Interest	6,199,735	-	6,199,735
Difference between expected and actual experience	1,152,445	-	1,152,445
Changes in assumptions	(337,486)	-	(337,486)
Employer contributions	-	1,974,718	(1,974,718)
Employee contributions	-	671,343	(671,343)
Net investment income	-	4,767,470	(4,767,470)
Benefit payments and refunds	(2,957,571)	(2,957,571)	-
Other (net transfer)	-	642,538	(642,538)
Net changes	5,562,949	5,098,498	464,451
BALANCES AT DECEMBER 31, 2016	\$ 89,283,937	\$ 74,478,767	\$ 14,805,170

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**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 above includes amounts for both the Village and Library. The Village's proportionate share of the net pension liability at January 1, 2016, the employer contributions, and the net pension liability at December 31, 2016 was \$12,966,878, \$1,785,540, and \$13,386,835, respectively. The Library's proportionate share of the net pension liability at January 1, 2016, the employer contributions, and the net pension liability at December 31, 2016 was \$1,373,841, \$189,178, and \$1,418,335, respectively.

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

For the year ended April 30, 2017, the Village recognized pension expense of \$1,223,415. At April 30, 2017, 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	\$ 1,181,368	\$ 238,290
Changes in assumption	792,767	260,161
Net difference between projected and actual earnings on pension plan investments	3,663,124	-
Contributions subsequent to measurement date	705,188	-
<b>TOTAL</b>	<b>\$ 6,342,447</b>	<b>\$ 498,451</b>

The deferred outflows presented in the table above include amounts for both the Village and Library. The Village's proportionate share of the deferred outflows of resources at April 30, 2017 was \$5,745,442. The Library's proportionate share of the deferred outflows of resources at April 30, 2017 was \$597,005. The Village's proportionate share of the deferred inflows of resources at April 30, 2017 was \$450,700. The Library's proportionate share of the deferred inflows of resources at April 30, 2017 was \$47,751.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**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)*

\$705,188 reported as deferred outflows of resources related to pensions resulting from Village and Library contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2018	\$ 2,202,441
2019	1,548,879
2020	1,229,737
2021	151,751
2022	-
Thereafter	-
<b>TOTAL</b>	<b>\$ 5,138,808</b>

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.5% 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 (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability - Village	\$ 24,371,694	\$ 13,386,835	\$ 4,353,451
Net pension liability - Library	2,582,181	1,418,335	461,248
<b>Net pension liability - Total</b>	<b>\$ 26,953,875</b>	<b>\$ 14,805,170</b>	<b>\$ 4,814,699</b>

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**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 Police Pension 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, 2017, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	52
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	66
<b>TOTAL</b>	<b>120</b>
Number of participating employers	1

*Benefits Provided*

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a police officer 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

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Police Pension Plan (Continued)

*Benefits Provided (Continued)*

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 75.0% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the 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 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding 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 Police Pension 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 90.00% the past service cost for the Police Pension Plan. For the year ended April 30, 2017, the Village's contribution was 38.70% of covered payroll.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**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 can invest in the same securities as the Village, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political divisions (rated Aa or better), Illinois insurance company general and separate accounts, equity mutual funds, and equity securities. During the year ended April 30, 2017, no changes to the investment policy were approved by the Board of Trustees.

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities	42.00%	
Domestic Equity Large-Cap.		4.75%
Domestic Equity Mid-Caps		5.00%
Domestic Small-Caps		5.00%
International Equities	11.00%	
International Developed Foreign		5.50%
Emerging Markets		7.75%
Commodities		0.75%
Aggregate Bonds	42.00%	1.50%
Fixed Income		
Fixed Income Investment Grade Corporate		2.50%
Fixed Income Intermediate U.S. Treasuries		0.75%
Fixed Income High Yield		4.50%
REITS	2.00%	3.75%
Cash	3.00%	0.00%

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Police Pension Plan (Continued)

*Investment Policy* (Continued)

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

*Investment Valuations*

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

*Investment Rate of Return*

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.45%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*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 policies do 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.

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Police Pension Plan (Continued)

*Interest Rate Risk*

The following table presents the investments and maturities of the Fund's debt securities and money market mutual funds as of April 30, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 5,196,749	\$ 856,266	\$ 2,927,676	\$ 522,628	\$ 890,179
Corporate bonds	1,955,658	-	1,098,081	857,577	-
U.S. Treasury obligations	6,996,255	1,799,719	-	5,196,536	-
<b>TOTAL</b>	<b>\$ 14,148,662</b>	<b>\$ 2,655,985</b>	<b>\$ 4,025,757</b>	<b>\$ 6,576,741</b>	<b>\$ 890,179</b>

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 within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

The Fund has the following recurring fair value measurements as of April 30, 2017: The U.S. Treasury Obligations, money market mutual funds, and equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

*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. The U.S. agency obligations are either not rated or rated from AA- to AAA. The corporate bonds are rated A- to AAA.

*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. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Police Pension Plan (Continued)

*Custodial Credit Risk (Continued)*

the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds are not subject to custodial credit risk.

*Concentrations*

There were no investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represent 5% or more of plan net position for the Police Pension Plan.

*Discount Rate*

The discount rate used to measure the total pension liability was 7%. 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. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in the Net Pension Liability*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2016	\$ 76,497,752	\$ 40,025,005	\$ 36,472,747
Changes for the period			
Service cost	1,281,141	-	1,281,141
Interest	5,229,874	-	5,229,874
Difference between expected and actual experience	(459,313)	-	(459,313)

**VILLAGE OF ADDISON, 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)*

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
<i>Changes for the period (Continued)</i>			
Changes in assumptions	\$ (1,265,286)	\$ -	\$ (1,265,286)
Employer contributions	-	2,763,130	(2,763,130)
Employee contributions	-	611,609	(611,609)
Other contributions	-	25	(25)
Net investment income	-	4,531,056	4,531,056
Benefit payments and refunds	(3,570,537)	(3,570,537)	-
Administrative expense	-	(40,872)	125,593
	<hr/>		
Net changes	1,215,879	4,294,411	(3,078,532)
	<hr/>		
BALANCES AT APRIL 30, 2017	\$ 77,713,631	\$ 44,319,416	\$ 33,394,215
	<hr/>		

There was a change with respect to actuarial assumptions from the prior year to reflect revised demographic assumptions. The discount rate used in the determination of the total pension liability is 7.00%.

*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, 2017
Actuarial cost method	Entry-age Normal
Assumptions	
Inflation	2.00%
Salary increases	3.50% to 11.26%
Interest rate	7.00%
Cost of living adjustments	3.00%
Asset valuation method	Market

**VILLAGE OF ADDISON, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Police Pension Plan (Continued)

*Actuarial Assumptions (Continued)*

Mortality rates are based on rates developed in the Lauterbach & Amen, LLP 2016 Mortality Table for Illinois Police Officers.

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7% 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%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 45,132,174	\$ 33,394,214	\$ 23,916,499

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

For the year ended April 30, 2017, the Village recognized police pension expense of \$(2,483,553). At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 633,326
Changes in assumption	-	9,485,376
Net difference between projected and actual earnings on pension plan investments	1,930,526	1,390,071
<b>TOTAL</b>	<b>\$ 1,930,526</b>	<b>\$ 11,508,773</b>

**VILLAGE OF ADDISON, ILLINOIS**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**10. DEFINED BENEFIT PENSION PLANS (Continued)**

**a. Plan Descriptions (Continued)**

Police Pension Plan (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 the police pension will be recognized in pension expense as follows:

<u>Year Ending</u> <u>April 30,</u>	
2018	\$ (1,294,037)
2019	(1,294,037)
2020	(1,294,038)
2021	(1,937,545)
2022	(1,590,028)
Thereafter	<u>(2,168,562)</u>
 TOTAL	 <u><u>\$ (9,578,247)</u></u>

**11. SUBSEQUENT EVENT**

The Village refunded the 2010 General Obligation Bond on June 29, 2017 in a negotiated sale for \$2,470,000.

**VILLAGE OF ADDISON, ILLINOIS**

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

For the Year Ended April 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Taxes	\$ 21,272,400	\$ 21,272,400	\$ 22,196,901
Licenses and permits	2,303,200	2,303,200	2,402,262
Intergovernmental	4,095,000	4,095,000	3,683,974
Charges for services	2,182,000	2,182,000	2,611,715
Fines and forfeits	1,033,600	1,033,600	1,054,526
Investment income	10,000	10,000	44,672
Miscellaneous	846,100	846,100	834,976
Total revenues	<u>31,742,300</u>	<u>31,742,300</u>	<u>32,829,026</u>
<b>EXPENDITURES</b>			
Current			
General government	4,806,900	4,822,700	4,544,164
Public safety	19,383,800	20,122,300	19,673,442
Community development	2,790,600	2,794,600	2,794,396
Highways and streets	4,866,200	5,002,500	4,668,976
Total expenditures	<u>31,847,500</u>	<u>32,742,100</u>	<u>31,680,978</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(105,200)</u>	<u>(999,800)</u>	<u>1,148,048</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>
Total other financing sources (uses)	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>
NET CHANGE IN FUND BALANCE	<u>\$ 244,800</u>	<u>\$ (649,800)</u>	1,498,048
FUND BALANCE, MAY 1			<u>10,745,221</u>
FUND BALANCE, APRIL 30			<u>\$ 12,243,269</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

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

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Sales tax increment	\$ 1,801,900	\$ 1,801,900	\$ 1,847,338
Intergovernmental			
Motor fuel tax allotments	903,000	903,000	936,350
Investment income	-	-	(1,282)
Miscellaneous	-	-	32,777
 Total revenues	 <u>2,704,900</u>	 <u>2,704,900</u>	 <u>2,815,183</u>
<b>EXPENDITURES</b>			
Highways and streets			
Street maintenance program	2,400,000	2,400,000	2,332,745
Swift Road resurfacing	76,100	76,100	37,748
Street resurfacing	-	-	9,684
Sidewalks	125,000	285,000	284,541
Sidewalk trip hazard	100,000	100,000	102,686
Ardmore	3,100	155,100	154,932
ADA sidewalk compliance	50,000	50,000	50,335
IDOT LED upgrade	-	-	94
Kings point patching project	43,200	43,200	17,329
 Total expenditures	 <u>2,797,400</u>	 <u>3,109,400</u>	 <u>2,990,094</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ (92,500)</u>	 <u>\$ (404,500)</u>	 <u>(174,911)</u>
 FUND BALANCE, MAY 1			 <u>577,665</u>
 <b>FUND BALANCE, APRIL 30</b>			 <u><u>\$ 402,754</u></u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POSTEMPLOYMENT BENEFITS PLAN

April 30, 2017

Schedule of Funding Progress

<b>Actuarial Valuation Date April 30,</b>	<b>(1) Actuarial Value of Assets</b>	<b>(2) Actuarial Accrued Liability (AAL) Entry-Age</b>	<b>(3) Funded Ratio (1) / (2)</b>	<b>(4) Unfunded AAL (UAAL) (2) - (1)</b>	<b>(5) Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll (4) / (5)</b>
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	\$ -	\$ 3,249,144	\$ -	\$ 3,249,144	\$ 17,163,302	18.93%
2014	-	4,538,069	-	4,538,069	18,663,883	24.31%
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	4,416,930	-	4,416,930	18,153,623	24.33%
2017	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

<b>Fiscal Year April 30,</b>	<b>Annual Required Contribution (ARC)</b>	<b>Contribution Made</b>	<b>Contribution Made as a Percentage of Annual Required Contribution</b>
2012	\$ 67,930	\$ 47,780	70.34%
2013	139,997	229,731	164.10%
2014	167,615	109,809	65.51%
2015	207,903	109,809	52.82%
2016	261,822	216,253	82.60%
2017	261,822	216,253	82.60%

N/A - Information is not available as no actuarial valuation was performed as of this date.  
Actuarial valuations are only required on a biennial basis.

GASB No. 61 was implemented for the Village's year ended April 30, 2014 which amended the criteria for reporting component units as part of the primary government; therefore, information for years prior include the Addison Public Library which was previously reported as a discreetly presented component unit of the Village.

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Two Fiscal Years

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<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2016</b>	<b>2017</b>
Actuarially determined contribution	\$ 1,664,394	\$ 1,846,294
Contributions in relation to the actuarially determined contribution	<u>1,664,394</u>	<u>1,846,294</u>
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 13,374,612	\$ 14,011,409
Contributions as a percentage of covered-employee payroll	12.44%	13.18%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2014 and 2015. 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 27 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 3.75% to 14.50% compounded annually and postretirement benefit increases of 3.0% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Actuarially determined contribution	\$ 938,617	\$ 1,120,007	\$ 1,733,443	\$ 1,928,127	\$ 2,256,458	\$ 2,419,427	\$ 2,002,950	\$ 2,257,229	\$ 2,324,782	\$ 2,543,706
Contributions in relation to the actuarially determined contribution	897,659	1,036,233	1,233,451	1,742,209	2,102,086	1,930,081	2,152,219	2,309,850	2,724,449	2,763,130
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<b>\$ 40,958</b>	<b>\$ 83,774</b>	<b>\$ 499,992</b>	<b>\$ 185,918</b>	<b>\$ 154,372</b>	<b>\$ 489,346</b>	<b>\$ (149,269)</b>	<b>\$ (52,621)</b>	<b>\$ (399,667)</b>	<b>\$ (219,424)</b>
Covered-employee payroll	\$ 4,663,360	\$ 4,962,030	\$ 5,195,494	\$ 5,131,828	\$ 5,286,129	\$ 5,274,753	\$ 5,415,328	\$ 5,925,768	\$ 6,100,696	\$ 6,167,455
Contributions as a percentage of covered-employee payroll	19.2%	20.9%	23.7%	33.9%	39.8%	36.6%	39.7%	39.0%	44.7%	44.8%

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 asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7.0% annually, using a blended rate of 7.0%, projected salary increases assumption of 3.50% to 11.26% compounded annually, and postretirement benefit increases of 3.0% compounded annually.

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

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

Last Three Fiscal Years

<b>MEASUREMENT DATE APRIL 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 1,644,838	\$ 1,110,567	\$ 1,281,141
Interest	4,483,519	5,783,289	5,229,874
Changes of benefit terms	-	-	
Differences between expected and actual experience	-	(306,186)	(459,313)
Changes of assumptions	-	(11,049,392)	(1,265,286)
Benefit payments, including refunds of member contributions	(3,257,819)	(3,317,891)	(3,570,537)
Net change in total pension liability	2,870,538	(7,779,613)	1,215,879
Total pension liability - beginning	81,406,827	84,277,365	76,497,752
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 84,277,365</b>	<b>\$ 76,497,752</b>	<b>\$ 77,713,631</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - employer	\$ 2,309,851	\$ 2,724,449	\$ 2,763,130
Contributions - member	576,575	620,301	611,609
Contributions - others	-	-	25
Net investment income	2,391,265	(316,964)	4,531,056
Benefit payments, including refunds of member contributions	(3,257,819)	(3,317,891)	(3,570,537)
Administrative expense	(92,206)	(117,892)	(40,872)
Net change in plan fiduciary net position	1,927,666	(407,997)	4,294,411
Plan fiduciary net position - beginning	38,505,336	40,433,002	40,025,005
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 40,433,002</b>	<b>\$ 40,025,005</b>	<b>\$ 44,319,416</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 43,844,363</b>	<b>\$ 36,472,747</b>	<b>\$ 33,394,215</b>
Plan fiduciary net position as a percentage of the total pension liability	48.0%	52.3%	57.0%
Covered-employee payroll	\$ 5,925,768	\$ 6,100,696	\$ 6,167,455
Employer's net pension liability as a percentage of covered-employee payroll	739.9%	597.8%	541.5%

**Year Ended April 30, 2017** - There was a change with respect to actuarial assumptions related to the assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds. The rate was changed to 3.82%. In addition, the mortality assumption was updated to include mortality improvements as stated in the most recently released MP-2016 table and rates are now being applied on a fully-generational basis.

**Year Ended April 30, 2016** - Demographic assumptions were changed from the prior year. The discount rate used in the determination of the total pension liability was changed from 5.65% to 7.00%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

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

Last Two Fiscal Years

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<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2016</b>	<b>2015</b>
Employer's proportion of net pension liability	90.42%	90.42%
Employer's proportionate share of net pension liability	\$ 13,386,835	\$ 12,966,878
Employer's covered-employee payroll	13,374,612	12,603,260
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	100.09%	102.89%
Plan fiduciary net position as a percentage of the total pension liability	83.42%	82.87%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND**

Last Three Fiscal Years

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<b>FISCAL YEAR ENDED APRIL 30,</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Annual money-weighted rate of return, net of investment expense	5.99%	(0.94%)	11.45%

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

## VILLAGE OF ADDISON, ILLINOIS

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2017

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#### **BUDGETS**

Budgets (appropriations) are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund, Waterworks and Sewerage Fund, Motor Fuel Tax Fund, Community Days Fund, Capital Projects Fund, Redevelopment Fund, Public Building Fund, Michael Lane TIF #2 Fund, Town Center TIF #3 Fund, Fleet Services Fund, Information Systems Fund, Equipment Replacement Fund, Police Pension Fund, and Debt Service Fund. Budgets are not adopted for the Community Days and DUI Funds. An original annual budget was not adopted for the ACDC Building Fund; however, a supplemental budget was adopted during the fiscal year for this fund by transferring the budget out of the Capital Projects Fund.

The Village follows these procedures in establishing its appropriation ordinance:

The Appropriation Ordinance is prepared in tentative form by the Finance Director and is made available for public inspection at least ten days prior to final Board action. A public hearing is held on the tentative Appropriation Ordinance to obtain taxpayer comments.

The Village Board of Trustees, by a two-thirds vote, may change or modify the Appropriation Ordinance. No revision of the ordinance shall be made increasing total fund expenditures in the event funds are not available to effectuate the purpose of the revision. The Appropriation Ordinance controls the legal spending limits for the Village.

All appropriations lapse at year end. Expenditures may not legally exceed appropriations (including all changes and modifications as discussed above) at the fund level. The financial schedules report appropriation amounts in the columns titled original budget and final budget.

The operational budget is the management control for spending and is less than, or equal to, the amounts appropriated. The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund are done through approval of the Village Board of Trustees and are supported by additional appropriations as needed.

Operational budgets are adopted on a modified accrual basis of accounting for all governmental fund types and on an accrual basis for proprietary and fiduciary funds. Budgets have been adopted for all proprietary fund types, the Police Pension Fund, General, Debt Service, Capital Projects, and certain Special Revenue Funds. Budgets for Enterprise Funds do not provide for depreciation. Capital improvements are budgeted as expenses.

All budgets are prepared based on the annual fiscal year of the Village.

Budget amounts are as originally adopted or as amended by the Village Board of Trustees.

Expenditures exceeded budget in the Debt Service Fund by \$1,820,224, the Fleet Services Fund by \$46,160, and the Michael Lane TIF #2 by \$19.

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

## **MAJOR GOVERNMENTAL FUNDS**

### **GENERAL FUND**

The Chief Operating Fund of the Village which accounts for all activities of the general government except for those accounted for in another fund.

### **MOTOR FUEL TAX FUND**

The fund accounts for the maintenance and improvement of Village-owned streets.

### **ACDC BUILDING FUND**

This fund accounts for the construction and finishing costs, including furniture for the Addison Consolidated Dispatch Center.

### **DEBT SERVICE FUND**

General Debt Service - to accumulate monies for the payment of the Village's 2006A, 2008, 2011, 2012, and 2015 Refunding Bonds; the 2004, 2006C, 2007, 2010, 2016A, 2016B, and 2017 General Obligation Bonds.

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>TAXES</b>			
Property taxes			
General	\$ 4,500,000	\$ 4,500,000	\$ 4,531,469
Property taxes prior year	5,500	5,500	467
Police pension	2,718,300	2,718,300	2,762,887
Road and bridges	428,500	428,500	428,153
Replacement taxes general	145,000	145,000	154,145
Telecommunications tax	1,025,000	1,025,000	1,136,401
Retailers occupation tax	8,849,800	8,849,800	9,270,110
Sales tax increment	1,801,900	1,801,900	1,847,338
Local use tax	820,000	820,000	909,245
Real estate transfer tax	365,000	365,000	503,473
Auto rental tax	5,000	5,000	5,221
Video gaming	230,000	230,000	291,099
Room tax	378,400	378,400	356,893
	<u>21,272,400</u>	<u>21,272,400</u>	<u>22,196,901</u>
<b>LICENSES, PERMITS, AND FEES</b>			
Vehicle license	620,000	620,000	585,231
Business license	311,000	311,000	262,240
Liquor-bar licenses	170,000	170,000	188,695
Multiple dwelling license	309,000	309,000	330,100
Building permits	210,000	210,000	315,902
Building and zoning sub fee	5,000	5,000	16,071
Planning development fees	45,000	45,000	34,868
Development review fee	30,000	30,000	4,579
Cable TV franchise	518,300	518,300	524,177
Annexations/tap-on fees	7,500	7,500	31,922
Alarm permit fee	13,000	13,000	14,841
Infrastructure maint fee	-	-	9
Solicitor's fees	300	300	1,915
Charity game fees-state	-	-	2,341
Sex offenders registration fee	1,000	1,000	1,170
Business license background fee	11,000	11,000	10,088
Fingerprinting fee	800	800	625
Fire plan review	11,300	11,300	18,850
Review and inspection fees	40,000	40,000	58,638
	<u>2,303,200</u>	<u>2,303,200</u>	<u>2,402,262</u>
<b>INTERGOVERNMENTAL</b>			
Illinois state income tax	3,880,000	3,880,000	3,491,936
State of Illinois - grants - police training reimbursement	-	-	9,273
DEA reimbursement	108,000	108,000	93,131
ICE reimbursement	107,000	107,000	89,634
	<u>4,095,000</u>	<u>4,095,000</u>	<u>3,683,974</u>

(This schedule is continued on the following page.)

**VILLAGE OF ADDISON, ILLINOIS**

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

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>CHARGES FOR SERVICES</b>			
Refuse collection	\$ 258,800	\$ 258,800	\$ 262,466
Brush pick-up	107,400	107,400	106,525
Bail bonds	10,000	10,000	6,678
Police dispatch center	1,805,800	1,805,800	2,236,046
<b>Total charges for services</b>	<b>2,182,000</b>	<b>2,182,000</b>	<b>2,611,715</b>
<b>FINES AND FORFEITS</b>			
Police fines	235,000	235,000	203,346
Parking fines	325,000	325,000	321,390
Building fines	5,000	5,000	417
Court fee traffic violation	19,100	19,100	15,406
Overweight truck fines	15,000	15,000	7,933
Administrative adjudication	13,000	13,000	22,885
Red light camera enforcement	250,000	250,000	315,774
Animal impounding	500	500	100
Vehicle impound fee	91,000	91,000	74,505
Truck permit fee	31,000	31,000	25,720
FTA warrant fee	-	-	5,105
Other	49,000	49,000	61,945
<b>Total fines and forfeits</b>	<b>1,033,600</b>	<b>1,033,600</b>	<b>1,054,526</b>
<b>INVESTMENT INCOME</b>			
Investment income	10,000	10,000	44,662
Interest - loans	-	-	10
<b>Total investment income</b>	<b>10,000</b>	<b>10,000</b>	<b>44,672</b>
<b>MISCELLANEOUS</b>			
Insurance claims	110,000	110,000	99,362
School liaison program	145,000	145,000	152,508
School security	10,000	10,000	-
Sales of maps and publications	200	200	321
Sales of postage stamps	500	500	587
Police reports	6,000	6,000	6,816
Public safety	25,000	25,000	24,908
Rental and concessions	455,900	455,900	481,110
Contra/donate-prv sources	-	-	30,000
Cash short/over	-	-	3
Other	93,500	93,500	39,361
<b>Total miscellaneous</b>	<b>846,100</b>	<b>846,100</b>	<b>834,976</b>
<b>TOTAL REVENUES</b>	<b>\$ 31,742,300</b>	<b>\$ 31,742,300</b>	<b>\$ 32,829,026</b>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2017

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>GENERAL GOVERNMENT</b>			
Administrative department	\$ 2,157,000	\$ 2,172,800	\$ 2,198,179
Board and commissions department	32,700	32,700	29,023
Finance department	724,100	724,100	641,311
Community relations	1,181,300	1,181,300	1,067,184
Building and grounds	711,800	711,800	608,467
	<hr/>	<hr/>	<hr/>
Total general government	4,806,900	4,822,700	4,544,164
	<hr/>	<hr/>	<hr/>
<b>PUBLIC SAFETY</b>			
Police department	15,789,300	15,825,800	15,455,348
Henry Hyde Resource Center	395,600	395,600	409,510
Consolidated dispatch center	3,198,900	3,900,900	3,808,584
	<hr/>	<hr/>	<hr/>
Total public safety	19,383,800	20,122,300	19,673,442
	<hr/>	<hr/>	<hr/>
<b>COMMUNITY DEVELOPMENT</b>	2,790,600	2,794,600	2,794,396
	<hr/>	<hr/>	<hr/>
<b>HIGHWAYS AND STREETS</b>			
Electrical and forestry	2,200,100	2,335,000	2,154,018
Streets	2,666,100	2,667,500	2,514,958
	<hr/>	<hr/>	<hr/>
Total highways and streets	4,866,200	5,002,500	4,668,976
	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURES</b>	<u>\$ 31,847,500</u>	<u>\$ 32,742,100</u>	<u>\$ 31,680,978</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT</b>			
Administrative department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 293,000	\$ 293,000	\$ 292,643
Wages clerical	142,800	142,800	149,113
Overtime	500	500	294
Part-time	141,900	141,900	138,293
Contribution to IMRF	78,900	78,900	79,239
Social Security	49,500	49,500	42,872
Health insurance	117,700	117,700	108,444
Unemployment compensation	15,000	15,000	3,261
Elected officials	41,000	41,000	43,747
Sick pay	11,700	11,700	9,033
Other pay	9,100	9,100	15,671
	<hr/>	<hr/>	<hr/>
Total personal services	901,100	901,100	882,610
Services and charges			
Professional services			
Accounting and auditing	1,800	1,800	1,830
Legal	400,000	400,000	529,096
Medical	-	-	550
Technical and consulting	21,700	36,700	15,727
Communications, telephone, and postage	20,000	20,000	18,332
Communications, portable device	2,500	2,500	1,976
Copy reproductions	2,500	2,500	3,370
Public relations	69,000	69,000	62,153
Printing and publications	3,500	3,500	2,148
IRMA insurance	7,700	7,700	11,752
Conferences and training	20,500	20,500	20,749
Repairs and maintenance	1,800	1,800	1,894
Dues and subscriptions	51,200	51,200	40,493
Economic development incentive	419,500	419,500	367,210
Other	8,000	8,800	18,649
	<hr/>	<hr/>	<hr/>
Total services and charges	1,029,700	1,045,500	1,095,929
Supplies and materials			
Office supplies	4,000	4,000	2,496
Clothing supplies	1,700	1,700	1,720
Other operating supplies	2,000	2,000	6,615
	<hr/>	<hr/>	<hr/>
Total supplies and materials	7,700	7,700	10,831
Charges for internal services			
IS services	218,500	218,500	208,809
	<hr/>	<hr/>	<hr/>
Total charges for internal services	218,500	218,500	208,809
	<hr/>	<hr/>	<hr/>
Total administrative department	2,157,000	2,172,800	2,198,179

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Board and commissions department			
Blood bank commission	\$ 1,500	\$ 1,500	\$ 1,395
Senior citizens commissions	17,400	17,400	17,400
Police commission	13,800	13,800	10,228
	<hr/>	<hr/>	<hr/>
Total board and commissions department	32,700	32,700	29,023
Finance department			
Personal services			
Salaries and wages			
Salaries administrative	252,000	252,000	234,000
Wages clerical	108,900	108,900	110,140
Overtime	1,000	1,000	624
Part-time	60,900	60,900	17,167
Contribution to IMRF	57,200	57,200	49,270
Social Security	32,800	32,800	27,369
Health insurance	46,100	46,100	45,189
Sick pay	5,300	5,300	4,824
Other pay	6,000	6,000	4,891
	<hr/>	<hr/>	<hr/>
Total personal services	570,200	570,200	493,474
Services and charges			
Professional fees			
Accounting and auditing	3,800	3,800	4,798
Data processing	6,400	6,400	4,882
Medical	-	-	210
Technical and consulting	5,500	5,500	2,200
Communications, telephone, portable, and postage	5,500	5,500	5,134
Copy reproductions	2,600	2,600	1,673
Real estate taxes	1,200	1,200	1,085
Printing and publication	7,000	7,000	6,822
IRMA insurance	3,100	3,100	3,300
Conferences and training	3,500	3,500	2,182
Repairs and maintenance	1,700	1,700	361
Rental equipment	700	700	701
Dues and subscriptions	1,600	1,600	1,009
Bank charges	25,000	25,000	33,366
Other	500	500	2,413
	<hr/>	<hr/>	<hr/>
Total services and charges	68,100	68,100	70,136
Supplies and materials			
Office supplies	5,600	5,600	2,434
Clothing supplies	800	800	798
Postage stamps	1,500	1,500	980
Other operating supplies	1,000	1,000	-
	<hr/>	<hr/>	<hr/>
Total supplies and materials	8,900	8,900	4,212

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Finance department (Continued)			
Charges for internal services			
IS services	\$ 76,900	\$ 76,900	\$ 73,489
Total charges for internal services	76,900	76,900	73,489
Total finance department	724,100	724,100	641,311
Community relations			
Personal services			
Salaries and wages			
Salaries administrative	423,500	423,500	449,610
Part-time	29,700	29,700	918
Contribution to IMRF	62,300	62,300	62,268
Social Security	35,700	35,700	36,009
Health insurance	90,300	90,300	94,554
Sick pay	13,400	13,400	11,987
Other pay	5,600	5,600	5,794
Total personal services	660,500	660,500	661,140
Services and charges			
Professional fees			
Accounting and auditing	1,800	1,800	1,830
Data processing	-	-	352
Medical	-	-	205
Technical and consulting	58,000	58,000	40,578
Communications, telephone, portable device, and postage	7,500	7,500	9,741
Copy reproduction	500	500	257
Public relations	314,500	314,500	223,876
Printing and publications	2,800	2,800	254
IRMA insurance	4,900	4,900	7,800
Conferences and training	5,000	5,000	3,660
Public utilities	1,500	1,500	1,710
Repairs and maintenance	19,500	19,500	6,105
Dues and subscriptions	2,000	2,000	2,481
Other	1,000	1,000	819
Total services and charges	419,000	419,000	299,668
Supplies and materials			
Office supplies	1,500	1,500	1,333
Clothing supplies	1,000	1,000	978
Video, recording, and editing supplies	32,800	32,800	32,196
Total supplies and materials	35,300	35,300	34,507
Capital outlay			
Equipment	27,500	27,500	33,685

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Community relations (Continued)			
Charges for internal services			
Fleet services	\$ 3,500	\$ 3,500	\$ 4,125
IS services	32,500	32,500	31,059
Equipment replacement	3,000	3,000	3,000
Total charges for internal services	39,000	39,000	38,184
Total community relations	1,181,300	1,181,300	1,067,184
Building and grounds			
Personal services			
Salaries and wages			
Salaries administrative	104,700	104,700	104,564
Wages operational	137,500	137,500	95,516
Overtime	10,000	10,000	16,598
Contribution to IMRF	34,600	34,600	29,361
Social Security	19,900	19,900	16,967
Health insurance	80,200	80,200	61,384
Sick pay	7,000	7,000	6,529
Other pay	3,000	3,000	152
Total personal services	396,900	396,900	331,071
Services and charges			
Professional fees			
Accounting and auditing	1,400	1,400	1,420
Medical	100	100	-
Communications, telephone, portable device, and postage	1,500	1,500	1,492
Printing and publications	200	200	-
IRMA insurance	2,900	2,900	3,100
Public utility gas - heat	12,000	12,000	6,603
Repairs and maintenance	220,100	220,100	197,085
Dues and subscriptions	-	-	45
Other	2,300	2,300	2,214
Total services and charges	240,500	240,500	211,959
Supplies and materials			
Office supplies	400	400	231
Cleaning supplies	500	500	184
Clothing supplies	1,900	1,900	1,573
Public grounds materials and supplies	3,000	3,000	645
Building materials and supplies	28,000	28,000	26,122
Other operating supplies	4,000	4,000	3,456
Total supplies and materials	37,800	37,800	32,211

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>GENERAL GOVERNMENT (Continued)</b>			
Building and grounds (Continued)			
Charges for internal services			
Fleet services	\$ 5,900	\$ 5,900	\$ 3,311
IS services	17,700	17,700	16,915
Equipment replacement	13,000	13,000	13,000
Total charges for internal services	36,600	36,600	33,226
Total building and grounds	711,800	711,800	608,467
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 4,806,900</b>	<b>\$ 4,822,700</b>	<b>\$ 4,544,164</b>
<b>PUBLIC SAFETY</b>			
Police department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 2,025,800	\$ 2,025,800	\$ 2,037,216
Wages clerical	554,800	554,800	548,426
Wages operational	4,786,900	4,786,900	4,675,885
Overtime	500,000	500,000	498,680
Holiday pay	125,000	125,000	127,652
Part-time	142,500	142,500	129,934
Contribution to IMRF	152,900	152,900	151,838
Social Security	654,600	654,600	627,566
Health insurance	1,658,200	1,658,200	1,607,420
Sick pay	118,600	118,600	133,017
Other pay	86,000	86,000	90,059
Pension benefits	2,718,300	2,718,300	2,762,887
Total personal services	13,523,600	13,523,600	13,390,580
Services and charges			
Professional fees			
Accounting and auditing	8,500	8,500	8,631
Legal	68,100	68,100	62,763
Data processing	44,200	44,200	31,170
Medical	6,200	6,200	3,660
Technical and consulting	62,200	62,200	63,853
Communications, telephone, portable device, and postage	84,500	84,500	53,832
Copy reproduction	10,000	10,000	7,775
Public relations	7,500	7,500	8,407
Investigative	10,000	10,000	15,358
Printing and publications	11,500	11,500	7,725
IRMA insurance	269,300	302,300	321,587
Conferences and training	68,500	68,500	68,892
Public utilities gas - heat	700	700	178
Public utilities electric - equipment	900	900	804
Repairs and maintenance	22,300	22,300	6,525

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Police department (Continued)			
Services and charges (Continued)			
Rental equipment	\$ 500	\$ 500	\$ -
Dues and subscriptions	21,500	21,500	18,983
Other	10,000	10,000	12,367
Total services and charges	706,400	739,400	692,510
Supplies and materials			
Office supplies	15,000	15,000	6,541
Clothing supplies	76,000	76,000	56,575
Other operating supplies	103,300	106,800	89,679
Total supplies and materials	194,300	197,800	152,795
Charges for internal services			
Fleet services	660,400	660,400	536,222
IS services	481,600	481,600	460,241
Equipment replacement	223,000	223,000	223,000
Total charges for internal services	1,365,000	1,365,000	1,219,463
Total police department	15,789,300	15,825,800	15,455,348
Henry Hyde Resource Center			
Personal services			
Salaries and wages			
Salaries administrative	104,000	104,000	103,848
Part-time	55,100	55,100	64,959
Clerical	49,500	49,500	49,356
Contribution to IMRF	25,600	25,600	27,603
Social Security	16,000	16,000	16,951
Health insurance	48,000	48,000	47,774
Sick pay	-	-	2,991
Other pay	-	-	228
Total personal services	298,200	298,200	313,710
Services and charges			
Professional fees			
Accounting	700	700	716
Data processing	1,000	1,000	-
Communications, telephone, portable device, and postage	3,300	3,300	5,854
Copy reproduction	1,000	1,000	889

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Henry Hyde Resource Center (Continued)			
Services and charges (Continued)			
Printing and publications	\$ 1,200	\$ 1,200	\$ -
IRMA insurance	5,900	5,900	6,400
Public relations	-	-	900
Dues and subscriptions	-	-	15
Other	4,600	4,600	6,144
Total services and charges	17,700	17,700	20,918
Supplies and materials			
Office supplies	1,500	1,500	-
Clothing supplies	1,100	1,100	476
Other operating supplies	12,000	12,000	12,193
Total supplies and materials	14,600	14,600	12,669
Charges for internal services			
IS services	65,100	65,100	62,213
Total charges for internal services	65,100	65,100	62,213
Total Henry Hyde Resource Center	395,600	395,600	409,510
Consolidated dispatch center			
Personal services			
Salaries and wages			
Salaries administrative	279,400	384,500	325,271
Wages operational	1,596,000	1,957,600	1,869,929
Overtime	150,000	150,000	301,278
Holiday pay	50,000	50,000	63,613
Sick pay	5,200	5,200	7,333
Part-time	-	-	10,015
Contribution to IMRF	286,800	349,900	340,367
Social Security	159,200	194,900	198,865
Health insurance	486,800	612,400	507,516
Other pay	17,000	17,000	19,340
Total personal services	3,030,400	3,721,500	3,643,527
Services and charges			
Professional fees			
Accounting	300	300	308
Medical	2,000	2,000	7,885
Data processing	3,400	3,400	2,720
Technical consulting	2,700	2,700	6,000
Communications, telephone, and postage	25,700	25,700	12,517
Copy reproduction	500	500	-
Printing and publications	400	400	452
IRMA insurance	36,300	36,300	39,100

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>PUBLIC SAFETY (Continued)</b>			
Consolidated dispatch center (Continued)			
Services and charges (Continued)			
Conferences and training	\$ 15,200	\$ 17,400	\$ 20,520
Repairs and maintenance	11,000	11,000	7,466
Dues and subscriptions	1,600	1,600	2,785
Other	1,000	1,000	3,484
Total services and charges	<u>100,100</u>	<u>102,300</u>	<u>103,237</u>
Supplies and materials			
Office supplies	6,000	6,000	3,172
Clothing supplies	10,300	17,300	8,570
Other operating supplies	7,700	9,400	7,647
Total supplies and materials	<u>24,000</u>	<u>32,700</u>	<u>19,389</u>
Charges for internal services			
IS services	44,400	44,400	42,431
Total charges for internal services	<u>44,400</u>	<u>44,400</u>	<u>42,431</u>
Total consolidated dispatch center	<u>3,198,900</u>	<u>3,900,900</u>	<u>3,808,584</u>
<b>TOTAL PUBLIC SAFETY</b>	<b><u>\$ 19,383,800</u></b>	<b><u>\$ 20,122,300</u></b>	<b><u>\$ 19,673,442</u></b>
<b>COMMUNITY DEVELOPMENT</b>			
Personal services			
Salaries and wages			
Salaries administrative	\$ 541,400	\$ 541,400	\$ 574,402
Wages clerical	256,200	256,200	292,210
Wages operational	871,200	871,200	805,931
Overtime	20,700	20,700	22,628
Contribution to IMRF	231,200	231,200	229,529
Social Security	132,500	132,500	130,915
Health insurance	346,900	346,900	333,558
Sick pay	42,000	42,000	38,374
Other pay	20,000	20,000	19,454
Total personal services	<u>2,462,100</u>	<u>2,462,100</u>	<u>2,447,001</u>
Services and charges			
Professional fees			
Accounting and auditing	3,600	3,600	3,662
Architectural	35,000	35,000	63,257
Legal	-	4,000	2,030

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>COMMUNITY DEVELOPMENT (Continued)</b>			
Services and charges (Continued)			
Professional fees (Continued)			
Data processing	\$ -	\$ -	\$ 269
Technical consulting	63,000	63,000	70,395
Communications, telephone, portable device, and postage	15,500	15,500	19,211
Copy reproduction	4,000	4,000	3,349
Printing and publications	10,000	10,000	9,635
IRMA insurance	15,000	15,000	17,795
Conferences and training	7,500	7,500	9,329
Repairs and maintenance	1,400	1,400	250
Public utility electric-light	-	-	45
Dues and subscriptions	5,500	5,500	4,994
Other	6,500	6,500	5,096
Total services and charges	<u>167,000</u>	<u>171,000</u>	<u>209,317</u>
Supplies and materials			
Office supplies	4,000	4,000	3,503
Clothing supplies	3,900	3,900	3,642
Other operating supplies	2,000	2,000	1,976
Total supplies and materials	<u>9,900</u>	<u>9,900</u>	<u>9,121</u>
Charges for internal services			
Fleet services	46,700	46,700	28,253
IS services	94,600	94,600	90,404
Equipment replacement	10,300	10,300	10,300
Total charges for internal services	<u>151,600</u>	<u>151,600</u>	<u>128,957</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>\$ 2,790,600</u>	<u>\$ 2,794,600</u>	<u>\$ 2,794,396</u>
<b>HIGHWAYS AND STREETS</b>			
Electrical and forestry department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 170,500	\$ 170,500	\$ 170,899
Wages clerical	42,400	42,400	48,290
Wages operational	450,200	450,200	425,117
Overtime	16,000	16,000	4,167
Contribution to IMRF	91,800	91,800	88,502
Social Security	52,600	52,600	51,187
Health insurance	152,900	152,900	163,343
Sick pay	8,000	8,000	5,719
Other pay	7,000	7,000	6,089
Total personal services	<u>991,400</u>	<u>991,400</u>	<u>963,313</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>HIGHWAYS AND STREETS (Continued)</b>			
Electrical and forestry department (Continued)			
Services and charges			
Professional fees			
Accounting and auditing	\$ 1,800	\$ 1,800	\$ 1,830
Medical	1,500	1,500	126
Technical and consulting	205,000	211,400	204,456
Communications, telephone, and postage	8,800	8,800	6,831
Copy reproduction	500	500	298
Mosquito control	99,900	99,900	95,013
Printing and publications	1,200	1,200	410
IRMA insurance	63,400	96,400	95,978
Conferences and training	5,800	5,800	4,535
Public utilities gas - heat	5,000	5,000	4,021
Public utilities electric - light	120,000	182,000	183,341
Solid waste disposal	3,000	3,000	-
Repairs and maintenance	410,900	439,900	357,658
Rental - equipment	1,200	1,200	-
Dues and subscriptions	1,700	1,700	1,287
Other	700	700	9
Total services and charges	<u>930,400</u>	<u>1,060,800</u>	<u>955,793</u>
Supplies and materials			
Office supplies	1,000	1,000	994
Cleaning supplies	1,600	1,600	-
Clothing supplies	9,400	9,400	11,509
Street	22,000	26,500	19,349
Public grounds materials and supplies	30,200	30,200	28,921
Other operating supplies	11,200	11,200	8,844
Total supplies and materials	<u>75,400</u>	<u>79,900</u>	<u>69,617</u>
Charges for internal services			
Fleet services	120,200	120,200	82,990
IS services	8,900	8,900	8,505
Equipment replacement	73,800	73,800	73,800
Total charges for internal services	<u>202,900</u>	<u>202,900</u>	<u>165,295</u>
Total electrical and forestry department	<u>2,200,100</u>	<u>2,335,000</u>	<u>2,154,018</u>
Streets			
Personal services			
Salaries and wages			
Salaries administrative	170,500	170,500	170,908
Wages clerical	42,400	42,400	47,990
Wages operational	606,700	606,700	610,511
Overtime	75,000	75,000	73,221
Contribution to IMRF	122,900	122,900	119,271
Social Security	70,500	70,500	68,867

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>HIGHWAYS AND STREETS (Continued)</b>			
Streets (Continued)			
Personal services			
Health insurance	\$ 190,100	\$ 190,100	\$ 170,173
Sick pay	25,700	25,700	20,231
Other pay	5,000	5,000	9,135
Total personal services	<u>1,308,800</u>	<u>1,308,800</u>	<u>1,290,307</u>
Services and charges			
Professional fees			
Accounting and auditing	1,400	1,400	1,420
Data processing	11,000	11,000	10,506
Medical	1,500	1,500	182
Communications, telephone, and postage	11,800	11,800	8,923
Copy reproduction	500	500	465
Printing and publications	5,300	5,300	4,751
IRMA insurance	53,300	53,300	70,040
Conferences and training	3,000	3,000	1,047
Solid waste disposal	14,000	14,000	-
Repairs and maintenance	67,000	67,000	63,149
Rental equipment	26,100	26,100	10,404
Dues and subscriptions	300	300	325
Other	4,400	4,400	3,624
Total services and charges	<u>199,600</u>	<u>199,600</u>	<u>174,836</u>
Supplies and materials			
Office supplies	800	800	371
Clothing supplies	6,500	7,100	5,823
Chemicals	20,000	20,000	7,986
Street	546,100	546,100	465,304
Public grounds material and supplies	2,000	2,000	-
Other operating supplies	20,000	20,800	12,764
Total supplies and materials	<u>595,400</u>	<u>596,800</u>	<u>492,248</u>
Capital outlay			
Equipment - electronics	1,400	1,400	-
Total capital outlay	<u>1,400</u>	<u>1,400</u>	<u>-</u>
Charges for internal services			
Fleet services	280,000	280,000	278,241
IS services	35,500	35,500	33,926
Equipment replacement	245,400	245,400	245,400
Total charges for internal services	<u>560,900</u>	<u>560,900</u>	<u>557,567</u>
Total streets	<u>2,666,100</u>	<u>2,667,500</u>	<u>2,514,958</u>
<b>TOTAL HIGHWAYS AND STREETS</b>	<u>\$ 4,866,200</u>	<u>\$ 5,002,500</u>	<u>\$ 4,668,976</u>

(See independent auditor's report.)

# VILLAGE OF ADDISON, ILLINOIS

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL DEBT SERVICE FUND

For the Year Ended April 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>REVENUES</b>			
Taxes			
Property	\$ 904,455	\$ 904,455	\$ 911,182
Replacement	30,000	30,000	56,884
Sales tax increment	1,801,900	1,801,900	1,847,338
Investment income	1,000	1,000	9,756
	<hr/>	<hr/>	<hr/>
Total revenues	2,737,355	2,737,355	2,825,160
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	2,430,000	2,430,000	4,225,544
Interest and fiscal charges	883,767	883,767	908,447
	<hr/>	<hr/>	<hr/>
Total expenditures	3,313,767	3,313,767	5,133,991
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
	<hr/>	<hr/>	<hr/>
	(576,412)	(576,412)	(2,308,831)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,375,000	1,375,000	1,375,000
Transfers (out)	(6,035,005)	(5,540,000)	(333,333)
Proceeds from issuance of bonds	11,500,000	11,500,000	2,130,000
Premium on bonds sold	-	-	89,282
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	6,839,995	7,335,000	3,260,949
<b>NET CHANGE IN FUND BALANCE</b>			
	<hr/>	<hr/>	<hr/>
	\$ 6,263,583	\$ 6,758,588	952,118
<b>FUND BALANCE, MAY 1</b>			
			<hr/>
			2,348,402
<b>FUND BALANCE, APRIL 30</b>			
			<hr/>
			\$ 3,300,520

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ACDC BUILDING FUND**

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Investment income	\$ -	\$ -	\$ 27,205
Miscellaneous	-	1,769,500	565,000
<b>Total revenues</b>	<b>-</b>	<b>1,769,500</b>	<b>592,205</b>
<b>EXPENDITURES</b>			
General government			
Services and charges	-	-	168
Debt service			
Interest and fiscal charges	-	-	427,718
Capital outlay	-	6,809,500	4,952,472
<b>Total expenditures</b>	<b>-</b>	<b>6,809,500</b>	<b>5,380,358</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>-</b>	<b>(5,040,000)</b>	<b>(4,788,153)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from issuance of bonds	-	-	11,993,303
Premium on bonds sold	-	-	238,003
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>12,231,306</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -</b>	<b>\$ (5,040,000)</b>	<b>7,443,153</b>
<b>FUND BALANCE, MAY 1</b>			<b>-</b>
<b>FUND BALANCE, APRIL 30</b>			<b>\$ 7,443,153</b>

(See independent auditor's report.)

## **NONMAJOR GOVERNMENTAL FUNDS**

### **NONMAJOR SPECIAL REVENUE FUNDS**

Police Grant Fund - to account for the proceeds related to U.S. Department of Justice grants.

Federal Controlled Substance Fund - to account for the proceeds related to federal seizure activities.

State Controlled Substance Fund - to account for the proceeds related to state seizure activities.

DUI Fund - to account for the proceeds of DUI fines in the Village and related activities funded by these proceeds.

ICE Fund - to account for the proceeds of ICE proceeds and related activities funded by these proceeds.

Community Days Fund - to account for the proceeds from and expenditures related to the operations of the Community Days Festival.

### **NONMAJOR CAPITAL PROJECTS FUNDS**

Capital Projects Fund - to account for the construction costs of various nonwater related capital projects. Financing is provided by developers' contributions, state and federal grants, and transfers from the General Fund.

Redevelopment Fund - to account for the construction costs of various properties in redevelopment projects. Financing is provided chiefly from grants and miscellaneous revenues.

Michael Lane TIF #2 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Town Center TIF #3 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Public Building Fund - to account for the construction and maintenance of various public buildings and properties. Financing is provided primarily by sales taxes.

**VILLAGE OF ADDISON, ILLINOIS**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

April 30, 2017

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and investments	\$ 662,308	\$ 790,606	\$ 1,452,914
Receivables (net, where applicable, of allowances for uncollectibles)			
Accounts	491	-	491
Property taxes	-	490,054	490,054
Due from other governments	-	435,956	435,956
<b>TOTAL ASSETS</b>	<b>\$ 662,799</b>	<b>\$ 1,716,616</b>	<b>\$ 2,379,415</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 218,027	\$ 218,027
Unearned revenue	-	299,057	299,057
Retainage payable	-	67,039	67,039
Due to other governments	-	388,663	388,663
Total liabilities	-	972,786	972,786
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	-	490,054	490,054
<b>FUND BALANCES</b>			
Restricted for economic development	-	176,382	176,382
Restricted for public safety	656,352	-	656,352
Unrestricted			
Committed for community events	6,447	-	6,447
Assigned for capital projects	-	711,341	711,341
Unassigned (deficit)	-	(633,947)	(633,947)
Total fund balances	662,799	253,776	916,575
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 662,799</b>	<b>\$ 1,716,616</b>	<b>\$ 2,379,415</b>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

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

For the Year Ended April 30, 2017

	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>Total</b>
<b>REVENUES</b>			
Taxes	\$ -	\$ 2,268,504	\$ 2,268,504
Intergovernmental	468,406	491,646	960,052
Investment income	3,151	6,118	9,269
Miscellaneous	-	71,077	71,077
Total revenues	<u>471,557</u>	<u>2,837,345</u>	<u>3,308,902</u>
<b>EXPENDITURES</b>			
Current			
General government	-	42,327	42,327
Public safety	260,482	-	260,482
Capital outlay	3,915	2,244,408	2,248,323
Total expenditures	<u>264,397</u>	<u>2,286,735</u>	<u>2,551,132</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>207,160</u>	<u>550,610</u>	<u>757,770</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	338,890	338,890
Transfers (out)	-	(2,063,890)	(2,063,890)
Total other financing sources (uses)	<u>-</u>	<u>(1,725,000)</u>	<u>(1,725,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	207,160	(1,174,390)	(967,230)
<b>FUND BALANCES, MAY 1</b>	<u>455,639</u>	<u>1,428,166</u>	<u>1,883,805</u>
<b>FUND BALANCES, APRIL 30</b>	<u>\$ 662,799</u>	<u>\$ 253,776</u>	<u>\$ 916,575</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2017

	<b>Police Grant</b>	<b>State Controlled Substance</b>	<b>Federal Controlled Substance</b>	<b>DUI</b>	<b>ICE</b>	<b>Community Days</b>	<b>Total</b>
<b>ASSETS</b>							
Cash and investments	\$ 44,966	\$ 151,072	\$ 353,764	\$ 55,222	\$ 50,837	\$ 6,447	\$ 662,308
Accounts receivable	-	-	-	491	-	-	491
<b>TOTAL ASSETS</b>	<b>\$ 44,966</b>	<b>\$ 151,072</b>	<b>\$ 353,764</b>	<b>\$ 55,713</b>	<b>\$ 50,837</b>	<b>\$ 6,447</b>	<b>\$ 662,799</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-	-	-	-
<b>FUND BALANCES</b>							
Restricted for public safety	44,966	151,072	353,764	55,713	50,837	-	656,352
Committed for community events	-	-	-	-	-	6,447	6,447
Total fund balances	44,966	151,072	353,764	55,713	50,837	6,447	662,799
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 44,966</b>	<b>\$ 151,072</b>	<b>\$ 353,764</b>	<b>\$ 55,713</b>	<b>\$ 50,837</b>	<b>\$ 6,447</b>	<b>\$ 662,799</b>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

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

For the Year Ended April 30, 2017

	<b>Police Grant</b>	<b>State Controlled Substance</b>	<b>Federal Controlled Substance</b>	<b>DUI</b>	<b>ICE</b>	<b>Community Days</b>	<b>Total</b>
<b>REVENUES</b>							
Intergovernmental	\$ 73,964	\$ 42,327	\$ 194,346	\$ 29,347	\$ 128,422	\$ -	\$ 468,406
Investment income	141	680	1,721	234	342	33	3,151
Total revenues	74,105	43,007	196,067	29,581	128,764	33	471,557
<b>EXPENDITURES</b>							
Current							
Public safety	40,997	12,092	109,150	8,609	89,634	-	260,482
Capital outlay	-	-	-	3,915	-	-	3,915
Total expenditures	40,997	12,092	109,150	12,524	89,634	-	264,397
NET CHANGE IN FUND BALANCES	33,108	30,915	86,917	17,057	39,130	33	207,160
FUND BALANCES, MAY 1	11,858	120,157	266,847	38,656	11,707	6,414	455,639
<b>FUND BALANCES, APRIL 30</b>	<b>\$ 44,966</b>	<b>\$ 151,072</b>	<b>\$ 353,764</b>	<b>\$ 55,713</b>	<b>\$ 50,837</b>	<b>\$ 6,447</b>	<b>\$ 662,799</b>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**

April 30, 2017

	<b>Capital Projects</b>	<b>Redevelopment</b>	<b>Michael Lane TIF #2</b>	<b>Town Center TIF #3</b>	<b>Public Building</b>	<b>Total</b>
<b>ASSETS</b>						
Cash and investments	\$ 538,496	\$ 39	\$ 176,416	\$ -	\$ 75,655	\$ 790,606
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	-	-	469,805	20,249	-	490,054
Due from other governments	-	-	-	-	435,956	435,956
<b>TOTAL ASSETS</b>	<b>\$ 538,496</b>	<b>\$ 39</b>	<b>\$ 646,221</b>	<b>\$ 20,249</b>	<b>\$ 511,611</b>	<b>\$ 1,716,616</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 22,680	\$ -	\$ 34	\$ 195,313	\$ -	\$ 218,027
Unearned revenue	299,057	-	-	-	-	299,057
Retainage payable	17,068	-	-	49,971	-	67,039
Due to other governments	-	-	-	388,663	-	388,663
Total liabilities	338,805	-	34	633,947	-	972,786
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue - property taxes	-	-	469,805	20,249	-	490,054
<b>FUND BALANCES</b>						
Restricted for economic development	-	-	176,382	-	-	176,382
Unrestricted						
Assigned for capital projects	199,691	39	-	-	511,611	711,341
Unassigned (deficit)	-	-	-	(633,947)	-	(633,947)
Total fund balances (deficit)	199,691	39	176,382	(633,947)	511,611	253,776
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 538,496</b>	<b>\$ 39</b>	<b>\$ 646,221</b>	<b>\$ 20,249</b>	<b>\$ 511,611</b>	<b>\$ 1,716,616</b>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

	Capital Projects	Redevelopment	Michael Lane TIF #2	Town Center TIF #3	Public Building	Total
<b>REVENUES</b>						
Taxes						
Property taxes	\$ -	\$ -	\$ 411,041	\$ 10,125	\$ -	\$ 421,166
Sales taxes	-	-	-	-	1,847,338	1,847,338
Intergovernmental	491,646	-	-	-	-	491,646
Investment income	4,410	26	1,183	(97)	596	6,118
Miscellaneous	71,077	-	-	-	-	71,077
Total revenues	567,133	26	412,224	10,028	1,847,934	2,837,345
<b>EXPENDITURES</b>						
General government						
Services and charges	-	-	42,019	308	-	42,327
Capital outlay	574,647	-	-	1,248,075	421,686	2,244,408
Total expenditures	574,647	-	42,019	1,248,383	421,686	2,286,735
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,514)	26	370,205	(1,238,355)	1,426,248	550,610
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	-	-	325,000	13,890	338,890
Transfers (out)	(75,000)	(13,890)	(325,000)	-	(1,650,000)	(2,063,890)
Total other financing sources (uses)	(75,000)	(13,890)	(325,000)	325,000	(1,636,110)	(1,725,000)
NET CHANGE IN FUND BALANCES	(82,514)	(13,864)	45,205	(913,355)	(209,862)	(1,174,390)
FUND BALANCES, MAY 1	282,205	13,903	131,177	279,408	721,473	1,428,166
<b>FUND BALANCES (DEFICIT), APRIL 30</b>	<b>\$ 199,691</b>	<b>\$ 39</b>	<b>\$ 176,382</b>	<b>\$ (633,947)</b>	<b>\$ 511,611</b>	<b>\$ 253,776</b>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

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

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Intergovernmental			
Grants	\$ 3,330,300	\$ 1,560,800	\$ 491,646
Investment income	-	-	4,410
Miscellaneous income	-	-	71,077
Total revenues	<u>3,330,300</u>	<u>1,560,800</u>	<u>567,133</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>8,370,300</u>	<u>2,180,800</u>	<u>574,647</u>
Total expenditures	<u>8,370,300</u>	<u>2,180,800</u>	<u>574,647</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,040,000)</u>	<u>(620,000)</u>	<u>(7,514)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	5,040,000	-	-
Transfers (out)	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>
Total other financing sources (uses)	<u>4,965,000</u>	<u>(75,000)</u>	<u>(75,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (75,000)</u>	<u>\$ (695,000)</u>	(82,514)
FUND BALANCE, MAY 1			<u>282,205</u>
<b>FUND BALANCE, APRIL 30</b>			<u><u>\$ 199,691</u></u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2017

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Investment income	\$ -	\$ -	\$ 26
Total revenues	-	-	26
<b>EXPENDITURES</b>			
None	-	-	-
Total expenditures	-	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	26
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	(13,890)	(13,890)	(13,890)
Total other financing sources (uses)	(13,890)	(13,890)	(13,890)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (13,890)</u>	<u>\$ (13,890)</u>	(13,864)
FUND BALANCE, MAY 1			<u>13,903</u>
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 39</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
MICHAEL LANE TIF #2 FUND**

For the Year Ended April 30, 2017

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property taxes	\$ 235,500	\$ 235,500	\$ 411,041
Investment income	-	-	1,183
Total revenues	<u>235,500</u>	<u>235,500</u>	<u>412,224</u>
<b>EXPENDITURES</b>			
General government			
Services and charges	<u>40,300</u>	<u>42,000</u>	<u>42,019</u>
Total expenditures	<u>40,300</u>	<u>42,000</u>	<u>42,019</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>195,200</u>	<u>193,500</u>	<u>370,205</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers (out)	<u>(325,000)</u>	<u>(325,000)</u>	<u>(325,000)</u>
Total other financing sources (uses)	<u>(325,000)</u>	<u>(325,000)</u>	<u>(325,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (129,800)</u>	<u>\$ (131,500)</u>	45,205
FUND BALANCE, MAY 1			<u>131,177</u>
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 176,382</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TOWN CENTER TIF #3 FUND**

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Property taxes	\$ 9,624	\$ 9,624	\$ 10,125
Investment income	-	-	(97)
	<hr/>	<hr/>	<hr/>
Total revenues	9,624	9,624	10,028
	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>			
General government			
Services and charges	300	300	308
Capital outlay	540,000	1,674,700	1,248,075
	<hr/>	<hr/>	<hr/>
Total expenditures	540,300	1,675,000	1,248,383
	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(530,676)</b>	<b>(1,665,376)</b>	<b>(1,238,355)</b>
	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	325,000	325,000	325,000
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	325,000	325,000	325,000
	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (205,676)</b>	<b>\$ (1,340,376)</b>	<b>(913,355)</b>
	<hr/>	<hr/>	<hr/>
<b>FUND BALANCE, MAY 1</b>			<b>279,408</b>
			<hr/>
<b>FUND BALANCE (DEFICIT), APRIL 30</b>			<b>\$ (633,947)</b>
			<hr/>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
PUBLIC BUILDING FUND**

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>REVENUES</b>			
Sales tax increment	\$ 1,801,900	\$ 1,801,900	\$ 1,847,338
Investment income	10	10	596
Total revenues	<u>1,801,910</u>	<u>1,801,910</u>	<u>1,847,934</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>607,000</u>	<u>683,100</u>	<u>421,686</u>
Total expenditures	<u>607,000</u>	<u>683,100</u>	<u>421,686</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>1,194,910</u>	<u>1,118,810</u>	<u>1,426,248</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	13,890	13,890	13,890
Transfers (out)	<u>(1,650,000)</u>	<u>(1,650,000)</u>	<u>(1,650,000)</u>
Total other financing sources (uses)	<u>(1,636,110)</u>	<u>(1,636,110)</u>	<u>(1,636,110)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (441,200)</u>	<u>\$ (517,300)</u>	<u>(209,862)</u>
<b>FUND BALANCE, MAY 1</b>			<u>721,473</u>
<b>FUND BALANCE, APRIL 30</b>			<u>\$ 511,611</u>

(See independent auditor's report.)

## **MAJOR ENTERPRISE FUND**

Waterworks and Sewerage Fund - to account for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing, and collection.

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION - BUDGET AND ACTUAL  
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING REVENUES</b>			
Charges for services			
Water and sewer charges	\$ 15,270,100	\$ 15,270,100	\$ 15,295,453
Water from construction	100	100	500
Meter charges	10,000	10,000	12,300
Sewer pollution surcharge	29,000	29,000	117,868
Admin adjudication	-	-	13,350
Storm water exemption	3,000	3,000	25,463
Lab fees	6,000	6,000	11,970
Annexation/tap-on fees	15,000	15,000	180,889
BMP fee	1,000	1,000	67,009
Water turn-on fees	8,000	8,000	10,915
Other charges	21,000	21,000	242,151
	<u>15,363,200</u>	<u>15,363,200</u>	<u>15,977,868</u>
<b>OPERATING EXPENSES</b>			
Water	8,558,781	8,862,381	8,317,271
Sewer	2,276,600	2,276,600	2,170,051
Water pollution control	4,106,173	4,831,973	4,702,321
Depreciation	-	-	1,816,024
	<u>14,941,554</u>	<u>15,970,954</u>	<u>17,005,667</u>
OPERATING INCOME (LOSS)	<u>421,646</u>	<u>(607,754)</u>	<u>(1,027,799)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	1,500	1,500	29,486
Interest expense	-	-	(204,822)
	<u>1,500</u>	<u>1,500</u>	<u>(175,336)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	423,146	(606,254)	(1,203,135)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	500,000	500,000	333,333
CHANGE IN NET POSITION	<u>\$ 923,146</u>	<u>\$ (106,254)</u>	(869,802)
NET POSITION, MAY 1			<u>54,434,088</u>
NET POSITION, APRIL 30			<u>\$ 53,564,286</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -  
BUDGET AND ACTUAL  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>WATER</b>			
Personal services			
Salaries and wages			
Salaries administrative	\$ 311,100	\$ 311,100	\$ 302,475
Elected officials	6,000	6,000	6,251
Wages - clerical	146,500	146,500	202,574
Wages - operational	668,100	668,100	719,993
Overtime	90,000	90,000	90,512
Part-time	35,400	35,400	22,809
IMRF contributions	166,000	166,000	173,774
IMRF pension expense	-	-	129,260
Social Security	98,500	98,500	100,801
Health insurance and OPEB	295,000	295,000	241,549
Sick pay	27,000	27,000	27,315
Holiday pay	500	500	-
Other pay	9,000	9,000	11,289
Total personal services	<u>1,853,100</u>	<u>1,853,100</u>	<u>2,028,602</u>
Services and charges			
Professional fees			
Accounting and audit	6,800	6,800	6,914
Data processing	42,100	42,100	30,998
Medical	2,000	2,000	628
Technical and consulting	70,000	363,000	27,121
Communications			
Postage	27,800	27,800	31,341
Telephone	18,900	18,900	16,899
Portable device	-	-	587
Copy reproduction	900	900	281
Printing and publications	11,100	11,100	2,212
IRMA insurance	175,500	175,500	189,072
Conferences and training	6,900	6,900	5,648
Public utilities gas, heat	7,000	7,000	5,458
Public utilities electrical equipment	60,000	60,000	59,326
Public utility services	5,600,000	5,600,000	5,315,789
Waste disposal	18,500	18,500	10,090
Repairs and maintenance	191,900	202,500	117,039
Rental equipment	1,300	1,300	-
Dues and subscriptions	2,300	2,300	2,176
Bank fees	17,000	17,000	17,943
Other	1,000	1,000	338
Total services and charges	<u>6,261,000</u>	<u>6,564,600</u>	<u>5,839,860</u>
Supplies and materials			
Office supplies	1,300	1,300	869
Cleaning supplies	800	800	-
Clothing supplies	9,300	9,300	7,720
Motor fuel lubricants	500	500	-
Chemicals	4,500	4,500	3,163
Public grounds materials/supplies	37,100	37,100	28,281
Motor vehicle material/supplies	-	-	158
Water meters/hydrants	8,500	8,500	6,977
Other operating supplies	53,900	53,900	42,055
Total supplies and materials	<u>115,900</u>	<u>115,900</u>	<u>89,223</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -  
BUDGET AND ACTUAL (Continued)  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>WATER (Continued)</b>			
Capital outlay			
Water meters	\$ 31,700	\$ 31,700	\$ 5,003
Equipment	29,200	29,200	21,272
Watermain replacement	500,000	500,000	529,068
Automatic meter read	110,000	110,000	111,970
Fullerton booster	80,300	80,300	38,500
Byron ave improvement	-	-	43,004
Total capital outlay	<u>751,200</u>	<u>751,200</u>	<u>748,817</u>
Less items capitalized	<u>(590,119)</u>	<u>(590,119)</u>	<u>(590,119)</u>
Charges for internal services			
Fleet services	73,500	73,500	108,262
IS services	35,500	35,500	33,926
Equipment replacement	58,700	58,700	58,700
Total charges for internal services	<u>167,700</u>	<u>167,700</u>	<u>200,888</u>
Total water before depreciation	8,558,781	8,862,381	8,317,271
Depreciation	<u>-</u>	<u>-</u>	<u>847,815</u>
Total water	<u>8,558,781</u>	<u>8,862,381</u>	<u>9,165,086</u>
<b>SEWER</b>			
Personal services			
Salaries and wages			
Salaries administrative	333,900	333,900	319,906
Elected officials	6,000	6,000	6,251
Wages - clerical	165,200	165,200	170,664
Wages - operational	475,800	475,800	421,693
Overtime	35,000	35,000	25,831
Part-time temporary	33,900	33,900	25,471
IMRF contributions	137,300	137,300	129,373
IMRF pension expense	-	-	93,833
Social Security	82,000	82,000	75,146
Health insurance and OPEB	255,100	255,100	232,647
Sick pay	16,000	16,000	9,289
Other pay	12,900	12,900	11,455
Total personal services	<u>1,553,100</u>	<u>1,553,100</u>	<u>1,521,559</u>
Services and charges			
Professional fees			
Accounting and audit	1,800	1,800	1,830
Medical	500	500	226
Technology and consulting services	50,000	50,000	36,656
Communications			
Postage	500	500	10
Telephone	20,700	20,700	14,378
Portable device	-	-	281
Copy reproduction	400	400	224

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -  
BUDGET AND ACTUAL (Continued)  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>SEWER (Continued)</b>			
Services and charges (Continued)			
Printing and publications	\$ 2,600	\$ 2,600	\$ 356
Conferences	-	-	5
IRMA insurance	46,100	46,100	50,101
Public utilities	58,800	58,800	132,599
Waste disposal	15,000	15,000	3,610
Repairs and maintenance	141,500	141,500	126,371
Rental equipment	6,600	6,600	5,550
Training	1,500	1,500	1,982
Other	500	500	263
Total services and charges	<u>346,500</u>	<u>346,500</u>	<u>374,442</u>
Supplies and materials			
Office supplies	1,300	1,300	1,280
Cleaning supplies	1,000	1,000	671
Clothing supplies	6,000	6,000	4,527
Motor fuel lubricants	4,400	4,400	447
Chemicals	500	500	-
Public grounds materials/supplies	500	500	-
Building materials/supplies	600	600	597
Other operating supplies	43,200	43,200	41,137
Total supplies and materials	<u>57,500</u>	<u>57,500</u>	<u>48,659</u>
Capital outlay			
Equipment	87,000	87,000	1,850
Total capital outlay	<u>87,000</u>	<u>87,000</u>	<u>1,850</u>
Charges for internal services			
Fleet services	148,600	148,600	140,692
IS services	23,700	23,700	22,649
Equipment replacement	60,200	60,200	60,200
Total charges for internal services	<u>232,500</u>	<u>232,500</u>	<u>223,541</u>
Total sewer before depreciation	<u>2,276,600</u>	<u>2,276,600</u>	<u>2,170,051</u>
Depreciation	-	-	369,719
Total sewer	<u>2,276,600</u>	<u>2,276,600</u>	<u>2,539,770</u>
<b>WATER POLLUTION CONTROL</b>			
Personal services			
Salaries and wages			
Salaries administrative	522,100	522,100	519,155
Elected officials	6,000	6,000	6,251
Wages - clerical	165,200	165,200	213,452
Wages - operational	1,131,000	1,131,000	1,115,937

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -  
BUDGET AND ACTUAL (Continued)  
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2017

	Original Budget	Final Budget	Actual
<b>WATER POLLUTION CONTROL (Continued)</b>			
Personal services (Continued)			
Salaries and wages (Continued)			
Overtime	\$ 29,000	\$ 29,000	\$ 29,934
Part-time temporary	58,000	58,000	34,405
IMRF contributions	251,900	251,900	249,197
IMRF pension expense	-	-	178,638
Social Security	149,600	149,600	145,776
Health insurance and OPEB	404,000	404,000	447,335
Sick pay	41,000	41,000	31,326
Other pay	20,000	20,000	14,794
	<hr/>	<hr/>	<hr/>
Total personal services	2,777,800	2,777,800	2,986,200
Services and charges			
Professional fees			
Accounting and audit	2,900	2,900	2,946
Data processing	8,100	8,100	3,054
Medical	1,200	1,200	1,682
Technical and consulting	120,800	134,900	119,898
Communications			
Postage	1,000	1,000	640
Telephone	21,000	21,000	18,365
Portable device	400	400	832
Copy reproduction	1,000	1,000	639
Conferences	5,000	5,000	4,056
Training	2,600	5,400	2,585
Printing and publications	2,500	2,500	459
IRMA insurance	75,700	75,700	86,146
Public utilities gas, heat	49,500	49,500	36,932
Public utilities electrical equipment	375,000	375,000	301,843
Waste disposal	190,000	190,000	168,600
Repairs and maintenance	178,100	178,100	365,819
Rental equipment	9,000	9,000	1,419
Dues and subscriptions	500	500	102,660
Permit fee payments	68,500	68,500	68,500
Other	200	200	409
	<hr/>	<hr/>	<hr/>
Total services and charges	1,113,000	1,129,900	1,287,484
Supplies and materials			
Office supplies	1,700	1,700	1,687
Cleaning supplies	4,200	4,200	3,601
Clothing supplies	16,100	16,400	14,136
Motor fuel lubricants	5,200	5,200	3,207
Chemicals	81,000	81,000	71,597
Public grounds materials/supplies	1,500	1,500	997
Building materials/supplies	5,000	5,000	467
Other operating supplies	143,400	163,500	134,916
	<hr/>	<hr/>	<hr/>
Total supplies and materials	258,100	278,500	230,608

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -  
 BUDGET AND ACTUAL (Continued)  
 WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>WATER POLLUTION CONTROL (Continued)</b>			
Capital outlay			
Equipment	\$ 54,500	\$ 337,500	\$ 7,315
Excess flow lift station	-	405,500	217,227
Total capital outlay	<u>54,500</u>	<u>743,000</u>	<u>224,542</u>
Less items capitalized	<u>(217,227)</u>	<u>(217,227)</u>	<u>(217,227)</u>
Charges for internal services			
Fleet services	40,700	40,700	35,520
IS services	65,100	65,100	62,281
Equipment replacement	14,200	14,200	14,200
Total charges for internal services	<u>120,000</u>	<u>120,000</u>	<u>112,001</u>
Total water pollution control before depreciation	4,106,173	4,831,973	4,623,608
Depreciation	<u>-</u>	<u>-</u>	<u>598,490</u>
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>78,713</u>
Total water pollution control	<u>4,106,173</u>	<u>4,831,973</u>	<u>5,300,811</u>
<b>TOTAL EXPENSES</b>	<u>\$ 14,941,554</u>	<u>\$ 15,970,954</u>	<u>\$ 17,005,667</u>

(See independent auditor's report.)

## **INTERNAL SERVICE FUNDS**

Fleet Services Fund - to account for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service.

Information Systems Fund - to account for the costs of running the Village's information system.

Equipment Replacement Fund - to account for the costs of purchasing and maintaining the Village's vehicles.

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS

April 30, 2017

	Fleet Services	Information Systems	Equipment Replacement	Total
<b>CURRENT ASSETS</b>				
Cash and investments	\$ -	\$ -	\$ 4,314,987	\$ 4,314,987
Prepaid items	-	48,201	-	48,201
Inventory	50,711	-	-	50,711
Total current assets	50,711	48,201	4,314,987	4,413,899
<b>NONCURRENT ASSETS</b>				
Capital assets				
Machinery and equipment	116,958	-	8,173,321	8,290,279
Office equipment	-	696,308	-	696,308
Accumulated depreciation	(113,644)	(542,675)	(5,077,990)	(5,734,309)
Net capital assets	3,314	153,633	3,095,331	3,252,278
Total noncurrent assets	3,314	153,633	3,095,331	3,252,278
Total assets	54,025	201,834	7,410,318	7,666,177
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunding	-	-	23,736	23,736
Pension items - IMRF	203,339	180,452	-	383,791
Total deferred outflows of resources	203,339	180,452	23,736	407,527
Total assets and deferred outflows of resources	257,364	382,286	7,434,054	8,073,704
<b>CURRENT LIABILITIES</b>				
Accounts payable	21,324	12,193	-	33,517
Accrued payroll	9,455	4,040	-	13,495
Accrued interest payable	-	-	5,290	5,290
Compensated absences	47,556	41,969	-	89,525
General obligation bonds payable	-	-	171,506	171,506
Total current liabilities	78,335	58,202	176,796	313,333
<b>LONG-TERM LIABILITIES</b>				
Compensated absences	124,870	38,145	-	163,015
IMRF net pension liability	473,766	420,467	-	894,233
Net other postemployment benefit obligation	7,709	5,629	-	13,338
General obligation bonds payable	-	-	387,959	387,959
Total long-term liabilities	606,345	464,241	387,959	1,458,545
Total liabilities	684,680	522,443	564,755	1,771,878
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension items - IMRF	15,950	14,156	-	30,106
Total deferred inflows of resources	15,950	14,156	-	30,106
Total liabilities and deferred inflows of resources	700,630	536,599	564,755	1,801,984
<b>NET POSITION</b>				
Net investment in capital assets	3,314	153,633	2,559,602	2,716,549
Unrestricted (deficit)	(446,580)	(307,946)	4,309,697	3,555,171
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ (443,266)</u>	<u>\$ (154,313)</u>	<u>\$ 6,869,299</u>	<u>\$ 6,271,720</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2017

	<b>Fleet Services</b>	<b>Information Systems</b>	<b>Equipment Replacement</b>	<b>Total</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,219,510	\$ 1,170,126	\$ 703,703	\$ 3,093,339
Other revenue	125,438	-	-	125,438
Total operating revenues	1,344,948	1,170,126	703,703	3,218,777
<b>OPERATING EXPENSES</b>				
Personnel services	729,717	669,293	-	1,399,010
Services and charges	126,161	440,746	-	566,907
Supplies and materials	566,906	37,775	-	604,681
Capital outlay	4,350	58,810	60,792	123,952
Total operating expenses excluding depreciation	1,427,134	1,206,624	60,792	2,694,550
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(82,186)	(36,498)	642,911	524,227
Depreciation	4,063	55,718	619,346	679,127
OPERATING INCOME (LOSS)	(86,249)	(92,216)	23,565	(154,900)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	-	-	22,038	22,038
Interest expense	-	-	(15,616)	(15,616)
Gain on sale of capital assets	-	100	70,497	70,597
Total non-operating revenues (expenses)	-	100	76,919	77,019
CHANGE IN NET POSITION	(86,249)	(92,116)	100,484	(77,881)
NET POSITION (DEFICIT), MAY 1	(357,017)	(62,197)	6,768,815	6,349,601
<b>NET POSITION (DEFICIT), APRIL 30</b>	<b>\$ (443,266)</b>	<b>\$ (154,313)</b>	<b>\$ 6,869,299</b>	<b>\$ 6,271,720</b>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2017

	Fleet Services	Information Systems	Equipment Replacement	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from internal services transactions	\$ 1,219,510	\$ 1,170,126	\$ 703,703	\$ 3,093,339
Receipts from other sources	125,438	-	-	125,438
Payments to suppliers	(672,935)	(539,985)	(60,792)	(1,273,712)
Payments to employees	(672,013)	(618,924)	-	(1,290,937)
Net cash from operating activities	-	11,217	642,911	654,128
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
None	-	-	-	-
Net cash from noncapital financing activities	-	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	-	(11,317)	(895,835)	(907,152)
Proceeds from disposal of property	-	100	90,537	90,637
Principal paid on bonds	-	-	(168,573)	(168,573)
Interest paid on bonds	-	-	(19,163)	(19,163)
Net cash from capital and related financing activities	-	(11,217)	(993,034)	(1,004,251)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	-	-	22,038	22,038
Net cash from investing activities	-	-	22,038	22,038
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	(328,085)	(328,085)
CASH AND CASH EQUIVALENTS, MAY 1	-	-	4,643,072	4,643,072
<b>CASH AND CASH EQUIVALENTS, APRIL 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,314,987</b>	<b>\$ 4,314,987</b>

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)  
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2017

	Fleet Services	Information Systems	Equipment Replacement	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS)</b>				
<b>TO NET CASH FLOWS FROM</b>				
<b>OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (86,249)	\$ (92,216)	\$ 23,565	\$ (154,900)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	4,063	55,718	619,346	679,127
Changes in assets and liabilities				
Inventory	5,194	-	-	5,194
Prepaid items	-	(2,728)	-	(2,728)
Deferred outflows of resources - pension items - IMRF	23,899	21,222	-	45,121
Accounts payable	19,288	74	-	19,362
Accrued payroll	941	(743)	-	198
Deferred inflows of resources - pension items - IMRF	5,002	4,439	-	9,441
Compensated absences payable	11,498	11,165	-	22,663
Net other postemployment benefits obligation	1,501	1,096	-	2,597
Net pension liability - IMRF	14,863	13,190	-	28,053
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ -</b>	<b>\$ 11,217</b>	<b>\$ 642,911</b>	<b>\$ 654,128</b>
<b>CASH AND INVESTMENTS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 4,314,987	\$ 4,314,987
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,314,987</b>	<b>\$ 4,314,987</b>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL  
FLEET SERVICES FUND

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING EXPENSES</b>			
Personal services			
Salaries and wages			
Salaries administrative	\$ 104,700	\$ 104,700	\$ 106,137
Wages clerical	59,900	59,900	72,482
Wages operational	264,800	264,800	264,624
Overtime	23,000	23,000	14,752
Other pay	7,000	7,000	4,443
IMRF contributions	62,000	62,000	61,237
IMRF pension expense	-	-	43,764
Social Security	35,600	35,600	35,291
Health insurance and OPEB	128,700	128,700	117,736
Sick pay	12,000	12,000	9,251
<b>Total personal services</b>	<b>697,700</b>	<b>697,700</b>	<b>729,717</b>
Services and charges			
Professional fees			
Data processing	1,600	1,600	2,345
Medical	1,000	1,000	234
Technology and consulting services	-	-	228
Communications			
Telephone and portable device	1,800	1,800	2,095
Postage	200	200	-
Copy reproduction	400	400	363
Repairs and maintenance	46,200	46,200	51,695
IRMA insurance	25,600	25,600	32,006
Conferences and training	2,200	2,200	995
Heat, light, gas, and waste disposal	900	900	1,632
Dues and subscriptions	400	400	4,591
Printing and publication	300	300	180
IS services	24,400	24,400	23,281
Equipment replacement	2,100	2,100	2,100
Other services and charges	7,400	7,400	4,416
<b>Total services and charges</b>	<b>114,500</b>	<b>114,500</b>	<b>126,161</b>
Supplies and materials			
Office supplies	2,800	2,800	2,814
Fuel	370,000	370,000	275,308
Clothing supplies	3,400	3,400	2,104
Motor vehicles material and supplies	153,200	153,200	236,807
Other materials and supplies	27,900	27,900	49,873
<b>Total supplies and materials</b>	<b>557,300</b>	<b>557,300</b>	<b>566,906</b>
Capital outlay			
Equipment	10,000	10,000	4,350
<b>Total capital outlay</b>	<b>10,000</b>	<b>10,000</b>	<b>4,350</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 1,379,500</b>	<b>\$ 1,379,500</b>	<b>\$ 1,427,134</b>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL  
INFORMATION SYSTEMS FUND

For the Year Ended April 30, 2017

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING EXPENSES</b>			
Personal services			
Salaries and wages			
Salaries administrative	\$ 446,400	\$ 446,400	\$ 438,659
Other pay	9,000	9,000	2,432
IMRF contributions	55,900	55,900	55,465
IMRF pension expense	-	-	38,851
Social Security	32,000	32,000	32,656
Health insurance and OPEB	90,100	90,100	95,352
Sick pay	7,000	7,000	5,878
Total personal services	<u>640,400</u>	<u>640,400</u>	<u>669,293</u>
Services and charges			
Professional fees			
Data processing	195,900	239,100	222,866
Communications			
Telephone	68,100	68,100	65,842
Portable device	12,000	12,000	8,783
Copy reproduction	700	700	330
Repairs and maintenance	70,800	70,800	64,531
Technical and consulting	78,000	78,000	65,089
IRMA insurance	5,600	5,600	6,000
Dues and subscriptions	1,000	1,000	1,144
Printing and publication	100	100	-
Conferences	7,500	7,500	801
Training	16,000	16,000	3,429
IS services	-	-	1,894
Other services and charges	-	-	37
Total services and charges	<u>455,700</u>	<u>498,900</u>	<u>440,746</u>
Supplies and materials			
Office supplies	200	200	28
Clothing supplies	400	400	393
Other operating supplies	37,700	37,700	37,354
Total supplies and materials	<u>38,300</u>	<u>38,300</u>	<u>37,775</u>
Capital outlay			
Equipment	90,000	95,900	70,127
Total capital outlay	<u>90,000</u>	<u>95,900</u>	<u>70,127</u>
Less items capitalized	<u>(11,317)</u>	<u>(11,317)</u>	<u>(11,317)</u>
Net capital outlay	<u>78,683</u>	<u>84,583</u>	<u>58,810</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 1,213,083</u>	<u>\$ 1,262,183</u>	<u>\$ 1,206,624</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL  
EQUIPMENT REPLACEMENT FUND**

For the Year Ended April 30, 2017

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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>
<b>OPERATING EXPENSES</b>			
Capital outlay			
Equipment - police	\$ 247,500	\$ 247,500	\$ 340,582
Equipment - comm relations	30,000	30,000	-
Equipment - com development	88,000	88,000	31,667
Equipment - building and grounds	67,000	67,000	74,139
Equipment - streets	240,000	240,000	202,210
Equipment - electricity and forestry	132,000	132,000	144,742
Equipment - water	35,000	35,000	40,212
Equipment - sewer	130,000	130,000	123,075
Equipment - fleet services	25,000	25,000	-
Total capital outlay	994,500	994,500	956,627
Less items capitalized	(994,500)	(994,500)	(895,835)
Net capital outlay	-	-	60,792
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,792</b>

(See independent auditor's report.)

## **FIDUCIARY FUNDS**

Police Pension Trust Fund - to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law, by a special tax levy, and by allocation of personal property replacement tax. Total taxes to be levied are determined by annual actuarial study.

Agency Fund - to account for assets held by the Village for the property owner for the Armitage/Ardmore water main improvements.

**VILLAGE OF ADDISON, ILLINOIS**

SCHEDULE OF CHANGES IN NET POSITION -  
BUDGET AND ACTUAL  
POLICE PENSION TRUST FUND

For the Year Ended April 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>ADDITIONS</b>			
Contributions - employer			
Property taxes transferred from General Fund	\$ 2,718,300	\$ 2,718,300	\$ 2,763,130
Contributions - plan members	587,600	587,600	611,609
	<hr/>	<hr/>	<hr/>
Total contributions	3,305,900	3,305,900	3,374,739
	<hr/>	<hr/>	<hr/>
Investment income			
Net appreciation in fair value of investments	1,000,000	1,000,000	3,323,764
Interest earned on investments	900,000	900,000	1,323,196
	<hr/>	<hr/>	<hr/>
Total investment income	1,900,000	1,900,000	4,646,960
	<hr/>	<hr/>	<hr/>
Less investment expense	(7,000)	(12,000)	(8,002)
	<hr/>	<hr/>	<hr/>
Net investment income	1,893,000	1,888,000	4,638,958
	<hr/>	<hr/>	<hr/>
Total additions	5,198,900	5,193,900	8,013,697
	<hr/>	<hr/>	<hr/>
<b>DEDUCTIONS</b>			
Benefits and refunds	3,282,662	3,282,662	3,570,537
Administration	84,500	105,200	141,982
Legal	6,000	6,000	6,767
	<hr/>	<hr/>	<hr/>
Total deductions	3,373,162	3,393,862	3,719,286
	<hr/>	<hr/>	<hr/>
NET INCREASE	<u>\$ 1,825,738</u>	<u>\$ 1,800,038</u>	4,294,411
<b>NET POSITION RESTRICTED FOR PENSIONS</b>			
May 1			<hr/> 40,025,005
April 30			<hr/> <u>\$ 44,319,416</u>

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUND**

For the Year Ended April 30, 2017

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	<b>Balances</b>				<b>Balances</b>
	<b>May 1</b>	<b>Additions</b>	<b>Deductions</b>		<b>April 30</b>
<b>Special Service Area #1</b>					
<b>ASSETS</b>					
Cash and investments	\$ 16,168	\$ 82	\$ 53	\$	16,197
<b>LIABILITIES</b>					
Funds held for others	\$ 16,168	\$ 82	\$ 53	\$	16,197

(See independent auditor's report.)

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BOND ISSUES**

April 30, 2017

	<b>2006C Bond Issue</b>	<b>2008 Refunding Bond Issue</b>
Date of Issue	December 15, 2006	June 19, 2008
Issuance Amount	\$6,900,000	\$6,015,000
Interest Rate	3.85% to 3.95%	3.25% to 5.00%
Principal Due	December 15	December 15
Interest Dates	June 15 and December 15	June 15 and December 15
Date of Maturity	December 15, 2026	December 15, 2020

<b>Fiscal Year</b>	<b>2006C Bond Issue</b>		<b>2008 Bond Issue</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2018	\$ 400,000	\$ 15,400	\$ 435,000	\$ 162,650
2019	-	-	920,000	145,250
2020	-	-	975,000	99,250
2021	-	-	1,010,000	50,500
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-
2038	-	-	-	-
	<b>\$ 400,000</b>	<b>\$ 15,400</b>	<b>\$ 3,340,000</b>	<b>\$ 457,650</b>

2010 Bond Issue	2011 Refunding Bond Issue	2012 Refunding Bond Issue
July 30, 2010	September 6, 2011	September 6, 2011
\$3,500,000	\$2,835,000	\$3,985,000
2.05% to 5.30%	2.00% to 4.00%	2.00% to 3.00%
December 15	December 15	December 15
June 15 and December 15	June 15 and December 15	June 15 and December 15
December 15, 2030	December 15, 2017	December 15, 2019

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

2010 Bond Issue		2011 Refunding Bond Issue		2012 Refunding Bond Issue	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 145,000	\$ 125,945	\$ 470,000	\$ 18,800	\$ 580,000	\$ 47,700
150,000	122,102	-	-	600,000	30,300
155,000	117,528	-	-	615,000	12,300
160,000	112,258	-	-	-	-
170,000	106,416	-	-	-	-
180,000	99,532	-	-	-	-
190,000	92,241	-	-	-	-
195,000	83,218	-	-	-	-
210,000	73,956	-	-	-	-
220,000	63,980	-	-	-	-
230,000	53,530	-	-	-	-
245,000	41,340	-	-	-	-
260,000	28,356	-	-	-	-
275,000	14,575	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 2,785,000	\$ 1,134,977	\$ 470,000	\$ 18,800	\$ 1,795,000	\$ 90,300

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF LONG-TERM DEBT REQUIREMENTS  
GENERAL OBLIGATION BOND ISSUES (Continued)

April 30, 2017

	2015 Refunding Bond Issue	2016A Bond Issue
Date of Issue	December 1, 2015	December 15, 2016
Issuance Amount	\$8,995,000	\$9,525,000
Interest Rate	2.00% to 4.00%	2.00% to 3.00%
Principal Due	December 15	December 15
Interest Dates	June 15 and December 15	June 15 and December 15
Date of Maturity	December 15, 2026	December 15, 2037

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	2015 Refunding Bond Issue		2016A Bond Issue	
	Principal	Interest	Principal	Interest
2018	\$ 340,000	\$ 312,200	\$ -	\$ 293,260
2019	770,000	305,400	-	253,783
2020	800,000	290,000	-	253,783
2021	845,000	266,000	345,000	253,783
2022	895,000	240,650	355,000	253,783
2023	945,000	213,800	365,000	246,883
2024	1,010,000	176,000	380,000	239,783
2025	1,070,000	135,600	390,000	232,483
2026	1,130,000	92,800	405,000	224,883
2027	1,190,000	47,600	420,000	217,084
2028	-	-	440,000	208,578
2029	-	-	460,000	199,128
2030	-	-	475,000	188,788
2031	-	-	500,000	177,288
2032	-	-	520,000	164,700
2033	-	-	845,000	149,700
2034	-	-	865,000	134,100
2035	-	-	890,000	108,750
2036	-	-	920,000	82,800
2037	-	-	950,000	56,100
2038	-	-	-	28,500
	<u>\$ 8,995,000</u>	<u>\$ 2,080,050</u>	<u>\$ 9,525,000</u>	<u>\$ 3,967,940</u>

<b>2016B Refunding Bond Issue</b>	<b>2017 Bond Issue</b>
November 15, 2016	January 4, 2017
\$2,130,000	\$5,400,000
2.00% to 3.00%	3.00% to 4.00%
December 15	December 15
June 15 and December 15	June 15 and December 15
December 15, 2026	December 15, 2032

<b>2016B Refunding Bond Issue</b>		<b>2017 Bond Issue</b>		<b>Totals</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 185,000	\$ 243,500	\$ -	\$ 177,604	\$ 2,555,000	\$ 1,397,059
190,000	240,300	600,000	787,500	3,230,000	1,884,635
200,000	246,500	600,000	769,500	3,345,000	1,788,861
205,000	247,500	600,000	751,500	3,165,000	1,681,541
210,000	248,400	300,000	433,500	1,930,000	1,282,749
210,000	244,200	300,000	424,500	2,000,000	1,228,915
220,000	247,900	300,000	415,500	2,100,000	1,171,424
230,000	251,300	300,000	405,000	2,185,000	1,107,601
235,000	249,400	300,000	394,500	2,280,000	1,035,539
245,000	252,350	300,000	384,000	2,375,000	965,014
-	-	300,000	372,000	970,000	634,108
-	-	300,000	360,000	1,005,000	600,468
-	-	300,000	348,000	1,035,000	565,144
-	-	300,000	336,000	1,075,000	527,863
-	-	300,000	324,000	820,000	488,700
-	-	300,000	312,000	1,145,000	461,700
-	-	-	-	865,000	134,100
-	-	-	-	890,000	108,750
-	-	-	-	920,000	82,800
-	-	-	-	950,000	56,100
-	-	-	-	-	28,500
<b>\$ 2,130,000</b>	<b>\$ 2,471,350</b>	<b>\$ 5,400,000</b>	<b>\$ 6,995,104</b>	<b>\$ 34,840,000</b>	<b>\$ 17,231,571</b>

(See independent auditor's report.)

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	114-123
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax and property tax.	124-129
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	130-133
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	134-135
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	136-139

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

**VILLAGE OF ADDISON, ILLINOIS**

**NET POSITION BY COMPONENTS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 84,783,835	\$ 88,445,318	\$ 90,552,397	\$ 92,393,790
Restricted	5,018,880	2,243,060	1,529,784	1,819,969
Unrestricted	8,614,792	9,658,129	9,541,452	11,317,904
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 98,417,507</b>	<b>\$ 100,346,507</b>	<b>\$ 101,623,633</b>	<b>\$ 105,531,663</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 56,304,357	\$ 57,293,575	\$ 56,799,642	\$ 55,720,105
Restricted	1,427,224	1,444,834	1,452,430	1,454,610
Unrestricted	4,116,745	3,417,229	3,112,521	2,966,651
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 61,848,326</b>	<b>\$ 62,155,638</b>	<b>\$ 61,364,593</b>	<b>\$ 60,141,366</b>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 141,088,192	\$ 145,738,893	\$ 147,352,039	\$ 148,113,895
Restricted	6,446,104	3,687,894	2,982,214	3,274,579
Unrestricted	12,731,537	13,075,358	12,653,973	14,284,555
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 160,265,833</b>	<b>\$ 162,502,145</b>	<b>\$ 162,988,226</b>	<b>\$ 165,673,029</b>

\* The Village implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016*</b>	<b>2017</b>
\$ 95,291,795	\$ 97,716,469	\$ 101,630,549	\$ 106,518,924	\$ 112,392,728	\$ 116,873,726
3,908,191	4,660,660	5,071,785	4,054,508	3,234,609	3,494,341
9,413,771	8,425,127	8,335,022	8,861,037	(35,495,682)	(35,121,629)
<u>\$ 108,613,757</u>	<u>\$ 110,802,256</u>	<u>\$ 115,037,356</u>	<u>\$ 119,434,469</u>	<u>\$ 80,131,655</u>	<u>\$ 85,246,438</u>
\$ 54,573,479	\$ 54,163,556	\$ 53,415,214	\$ 51,992,888	\$ 51,239,618	\$ 48,076,005
1,454,790	1,458,126	30,000	30,000	30,000	30,000
3,095,702	3,637,975	4,909,365	5,166,922	3,164,470	5,458,281
<u>\$ 59,123,971</u>	<u>\$ 59,259,657</u>	<u>\$ 58,354,579</u>	<u>\$ 57,189,810</u>	<u>\$ 54,434,088</u>	<u>\$ 53,564,286</u>
\$ 149,865,274	\$ 151,880,025	\$ 155,045,763	\$ 158,511,812	\$ 163,632,346	\$ 164,949,731
5,362,981	6,118,786	5,101,785	4,084,508	3,264,609	3,524,341
12,509,473	12,063,102	13,244,387	14,027,959	(32,331,212)	(29,663,348)
<u>\$ 167,737,728</u>	<u>\$ 170,061,913</u>	<u>\$ 173,391,935</u>	<u>\$ 176,624,279</u>	<u>\$ 134,565,743</u>	<u>\$ 138,810,724</u>

**VILLAGE OF ADDISON, ILLINOIS**

**CHANGE IN NET POSITION**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>EXPENSES</b>			
Governmental Activities			
General government	\$ 4,774,951	\$ 5,125,037	\$ 4,640,073
Public safety	13,141,287	13,892,079	14,071,718
Community development	2,742,465	2,579,381	2,561,749
Highways and streets	5,099,502	5,795,740	5,594,481
Interest and fiscal charges	1,422,629	1,339,726	1,261,761
Total governmental activities expenses	<u>27,180,834</u>	<u>28,731,963</u>	<u>28,129,782</u>
Business-Type Activities			
Water and sewer	11,290,155	11,983,183	11,935,224
Total business-type activities expenses	<u>11,290,155</u>	<u>11,983,183</u>	<u>11,935,224</u>
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<u>\$ 38,470,989</u>	<u>\$ 40,715,146</u>	<u>\$ 40,065,006</u>
<b>PROGRAM REVENUES</b>			
Governmental Activities			
Charges for services			
General government	\$ 1,129,632	\$ 1,266,980	\$ 1,280,491
Public safety	880,067	1,099,943	1,396,365
Community development	623,636	581,175	621,422
Highways and streets	648,062	670,850	691,821
Operating grants and contributions	1,206,995	1,320,313	1,111,016
Capital grants and contributions	111,936	468,282	285,253
Total governmental activities program revenues	<u>4,600,328</u>	<u>5,407,543</u>	<u>5,386,368</u>
Business-Type Activities			
Charges for services			
Water and sewer	10,138,634	10,271,842	10,310,792
Operating grants and contributions	1,945,748	72,565	1,001
Capital grants and contributions	-	173,228	-
Total business-type activities program revenues	<u>12,084,382</u>	<u>10,517,635</u>	<u>10,311,793</u>
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<u>\$ 16,684,710</u>	<u>\$ 15,925,178</u>	<u>\$ 15,698,161</u>
<b>NET REVENUE (EXPENSE)</b>			
Governmental activities	\$ (22,580,506)	\$ (23,324,420)	\$ (22,743,414)
Business-type activities	794,227	(1,465,548)	(1,623,431)
<b>TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)</b>	<u>\$ (21,786,279)</u>	<u>\$ (24,789,968)</u>	<u>\$ (24,366,845)</u>

	2011	2012	2013	2014	2015	2016	2017
\$	4,385,166	\$ 4,633,830	\$ 4,463,370	\$ 4,852,380	\$ 4,829,314	\$ 4,872,160	\$ 5,220,251
	13,990,764	15,906,663	16,267,795	16,861,308	18,000,834	18,833,454	19,824,104
	2,551,924	2,684,987	2,671,935	1,741,207	4,840,357	3,012,672	3,052,693
	5,297,660	5,338,610	5,822,591	7,439,469	6,518,225	5,825,749	7,553,846
	1,180,854	1,352,565	1,019,885	995,325	925,271	1,026,274	1,271,466
	27,406,368	29,916,655	30,245,576	31,889,689	35,114,001	33,570,309	36,922,360
	12,464,598	13,131,685	14,175,880	15,205,581	15,930,449	16,061,021	17,210,489
	12,464,598	13,131,685	14,175,880	15,205,581	15,930,449	16,061,021	17,210,489
\$	39,870,966	\$ 43,048,340	\$ 44,421,456	\$ 47,095,270	\$ 51,044,450	\$ 49,631,330	\$ 54,132,849
\$	1,391,243	\$ 1,438,307	\$ 1,547,815	\$ 1,567,775	\$ 1,713,897	\$ 1,804,155	\$ 1,863,061
	1,388,763	1,251,599	1,447,919	1,449,716	1,391,516	1,827,688	3,712,418
	418,380	592,805	453,184	562,600	688,779	857,571	792,080
	747,808	699,875	752,738	916,662	984,335	984,338	932,341
	1,391,543	1,226,672	1,252,795	1,619,191	3,187,611	1,482,100	1,596,791
	220,882	357,094	109,552	342,016	550,505	1,978,904	494,002
	5,558,619	5,566,352	5,564,003	6,457,960	8,516,643	8,934,756	9,390,693
	10,942,530	11,731,849	12,859,220	13,460,928	14,558,808	15,084,269	15,977,868
	72,890	10,152	916	-	-	200,000	-
	-	-	-	-	-	-	-
	11,015,420	11,742,001	12,860,136	13,460,928	14,558,808	15,284,269	15,977,868
\$	16,574,039	\$ 17,308,353	\$ 18,424,139	\$ 19,918,888	\$ 23,075,451	\$ 24,219,025	\$ 25,368,561
\$	(21,847,749)	\$ (24,350,303)	\$ (24,681,573)	\$ (25,431,729)	\$ (26,597,358)	\$ (24,635,553)	\$ (27,531,667)
	(1,449,178)	(1,389,684)	(1,315,744)	(1,744,653)	(1,371,641)	(776,752)	(1,232,621)
\$	(23,296,927)	\$ (25,739,987)	\$ (25,997,317)	\$ (27,176,382)	\$ (27,968,999)	\$ (25,412,305)	\$ (28,764,288)

**VILLAGE OF ADDISON, ILLINOIS**

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>GENERAL REVENUES AND OTHER</b>			
<b>CHANGES IN NET POSITION</b>			
Governmental Activities			
Taxes			
Property	\$ 7,030,357	\$ 7,349,056	\$ 7,816,366
Sales	7,737,573	7,757,823	6,779,198
Home rule sales	4,988,190	4,970,300	4,259,065
Telecommunications	1,952,314	1,959,918	1,765,480
Other	1,278,613	1,056,915	940,038
Shared income taxes	3,388,237	3,366,328	2,934,391
Investment earnings	942,216	178,179	50,053
Miscellaneous	325,209	330,358	289,446
Transfers	(214,695)	(1,715,457)	(813,497)
Contributions	672,489	-	-
Total governmental activities	<u>28,100,503</u>	<u>25,253,420</u>	<u>24,020,540</u>
Business-Type Activities			
Investment earnings	252,665	57,403	18,889
Miscellaneous	-	-	-
Contributions	443,073	-	-
Transfers	214,695	1,715,457	813,497
Total business-type activities	<u>910,433</u>	<u>1,772,860</u>	<u>832,386</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 29,010,936</u>	<u>\$ 27,026,280</u>	<u>\$ 24,852,926</u>
<b>CHANGE IN NET POSITION</b>			
Governmental activities	\$ 5,519,997	\$ 1,929,000	\$ 1,277,126
Business-type activities	1,704,660	307,312	(791,045)
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 7,224,657</u>	<u>\$ 2,236,312</u>	<u>\$ 486,081</u>
<b>CHANGE IN NET POSITION</b>			

Data Source

Audited Financial Statements

	2011	2012	2013	2014	2015	2016	2017
\$	8,292,689	\$ 8,675,564	\$ 8,341,466	\$ 8,453,300	\$ 9,025,890	\$ 8,514,382	\$ 9,266,353
	7,360,627	7,881,310	7,675,969	8,382,852	8,503,004	9,788,300	9,270,110
	4,594,396	5,342,585	6,236,048	7,071,716	6,924,034	8,006,878	7,389,351
	1,655,861	1,708,571	1,500,073	1,395,198	1,301,914	1,227,999	1,136,401
	1,028,587	984,240	1,252,073	1,332,203	1,569,684	1,831,024	2,065,932
	2,880,557	3,009,476	3,329,232	3,599,856	3,617,900	3,936,999	3,491,936
	26,075	17,666	21,300	18,923	16,692	16,910	89,620
	134,717	180,255	213,809	213,590	235,972	332,743	270,080
	(217,730)	(367,270)	(1,221,600)	(800,809)	(200,619)	(442,442)	(333,333)
	-	-	-	-	-	-	-
	25,755,779	27,432,397	27,348,370	29,666,829	30,994,471	33,212,793	32,646,450
	8,221	5,019	10,101	9,452	6,253	5,009	29,486
	-	-	250,000	29,314	-	-	-
	-	-	-	-	-	-	-
	217,730	367,270	1,221,600	800,809	200,619	442,442	333,333
	225,951	372,289	1,481,701	839,575	206,872	447,451	362,819
\$	25,981,730	\$ 27,804,686	\$ 28,830,071	\$ 30,506,404	\$ 31,201,343	\$ 33,660,244	\$ 33,009,269
\$	3,908,030	\$ 3,082,094	\$ 2,666,797	\$ 4,235,100	\$ 4,397,113	\$ 8,577,240	\$ 5,114,783
	(1,223,227)	(1,017,395)	165,957	(905,078)	(1,164,769)	(329,301)	(869,802)
\$	2,684,803	\$ 2,064,699	\$ 2,832,754	\$ 3,330,022	\$ 3,232,344	\$ 8,247,939	\$ 4,244,981

**VILLAGE OF ADDISON, ILLINOIS**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>GENERAL FUND</b>				
Reserved	\$ 74,707	\$ 1,090,020	\$ 969,309	\$ 1,052,005
Unreserved	7,469,355	7,499,398	7,108,949	7,682,950
Nonspendable in form				
Prepaid items	-	-	-	-
Advances to other funds	-	-	-	-
Notes receivable	-	-	-	-
Unrestricted				
Assigned for subsequent budget	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 7,544,062</b>	<b>\$ 8,589,418</b>	<b>\$ 8,078,258</b>	<b>\$ 8,734,955</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 9,598,536	\$ 5,501,765	\$ 3,569,732	\$ 3,309,883
Unreserved, reported in				
Special Revenue Funds	(1,537)	(1,428)	417	4,465
Capital Project Funds	(2,811,500)	(3,694,723)	(1,611,257)	(786,109)
Nonspendable in form				
Prepaid items	-	-	-	-
Advances to other funds	-	-	-	-
Restricted for				
Economic development	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Debt service	-	-	-	-
Unrestricted				
Committed for community events				
Assigned for debt service	-	-	-	-
Assigned for capital projects	-	-	-	-
Assigned for specific purpose	-	-	-	-
Unassigned (deficit)	-	-	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 6,785,499</b>	<b>\$ 1,805,614</b>	<b>\$ 1,958,892</b>	<b>\$ 2,528,239</b>

\* The Village implemented GASB Statement No. 54 in fiscal year 2012.

Data Source

Audited Financial Statements

<b>2012*</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
4,995	-	-	-	52,596	5,658
1,010,705	-	-	-	-	-
54,445	50,195	44,067	10,393	8,572	6,511
-	-	262,300	124,900	-	775,700
7,387,902	8,075,707	7,561,806	8,452,836	10,684,053	11,455,400
<b>\$ 8,458,047</b>	<b>\$ 8,125,902</b>	<b>\$ 7,868,173</b>	<b>\$ 8,588,129</b>	<b>\$ 10,745,221</b>	<b>\$ 12,243,269</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	2,228	-
325,476	-	-	-	-	-
1,952,671	1,950,271	1,830,281	488,703	410,585	176,382
165,971	227,113	390,264	485,362	446,997	656,352
469,842	721,721	1,064,946	1,308,820	577,665	402,754
1,319,707	1,761,555	1,786,294	1,771,623	1,799,362	9,702,006
-	-	-	-	6,414	6,447
-	-	-	-	549,040	1,041,667
973,202	144,720	369,805	492,677	1,017,581	711,341
6,399	6,405	6,406	6,407	-	-
(1,336,241)	(8,559)	(5,730)	-	-	(633,947)
<b>\$ 3,877,027</b>	<b>\$ 4,803,226</b>	<b>\$ 5,442,266</b>	<b>\$ 4,553,592</b>	<b>\$ 4,809,872</b>	<b>\$ 12,063,002</b>

**VILLAGE OF ADDISON, ILLINOIS**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>REVENUES</b>				
Taxes	\$ 26,375,284	\$ 26,460,341	\$ 24,494,538	\$ 25,812,717
Licenses and permits	1,678,261	1,707,139	1,760,064	1,604,254
Intergovernmental	178,088	1,663,175	1,373,959	1,546,257
Charges for services	360,437	428,404	357,542	369,759
Fines and forfeitures	927,901	1,132,905	1,450,426	1,521,816
Investment income	942,216	178,179	50,053	26,075
Miscellaneous	74,767	806,277	733,823	639,498
<b>Total revenues</b>	<b>30,536,954</b>	<b>32,376,420</b>	<b>30,220,405</b>	<b>31,520,376</b>
<b>EXPENDITURES</b>				
General government	4,536,415	4,293,793	3,852,310	3,652,333
Public safety	13,227,801	13,542,086	13,334,044	13,658,355
Community development	2,685,190	7,384,831	6,422,741	5,204,543
Highways and streets	6,473,217	2,503,725	2,480,479	2,495,592
Capital outlay	13,484,694	3,719,559	435,591	4,721,303
Debt service				
Principal	1,303,856	1,626,661	1,766,837	1,830,528
Interest	1,454,688	1,446,852	1,275,354	1,270,913
<b>Total expenditures</b>	<b>43,165,861</b>	<b>34,517,507</b>	<b>29,567,356</b>	<b>32,833,567</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(12,628,907)</b>	<b>(2,141,087)</b>	<b>653,049</b>	<b>(1,313,191)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,458,473	2,370,167	1,464,908	1,550,000
Transfers (out)	(5,873,201)	(4,286,367)	(2,481,203)	(1,970,591)
Bonds issued	-	6,015,000	-	3,500,000
Premium on bonds issued	-	393,393	-	-
Discount on bonds issued	-	-	-	-
Payment to escrow	-	(6,291,761)	-	-
Sale of capital assets	6,713	6,126	5,364	19,276
<b>Total other financing sources (uses)</b>	<b>(408,015)</b>	<b>(1,793,442)</b>	<b>(1,010,931)</b>	<b>3,098,685</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (13,036,922)</b>	<b>\$ (3,934,529)</b>	<b>\$ (357,882)</b>	<b>\$ 1,785,494</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<b>10.12%</b>	<b>11.20%</b>	<b>11.27%</b>	<b>11.50%</b>

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	24,592,270	\$ 25,005,629	\$ 26,635,269	\$ 27,324,526	\$ 29,368,583	\$ 29,128,147
	1,795,005	1,709,276	1,945,775	2,268,860	2,484,384	2,402,262
	4,616,969	4,673,912	5,532,990	7,002,389	7,310,985	5,580,376
	512,920	883,624	925,813	943,902	1,330,364	2,611,715
	1,120,990	1,062,801	1,098,524	925,672	1,054,601	1,054,526
	17,666	21,300	18,923	16,692	16,910	89,620
	710,199	777,431	768,304	1,229,692	1,024,164	1,503,830
	33,366,019	34,133,973	36,925,598	39,711,733	42,589,991	42,370,476
	3,916,087	3,790,947	4,242,675	4,144,172	4,204,369	4,586,659
	15,371,748	15,675,525	17,081,460	17,894,416	18,726,097	19,933,924
	6,552,001	6,714,703	7,251,254	7,577,839	8,972,276	7,659,070
	2,634,368	2,632,733	2,784,338	3,967,269	2,682,525	2,794,396
	483,398	269,101	1,287,206	2,992,628	2,030,890	7,200,795
	1,994,686	1,919,629	1,825,060	1,898,929	1,987,797	4,225,544
	1,353,654	1,146,483	1,084,390	1,017,661	1,132,306	1,336,165
	32,305,942	32,149,121	35,556,383	39,492,914	39,736,260	47,736,553
	1,060,077	1,984,852	1,369,215	218,819	2,853,731	(5,366,077)
	2,323,750	2,454,000	1,750,000	2,088,431	1,781,268	2,063,890
	(2,893,451)	(3,844,798)	(2,737,904)	(2,475,968)	(2,410,392)	(2,397,223)
	4,376,797	-	-	-	8,995,000	14,123,303
	310,434	-	-	-	774,500	327,285
	-	-	-	-	-	-
	(4,665,177)	-	-	-	(9,580,735)	-
	-	-	-	-	-	-
	(547,647)	(1,390,798)	(987,904)	(387,537)	(440,359)	14,117,255
\$	512,430	\$ 594,054	\$ 381,311	\$ (168,718)	\$ 2,413,372	\$ 8,751,178
	11.49%	10.46%	9.27%	6.42%	9.33%	14.49%

**VILLAGE OF ADDISON, ILLINOIS**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**

Last Ten Levy Years

<b>Levy Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Farm/Railroad Property</b>	<b>Less Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Estimated Actual Taxable Value</b>
2007	\$ 825,456,894	\$ 112,331,802	\$ 385,569,150	\$ 274,440	\$ -	\$ 1,323,632,286	0.38	\$ 3,970,896,858	33.333%
2008	873,648,030	116,535,969	413,818,599	321,389	-	1,404,323,987	0.38	4,212,971,961	33.333%
2009	873,075,550	113,351,102	407,189,960	352,155	-	1,393,968,767	0.41	4,181,906,301	33.333%
2010	795,743,652	106,188,080	371,249,926	360,234	-	1,273,532,892	0.49	3,821,598,676	33.333%
2011	696,106,974	105,042,046	367,978,240	357,465	-	1,169,484,725	0.51	3,508,454,175	33.333%
2012	609,786,540	95,670,541	325,541,050	414,281	-	1,031,412,412	0.65	3,094,237,236	33.333%
2013	563,562,939	92,776,816	303,834,390	477,238	-	960,651,383	0.75	2,881,954,149	33.333%
2014	559,859,119	91,846,560	300,842,740	441,111	-	952,989,530	0.82	2,858,968,590	33.333%
2015	573,523,649	95,845,100	310,835,050	446,394	-	980,650,193	0.84	2,941,950,579	33.333%
2016	621,466,331	103,020,280	331,034,160	531,367	-	1,056,052,138	0.81	3,168,156,414	33.333%

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>VILLAGE DIRECT RATES</b>										
Village of Addison										
Corporate	0.25	0.24	0.24	0.25	0.30	0.36	0.42	0.43	0.46	0.43
Bond and Interest	0.05	0.05	0.05	0.07	0.08	0.09	0.09	0.10	0.09	0.09
Police Pension	0.08	0.09	0.13	0.17	0.17	0.21	0.24	0.29	0.28	0.29
<b>TOTAL VILLAGE DIRECT RATES</b>	<b>0.38</b>	<b>0.38</b>	<b>0.42</b>	<b>0.49</b>	<b>0.55</b>	<b>0.66</b>	<b>0.75</b>	<b>0.82</b>	<b>0.84</b>	<b>0.81</b>
<b>OVERLAPPING RATES</b>										
Addison Public Library	0.28	0.28	0.28	0.32	0.37	0.43	0.48	0.50	0.51	0.49
Addison Park District	0.31	0.31	0.31	0.34	0.37	0.43	0.47	0.48	0.47	0.44
Addison Township	0.04	0.04	0.04	0.05	0.06	0.07	0.07	0.07	0.07	0.07
Addison Fire Protection District	0.66	0.65	0.66	0.74	0.83	0.96	1.06	1.06	1.12	1.05
DuPage County	0.17	0.16	0.16	0.17	0.18	0.19	0.20	0.21	0.20	0.18
DuPage County Fores Preserve	0.12	0.12	0.12	0.13	0.14	0.15	0.17	0.17	0.16	0.15
DuPage Airport Authority	0.02	0.02	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Bloomington Township	0.07	0.07	0.07	0.08	0.08	0.10	0.11	0.11	0.09	0.08
Elmhurst Park District	0.30	0.27	0.28	0.31	0.34	0.39	0.42	0.42	0.38	0.36
53 Trails Est Park District	0.03	0.03	0.03	0.03	0.03	0.04	0.04	0.04	0.04	0.04
Itasca Fire Protection District	0.57	0.57	0.58	0.65	0.72	0.82	0.90	0.94	0.90	0.86
Grade Sch Dist No. 2	2.69	2.71	2.75	3.12	3.54	4.07	4.43	4.57	4.53	4.28
Grade Sch Dist No. 4	1.84	1.83	1.84	2.08	2.32	2.70	2.97	3.06	3.02	2.83
Grade Sch Dist No.10	1.60	1.58	1.59	1.80	2.05	2.32	2.54	2.66	2.50	2.38
Grade Sch Dist No.13	2.18	2.16	2.12	2.35	2.56	2.93	3.28	3.46	3.36	3.16
Grade Sch Dist No.15	3.66	3.66	3.78	4.18	4.65	5.37	6.39	6.49	6.51	6.14
High Sch Dist No. 87	1.66	1.65	1.67	1.84	2.02	2.29	2.49	2.58	2.52	2.40
High Sch Dist No. 88	1.44	1.43	1.48	1.66	1.83	2.20	2.44	2.56	2.55	2.40
High Sch Dist No. 100	1.39	1.39	1.40	1.62	1.81	2.06	2.23	2.30	2.29	2.17
High Sch Dist No. 108	1.61	1.61	1.64	1.83	2.02	2.33	2.58	2.71	2.62	2.47
Unit Sch Dist No. 205	3.36	3.27	3.32	3.73	4.13	4.80	5.28	5.48	5.06	4.78
Junior College No 502	0.19	0.19	0.21	0.23	0.25	0.27	0.30	0.30	0.28	0.26
Bloomington Park District	0.29	0.28	0.28	0.31	0.33	0.38	0.42	0.43	0.42	0.40
Bloomington Fire District	0.45	0.45	0.45	0.51	0.55	0.65	0.72	0.76	0.75	0.71
Bensenville Park District	0.33	0.33	0.31	0.36	0.41	0.47	0.51	0.52	0.52	0.49
Wood Dale Park District	0.32	0.31	0.30	0.35	0.40	0.45	0.49	0.50	0.50	0.47
<b>TOTAL OVERLAPPING RATES</b>	<b>25.58</b>	<b>25.35</b>	<b>25.68</b>	<b>28.82</b>	<b>32.01</b>	<b>36.89</b>	<b>40.96</b>	<b>42.40</b>	<b>42.25</b>	<b>39.08</b>

Data Source

Office of the County Clerk

**VILLAGE OF ADDISON, ILLINOIS**

**PRINCIPAL PROPERTY TAXPAYERS**

Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
880 S Rohlwing Rd LLC	\$ 9,087,580	1	0.86%	\$ 39,060,966	4	2.95%
Pampered Chef	8,847,070	2	0.84%	125,517,666	1	9.48%
Brookind Corporation	8,014,700	3	0.76%	29,105,090	8	2.20%
Columbia Illinois	7,777,940	4	0.74%	-		0.00%
Walmart Property Tax Dep	6,881,930	5	0.65%	-		0.00%
AMB Prop Re Tax Co	5,197,240	6	0.49%	-		0.00%
WPI Rohlwing LLC	4,904,540	7	0.46%	-		0.00%
DCT Mitchell Ct. LLC	4,495,180	8	0.43%	29,086,588	9	2.20%
SVF Swift Center LLC	3,976,500	9	0.38%	31,246,964	6	2.36%
Hamilton Partners Inc	3,719,910	10	0.35%	27,561,574	10	2.08%
Riggs & Company				34,330,702	5	2.59%
Mercantile Safe Deposit				44,665,212	2	3.37%
Devry				40,258,676	3	3.04%
Unisource Worldwide				30,955,616	7	2.34%
	\$ 62,902,590		5.96%	\$ 431,789,054		32.61%

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. Information from nine years ago was not available.

Data Source

Office of the County Clerk

**VILLAGE OF ADDISON, ILLINOIS**

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Levy Years

Levy Year	Fiscal Year Collected	Tax Levied as Extended	Collected within the Fiscal Year of the Levy		Noncurrent Distribution	Total Collections To Date	Percentage of Levy Collected To Date
			Amount	Percentage of Levy			
2006	2008	\$ 8,264,987	\$ 8,663,731	104.82%	\$ 57	\$ 8,663,788	104.83%
2007	2009	8,730,679	8,582,252	98.30%	2,824	8,585,076	98.33%
2008	2010	9,196,917	9,049,562	98.40%	597	9,050,159	98.40%
2009	2011	9,716,846	9,676,073	99.58%	122	9,676,195	99.58%
2010	2012	10,385,056	10,361,919	99.78%	840	10,362,759	99.79%
2011	2013	10,700,168	10,634,138	99.38%	1,558	10,635,696	99.40%
2012	2014*	6,748,531	6,686,438	99.08%	348	6,686,786	99.09%
2013	2015*	7,227,941	7,155,662	99.00%	6,208	7,161,870	99.09%
2014	2016*	7,727,743	7,667,974	99.23%	364	7,668,338	99.23%
2015	2017*	8,230,597	7,975,242	96.90%	495	7,975,737	96.90%

\*GASB Statement No. 61 was implemented for the Village's year ended April 30, 2014 which amended the criteria for reporting component units as part of the primary government; therefore, information for years prior include the Addison Public Library which was previously reported as a discretely presented component unit of the Village.

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years

Calendar Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>MUNICIPAL TAXABLE SALES</b>										
General merchandise	\$ 893,541	\$ 926,956	\$ 913,787	\$ 901,035	\$ 905,943	\$ 1,071,780	\$ 1,182,090	\$ 1,140,620	\$ 1,152,848	\$ 597,193
Food	474,844	480,122	453,625	443,929	493,144	474,120	476,105	507,098	515,071	1,085,176
Drinking and eating places	598,684	641,649	561,903	565,642	579,740	602,477	597,170	620,100	654,386	697,474
Apparel	53,629	49,643	41,129	42,927	178,607	14,544	19,033	17,510	19,242	22,722
Furniture & H.H. & radio	358,957	311,656	261,587	284,997	287,675	231,645	173,565	206,203	216,056	217,685
Lumber, building hardware	746,031	582,111	356,676	314,309	187,752	190,165	202,994	281,738	277,240	367,870
Automobile and filling stations	791,615	910,745	840,558	970,677	1,008,132	1,116,986	1,117,985	1,162,923	1,150,954	1,217,194
Drugs and miscellaneous retail	1,029,847	1,396,471	1,166,771	1,083,233	1,349,771	1,369,452	1,925,922	1,533,192	2,287,793	1,314,593
Agriculture and all others	2,155,713	2,410,835	2,013,621	2,344,066	2,591,093	2,459,770	2,195,150	2,782,712	2,979,727	3,233,601
Manufacturers	402,935	346,296	228,668	200,617	198,167	214,500	224,727	290,523	293,794	445,648
<b>TOTAL</b>	<b>\$ 7,505,796</b>	<b>\$ 8,056,484</b>	<b>\$ 6,838,325</b>	<b>\$ 7,151,432</b>	<b>\$ 7,780,024</b>	<b>\$ 7,745,439</b>	<b>\$ 8,114,741</b>	<b>\$ 8,542,618</b>	<b>\$ 9,547,110</b>	<b>\$ 9,199,156</b>
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
<b>HOME RULE TAXABLE SALES</b>										
General merchandise	\$ 424,558	\$ 430,302	\$ 425,878	\$ 412,381	\$ 375,998	\$ 597,340	\$ 715,565	\$ 685,643	\$ 671,198	\$ 350,925
Food	94,634	94,422	84,487	92,297	100,906	125,020	126,288	134,762	133,445	465,288
Drinking and eating places	447,035	478,885	418,465	421,711	431,007	593,716	591,373	613,661	647,653	686,852
Apparel	40,222	37,232	30,848	32,174	92,740	14,543	18,124	17,510	19,241	22,724
Furniture & H.H. & radio	269,216	233,744	196,181	212,857	215,753	229,622	173,703	211,868	215,684	217,674
Lumber, building hardware	559,210	425,301	266,050	234,871	140,605	189,275	201,457	280,379	276,871	367,509
Automobile and filling stations	498,744	556,477	510,003	607,010	635,350	855,450	865,635	794,220	655,507	634,757
Drugs and miscellaneous retail	620,542	903,195	732,121	692,172	867,536	1,136,615	1,684,807	1,276,885	1,965,181	973,808
Agriculture and all others	1,558,972	1,715,716	1,437,296	1,629,671	1,815,570	2,340,359	2,103,066	2,699,778	2,903,160	3,163,607
Manufacturers	300,117	257,307	170,329	149,872	148,161	211,882	223,528	289,200	292,577	445,333
<b>TOTAL</b>	<b>\$ 4,813,250</b>	<b>\$ 5,132,581</b>	<b>\$ 4,271,658</b>	<b>\$ 4,485,016</b>	<b>\$ 4,823,626</b>	<b>\$ 6,293,822</b>	<b>\$ 6,703,546</b>	<b>\$ 7,003,905</b>	<b>\$ 7,780,518</b>	<b>\$ 7,328,477</b>
Village direct sales tax rate	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%*	1.00%	1.00%	1.00%	1.00%

\* 1.00% effective January 1, 2013

Note: Information as of a fiscal year basis is not available.

Data Source

Illinois Department of Revenue

**VILLAGE OF ADDISON, ILLINOIS**

**DIRECT AND OVERLAPPING SALES TAX RATES**

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>Village Direct Rate</b>	<b>DuPage County</b>	<b>DuPage Water Commission</b>	<b>Regional Transit Authority</b>	<b>State Rate</b>	<b>Total Sales Tax</b>
2008	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2009	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2010	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2011	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2012	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
Effective 1/1/12	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2013	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2014	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2015	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2016	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2017	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
Effective 6/1/16	2.00%	0.50%	0.00%	0.50%	5.00%	8.00%

Data Source

Village and County Records

VILLAGE OF ADDISON, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Loan Payable	General Obligation Bonds	Illinois EPA Loans			
2008	\$ 33,490,560	\$ 1,646,051	\$ 2,034,440	\$ -	\$ 37,171,051	4.88%	\$ 1,006.09
2009	31,828,623	1,302,693	1,896,377	-	35,027,693	4.60%	948.08
2010	30,283,033	946,898	1,751,967	-	32,981,898	4.33%	892.80
2011	32,182,204	578,215	1,602,796	-	34,363,215	4.51%	930.19
2012	30,236,527	196,177	1,423,473	-	31,856,177	4.12%	862.33
2013	28,365,220	-	1,264,780	-	29,630,000	3.20%	802.07
2014	26,903,684	-	1,158,136	1,550,935	29,612,755	2.97%	743.87
2015	24,753,765	-	976,486	6,627,263	32,357,514	3.00%	875.90
2016	22,751,408	-	791,663	7,969,299	31,514,386	3.00%	853.08
2017	32,629,799	-	3,673,456	7,848,252	44,151,507	3.00%	1,195.16

\* See the schedule of Demographic and Economic Information on page 134 for personal income and population data.

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

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

**VILLAGE OF ADDISON, ILLINOIS**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Tax Levy Year	Actual Taxable Value of Property*	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2008	\$ 35,525,000	\$ 863,307	\$ 34,661,693	2006	\$ 3,804,479,388	0.91%	\$ 938.17
2009	33,725,000	892,800	32,832,200	2007	3,970,896,858	0.83%	888.65
2010	32,035,000	841,797	31,193,203	2008	4,212,971,961	0.74%	844.29
2011	33,785,000	1,067,738	32,717,262	2009	4,181,906,301	0.78%	885.64
2012	31,660,000	1,319,707	30,340,293	2010	3,821,598,676	0.79%	821.30
2013	29,630,000	1,761,555	27,868,445	2011	3,508,454,175	0.79%	754.38
2014	28,098,820	1,786,294	26,312,526	2012	3,094,237,236	0.85%	712.27
2015	25,730,251	1,771,623	23,958,628	2013	2,881,954,149	0.83%	648.48
2016	23,543,071	2,348,402	21,194,669	2014	2,858,968,590	0.74%	573.67
2017	36,303,255	3,300,520	33,002,735	2015	2,941,950,579	1.12%	893.27

\* The EAV and Tax Levy year are two years behind the fiscal year. Taxes levied for 2015 are received in fiscal year 2017 and the calculations are computed accordingly.

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

**VILLAGE OF ADDISON, ILLINOIS**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

April 30, 2017

<b>Governmental unit</b>	<b>(1) Gross Bonded Debt</b>	<b>(2) Percentage Debt Applicable of the Village</b>	<b>(3) The Village's Share of Debt</b>
Village of Addison	\$ 34,840,000	100.00%	\$ 34,840,000
<b>TOTAL DIRECT DEBT</b>	<u>34,840,000</u>		<u>34,840,000</u>
DuPage County	156,575,000	2.92%	4,571,990
Addison Park District	15,369,722	96.33%	14,805,653
Bensenville Park District	6,569,965	1.12%	73,584
Bloomington Park District	4,982,875	1.46%	72,750
Elmhurst Park District	3,940,000	0.28%	11,032
Bloomington Fire District	495,000	0.30%	1,485
School District No. 2	31,275,000	1.22%	381,555
School District No. 4	10,955,000	81.76%	8,956,808
School District No. 13	2,880,000	2.47%	71,136
School District No. 15	39,406,300	26.54%	10,458,432
School District No. 205	92,161,465	0.27%	248,836
High School District No. 87	71,690,000	2.67%	1,914,123
High School District No. 88	97,780,000	33.51%	32,766,078
High School District No. 100	11,030,000	0.67%	73,901
High School District No. 108	<u>31,500,000</u>	0.67%	<u>211,050</u>
<b>TOTAL OVERLAPPING DEBT</b>	<u>576,610,327</u>		<u>74,618,413</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>	<u>\$ 611,450,327</u>		<u>\$ 109,458,413</u>

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

(3) - Amount in column (2) multiplied by amount in column (1).

Data Source

Office of the County Clerk

**VILLAGE OF ADDISON, ILLINOIS**

**SCHEDULE OF LEGAL DEBT MARGIN**

April 30, 2017

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The Village is a home rule municipality.

Chapter 65. Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal margin.

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

# VILLAGE OF ADDISON, ILLINOIS

## DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

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<b>Fiscal Year</b>	<b>Population<sup>^</sup></b>	<b>Total Personal Income*</b>	<b>Per Capita Personal Income</b>	<b>Unemployment Rate#</b>
2008	36,946	\$ 856,353,451	\$ 23,179	6.20%
2009	36,946	778,282,329	21,065	11.40%
2010	36,942	823,826,241	22,301	11.30%
2011	36,942	836,274,572	22,638	9.90%
2012	36,942	864,817,221	23,410	8.80%
2013	36,942	899,558,466	24,351	8.90%
2014	36,942	957,333,582	25,914	7.20%
2015	36,942	1,022,350,605	27,674	5.40%
2016	36,942	-	-	6.00%
2017	36,942	-	-	4.20%

### Data Sources

<sup>^</sup> 2000 and 2010 U.S. Census Bureau of population and housing

\* Illinois Department of Revenue Tax Statistics - by zip code

The State is two years behind in reporting; therefore, the 2016 and 2017 information is unavailable

# Illinois Department of Employment Security - Local Area Unemployment Stats

[http://www.ides.illinois.gov/LMI/Pages/Local\\_Area\\_Unemployment\\_Statistics.aspx](http://www.ides.illinois.gov/LMI/Pages/Local_Area_Unemployment_Statistics.aspx)

These are the unemployment rates as of April 30 of each respective year

Bureau of Labor Statistics

Village Records

**VILLAGE OF ADDISON, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

2017				2008			
Employer	Rank	Total Village Population	% of Total Village Population	Employer	Rank	Total Village Population	% of Total Village Population
Goodwill Retail Services	1	3,000	8.12%	United Parcel Service	1	2,914	7.89%
United Parcel	2	2,914	7.89%	Pampered Chef	2	788	2.13%
Spectra Metal	3	971	2.63%	Minuteman International	3	500	1.35%
Pampered Chef	4	788	2.13%	Unisource	4	250	0.68%
Dynamac Inc	5	582	1.58%	General Binding Corp	5	250	0.68%
Beltman Group Inc	6	450	1.22%	Jewel Food Stores	6	250	0.68%
Devry University	7	400	1.08%	Family Home Health Serv	7	250	0.68%
Associated Material Handling	8	350	0.95%	Kraft Foods	8	240	0.65%
Tailored Brands	9	258	0.70%	Walmart Store	9	220	0.60%
Jewel Food Stores	10	250	0.68%	ADT Security Services	10	205	0.55%

Data Sources

Village Records  
 Illinois Manufacturers Directory

**VILLAGE OF ADDISON, ILLINOIS**

**FULL-TIME EQUIVALENT EMPLOYEES**

Last Ten Fiscal Years

<b>Function/Program</b>			<b>Authorized</b>	<b>Filled</b>	<b>Authorized</b>	<b>Filled</b>	
	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2011</b>	<b>2012</b>	
<b>GENERAL GOVERNMENT</b>							
Administration	9.50	9.50	9.00	8.00	7.00	8.00	7.00
Board and Commissions	-	-	-	-	-	-	-
Finance	10.04	10.04	11.00	9.00	9.00	9.00	7.00
Community relations	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Building and grounds	2.48	2.50	2.00	2.00	2.00	2.00	2.00
Information services	4.00	4.00	4.00	4.00	3.00	4.00	3.00
<b>PUBLIC SAFETY</b>							
Police							
Officers	66.00	71.00	72.00	72.00	69.00	72.00	66.00
Civilians	33.00	28.00	30.00	29.00	28.00	15.00	15.00
Henry Hyde Resource Center	-	1.00	-	2.00	1.00	1.00	1.00
Consolidated dispatch	-	-	-	-	-	14.00	14.00
Community Development	23.00	23.00	23.00	24.00	22.00	24.00	21.00
Highways and Streets							
Electrical/forestry	10.25	10.25	9.00	9.00	8.00	9.00	8.00
Street	13.50	13.50	13.00	13.00	11.00	13.00	11.00
Fleet services	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Water and Sewer							
Water	13.27	13.21	11.00	11.00	11.00	11.00	11.00
Sewer	13.00	13.00	12.00	12.00	9.00	12.00	9.00
Water pollution control	20.73	20.73	19.00	19.00	18.00	19.00	18.00
<b>TOTAL FULL-TIME EQUIVALENT EMPLOYEES</b>	<b>228.77</b>	<b>229.73</b>	<b>225.00</b>	<b>224.00</b>	<b>208.00</b>	<b>223.00</b>	<b>203.00</b>

Note: Positions shown are authorized.

Data Source

Village budget office

<b>Authorized</b>	<b>Filled</b>	<b>Authorized</b>	<b>Filled</b>	<b>Authorized</b>	<b>Filled</b>	<b>Authorized</b>	<b>Filled</b>	<b>Authorized</b>	<b>Filled</b>
<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2014</b>	<b>2015</b>	<b>2015</b>	<b>2016</b>	<b>2016</b>	<b>2017</b>	<b>2017</b>
8.00	7.00	8.00	7.00	12.00	11.00	6.00	6.00	12.50	12.00
-	-	-	-	-	-	-	-	-	-
9.00	7.00	9.00	7.00	12.00	11.00	10.00	9.00	10.50	10.00
5.00	5.00	5.00	5.00	6.00	6.00	5.00	5.00	6.00	6.00
2.00	2.00	2.00	2.00	2.00	2.00	3.00	2.00	3.50	3.00
4.00	3.00	4.00	3.00	4.00	4.00	5.00	4.00	5.00	4.00
72.00	68.00	72.00	68.00	72.00	69.00	69.00	69.00	68.00	68.00
15.00	15.00	15.00	15.00	18.00	17.00	14.00	17.00	18.00	18.00
1.00	1.00	1.00	1.00	3.00	3.00	2.00	2.00	5.50	3.00
18.00	16.00	18.00	16.00	19.00	18.00	21.00	18.00	47.00	38.00
24.00	21.00	24.00	21.00	24.00	21.00	21.00	19.00	21.00	20.00
9.00	8.00	9.00	8.00	9.00	7.00	10.00	9.00	11.00	10.00
13.00	11.00	13.00	11.00	13.00	9.00	10.00	11.00	10.00	9.00
5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
11.00	11.00	11.00	11.00	15.00	11.00	10.00	10.00	11.00	10.00
12.00	9.00	12.00	9.00	13.00	9.00	14.00	7.00	14.00	11.00
19.00	18.00	19.00	18.00	20.00	19.00	18.00	18.00	19.00	16.00
227.00	207.00	227.00	207.00	247.00	222.00	223.00	211.00	267.00	243.00

**VILLAGE OF ADDISON, ILLINOIS**

OPERATING INDICATORS

Last Ten Calendar Years

<b>Function/Program</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>PUBLIC SAFETY</b>										
Police										
Calls responded to	27,627	30,947	28,763	28,141	26,381	25,380	24,684	24,832	28,055	26,302
Parking violations	9,015	9,129	8,045	8,468	5,876	6,767	8,413	10,200	8,166	9,024
Traffic violations	9,236	11,204	8,811	9,051	5,927	7,303	6,252	7,377	5,263	5,499
<b>PUBLIC WORKS</b>										
Hours of snow plowing	2,916	4,637	5,420	2,282	4,000	1,782	2,740	2,740	2,231	2,160
Sidewalk replaced (squares)	2,234	3,081	177	1,096	50	892	1,294	1,294	730	926
<b>WATER</b>										
Water main breaks	104	78	66	69	70	69	110	119	60	65
Average day demand (mgd)	3.625	3.627	3.400	3.315	3,315	3.470	3.300	3.220	3.180	3.110
Maximum day demand (mgd)	5.351	4.820	4.60	4.60	4.25	4.72	4.60	4.53	4.53	3.87
<b>WASTEWATER</b>										
Gallons treated (billions)	2.399	2.256	2.491	2.139	2.491	2.041	1.779	1.856	1.959	2.165
<b>COMMUNITY DEVELOPMENT</b>										
Number of permits issued	932	861	922	922	955	1,056	892	1,046	1,227	1,227
Code enforcement cases	564	479	365	393	673	834	878	1,106	1,116	1,116
Inspections conducted	5,110	4,236	4,138	4,138	4,029	4,515	4,204	5,583	4,652	4,652
<b>FINANCE</b>										
Number of real estate transfers	1,004	805	642	708	705	833	871	857	875	862
Vehicle stickers issued	22,423	20,169	23,075	24,103	24,103	24,336	22,156	26,607	26,224	23,767
Business licenses issued	1,462	1,457	1,430	1,457	1,467	1,434	1,467	1,534	1,492	1,405
Accounts payable checks issued	5,294	5,327	5,111	4,183	3,825	3,796	3,757	3,889	4,020	3,942

Data Source

Various Village departments

**VILLAGE OF ADDISON, ILLINOIS**

**CAPITAL ASSET STATISTICS**

Last Ten Fiscal Years

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<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>PUBLIC SAFETY</b>										
Police										
Stations/Municipal Center	1	1	1	1	1	1	1	1	1	1
Patrol units-squad cars	42	42	43	45	45	46	42	42	42	43
Dispatch workstations	-	-	-	-	-	6	6	6	6	8
Microwave tower	-	-	-	-	-	4	4	4	4	6
<b>PUBLIC WORKS</b>										
Residential streets (miles)	96	96	96	96	96	96	96	105	105	106
Storm sewers (miles)	73	73	73	73	73	73	73	73	73	73
<b>WATER AND WASTEWATER</b>										
Water mains (miles)	170	170	170	170	172	172	172	171	171	180
Storage capacity (gallons)	9.1	9.1	9.5	9.5	6.8	6.8	6.8	6.8	6.75	6.75
Sanitary sewers (miles)	120	120	120	120	120	120	120	120	120	120

Data Sources

Various Village departments