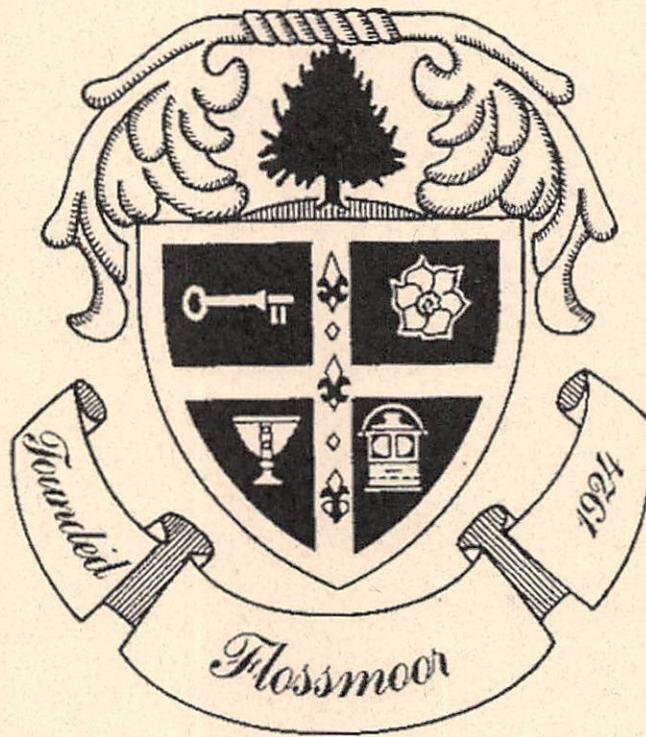


Village of Flossmoor *Illinois*



Comprehensive Annual Financial Report

Fiscal Year Ended
April 30, 2016

VILLAGE OF FLOSSMOOR, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2016

Prepared by
Bridget A. Wachtel
Village Treasurer

Scott R. Bordui
Finance Director

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INTRODUCTORY SECTION

Village of Flossmoor



Mayor

Paul S. Braun

Village Manager

Bridget A. Wachtel

James F. Crum

Perry W. Hoag

Philip J. Minga

Trustees

James C. Mitros

James B. Wilder

Diane Williams

Village Clerk

Pamela S. Nixon

October 3, 2016

Honorable Mayor and the
Board of Trustees
Village of Flossmoor
Flossmoor, Illinois

Mayor and Trustees:

The Comprehensive Annual Financial Report (CAFR) of the Village of Flossmoor, Illinois, for the fiscal year ended April 30, 2016, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the various funds of the Village and the Village as a whole at the entity-wide level. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

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

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. The MD & A complements this letter of transmittal and should be read in conjunction with it.

The Village expended less than \$750,000 of federal funds during fiscal year ended April 30, 2016 and, therefore, was not required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and U. S. Office of Management and Budget Uniform Guidance.

The financial reporting entity (the government) includes all the funds and entity-wide accounting of the primary government (i.e., the Village of Flossmoor as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Discretely

presented component units are reported in a separate column in the entity-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and changes in financial position from those of the primary government. With the implementation in FY 14 of GASB 61, the Flossmoor Public Library is no longer reported as a discretely presented component unit. The Police Pension and Fire Pension Funds are reported as fiduciary funds of the primary government.

The Village implemented GASB 68 in FY 16. GASB 68 made significant revisions to financial reporting for employers participating in pension plans including financial statement presentation changes, additional note and required supplementary information disclosures and mandates related to actuary methods and assumptions. The implementation for the Police and Fire Pension Funds as well as IMRF is reflected in the Village's CAFR as those pension funds do not issue separate audit reports or financial statements.

Profile of the Village of Flossmoor

The Village of Flossmoor was incorporated on April 1, 1924, under the provisions of Chapter 24 of the Illinois Revised Statutes, as amended. The Village of Flossmoor is a residential, commuter suburb of the City of Chicago with an approximate population of 9,464 people. The Village covers an area of 3-1/2 square miles and is substantially developed, with the exception of a Tax Increment Financing (TIF) District in the southwest corner of the community. The District expired in 2015, but significant development potential remains in the area. The Village prides itself on the high quality of its residential living and has historically been among the top Chicago area communities in per capita income. Of the total 2015 (most recent year available) equalized assessed valuation (EAV) of \$192,569,506, 10% is for commercial property and 90% is for housing. The Village is actively pursuing economic development with the goal of broadening and diversifying the long term tax base. The former TIF District in the southwest corner of the Village has the most significant potential for commercial development with a Meijer superstore and gas station/convenience store that opened in June, a marketing plan to attract additional development continues with developer advisory services and infrastructure improvements have been completed through the Village's Finance and Facilities Plan (FFP).

The Village is governed by a Board/Manager form of government consisting of a Village Mayor and six trustees elected at large for staggered four-year terms. The Village Clerk is also elected at large. The Village Board appoints, among others, the Village Manager, Village Attorney and Treasurer.

Management of the Village is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Village are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The Village provides a full range of services. Those services include police and fire protection, maintenance of streets and infrastructure, the operating of water and wastewater facilities, water service, sanitary sewer service, stormwater sewer service, planning and zoning, code enforcement, cultural activity, and financial and general administrative services.

The annual budget is the primary guiding document for the Village's financial planning and control. In addition, the Village maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Enterprise Funds, Capital Projects Funds, and Police and Fire Pension Funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established at the individual fund level.

Local Economy and Finances

The Village has continued to be impacted at the local level by regional, state, and national economic conditions. A continued struggling regional, state and national economy due to housing, property values, foreclosures, interest rates, unemployment, credit/loan issues, Affordable Care Act impacts, the federal government debt/deficit, the fiscal crisis in the State of Illinois government and legislative mandates, among others have impacted the Village as well. Nevertheless, the Village's sound financial management, policies and procedures have resulted in the Village being in a relatively stable position.

The Village's 2015 EAV (for taxes payable 2016) decreased by another 2.5% as compared to the 2014 EAV. The overall EAV reflects the significant decrease in property values that has occurred in Flossmoor as well as the region since 2008. The 2015 decrease followed decreases of 6.6%, 9.4%, 21.8% and 3.8% in 2014, 2013, 2012 and 2011, respectively. 2011 was a reassessment year and the first reassessment since the beginning of the "great recession" in 2008. The EAV for 2012 and 2013 likely reflect continued impact of the 2011 reassessment as well as the continuing recession. 2014 was also a reassessment year. The 2015 EAV likely reflects the continued impact of the 2014 reassessment and the struggling economy. In just five years, the Village's EAV has dropped to pre-2002 levels. Property taxes, which represent 58% of governmental funds revenue, were also limited to a tax cap of 1.5% for the 2014 payable 2015 levy (decrease from 1.7%) and 0.8% for the 2015 payable 2016 levy. In addition, the Village is subject to levy rate limits for general corporate, police protection and fire protection levy lines; all of which were at the maximum rate allowable for the 2015 levy. The Village's unemployment rate according to the most recently available (2015) actual data was 6.1%; above state and county levels although a decrease from the prior year which was 7.5%. The unemployment rate continued a trend of historically high numbers with the rate at or above 6.0% since 2009. The Consumer Price Index (CPI) for the Chicago area was only 0.7% for April 2016; a figure below the national average of 1.1% and representing a marginally increased trend of inflation which at least reverses what had evolved into a deflationary period. The Village's investment income was impacted as market interest rates remained at historic lows during the fiscal year. The Federal Reserve made one change to the overnight bank lending rate during the fiscal year with the rate increasing to a 0.25-0.50% "range." Despite an overall small amount of

investment income due to market interest rate constraints, the Village's investment portfolio did outperform its benchmark by a wide margin. However, in FY 15 unrealized losses in the IMET Convenience Fund led to IMET creating a liquidating trust to recover assets for investments made in defrauded securities. IMET's efforts to recover losses remained in process at the end of the fiscal year. One major economic development project nearing completion in the Village in FY 16 was the Meijer superstore development in the TIF District. The Meijer store subsequently opened for business in June 2016. Other statistics from the 2010 census include per capita income of \$48,105, median household income of \$88,193, and median home value of \$268,700. The median home value has likely declined since the 2010 census.

Long-term Financial Planning

The Village uses several tools for long-term financial planning.

The Village's Finance and Facilities Plan has been developed as a continuing effort to identify important infrastructure maintenance and replacement needs and plan for rehabilitation/replacements several years in advance. This is done by an annual review during the budget process which includes Village Board determination of set asides of fund balances to finance future infrastructure projects. The Finance and Facilities Plan has been effective in limiting the need to incur borrowed debt as many projects have been financed from fund balances.

The Village conducts a five-year projection analysis study every two years. The study has been an important tool in monitoring future financial trends which will impact the Village. The Village has taken proactive financial measures as a consequence of past studies including key decisions such as the 2006 property tax referendum and the implementation of a storm water utility fee.

The Village also maintains a significant inventory of capital equipment which is needed to deliver basic services to the residents. The Capital Equipment Fund is utilized as a financing mechanism to anticipate and fund capital equipment replacement upon the completion of an item's useful life and to fund replacement of major maintenance items for Village facilities. The Fund is capitalized by annual contributions from both the General and Water & Sewer Funds which are based on a ten-year replacement schedule. The Capital Equipment Fund has been successful in providing for capital equipment replacements in a manner which does not create significant funding fluctuations from year to year.

The Village also has three loans outstanding obtained through the Illinois Environmental Protection Agency (IEPA) low interest loan program for the reconstruction of sanitary sewers and three general obligation bond issues outstanding for infrastructure projects. The 2014 G.O. bond issue for \$3.81 million will continue to be utilized for combined phases 2 and 3 of the water main improvement program; a capital improvement program which was set up initially to span eight years and include three phases. The 2013 G.O. bond issue for \$3.47 million was utilized for phase 1 and a portion of phase 2 of the water main improvement program. A total of \$7.28 million in G.O. bonds were approved by voter referendum in November, 2012. The 2014 G.O. completed the borrowing authorized by the referendum. The true interest cost on the 2014

G.O. bond issue was 3.20%. The net interest cost on the 2013 G.O. bond issue was 2.54%. The 2009 G.O. Refunding bond issue advance refunded the original general obligation bond issue (2002) for the construction of the current Flossmoor Public Library building. The 2009 G.O. Refunding bond issue resulted in a net present value savings of 3.94% which translated into reduced interest expense of \$265,169 over the remaining term of the bonds. The 2002 bond issue was called in December 2010. In connection with the 2009 G.O. Refunding bond issue, the Village received a rating upgrade from Standard and Poor's (S & P) to "AA+"; a rating which was also affirmed to both the 2013 and 2014 G.O. bond issues. Strong financial management, budget flexibility and maintenance of strong fund balances were cited by S & P as major strengths in the rationale for the 2014 rating.

Relevant Financial Policies

The Village Board has in place numerous key written financial policies including the following:

General Fund Fund Balance Policy: The policy is currently 33% of expenditures and financing uses as reported in the most recent CAFR.

Water & Sewer Fund Net Unrestricted Assets Policy: The policy is currently 30% of operating expenses and transfers out as reported in the most recent CAFR.

Capitalization Policy: The policy defines criteria to determine when capital assets shall be capitalized including criteria related to purchase price, application of purchase price thresholds and useful life.

Investment Policy: The policy provides direction related to the investment activities of the Village including criteria which includes scope, prudence, objectives, authorized financial institutions, authorized investments, collateralization, safekeeping and custody and diversification among others.

Purchasing Policy: The policy provides direction related to purchasing activity of the Village including criteria which includes procedures, pricing requirements, purchase orders, budget amendments, emergency purchases, manual checks, petty cash, credit cards, on-line purchasing and contracts among others.

Pension Funding Policy: The policy provides direction relative to the employer funding of the annual required contribution (ARC); which became known as the actuarially determined contribution (ADC) under GASB 68, for the Village's Police Pension and Fire Pension Funds.

The Village also has long-term financing policies regarding financial planning tools such as Capital Equipment Fund and Finance and Facilities Plan. These tools are discussed in detail earlier in the "Long-term Financial Planning" section.

Major Initiatives for the Year and for the Future

Fiscal Year 2016 was another successful year for the Village of Flossmoor filled with growth and development as well as progress. Although economic conditions continue to impede commercial development, staff has continued to work diligently to recruit developers and retailers for the Village. Despite a continued poor economy, a 192,940 sq. ft. Meijer store and gas station/convenience store opened in June 2016. At that same site, there are five outlets slated for additional retail uses which will be developed in the near future. Much of our efforts in recent years have been focused on the TIF District with the primary focus on highway-oriented retail along the Vollmer Road frontage. In addition to the quality of life amenities that this type of development will bring to our community, it will also financially impact the Village with significant property and sales tax revenue. Subsequent to this development, the Village will continue its economic development efforts in southwest Flossmoor focusing on development of the land to the east of the Meijer project and outlots. In fact, the Village contracted with Houseal Lavigne this year to provide developer advisory services for this area in an effort to choose the highest, best use for the land that the Village owns. Heading into Fiscal Year 2017, working with Houseal Lavigne, the Village will focus its efforts on the development of the outlots and the TIF District property to the east. Flossmoor Commons is another area of concern; based on conversations to date, staff is hopeful that center's management will make the necessary investment to revitalize the shopping plaza. Finally, economic development efforts will also be focused in the Kedzie/Governors Highway corridor and the Central Business District.

During calendar year 2015, the Division of Inspectional Services issued 189 permits (\$76,473 in permit fees) compared to 155 permits in the previous year for new construction, additions and alterations. The total taxable construction value was \$12,197,120 in 2015 compared to \$3,519,219 in 2014. The large increase in construction value is attributable to the Meijer development. For this fiscal year thus far compared to the same period last fiscal year, the Village is experiencing an increase in the total number of permits (171 permits compared to 123 permits) for new construction, additions and alterations. Permits for additions and alterations are up 39% compared to the same period last year. The number of residential rehab/addition permits was 181 in 2015 compared to 142 in 2014, reflecting \$2,349,460 in construction value. These statistics reflect that residents continue to invest in their property with building improvements during the economic recovery. The total number of inspections performed in calendar year 2015 was 942 compared to 1052 in 2014, with the decrease in inspections being mainly attributable to decreases in fence, roof and public works permits in 2015 as well as a higher number of active permits that are still in the construction phase.

In early 2016, the Village approved the Cherry Creek flood control project sponsored by MWRD. This multi-million dollar project will create flood storage and stormwater management along Cherry Creek near Calvary Church and Homewood Flossmoor High School (HFHS). Once built, the project could remove 16 properties from the floodplain. MWRD, the Village and HFHS entered into an intergovernmental agreement; MWRD, at its expense, will construct the project, while the Village, HFHS and IDOT will be responsible for the ownership and ongoing maintenance.

One of the most significant decisions in the last several of years was the Village Board's decision to proceed with various water main replacement in the Village and successfully sought voter approval for \$7.28 million in General Obligation Bonds to pay for water main improvements over eight years. Utilizing the 2004 Water Study and water main break data that has been accumulated by Public Works since that time, staff developed a Water Main Improvement Program to replace six miles or approximately 10% of the Village's water main throughout the community. The intent of this program is to replace the poorest performing water main reducing water loss due to leaks, improving our ability to access and service water mains, and increasing water flow to fight fires.

The project was originally designed to fit into three bond series but has subsequently been modified to two phases given the speed of construction and the attraction of the bond market. In 2014, the Village proceeded with a bond issue for the remainder of the project in the amount of \$3.81 million and achieved a very low net interest rate of 3.20%. This past summer Phase 2A of the project was constructed which included water main along Gardner Road, Hutchison Road, Collett Lane, Streiff Lane, Link Court, Arquilla Lane, Emelia Court and Hawthorne Lane. Phase 2A also included the abandonment of old water main on the block surrounded by Carroll Parkway, Evans Road, Travers Lane, and Flossmoor Road and the removal of a bottle-neck water main at the Western Avenue Towner connection to the eastern water main grid. The design engineering for Phase 2B was completed by fiscal year end and construction began this Spring. Phase 2B includes water main that will be replaced on Travers Lane, Latimer Lane, Marston Lane, Cummings Lane and Vardon Lane. Due to excellent bid results, also included in this phase of the project is water main replacement on Tina Lane, Thomas Court, Markey Lane and Pinehurst Lane. This 8-year water main replacement program has been the most significant water main rehabilitation project in at least 20 years.

Another project which had been deferred for several years is the replacement of the Brookwood Bridge deck. This project was initially considered straightforward until we identified that the Butterfield Road culvert located in close proximity to the bridge is failing. This culvert moves a significant portion of stormwater from the west half of the village to the east. The project was submitted to and approved by the Illinois Department of Transportation for STP-Bridge funds to cover the cost of the project for both engineering and construction at an 80/20 match. In addition, the project has been earmarked for an \$810,000 State Road Fund Grant. Phase I engineering for this project is underway, and staff expects Phase II design engineering to be completed in Fiscal Year 2017.

This year, the Fire Department took delivery of the new Engine 1330. This unit serves as a water tender within our non-hydrant (unincorporated) areas. Also this year, the Village took delivery of ambulance 1370 which was replaced thanks to the generous donation of the Donna Hendrickson Trust fund. This donation saved \$200,000 from the Capital Equipment Fund.

The crime rate for Flossmoor as measured by the Uniform Crime Reporting Index continues to be the lowest in our immediate area and in the south suburbs. Projected 2015 Part I reportable offenses have decreased from the previous year with the exception of murder. The Village, unfortunately, witnessed its second murder in the last two years. This incident was also domestic related, and the offender was apprehended at the scene and charged.

Given that the Police Department has not had a staffing study completed in recent years, and with the onset of the Meijer store opening, the Village issued an RFQ and subsequently contracted with R.E.M. Management to conduct an in-depth staffing evaluation of the department. The study commenced in June 2015; preliminary results were received in December, however, the CADD data and subsequent analysis was not ideal. R.E.M. has agreed to work with our department and Spillman to improve the data collection between January and June 2016 and use that data to update and provide a final report. The need for this analysis was only reinforced this year as we operated with a temporary loss of three officers due to injury and extended leave.

Staffing and staff development continue to be a significant priority for the Police Department. Much of the department's training is conducted through the Northeast Multi-Regional Training agency, and with the recent State of Illinois budget crisis NEMRT was forced to lay off several key personnel and cancel numerous training classes which affected our department. With a recent bill passed, it is expected that training will resume soon. In the meantime, the department has training offered by SSACOP and IACOP as well as in-house talent and utilizing the monthly Police Law Institute's Illinois Law Review training. In addition, a sergeant attended Northwestern University's Center for Public Safety's School of Police Staff and Command, and the Deputy Chief attended a week-long orientation on his role as a Deputy. This past year, the department established a new sergeant's promotional list. The result was a roster of eight eligible for promotion, of which the top candidate was selected as a new Shift Leader.

Residential parking was addressed this year. With the adoption of a municipal code ordinance, the Village restricted parking on residential streets to the non-hydrant side (with some exceptions) and restricted all parking on streets after 2 inches of snowfall to help with plowing. The Village undertook a 3 month education and warning period with enforcement beginning December 1, 2015. The transition has gone very smoothly and improved public safety and public work's ability to navigate the streets with their vehicles.

Several projects planned for the last few years have centered on implementing additional provisions of the Affordable Care Act (ACA) including required employer tax reporting including new tax forms 1094 and 1095. These forms report information related to the Village's health insurance plans, employee participation data and detailed reporting of each employee. The Village's accounts payable and payroll systems do not presently have the capability to handle the tax reporting requirement in an automated fashion so the department utilized Sikich to assist with the preparation and compliance. The Village will continue to work with the Horton Group to comply with all the 2016 mandates and evaluate the financial impacts of ACA both in the short-term and for long-term financial planning.

An additional goal for Fiscal Year 2016 which will carry over to Fiscal Year 2017 is the development of an RFP document and plan to replace the Village's financial management software. The Village has delayed this replacement for several years, but it is now finally time to proceed with this project. With our provider announcing that it will no longer sell our current software, staff is concerned about phasing out upgrades and diminishing the support of the current software, MSI. Further, the advancement of technology will identify new opportunities

in our next software that will be explored to improve customer service and increase operational efficiency. This Finance-led project will impact all of the departments.

One goal for Fiscal Year 2016 was the development of a communication plan. For the past couple of years, staff has discussed the need to revisit the means and effectiveness by which we communicate to the public. The Village utilizes many different communication media, some of which need upgrades or enhancements like our website and newsletter. We need to evaluate the tools we are using to communicate and how effective those tools have been. Further, we need to evaluate our branding (including logos) in residential communication, business communication and the marketing of each. This analytics behind the development of a communications plan is a joint project with the Flossmoor Library, who has shown a similar interest in updating its logo and brand. Unfortunately, the project has been delayed until Fiscal Year 2017. This past year, the Village funded the redesign of the Village website, a project which was completed in the summer of 2015 thanks to staff in several departments. The new site has enhanced information and a fresh look.

Also, this past fiscal year, the Village Board contracted with the Linden Group to complete a Village Hall space assessment. The purpose of the study was to determine whether needed improvements to work space, technology, storage and the overall site plan could be accommodated within a reasonable cost benefit or whether additional or new office space should be considered. The end product will be a budgeting and planning tool that the Board and staff can use to make future decisions on the municipal complex. The project is expected to be completed in early Fiscal Year 2017.

For additional information on our goals and accomplishments, please review our annual budget.

The Village is proud of its many accomplishments over the last year to better our community. Flossmoor continues to be a full service Village with strong financial management, efficient service delivery, high customer service response, positive community relations, neighborhood pride, and art and culture. Staff looks forward to entering Fiscal Year 2017 continuing these traditions, working with the Board and community to uphold our excellence in local government management, and continuing to be a community that pursues progress.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Sikich LLP was selected by the Village Board. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The Village was not subject to the requirements of the federal Single Audit Act of 1996 and related OMB Uniform Guidance.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Flossmoor for its comprehensive annual financial report for the fiscal year ended April 30, 2015. This was the 38th consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of

Achievement, the Village published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied 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.

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 and the Village's management team. Each of these employees has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we also thank the Mayor and Board of Trustees for their leadership and support contributing to the preparation of this report throughout the year.

Respectfully Submitted,



Bridget A. Wachtel
Village Manager

srb



Government Finance Officers Association

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

Presented to

**Village of Flossmoor
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

Executive Director/CEO

VILLAGE OF FLOSSMOOR, ILLINOIS

OFFICERS AND OFFICIALS

April 30, 2016

MAYOR

Paul Braun

BOARD OF TRUSTEES

James Crum
Perry Hoag
Philip Minga
James Mitros
James Wilder
Beverly Diane Williams

VILLAGE CLERK

Pamela Nixon

VILLAGE TREASURER

Bridget A. Wachtel

VILLAGE MANAGER

Bridget A. Wachtel

VILLAGE FINANCE DIRECTOR

Scott R. Bordui

VILLAGE ATTORNEY

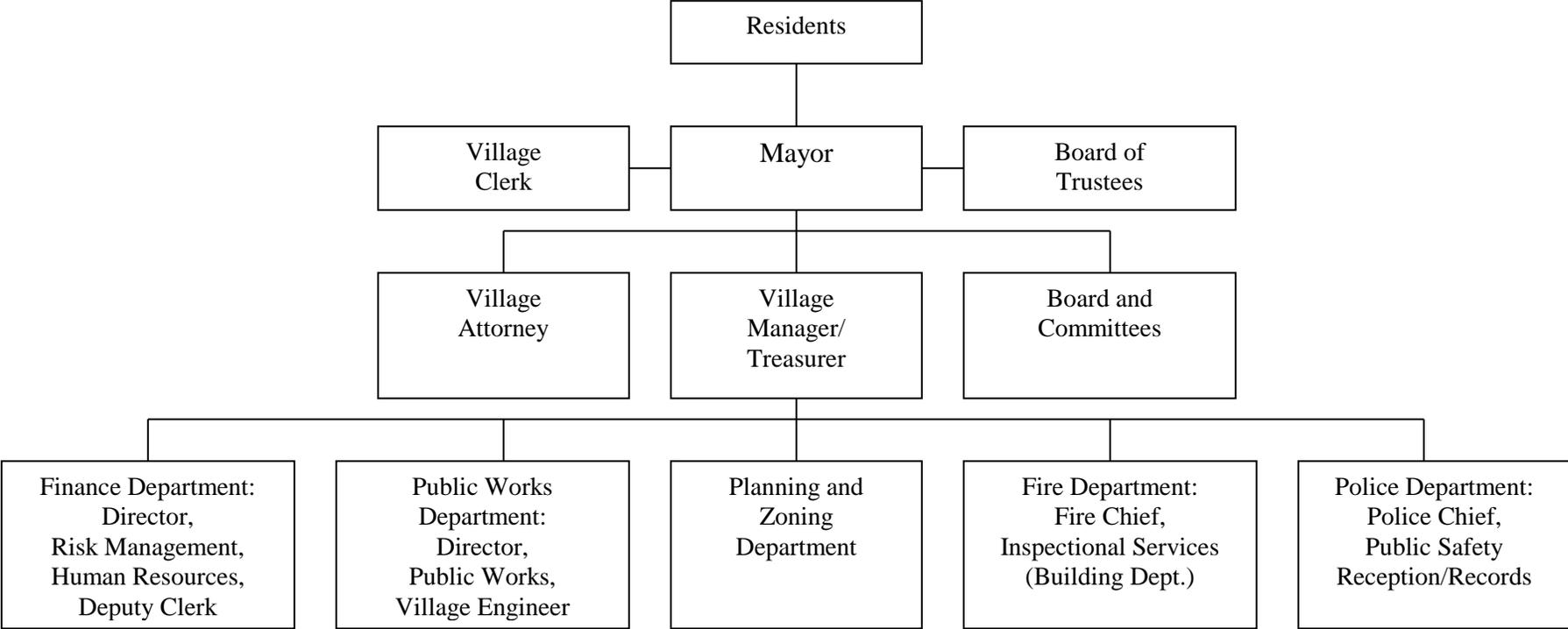
Edward R. McCormick, Jr.

VILLAGE AUDITORS

Sikich LLP

VILLAGE OF FLOSSMOOR, ILLINOIS

ORGANIZATION CHART



FINANCIAL SECTION



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Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Flossmoor, 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 Flossmoor, Illinois (the Village) as of and for the year ended April 30, 2016 and the related notes to financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents. We have also audited each nonmajor governmental, enterprise, internal service and fiduciary funds of the Village presented as supplementary information as defined by the Governmental Accounting Standards Board (GASB), in the combining and individual fund financial statements as of and for the year ended April 30, 2016 as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Change in Accounting Principle

As described in Note 10, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources, and expenses; modified certain disclosures in the notes to financial statements; and the required supplementary information. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other 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 financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, the supplementary financial information and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund statements and schedules and the supplementary financial information are the responsibility of management and were derived from and relate directly to the underlying

accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Village's basic financial statements for the year ended April 30, 2015, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. That 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 schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2015 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2015 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

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 3, 2016

VILLAGE OF FLOSSMOOR, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS

APRIL 30, 2016

This section of the Village of Flossmoor's Comprehensive Annual Financial Report (CAFR) presents our discussion and analysis of the Village's financial activities during the fiscal year ended April 30, 2016. This should be read in conjunction with the transmittal letter at the front of this report and with the Village's financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- Net position and performance in total – The Village's total net position at April 30, 2016 was \$32,867,001; an increase of \$563,190 for the current year results.
- Governmental activity summary – Net position for governmental activities decreased by \$1,377,887 during the year.
- Business-type activity summary – Net position for business-type activities increased by \$1,941,077 during the year.
- General Fund summary – The Village's General Fund reported an increase of \$169,187 in fund balance for the year.
- Entity wide governmental activities prior period adjustment – There was a prior period adjustment of \$11,539,312 to decrease governmental activities net position due to a change in accounting principles relative to GASB 68 and recording net pension liability.
- Budget vs. actual – The Village's actual revenues for governmental funds were less than total budgeted revenues by \$237,031 while the actual expenditures were less than total budgeted expenditures by \$3,736,659
- New capital – Net capital and infrastructure assets increased by \$2,197,739.
- New debt – The Village did not issue any new debt in FY 16.
- New funds – The Village did not create any new funds in FY 16.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village of Flossmoor's financial section of the CAFR. The financial section of the CAFR includes four components: 1) management's discussion and analysis, 2) the basic financial statements, 3) required supplementary information, and; 4) additional supplementary information. The basic financial statements include two kinds of statements that present different views of the Village: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the Village's overall financial status.

Fund financial statements focus on individual parts of the Village government, reporting Village operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements.

In addition to all of the required financial statement elements, we have provided sections for combining statements to provide detail on non-major funds, for additional supplementary information, and for statistical information.

The following table summarizes the major features of the Village’s financial statements.

Description	Fund Statements			
	Government-Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Village government (except fiduciary funds) and the Village’s component unit	Activities of the Village that are not proprietary or fiduciary such as public safety	Activities the Village operates similar to private business such as the water and sewer system	Activities in which the Village is trustee or agent of another’s resources such as pension plans
Required financial statements	-Statement of Net Position -Statement of Activities	-Balance Sheet -Statement of Revenues, Expenditures, and Changes in Fund Balances	-Statement of Net Position -Statement of Revenues, Expenses, and Changes in Fund Net Position -Statement of Cash Flows	-Statement of Fiduciary Net Position -Statement of Changes in Fiduciary Net Position
Accounting basis	Accrual	Modified Accrual	Accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources	Economic resources
Type of asset & liability information	All assets and liabilities; both financial and capital, short and long-term.	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets	All assets and liabilities; both financial and capital, short and long-term	All assets and liabilities; both short and long-term. Does not currently contain capital assets
Type of inflow & outflow information	All revenues and expenses during the year regardless if or when cash is received or paid. Deferred outflows and inflows.	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods or services that have been received and payment is due during the year or shortly thereafter	All revenues and expenses during the year regardless if or when cash is received or paid	All revenues and expenses during the year regardless if or when cash is received or paid

Government-Wide Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position is designed to disclose bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates governmental fund's 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.

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including administration, financial services, police, fire, inspectional services and public works. Property taxes, local utility and telecommunications taxes, and shared state tax distributions finance the majority of these services. The business-type activities reflect private sector type operations, where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types.

Governmental funds are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds provide a current resources (short-term) view that helps determine whether there are more or fewer current financial resources available to spend for Village operations.

Proprietary funds account for services that are generally fully supported by user fees charged to customers. Proprietary funds are presented on a total economic resources measurement focus. Proprietary fund statements, like government-wide statements, provide both short and long term financial information.

Fiduciary Funds are presented for certain activities where the Village's role is that of trustee (i.e. Police and Fire Pensions) or agent. While Fiduciary Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

While the Total column on the Business-type Fund Financial Statements is the same in total as the Business-type column on the Government-Wide Financial Statement, the Governmental Funds Total column requires reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual) which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds, proceeds from sales of capital asset disposals, and interfund transfers as other financing sources as well as capital outlay expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the Government-wide statements.

Infrastructure Assets

GASB 34, requires that a government's largest group of assets (infrastructure) be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has elected to depreciate assets over their useful life. If a project is considered maintenance – a recurring cost that does not extend the asset's original useful life or expand its capacity – the cost of the project will be expensed. An “overlay” of a street will be considered maintenance whereas a “rebuild” of a street will be capitalized.

Pension Accounting

The Village implemented GASB 68 in FY 16. GASB 68 made significant revisions to financial reporting for employers participating in pension plans including financial statement presentation changes, additional note and required supplementary information disclosures and mandates to actuary methods and assumptions.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

In accordance with GASB Statement No. 34 a comparative analysis of Government-wide information is presented.

NET POSITION

Statement of Net Position

The following table reflects the condensed Statement of Net Position:

Table 1
Statement of Net Position
As of April 30, 2016

	<i>Governmental Activities 2015</i>	<i>Governmental Activities 2016</i>	<i>Business-type Activities 2015</i>	<i>Business-type Activities 2016</i>	<i>Total Primary Government 2015</i>	<i>Total Primary Government 2016</i>
<i>Current and Other Assets</i>	\$21,181,245	\$17,376,681	\$1,873,052	\$1,828,575	\$23,054,297	\$19,205,256
<i>Capital Assets</i>	21,927,116	22,489,292	17,290,309	18,925,872	39,217,425	41,415,164
Total Assets	\$43,108,361	\$39,865,973	\$19,163,361	\$20,754,447	\$62,271,722	\$60,620,420
<i>Deferred Outflows</i>	171,808	4,251,455	0	0	171,808	4,251,455
Total Assets & Deferred Outflows	\$43,280,169	\$44,117,428	\$19,163,361	\$20,754,447	\$62,443,530	\$64,871,875
<i>Other Liabilities</i>	812,343	546,920	388,982	364,706	1,201,327	911,626
<i>Long-Term Liabilities</i>	11,623,799	25,555,554	2,498,628	2,172,913	14,122,427	27,728,467
Total Liabilities	\$12,436,142	\$26,102,474	\$2,887,610	\$2,537,619	\$15,323,754	\$28,640,093
<i>Deferred Inflows</i>	3,276,655	3,364,781	0	0	3,276,655	3,364,781
Total Liabilities & Deferred Inflows	\$15,712,797	\$29,467,225	\$2,887,610	\$2,537,619	\$18,600,409	\$32,004,874
<i>Net Position:</i>						
<i>Net Investment in capital assets</i>	18,118,086	19,161,548	14,791,681	16,752,959	29,963,166	31,539,025
<i>Restricted</i>	3,421,996	2,774,010	0	0	3,421,996	2,774,010
<i>Unrestricted</i>	6,027,290	(7,285,385)	1,484,070	1,463,869	10,457,961	(1,446,034)
Total Net Position	\$27,567,372	\$14,650,173	\$16,275,751	\$18,216,828	\$43,843,123	\$32,867,001

For more detailed information see the Statement of Net Position.

Normal Impacts-Net Position

There are six common (basic) types of transactions that will generally affect the comparability of the Statement of Net Position summary presentation.

Net Results Of Activities – Impacts (increases/decreases) current assets and unrestricted net position.

Borrowing For Capital – Increases current assets and long-term debt.

Spending Borrowed Proceeds On New Capital – Reduces current assets and increases capital assets. Also, an increase in invested in capital assets and an increase in related net debt will not change the net investment in capital assets.

Spending Of Non-borrowed Current Assets On New Capital – (a) Reduces current assets and increases capital assets; and (b) reduces unrestricted net position and increases invested in capital assets, net of debt.

Principal Payment On Debt – (a) Reduces current assets and reduces long-term debt; and, (b) reduces unrestricted net assets and increases net investment in capital assets.

Reduction Of Capital Assets Through Depreciation – Reduces capital assets and net investment in capital assets.

Annual Actuarial Valuations of Pension Plans – Identifies reductions or increases in net pension liabilities, deferred outflows and deferred inflows.

Current Year Impacts-Net Position

The Village's combined net position increased from \$32,303,811 to \$32,867,001 as a result of an increase in net position for business-type activities offset by a decrease in net position for governmental activities. Net position of the Village's governmental activities were decreased by \$1,377,887 during the year and ended the year at \$14,650,173. The Village's unrestricted net position for governmental activities, the part of net position that can be used to finance daily operations, was \$(7,285,385). Without the Net Pension Liability of \$14,689,670, the unrestricted net position would be \$7,404,285.

The net position of business-type activities increased by \$1,941,077 during the year and ended the year at \$18,216,828. Unrestricted net position, available to finance the continuing operations of its business type activities, was \$1,455,870. Business-type activities include water, sanitary sewer, storm sewer and commuter parking lot services. The total operating expenses of these services for FY 16 was \$4,501,723.

Major capital activity during the year included the completion of Phase 2A of the water main improvement program, the start of Phase 2B of the water main improvement program, TIF land acquisition, Brookwood bridge engineering, Village Hall HVAC

replacement, Public Works Service Center roof replacement, Dartmouth Road bike bridge engineering, Crawford Avenue roadway improvements, Village Hall parking lot expansion engineering and Capital Equipment fund purchases.

The Village made principal payments on three IEPA loans during the year. The Phase 3 loan required an increase of \$12.00 in the quarterly sanitary sewer surcharge from \$15.00 to \$27.00; an increase passed in FY 06. The Village also continued to make debt service payments in FY 16 on the \$7,980,000 2002 library construction bond issue which was called on 12-1-10. The 2002 bond issue was advance refunded by the 2009 G.O. Refunding bond issue. The principal amount refunded was \$5,735,000. In January 2013, the Village issued the 2013 Water Main Improvement G.O. bond issue for \$3,470,000. In December 2014, the Village issued the 2014 Water Main Improvement G.O. bond issue for \$3,810,000. The bond issues represented phases 1 and 2 (combined with phase 3) in a series of phases for the project which total \$7,280,000 and for which borrowing is complete. The \$7.28 million in bonds were approved by voter referendum in November 2012.

The Village's 9th year of GASB 45 implementation resulted in a Net OPEB obligation of \$220,088 at April 30, 2016 which reflects the implicit subsidy component of the Village's OPEB and a pending PSEBA application. The Village does not have an explicit subsidy as retirees pay 100% of the premium charged to the Village. The PSEBA application; if approved, would create an explicit subsidy.

CHANGES IN NET POSITION

Statement of Changes in Net Position

The following chart reflects the condensed Statement of Changes in Net Position.

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2016

	<i>Governmental Activities</i> 2015	<i>Governmental Activities</i> 2016	<i>Business- type Activities</i> 2015	<i>Business- type Activities</i> 2016	<i>Total Primary Government</i> 2015	<i>Total Primary Government</i> 2016
REVENUES						
<i>Program Revenues</i>						
<i>Charges for</i>						
<i>Services</i>	\$1,477,318	\$1,608,868	\$3,897,434	\$4,125,827	\$5,374,752	\$5,734,695
<i>Operating grants</i>	355,121	308,235	105,000	0	460,121	372,376
<i>Capital grants</i>	160,763	12,802	1,342,595	618,884	1,503,358	624,533
<i>General Revenues</i>						
<i>Property Taxes</i>	5,817,753	6,282,300	0	0	5,817,753	6,282,300
<i>Other Taxes</i>	2,192,758	2,234,957	0	0	2,192,758	2,234,957
<i>Investment Income</i>	(38,686)	45,348	(8,912)	2,049	(47,598)	47,397
<i>Other</i>	117,069	241,309	(856)	0	116,213	184,321
Total Revenues	<u>\$10,082,096</u>	<u>\$10,733,819</u>	<u>\$5,335,261</u>	<u>\$4,746,760</u>	<u>\$15,417,357</u>	<u>\$15,480,579</u>
EXPENSES						
<i>General</i>	\$1,447,733	\$1,225,614	\$0	\$0	\$1,447,732	\$1,225,614
<i>Government</i>						
<i>Public Safety</i>	6,066,471	6,641,080	0	0	6,066,470	6,641,080
<i>Public Works</i>	2,546,643	1,059,902	0	0	2,546,643	1,059,902
<i>Highways & Streets</i>	585,819	872,898	0	0	585,819	872,898
<i>Culture & Recreation</i>	256,885	215,474	0	0	256,885	215,474
<i>Interest</i>	282,196	338,373	0	0	282,196	338,373
<i>Storm Sewer</i>	0	0	492,980	519,215	492,980	519,215
<i>Water & Sewer</i>	0	0	3,544,456	3,600,030	3,544,456	3,600,030
<i>Sanitary Sewer Rehabilitation</i>	0	0	320,238	258,146	320,238	258,146
<i>Parking</i>	0	0	182,697	166,918	182,697	166,918
Total Expenses	<u>\$11,185,747</u>	<u>\$10,353,341</u>	<u>\$4,540,371</u>	<u>\$4,564,048</u>	<u>\$15,726,118</u>	<u>\$14,917,389</u>
Transfers	\$63,748	\$(1,758,365)	\$(63,748)	\$1,758,365	\$0	\$0
Change in Net Position	<u>\$(1,039,903)</u>	<u>\$(1,377,887)</u>	<u>\$731,142</u>	<u>\$1,941,077</u>	<u>\$(308,761)</u>	<u>\$563,190</u>
Ending Net Position	<u>\$16,028,060</u>	<u>\$14,650,173</u>	<u>\$16,275,751</u>	<u>\$18,216,828</u>	<u>\$32,303,811</u>	<u>\$32,867,001</u>

Normal Impacts-Changes in Net Position

Reflected below are eight common (basic) impacts on revenues and expenses.

Revenues:

Economic Condition – Reflects a declining, stable or growing economic environment and has a substantial impact on state income, sales, telecommunications and utility tax revenues as well as public spending habits for items such as building permits and user fees including volumes of usage.

Increase/Decrease In Village Approved Rates – While certain tax rates are set by statute, the Village Board has authority to impose and periodically increase/decrease rates (water, sewer, building permit fees, vehicle stickers etc.). The Village's property taxes are subject to tax caps which generally limit Village increases to the lesser of Consumer Price Index (0.8% for 2015 levy) or 5.0% as well as levy rate maximums for certain levy lines (see Notes to Financial Statements #1G).

Changing Patterns In Intergovernmental And Grant Revenue (both recurring and non-recurring) – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts On Investment Income – The Village's investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities up to one year for term investments, and diversity of investments. Market conditions may cause investment income to fluctuate more than would occur with more short-term composition.

Expenses:

Changes In Programs – Within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added, deleted or expanded to meet changing community needs.

Changes In Authorized Personnel – Changes in service demand may cause the Village Board to increase/decrease authorized staffing.

Salary Increases (annual adjustments and step increases) – The Village strives to maintain a competitive salary range position in the marketplace.

Inflation – While overall inflation was minimal based on CPI (1.0% at 4-30-16, the Village is a major consumer of certain commodities and services which typically experience inflation at a rate that can be significantly different from CPI. Examples of such items include insurance, fuel, electricity, road salt, construction materials, and operating supplies. Inflation was on a downward trend during the year in CPI finishing in a deflationary position. CPI has fluctuated from 2.0% at 4-30-14 to -0.2% at 4-30-15 and back up to 1.0% at 4-30-16.

Unfunded Mandates – The Village is impacted by unfunded mandates imposed by federal, state and local governments as well as regulatory agencies. These unfunded mandates can generate additional expenses without compensating revenues.

Current Year Impacts-Changes in Net Position

Governmental Activities

Revenue:

Revenues were increased in 2016 as compared to 2015. The most notable increase in revenue during FY 16 was for property taxes. However, there were also several key revenues which declined or remained stagnant; many of which were directly impacted by poor regional, state and national economic conditions. Revenues from governmental activities totaled \$10,733,819. Property taxes were the Village's largest source of revenue at \$5,006,585 (excluding debt service and TIF taxes). Property tax revenue increased by 10.6% in FY 16 due largely to a full year of levy for the 2014 general obligation bond issue. Offsetting this increase was a 2.5% decline in the Village's Equalized Assessed Valuation (EAV) following a 3.8% decline in the prior year and the corresponding limitations imposed by tax caps and certain levy line rate limits. The Village's EAV unexpectedly declined again in FY 16 by 3.8%; a decline which will impact FY 17 revenue. In addition to the EAV decline impact, there was another decrease in tax cap limitations imposed by CPI as the limit was only 0.8% for the 2015 payable 2016 levy and 1.5% for the 2014 payable 2015 levy (down from 1.7%). Revenues were impacted by fewer large non-recurring revenues especially related to grant revenues. Charges for services increased by 12.1% due mainly to increased ambulance fees and accident response fees. Licenses and permits increased by 22.7% due to decreases in building permits and other related permit revenues as well as vehicle licenses. Other revenues which increased significantly during the year included state income taxes (11.8%), local use taxes (19.5%), sales taxes (4.1%), tower lease rentals (12.5%) cable franchise fees (7.3%), Class 8 make whole payments (25.2%) and the electric aggregation civic contribution (28.5%). Investment income increased by 217.2% due to interest rate increases as well as there was not a repeat of unrealized losses which took place in FY 15 for the IMET Convenience Fund. IMET's efforts to recover the losses remain in process at the end of the fiscal year. Interest rates remained near historic lows during FY 16 although there was one rate increase action taken by the Federal Reserve during the year. Offsetting the overall increase were decreases in several key tax related revenues including TIF taxes (49.6%), utility taxes (16.9%) and telecommunications taxes (7.5%). Fines and forfeitures decreased by 22.2% due to court fines decreasing by 25.6%. Administrative tow fees decreased by 12.0% while MFT allotments also decreased by 22.6%. Capital grants and contributions decreased by 39.4% due to a decrease in grant activity as there were no significant grants in FY 16. The Village did not receive capital or developer's contributions for governmental activities

Expenses:

Expenses for governmental activities totaled \$10,353,341. Expenses decreased during FY 16 due to several factors. Overall capital outlay decreased slightly due; in part, to decreased Capital Equipment Fund activity and fewer General Fund projects offset by phase 2A water main improvement projects. Capital outlay activity in the Public Works-Administration department decreased in FY 16 as the projects under this function were limited to Brookwood Bridge engineering and the Dartmouth Road bike bridge. There were also decreased expenses which impacted most programs including unemployment contributions (6.2%), HSA contributions (31.3%) and petroleum. General Government expenses decreased by 0.6% due mainly to personnel vacancies in the Village Manager's Office and to decreases in legal services (21.2%). There were also several key areas within the Public Safety function which decreased including Fire Department personnel costs. Decreases within the Public Works function were recognized in the streets, snow and ice, parkway tree and building maintenance programs. Culture and recreation expenses decreased by 76.0% due to the cancellation of Flossmoor Fest. Foreign Fire Insurance fund expenses decreased by 189.9% as capital outlay activity in FY 15 did not repeat in FY 16. Finally, there were other key vacancies in positions which resulted in decreased costs. Offsetting the overall decrease were several increases. There were several increases which impacted most programs including health insurance (3.1%), employer pension contributions (7.8% in total with IMRF, police and fire rising by 2.7%, 2.3% and 41.8%, respectively), and Intergovernmental Risk Management Agency (IRMA) premiums (17.2%). Increases within the General Government function were realized in legislative costs (15.2%) due to increases in trustee salaries, in the Finance Department (7.1%) due to the acquisition of cyber liability insurance with an associated external vulnerability assessment and Planning & Zoning (27.2%) due to a full-year of personnel changes. Public Safety expenses which represent the Village's largest category increased by 11.2% due, in part, to salary increases. The FOP union contract required a 2.5% increase for Police Officers. Eligible non-union employees also received a 2.0% across the board salary/wage increase which was passed effective May 1, 2015. The salary increases, in turn, resulted in increased employer costs for items such as social security, medicare, pensions and unemployment. Also impacting the Public Safety increase were increases in the Police Department (8.7%) for being at a full staffing level, the Fire Department (5.1%) for the portable radio purchases and Public Safety Records and Reception (8.0%) due to E-com costs. The increased E-com costs also resulted in increased E911 fund expenses (6.4%). Inspectional services expenses included an increase in professional services of \$16,442 for the Meijer project after having no expenses in the prior year. MFT fund expenses increased by 15.0%. Debt service expenses increased by 28.7% as FY 16 was the first full year of debt service repayments on the 2014 general obligation bond issue offset by interest which will decline over time. Public Safety Donations expenses increased by 744.7% due to the delivery of a new ambulance while Capital Equipment Fund expenses increased by 51.4% due mainly to the delivery of a new fire engine. Public works programs that increased included the concrete program. Bond issue costs which occurred in FY 15 did not take place FY 16 as new debt was not issued in FY 16.

Business-Type Activities

Revenue:

Revenue from business-type activities totaled \$4,746,760 (without capital contributions and transfers); an increase from FY 15. Water and sewer rates were increased at the end of the year due largely to increases in water purchase costs with the City of Harvey (through the Village of Homewood), to a poor “billed to purchased” ratio, to cover FY 16 net unrestricted assets relative to the reserve policy and to cover operating costs budgeted in FY 17. While the ratio remained poor at 66.6%, it did improve from 64.4% in the prior year. The combined water and sewer rate at April 30, 2016 was \$13.95 per 1,000 gallons. Water and sewer rate increases from April 2015 contributed to increased revenue in both water sales (9.0%) and sewer sales (1.9%) as the rate increases offset lower resident usage. The Village also established a Storm Sewer fund in FY 12 with a funding source of a storm water utility fee which remained at \$1.50 per 1,000 gallons. The quarterly sanitary sewer surcharge was last increased effective October 1, 2005 from \$15 to \$27 and serves as a dedicated repayment source as required by the Village’s IEPA loans. Commuter parking fee rates were last increased effective May 1, 2004. Commuter parking fees at April 30, 2016 remained \$105.00 for quarterly permits, \$2.00 for daily permits, and \$85.00 for quarterly merchant spaces. Other revenues which increased included equalization fees and water permit fees all from the new Meijer development. Offsetting the overall increase were decreases in Storm Sewer Fund sales (3.0%) which were also impacted by the declining usage, decreases in Sanitary Sewer Rehabilitation Fund (SSR) revenues (0.1%), Municipal Control Parking Fund revenues (2.8%) and Grant Control Parking Fund revenues (0.1%). The overall increase was also offset by decreased grant activity with grants (DCEO) of \$154,842 in FY 15 declining to \$21,459 (IDOT) in FY 16. Investment income was impacted in a positive way due to FY 15 unrealized losses in IMET discussed earlier not repeating in FY 16. Investment income increased by \$2,050; exclusive of the FY 15 IMET unrealized losses. Investment income was impacted by the continued historically low rate environment. Business-type activities total net position increased during FY 16 due largely to capital contributions (\$2,355,790) at a higher figure than received in FY 15 (\$1,342,595). The increase in contributions is primarily due to construction either completed or in progress on the 2013 and 2014 water main improvement programs.

Expenses:

Expenses for business-type activities totaled \$4,564,048; an increase above FY 15. A major reason for the increase was a significant increase in maintenance costs due to due to the large meter replacement program as well as projects for Brookwood Bridge engineering, lift station rehab and Metra platform lights. There were several other cost increases in business-type activities during the year. Significant increases were realized in water purchase costs from Homewood (2.6%), the water and sewer allocations for administrative charges paid to the General Fund (5.6% for water and 3.1% for sewer), storm sewer allocations for administrative charges paid to the General Fund (4.1%). There were several key decreases realized during the year which offset the overall increase including Homewood operating and maintenance

costs (18.4%), storm sewer maintenance (23.7%), storm sewer contractual services (20.3%), water administration contractual services (28.5%), water system improvement commodities (28.4%) and water distribution personnel costs (21.6%) due to part-time position vacancies. Sanitary Sewer Rehabilitation Fund interest expenses decreased by 12.9%. Municipal Control Parking Fund commuter access expenses dropped 11.8% and the Grant Control Parking Fund allocation for administrative charges paid to the General Fund dropped by 11.1%. Medicare and IMRF charges paid by the Water & Sewer Fund to the General Fund decreased by 68.5% and administrative charges paid by the Water & Sewer Fund to the Capital Equipment Fund were \$0 as these charges were adjusted or suspended altogether to address the deficiency of net unrestricted position relative to the reserve policy.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

For the fiscal year ended April 30, 2016, the governmental funds reflect a combined fund balance of \$13,461,241; a decrease of \$2,794,392 below the prior year. This decrease was due primarily to net changes in fund balance decreases in the 2013 Water Main Improvement Fund of \$423,152 (due to the spending of bond issue proceeds received in FY 13), \$1,257,918 in the 2014 Water Main Improvement Fund (also due to spending of the bond proceeds), \$103,404 in the Motor Fuel Tax Fund, \$295,530 in the TIF Fund, \$634,571 in the Capital Equipment Fund, \$240,052 in the Public Safety Donations Fund and \$37,623 in the Foreign Fire Insurance Fund. These decreases were offset, in part, by net change in fund balance increases of \$169,187 in the General Fund and \$28,357 in the Debt Service Fund. It is also notable that for FY 16, the Capital Equipment Fund, Debt Service Fund, 2014 Water Main Improvement Fund, Storm Sewer Fund, Water & Sewer Fund and Sanitary Sewer Rehabilitation Fund all remained classified as major funds in the Village's financial statements.

Offsetting this year's overall decrease was an increase of \$169,187 in General Fund fund balance. The General Fund increase is due primarily to revenue increases and expenditure decreases.

In FY 16 there was significant decreased capital project/non-operating activity compared to FY 15 in the General Fund with website redesign (\$9,814), external vulnerability assessment (\$5,750), evidence management system (\$11,792), fire portable radios (\$34,144), Brookwood Bridge engineering (\$8,145) and Flossmoor Road Sidewalk ADA ramp (\$75,210) composing the activity. Significant expenditure decreases included unemployment contributions, petroleum, Flossmoor Fest, legal services, inspectional services, public works administration, public works streets, snow and ice, parkway tree and building maintenance programs. There were also position vacancies that reduced salary and benefit related expenses.

Offsetting the overall expenditure decrease were several expenditure increases including FOP salary increases of 2.5%, across the board salary increases of 2.0%, health insurance premiums, IRMA insurance premiums, police and fire pension contributions, IMRF pension contributions, finance department contractual services, planning & zoning

department, police department, fire department, public safety records and receptions, E-com contributions, inspectional services contractual services, public works concrete repair and offsetting transfers from Water and Sewer for FICA/Medicare/IMRF.

Also contributing to the increase were increased General Fund revenues in FY 16. Areas of revenue improvement included property taxes, sales taxes, ambulance fees, building permits, vehicle sticker licenses, income taxes, local use taxes, cable franchise and video service provider fees, interest income and tower lease rentals. Notable decreases which offset the overall increase were realized in utility taxes, telecommunications taxes, court fines, administrative tow fees and decreased grant activity. There was also the limited non-recurring revenue earned on the Ingalls class 8 make whole payment which will expire when class 8 expires and the electric aggregation civic contribution which depends on annual aggregation pricing and the Net 3 refund. General Fund revenues increased by 6.9% above the previous year while expenditures increased by 3.5%.

The healthy General Fund fund balance of \$6,654,331 ensures that the Village has sufficient reserves to cover planned upcoming expenditures, continued commitments to projects set aside for funding in the FY 17 budget per the Village's Finance and Facilities Plan and impacts that could arise over several years of a potential extended economic downturn or diminishment in revenues impacted by the State of Illinois. Additionally, the fund balance is sufficient to allow for short term cash flow aberrations and a fund balance assignment for working cash. The fund balance represents 79.8% of the Village's General Fund expenditures for FY 16; a slight drop from the 80.5% level for FY 15.

General Fund Budgetary Highlights

<i>General Fund</i>	<i>FY 16 Original Budget</i>	<i>FY 16 Amended Budget</i>	<i>FY 16 Actual</i>
<i>Revenues</i>			
<i>Taxes</i>	\$6,141,278	\$6,141,278	\$5,993,812
<i>Licenses & Permits</i>	369,450	369,450	438,101
<i>Intergovernmental</i>	1,252,490	1,252,490	1,313,565
<i>Charges for Services</i>	446,104	446,104	519,917
<i>Other</i>	902,166	902,166	767,574
<i>Total</i>	\$9,111,488	\$9,111,488	\$9,032,969
<i>Expenditures and Transfers</i>			
<i>Expenditures</i>	\$(9,410,292)	\$(9,698,449)	\$(8,336,768)
<i>Transfers Out</i>	(528,151)	(528,151)	(528,151)
<i>Transfers In</i>	1,250	1,250	1,137
<i>Other</i>	0	0	0
<i>Total</i>	\$(9,937,193)	\$(10,225,350)	\$(8,863,782)
Change in Fund Balance	\$(825,705)	\$(1,113,862)	\$169,187

Actual General Fund revenues were less than amended budgeted revenues by \$78,519 (0.9% under) during FY 16. This is attributable to several revenue items being under budget. Significant revenue items that were under budget included property taxes, utility taxes, telecommunications taxes, court fines, class 8 developer payments and grants. Offsetting these under budget items were sales taxes, state income taxes, local use taxes, ambulance fees, building permits, cable franchise/video service provider fees, equalization fees, electric aggregation civic contributions and the net 3 refund; items that all were over budget.

Actual General Fund expenditures and transfers were less than the amended budget by \$1,361,568 (13.3% under). The budget to actual variance is due largely to budgeted capital projects/non-operating items that were either not undertaken at all, were in progress or were well under budget. Other significant expenditures that were under budget included FICA & Medicare contributions, IMRF contributions, health insurance, unemployment contributions, IRMA premiums and deductibles, petroleum, flossmoor fest, unplanned litigation, planning & zoning professional services, fire call pay, fire paramedic & EMT pay, fire tuition & fees, E-com contributions, public safety reception and records part-time personal services, public works snow and ice, parkway tree, weedy lot, and landscape maintenance programs. Vacancies in Police Officer, Public Works Foreman, Public Works part-time, Assistant Village Manager and Assistant to the Village Manager positions also contributed to the under budget performance for salary and benefit line items. Notable expenditures that were over budget were fire equipment service contracts, inspectional services professional services and public works telephone.

During fiscal year 2016, the Village Board passed resolutions to amend the budget six times. The General Fund was impacted by these budget amendments primarily for the following purposes:

- FOP contract approval
- Flossmoor Road sidewalk ramp
- Water & Sewer FICA/Medicare/IMRF transfers
- ACA Section 6055/56 reporting
- Cyber liability insurance
- External vulnerability assessment
- Sidewalk replacement program
- IRMA 2016 premiums

The 2014 Water Main Improvement Fund was established in FY 15 and continued to qualify as a major governmental fund. The 2014 Water Main Improvement Fund was established to account for bond proceeds related to the 2014 G.O. Bond Issue to be utilized for Phase 2 (combined with Phase 3) of the Village's water main improvement program. The total bond issue was for \$3,810,000. The fund balance at April 30, 2016 was \$2,525,701. A total of \$1,270,776 was expended from the fund for FY 16.

The Debt Service Fund became a major fund during FY 14 due to the increase in deferred inflows as a result of the Village's second existing bond issue; the 2013 G.O. Bond Issue which was issued in January 2013. The second bond issue resulted in an increase in unavailable property tax revenue as of April 30, 2013; an increase which continues to qualify the fund for the "major" classification. The third bond issue; the 2014 G.O. Bond Issue, has had a similar impact. The Debt Service Fund balance increased by \$28,357 during FY 16 and finished at \$465,622 as of April 30, 2016.

The Village's total net position for Enterprise Funds (business-type activities) at April 30, 2016 increased by \$1,941,077, as compared to April 30, 2015. Net position increases were in the Water and Sewer Fund (\$1,986,682) and Sanitary Sewer Rehabilitation Fund (\$108,875). The increases were offset by decreases in net position of the Storm Sewer (\$134,913), Municipal Control Parking (\$10,248) and Grant Control Parking Funds (\$9,340). Capital contributions to enterprise funds were \$2,355,790 in FY 16; a higher level than recognized in FY 15 (\$1,342,595).

CAPITAL ASSET AND DEBT ADMINISTRATION
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Capital Assets

At the end of Fiscal Year 2016 the Village's Governmental Funds had invested \$34,394,608 (see Notes to Financial Statements #3) in a variety of capital assets and infrastructure, as reflected in the following schedule.

**Table 3
Governmental Funds
Change in Net Capital Assets**

	<i>Balance May 1, 2015</i>	<i>Net Additions/ Deletions</i>	<i>Balance April 30, 2016</i>
<i>Non-Depreciable Assets</i>			
<i>Construction in Progress</i>	\$611,625	\$ (442,347)	\$169,278
<i>Land</i>	10,323,320	0	10,323,320
<i>Depreciable Capital Assets</i>			
<i>Buildings and Improvements</i>	11,999,203	455,609	12,454,812
<i>Equipment and Vehicles</i>	4,693,451	746,492	5,439,943
<i>Infrastructure</i>	6,007,255	0	6,007,255
<i>Accumulated Depreciation on Capital Assets</i>	(11,707,738)	(197,578)	(11,905,316)
<i>Totals</i>	<i>\$21,927,116</i>	<i>\$562,176</i>	<i>\$22,489,292</i>

This year's major additions were a police department phone recorder system, fire department ambulance, fire department engine pumper, fire department television, public works copier, laptops and tablets, vehicles, Village Hall HVAC, Public Works Service Center roof, Sterling Avenue generator and construction in progress increases for Village Hall parking lot expansion, Brookwood bridge and Dartmouth Road bike bridge.

This year's major deletions were the old Village Hall HVAC, walk behind roller, an ambulance and other vehicles.

At the end of Fiscal Year 2016 the Village's Business-Type Funds had invested \$33,330,390 (see Notes to Financial Statements #3) in a variety of capital assets and infrastructure, as reflected in the following schedule.

Table 4
Business-Type Funds
Change in Net Capital Assets

	<i>Balance May 1, 2015</i>	<i>Net Additions/ Deletions</i>	<i>Balance April 30, 2016</i>
<i>Non-Depreciable Assets</i>			
<i>Construction in Progress</i>	\$108,183	\$661,825	\$770,008
<i>Land</i>	683,000	0	683,000
<i>Depreciable Capital Assets</i>			
<i>Buildings and Improvements</i>	3,341,362	50,819	3,392,181
<i>Equipment and Vehicles</i>	742,519	0	742,519
<i>Infrastructure</i>	26,210,261	1,532,421	27,742,182
<i>Accumulated Depreciation on Capital Assets</i>	(13,795,016)	(609,502)	(14,404,518)
<i>Totals</i>	\$17,290,309	\$1,633,563	\$18,925,872

This year's major additions were the completion of Phase 2A of the water main improvement program, Western Avenue water tower improvements and construction in progress on Phase 2B of the water main improvement program, Crawford Avenue water main, Crawford Avenue sanitary sewers and Brookwood bridge.

This year's major deletions in FY 16 were for water mains replaced by the new mains from Phase 2A of the water main improvement program.

Debt Outstanding

In 1999, the Village was awarded a 1,985,373 loan from the IEPA under their low interest loan program. As of April 30, 2016, the Village owes \$501,501. Since the loan was issued for the Phase 1 sanitary sewer system project, it is reported as a business-type activity.

In 2001, the Village was awarded a 1,190,343 loan from the IEPA under their low interest loan program. As of April 30, 2016, the Village owes \$404,936. Since the loan was issued for the Phase 2 sanitary sewer system project, it is reported as a business-type activity.

In 2003, the Village was awarded a \$2,577,633 loan which was amended in 2005 (FY 06) to \$2,678,587 from IEPA under their low interest loan program. A final loan repayment schedule was issued in FY 06. As of April 30, 2016 the Village owes \$1,266,476. Since the loan was issued for the Phase 3 sanitary sewer system project, it is reported as a business-type activity.

In 2009 (FY 10), the Village issued \$5,735,000 General Obligation Refunding Bonds to refund the 2002 General Obligation Bonds used for the construction of a new library. As of April 30, 2016 the Village owes \$3,380,000. The bond is reported as a governmental activity.

In 2013 (FY 13), the Village issued \$3,470,000 General Obligation Bonds for Phase 1 of the Village's water main improvement program. A total of \$7,280,000 was authorized for all phases of the program. As of April 30, 2016 the Village owes \$3,080,000. The bond is reported as a governmental activity.

In 2014 (FY 15), the Village issued \$3,810,000 General Obligation Bonds for Phase 2 (combined with Phase 3) of the Village's water main improvement program. A total of \$7,280,000 was authorized for all phases of the program and the 2014 G.O. completes the borrowing. As of April 30, 2016 the Village owes \$3,695,000. The bond is reported as a governmental activity.

The Village's total legal general obligation debt limit is estimated at \$16,609,120. The Village's total general obligation debt of \$10,155,000 is within the limit. See Notes to Financial Statements #4 for additional information regarding the long-term debt of the Village.

ECONOMIC FACTORS

As discussed earlier, the Village has been impacted by economics occurring at the regional, state, and national levels. These economic factors include housing, property values, foreclosures, interest rates, unemployment, credit/loan issues, Affordable Care Act impacts, the federal government debt/deficit, the fiscal crisis in the State of Illinois government and legislative mandates, among others.

The Village's 2015 EAV (for taxes payable 2016) decreased by another 2.5% as compared to the 2014 EAV. The overall EAV reflects the trend of major decreases in property values that has occurred in Flossmoor as well as the region since 2008. The 2015 decrease followed decreases of 3.8%, 6.6%, 9.4% and 21.8% in 2014, 2013, 2012 and 2011, respectively. 2011 was a reassessment year and the first reassessment since the beginning of the "great recession" in 2008. 2012 and 2013 reflected the continued impact of the 2011 reassessment and poor economy. 2014 was a reassessment year and likely reflected continued declines due to the economy. 2015 reflected the continued impact of the 2014 reassessment and struggling economy. In just five years, the Village's EAV has plummeted to pre-2002 levels. Property taxes, which represent 58% of governmental funds revenue, were also limited to a tax cap of 1.5% for the 2014 payable 2015 levy (decrease from 1.7%) and 0.8% for the 2015 payable 2016 levy. The Village's unemployment rate according to the most recently available (2015) data was 6.1%; above state and county levels, but a decrease from the prior year which was 7.5%. The unemployment rate continued a trend of historically high numbers (with rates near 9.0%) since 2010. The Consumer Price Index (CPI) for the Chicago area was only 0.7% for April 2016; a figure below the national average of 1.1% and representing a modest trend

of increased inflation. The Village's investments were impacted as market interest rates remained at historic lows during the fiscal year. The Federal Reserve did make one change to the overnight bank lending rate during the fiscal year increasing rates in December to a 0.25-0.50% "range." Despite an overall small amount of investment income due to market interest rate constraints, the Village's investment portfolio did outperform its benchmark by a wide margin. One major economic development project nearing completion at the end of FY 16 was the Meijer superstore development in the TIF District. Meijer opened in June 2016. Other statistics from the 2010 census include per capita income of \$48,105, median household income of \$88,193, and median home value of \$268,700.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, investors and creditors with a general overview of the Village's finances 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 Scott R. Bordui, Finance Director, Village of Flossmoor, 2800 Flossmoor Road, Flossmoor, Illinois.

BASIC FINANCIAL STATEMENTS

The basic financial statements are intended to provide a financial overview of municipal operations. The following basic statements are presented:

Entity-Wide Financial Statements

Statement of Net Position

Statement of Activities

Fund Financial Statements

Governmental Funds

Balance Sheet

Statement of Revenues, Expenditures and Changes in Fund Balances

Proprietary Funds

Statement of Net Position

Statement of Revenues, Expenses and Changes in Net Position

Statement of Cash Flows

Fiduciary Funds

Statement of Fiduciary Net Position

Statement of Changes in Fiduciary Net Position

The Village reports the following major funds in the fund financial statements;

The General Fund accounts for the resources devoted to finance the services traditionally associated with local government. Included in these services are general administration of the Village, financial management, police and fire protection, inspectional services, streets, public works, and building maintenance. Any other activity for which a Special Fund has not been created is accounted for in the General Fund.

The 2014 Water Main Improvement Fund accounts for the proceeds of the 2014 General Obligation Bonds issued and restricted for water main improvements, repaid by property taxes.

The Debt Service Fund is established to account for restricted, committed or assigned resources required for the payment of principal and interest on the Village's general obligation debt. The Debt Service Fund is legal in nature. It is established in accordance with statutes and/or bond indentures. Inclusion of Debt Service Fund provisions in the indenture indicates to the buyer that the timing of the acquisition of assets with which to satisfy maturing debt has been formalized and that an adequate administrative approach to servicing the debt will be followed.

Enterprise Funds are established to account for the financing of self-supporting activities of governmental units which render services to the general public on a user charge basis. The Water and Sewer Fund was established for control of operating revenue and expenses of Village of Flossmoor Water and Sanitary Sewer utilities. Although a program of the Village government, the utilities are operated as a separate enterprise and the accounting records are maintained on an enterprise fund basis. The Sanitary Sewer Rehabilitation Fund was established to account for sanitary sewer surcharge revenues and related program expenses. The fund is supported by the surcharge and, accordingly, is operated as an enterprise fund. The Storm Sewer Fund was established to account for stormwater utility fee revenues and related expenses. The fund is supported by the stormwater utility fee and, accordingly, is operated as an enterprise fund.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and Cash Equivalents	\$ 5,959,736	\$ 651,554	\$ 6,611,290
Investments	6,168,297	251,400	6,419,697
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)			
Property Taxes	3,144,369	-	3,144,369
Utility Taxes	109,120	-	109,120
Court Fines	8,088	-	8,088
Franchise Fees	50,715	-	50,715
Accounts	142,341	904,139	1,046,480
Accrued Interest	17,955	23	17,978
Prepaid Expenses	47,315	-	47,315
Deposits	74,019	-	74,019
Due from Other Governments	296,376	21,459	317,835
Land Held for Resale	1,358,350	-	1,358,350
Capital Assets			
Nondepreciable	10,492,598	1,453,008	11,945,606
Depreciable (Net of Accumulated Depreciation)	11,996,694	17,472,864	29,469,558
	39,865,973	20,754,447	60,620,420
DEFERRED OUTFLOWS OF RESOURCES			
Pension Items	4,104,191	-	4,104,191
Unamortized Loss on Refunding	147,264	-	147,264
	4,251,455	-	4,251,455
Total Deferred Outflows of Resources			
Total Assets and Deferred Outflows of Resources	44,117,428	20,754,447	64,871,875

(This statement is continued on the following page.)

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2016

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
LIABILITIES			
Accounts Payable	\$ 235,070	\$ 290,005	\$ 525,075
Accrued Payroll	149,549	1,558	151,107
Deposits Payable	-	37,311	37,311
Accrued Interest Payable	135,065	3,387	138,452
Due to Fiduciary Funds	914	-	914
Due to Other Governments	2,383	-	2,383
Unearned Revenue	16,126	32,445	48,571
Other Payables	7,813	-	7,813
Noncurrent Liabilities			
Due Within One Year	803,268	334,333	1,137,601
Due in More than One Year	10,065,616	1,838,580	11,904,196
Net Pension Liability	14,686,670	-	14,686,670
	26,102,474	2,537,619	28,640,093
DEFERRED INFLOWS OF RESOURCES			
Pension Items	220,412	-	220,412
Deferred Property Taxes	3,144,369	-	3,144,369
	3,364,781	-	3,364,781
Total Liabilities and Deferred Inflows of Resources	29,467,255	2,537,619	32,004,874
NET POSITION			
Net Investment in Capital Assets	19,161,548	16,752,959	31,539,025
Restricted for Nonexpendable			
Working Cash	386,821	-	386,821
Restricted for Expendable			
Debt Service	465,622	-	465,622
Maintenance of Roadways	163,684	-	163,684
Public Safety	134,606	-	134,606
Culture and Recreation	29,103	-	29,103
Economic Development	1,480,653	-	1,480,653
Illinois EPA Loan	113,521	-	113,521
Unrestricted	(7,285,385)	1,463,869	(1,446,034)
	\$ 14,650,173	\$ 18,216,828	\$ 32,867,001

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 1,225,614	\$ 538,174	\$ -	\$ -
Public Safety	6,641,080	796,079	53,641	1,680
Public Works	1,059,902	274,615	-	3,969
Highways and Streets	872,898	-	242,079	7,153
Culture and Recreation	215,474	-	12,515	-
Interest	338,373	-	-	-
Total Governmental Activities	10,353,341	1,608,868	308,235	12,802
Business-Type Activities				
Water and Sewer	3,600,030	3,229,455	-	597,425
Sanitary Sewer Rehabilitation	258,146	366,794	-	-
Storm Sewer	519,215	362,660	-	21,459
Parking	186,657	166,918	-	-
Total Business-Type Activities	4,564,048	4,125,827	-	618,884
TOTAL PRIMARY GOVERNMENT	\$ 14,917,389	\$ 5,734,695	\$ 308,235	\$ 631,686

Net (Expense) Revenue and Change in Net Position			
Primary Government			
	Governmental	Business-Type	
	Activities	Activities	Total
	\$ (687,440)	\$ -	\$ (687,440)
	(5,789,680)	-	(5,789,680)
	(781,318)	-	(781,318)
	(623,666)	-	(623,666)
	(202,959)	-	(202,959)
	(338,373)	-	(338,373)
	(8,423,436)	-	(8,423,436)
	-	226,850	226,850
	-	108,648	108,648
	-	(135,096)	(135,096)
	-	(19,739)	(19,739)
	-	180,663	180,663
	(8,423,436)	180,663	(8,242,773)
General Revenues			
Taxes			
Property and Replacement	6,282,300	-	6,282,300
Sales	253,728	-	253,728
Utility	428,065	-	428,065
Telecommunications	305,433	-	305,433
Local Use	217,798	-	217,798
State Shared Income Taxes	1,029,933	-	1,029,933
Investment Income	45,348	2,049	47,397
Miscellaneous	241,309	-	241,309
Transfers	(1,758,365)	1,758,365	-
Total	7,045,549	1,760,414	8,805,963
CHANGE IN NET POSITION	(1,377,887)	1,941,077	563,190
NET POSITION, MAY 1	27,567,372	16,275,751	43,843,123
Change in Accounting Principle	(11,539,312)	-	(11,539,312)
NET POSITION, MAY 1, RESTATED	16,028,060	16,275,751	32,303,811
NET POSITION, APRIL 30	\$ 14,650,173	\$ 18,216,828	\$ 32,867,001

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

BALANCE SHEET

GOVERNMENTAL FUNDS

April 30, 2016

	General	2014 Water Main Improvement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 2,719,754	\$ 933,076	\$ 465,622	\$ 1,841,284	\$ 5,959,736
Investments	3,948,152	1,586,023	-	634,122	6,168,297
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)					
Property Taxes	2,525,458	-	618,911	-	3,144,369
Utility and Telecommunications Taxes	109,120	-	-	-	109,120
Franchise Fees	50,715	-	-	-	50,715
Court Fines	8,088	-	-	-	8,088
Accounts	95,773	-	-	46,568	142,341
Accrued Interest	6,136	11,819	-	-	17,955
Deposits	74,019	-	-	-	74,019
Prepaid Expenses	47,315	-	-	-	47,315
Due from Other Governments	274,838	-	-	21,538	296,376
Due from Other Funds	10,295	-	-	24,350	34,645
Land Held for Resale	-	-	-	1,358,350	1,358,350
TOTAL ASSETS	\$ 9,869,663	\$ 2,530,918	\$ 1,084,533	\$ 3,926,212	\$ 17,411,326
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 139,301	\$ 5,217	\$ -	\$ 90,552	\$ 235,070
Accrued Payroll	149,547	-	-	-	149,547
Due to Other Funds	312,805	-	-	10,296	323,101
Due to Fiduciary Funds	914	-	-	-	914
Due to Other Governments	2,383	-	-	-	2,383
Unearned Revenue	14,162	-	-	1,964	16,126
Other Payables	-	-	-	7,813	7,813
Total Liabilities	619,112	5,217	-	110,625	734,954
DEFERRED INFLOWS OF RESOURCES					
Unavailable Property Taxes	2,525,458	-	618,911	-	3,144,369
Unavailable IRMA Surplus Credit	70,762	-	-	-	70,762
Total Deferred Inflows of Resources	2,596,220	-	618,911	-	3,215,131
Total Liabilities and Deferred Inflows of Resources	3,215,332	5,217	618,911	110,625	3,950,085

(This statement is continued on the following page.)

VILLAGE OF FLOSSMOOR, ILLINOIS

BALANCE SHEET (Continued)

GOVERNMENTAL FUNDS

April 30, 2016

	General	2014 Water Main Improvement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES					
Nonspendable					
Deposits	\$ 74,019	\$ -	\$ -	\$ -	\$ 74,019
Prepaid Expenses	47,315	-	-	-	47,315
Working Cash	-	-	-	386,821	386,821
Restricted for					
Maintenance of Roadways	-	-	-	163,684	163,684
Public Safety	-	-	-	134,606	134,606
Culture and Recreation	-	-	-	29,103	29,103
Economic Development	-	-	-	1,480,653	1,480,653
Debt Service	-	-	465,622	-	465,622
Illinois EPA Loan	113,521	-	-	-	113,521
Water Main Improvement Project	-	2,525,701	-	-	2,525,701
Committed for					
Finance and Facilities Plan	2,315,000	-	-	-	2,315,000
Capital Projects	-	-	-	1,480,469	1,480,469
Assigned for					
Working Cash	2,825,000	-	-	100,000	2,925,000
Art Maintenance	-	-	-	40,251	40,251
Subsequent Year's Budget	270,293	-	-	-	270,293
Unassigned					
General Fund	1,009,183	-	-	-	1,009,183
Total Fund Balances	6,654,331	2,525,701	465,622	3,815,587	13,461,241
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 9,869,663	\$ 2,530,918	\$ 1,084,533	\$ 3,926,212	\$ 17,411,326

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

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

April 30, 2016

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 13,461,241
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	22,489,292
Certain assets are not available to report as revenue in the governmental funds but are revenue on the accrual basis of accounting	70,762
Premiums/discounts on bonds are expensed in governmental funds but capitalized and amortized in the statement of net position	
Premium on issuance of bonds	(205,342)
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(1,661,634)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources on the statement of net position	665,879
Net pension liability for the Police Pension Fund and Firefighters' Pension Fund are shown as a liability on the statement of net position	(13,025,036)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Police Pension Fund and Firefighters' Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	3,217,900
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(10,155,000)
Interest payable	(135,065)
Loss on refunding	147,264
Compensated absences	(288,454)
Less internal service funds portion	288,454
Net other postemployment benefit obligation	(220,088)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 14,650,173</u></u>

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	2014				
	General	Water Main Improvement	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 5,993,812	\$ -	\$ 1,103,345	\$ 264,297	\$ 7,361,454
Licenses and Permits	438,101	-	-	-	438,101
Intergovernmental	1,313,565	-	-	242,530	1,556,095
Charges for Services	519,917	-	-	-	519,917
Fines and Forfeits	163,966	-	-	1,616	165,582
Investment Income	26,095	12,858	-	6,395	45,348
Other	577,513	-	-	38,785	616,298
Total Revenues	9,032,969	12,858	1,103,345	553,623	10,702,795
EXPENDITURES					
Current					
General Government	1,135,406	-	-	-	1,135,406
Public Safety	6,138,503	-	-	192,019	6,330,522
Public Works	1,052,207	-	-	-	1,052,207
Highways and Streets	-	-	-	345,692	345,692
Culture and Recreation	10,652	-	-	2,428	13,080
Capital Outlay	-	1,270,776	-	2,334,710	3,605,486
Debt Service					
Principal	-	-	735,000	-	735,000
Interest and Fiscal Charges	-	-	339,988	-	339,988
Total Expenditures	8,336,768	1,270,776	1,074,988	2,874,849	13,557,381
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	696,201	(1,257,918)	28,357	(2,321,226)	(2,854,586)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,137	-	-	528,151	529,288
Transfers (Out)	(528,151)	-	-	(1,137)	(529,288)
Proceeds from the Sale of Capital Assets	-	-	-	60,194	60,194
Total Other Financing Sources (Uses)	(527,014)	-	-	587,208	60,194
NET CHANGE IN FUND BALANCES	169,187	(1,257,918)	28,357	(1,734,018)	(2,794,392)
FUND BALANCES, MAY 1	6,485,144	3,783,619	437,265	5,549,605	16,255,633
FUND BALANCES, APRIL 30	\$ 6,654,331	\$ 2,525,701	\$ 465,622	\$ 3,815,587	\$ 13,461,241

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

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

For the Year Ended April 30, 2016

NET CHANGE IN FUND BALANCES -
TOTAL GOVERNMENTAL FUNDS \$ (2,794,392)

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	1,497,628
The gain/loss on disposal of capital assets is reported on the statement of activities as a reduction/increase of expense	(105,236)
Certain revenues are not available to pay liabilities of the current period	31,024
The repayment of the principal portion 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	735,000
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(392,869)
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	581,303
The change in the net pension liability for the Police Pension Fund and the Firefighters' Pension Fund are reported only in the statement of activities	(3,307,945)
The change in deferred inflows and outflows for the Police Pension Fund and the Firefighters' Pension Fund are reported only in the statement of activities	3,217,900
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(830,216)
Change in net other postemployment benefit	(11,699)
Amortization of bond premium	22,173
Amortization of loss on refunding	(24,544)
Change in accrued interest payable	3,986

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (1,377,887)

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

April 30, 2016

	Business-Type Activities					Governmental
	Water and Sewer	Sanitary Sewer Rehabilitation	Storm Sewer	Nonmajor Enterprise Funds	Total	Internal Service Fund
CURRENT ASSETS						
Cash and Cash Equivalents	\$ 200,915	\$ 156,651	\$ 137,414	\$ 156,574	\$ 651,554	\$ -
Investments	251,400	-	-	-	251,400	-
Receivables (Net of Allowances for Uncollectibles)						
Customer Accounts, Billed	341,967	47,386	43,269	3,145	435,767	-
Customer Accounts, Unbilled	420,460	-	47,912	-	468,372	-
Intergovernmental	-	-	21,459	-	21,459	-
Accrued Interest	23	-	-	-	23	-
Due from Other Funds	-	-	-	-	-	288,454
Total Current Assets	1,214,765	204,037	250,054	159,719	1,828,575	288,454
NONCURRENT ASSETS						
Capital Assets						
Nondepreciable	783,008	-	-	670,000	1,453,008	-
Depreciable, Net of Accumulated Depreciation	10,867,852	3,874,259	2,616,265	114,488	17,472,864	-
Net Capital Assets	11,650,860	3,874,259	2,616,265	784,488	18,925,872	-
Total Assets	12,865,625	4,078,296	2,866,319	944,207	20,754,447	288,454
CURRENT LIABILITIES						
Accounts Payable	266,380	212	23,145	268	290,005	-
Accrued Payroll	1,215	-	-	343	1,558	-
Accrued Interest Payable	-	3,387	-	-	3,387	-
Deposits Payable	37,311	-	-	-	37,311	-
Unearned Revenue	-	-	-	32,445	32,445	-
Current Portion of Long-Term Liabilities	-	334,333	-	-	334,333	43,268
Total Current Liabilities	304,906	337,932	23,145	33,056	699,039	43,268
LONG-TERM LIABILITIES						
Compensated Absences	-	-	-	-	-	245,186
Illinois EPA Loan	-	1,838,580	-	-	1,838,580	-
Total Long-Term Liabilities	-	1,838,580	-	-	1,838,580	245,186
Total Liabilities	304,906	2,176,512	23,145	33,056	2,537,619	288,454
NET POSITION						
Net Investment in Capital Assets	11,650,860	1,701,346	2,616,265	784,488	16,752,959	-
Unrestricted	909,859	200,438	226,909	126,663	1,463,869	-
TOTAL NET POSITION	\$ 12,560,719	\$ 1,901,784	\$ 2,843,174	\$ 911,151	\$ 18,216,828	\$ -

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities				Total	Governmental
	Water and Sewer	Sanitary Sewer Rehabilitation	Storm Sewer	Nonmajor Enterprise Funds		Internal Service Fund
OPERATING REVENUES						
Charges for Services	\$ 3,201,738	\$ 366,794	\$ 362,660	\$ 166,918	\$ 4,098,110	\$ -
Other	27,717	-	-	-	27,717	-
Total Operating Revenues	3,229,455	366,794	362,660	166,918	4,125,827	-
OPERATING EXPENSES						
Personal Services	91,409	-	-	15,820	107,229	-
Commodities	78,534	1,705	5,034	150	85,423	-
Maintenance	201,986	44,847	57,407	31,638	335,878	-
Contractual Services	1,679,578	-	17,685	6,413	1,703,676	-
Allocated Costs and Administrative Charge by the General Fund	1,085,656	-	340,525	119,388	1,545,569	-
Depreciation	459,966	149,269	97,744	13,248	720,227	-
Training	2,901	-	820	-	3,721	-
Total Operating Expenses	3,600,030	195,821	519,215	186,657	4,501,723	-
OPERATING INCOME (LOSS)	(370,575)	170,973	(156,555)	(19,739)	(375,896)	-
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	1,467	227	183	172	2,049	-
Interest Expense	-	(62,325)	-	-	(62,325)	-
Total Non-Operating Revenues (Expenses)	1,467	(62,098)	183	172	(60,276)	-
NET INCOME (LOSS) BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	(369,108)	108,875	(156,372)	(19,567)	(436,172)	-
CAPITAL GRANTS AND CONTRIBUTIONS	2,355,790	-	21,459	-	2,377,249	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,986,682	108,875	(134,913)	(19,567)	1,941,077	-
OTHER FINANCING SOURCES (USES)						
Transfers (Out)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
CHANGE IN NET POSITION	1,986,682	108,875	(134,913)	(19,567)	1,941,077	-
NET POSITION, MAY 1	10,574,037	1,792,909	2,978,087	930,718	16,275,751	-
NET POSITION, APRIL 30	\$ 12,560,719	\$ 1,901,784	\$ 2,843,174	\$ 911,151	\$ 18,216,828	\$ -

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities				Total	Governmental
	Water and Sewer	Sanitary Sewer Rehabilitation	Storm Sewer	Nonmajor Enterprise Funds		Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	\$ 3,115,075	\$ 362,940	\$ 359,489	\$ 166,918	\$ 4,004,422	\$ -
Receipts from Miscellaneous Revenues	27,717	-	-	-	27,717	-
Payments to Suppliers	(1,987,174)	(53,290)	(62,522)	(38,394)	(2,141,380)	-
Payments to Employees	(92,256)	-	-	(16,428)	(108,684)	-
Payments to Other Funds	(1,085,656)	-	(340,525)	(119,388)	(1,545,569)	-
Net Cash from Operating Activities	(22,294)	309,650	(43,558)	(7,292)	236,506	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
None	-	-	-	-	-	-
Net Cash from Noncapital Financing Activities	-	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of Capital Assets	-	-	-	-	-	-
Payment of Illinois EPA Loan Principal	-	(325,716)	-	-	(325,716)	-
Payment of Interest	-	(63,023)	-	-	(63,023)	-
Net Cash from Capital and Related Financing Activities	-	(388,739)	-	-	(388,739)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of Investments	(251,400)	-	-	-	(251,400)	-
Maturity of Investments	249,914	-	-	-	249,914	-
Interest on Investments	1,475	227	183	172	2,057	-
Net Cash from Investing Activities	(11)	227	183	172	571	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(22,305)	(78,862)	(43,375)	(7,120)	(151,662)	-
CASH AND CASH EQUIVALENTS, MAY 1	223,220	235,513	180,789	163,694	803,216	-
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 200,915	\$ 156,651	\$ 137,414	\$ 156,574	\$ 651,554	\$ -

(This statement is continued on the following page.)

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)

PROPRIETARY FUNDS

For the Year Ended April 30, 2016

	Business-Type Activities				Total	Governmental
	Water and Sewer	Sanitary Sewer Rehabilitation	Storm Sewer	Nonmajor Enterprise Funds		Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating Income (Loss)	\$ (370,575)	\$ 170,973	\$ (156,555)	\$ (19,739)	\$ (375,896)	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities						
Depreciation	459,966	149,269	97,744	13,248	720,227	-
Changes in Assets and Liabilities						
Accounts Receivable	(77,053)	(3,854)	(3,171)	(170)	(84,248)	-
Accounts Payable	(24,175)	(6,738)	18,424	(23)	(12,512)	-
Accrued Payroll	(847)	-	-	(608)	(1,455)	-
Deposits	(9,610)	-	-	-	(9,610)	-
NET CASH FROM OPERATING ACTIVITIES	\$ (22,294)	\$ 309,650	\$ (43,558)	\$ (7,292)	\$ 236,506	\$ -
NONCASH TRANSACTIONS						
Contributions of Capital Assets	\$ 2,355,790	\$ -	\$ -	\$ -	\$ 2,355,790	\$ -
TOTAL NONCASH TRANSACTIONS	\$ 2,355,790	\$ -	\$ -	\$ -	\$ 2,355,790	\$ -

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

April 30, 2016

	Pension Trust Funds	Agency Funds
ASSETS		
Cash and Cash Equivalents	\$ 686,953	\$ 133,393
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)		
Accrued Interest	49,228	-
Investments, at Fair Value		
Certificates of Deposit	410,706	-
U.S. Government and U.S. Agency Obligations	3,077,733	-
Municipal Bonds	159,149	-
Corporate Bonds	2,027,790	-
IMET	621,489	-
Mutual Funds	7,064,421	-
Insurance Company Contracts	758,350	-
Due from General Fund	914	-
Prepaid Items	530	-
	14,857,263	\$ 133,393
Total Assets		
LIABILITIES		
Accounts Payable	5,365	\$ -
Deposits Payable	-	31,560
Due to Others	-	101,833
	5,365	\$ 133,393
Total Liabilities		
NET POSITION RESTRICTED FOR PENSIONS	\$ 14,851,898	

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PENSION TRUST FUNDS

For the Year Ended April 30, 2016

ADDITIONS

Contributions	
Employer Contributions	\$ 823,351
Employee Contributions	<u>304,189</u>
Total Contributions	<u>1,127,540</u>
Investment Income	
Net Depreciation in Fair Value of Investments	(492,965)
Interest	<u>414,704</u>
Total Investment Income	(78,261)
Less Investment Expense	<u>(36,525)</u>
Net Investment Income	<u>(114,786)</u>
Total Additions	<u>1,012,754</u>

DEDUCTIONS

Retirement Benefits	1,035,097
Disability Benefits	92,807
Administrative Expenses	<u>30,657</u>
Total Deductions	<u>1,158,561</u>

NET DECREASE (145,807)

NET POSITION RESTRICTED FOR PENSIONS

May 1	<u>14,997,705</u>
April 30	<u><u>\$ 14,851,898</u></u>

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Flossmoor, 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.

The Village was incorporated on April 1, 1924. The Village operates under a board manager form of government and provides the following services as authorized by statute: public safety (police and fire), streets, water, sanitary sewer, stormwater sewer, commuter parking, public improvements, planning and zoning, inspectional services, financial and general administrative services.

A. Reporting Entity

Generally accepted accounting principles require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Village is a municipal corporation governed by a Board of Trustees, which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The Village has the statutory authority to adopt its own budget, to levy taxes and to issue bonded debt without the approval of another government. It has the right to sue and be sued and has the right to buy, sell, lease or mortgage property in its own name.

B. Fund Accounting

The Village uses funds to report on its financial position and the changes in 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting (Continued)

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 village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). 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). The Village uses internal service funds to account for the liabilities related to compensated absences earned by employees.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds to account for the single-employer defined benefit police and fire pension plans. The Village utilizes agency funds to account for assets that the Village holds in a 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 statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements, except for interfund services provided and used. 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 accounts for the resources devoted to finance the services traditionally associated with local government. Included in these services are general administration of the Village, financial management, police and fire protection, inspection services, streets, public works and building maintenance. Any other activity for which a special fund has not been created is accounted for in the General Fund.

The 2014 Water Main Improvement Fund accounts for the proceeds of the 2014 General Obligation Bonds issued and restricted for water main improvements, repaid by property taxes.

The Debt Service Fund accounts for resources restricted, committed or assigned for the payment of principal and interest on the Village's general obligation debt payable by governmental activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports the following major proprietary funds:

The Water and Sewer Fund was established for control of operating revenues and expenses of the Village's water and sanitary sewer utilities. Although a program of the Village government, the utilities are operated as a separate enterprise and the accounting records are maintained on an enterprise fund basis. Accordingly, account classifications used are designed specifically for the water and sanitary sewer operations.

The Sanitary Sewer Rehabilitation Fund was established to account for sanitary sewer surcharge revenues and related program expenses. The fund is supported by the surcharge and, accordingly, is operated as an enterprise fund.

The Storm Sewer Fund was established to account for stormwater utility fee revenues and related expenses. The fund is supported by the stormwater utility fee and, accordingly, is operated as an enterprise fund.

Additionally, the Village reports the following proprietary fund:

The Internal Service Fund accounts for the Village's employee benefits, including vacation and sick leave provided to other departments of the Village on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as the fund provides these services to the Village's governmental funds/activities.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except the agency funds which do not have a measurement focus). 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, contributions and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**D. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, generally 60 days except for two revenues collected and remitted by the state, sales 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.

Those revenues susceptible to accrual are property taxes, franchise fees, utility taxes, licenses, interest revenue and charges for services. Sales tax and telecommunication tax owed to the state at year end on behalf of the Village are also recognized as revenue. Fines (excluding fines collected by the Cook County Court) and permit 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, 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 unavailable/deferred/unearned revenue on its financial statements. Unavailable/deferred/unearned revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unavailable/deferred/unearned revenues also arise when resources are received by the Village before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures.

In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability/deferred inflow is removed from the financial statements and revenue is recognized.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents

For purposes of reporting cash flows, the Village considers all cash on hand, demand deposits and highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

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. Investments

Investments with a maturity of one year or less and all non-negotiable certificates of deposits are recorded at cost or amortized cost. All other investments and all investments of the pension trust funds are recorded at fair value. Fair value is based on published prices on major exchanges as of April 30.

G. Property Taxes

The Village annually establishes a legal right to revenue from property tax assessments upon enactment of a tax levy ordinance by its Village Board of Trustees. Property taxes are recognized as a receivable at the time they are levied. Revenue from property taxes is recognized as the taxes are collected in the year intended to finance or when they become available to be used to pay liabilities of the current period, generally considered to be within 60 days after year end. Revenue from those taxes which is not considered available is reported as unavailable revenue. An allowance, based on historical collection experience, is provided for the uncollectible taxes.

The property tax calendar for the 2015 tax levy is as follows:

Lien Date	January 1, 2015
Levy Date	December 14, 2015
Tax Bills Mailed (at Least 30 Days Prior to Collection Deadline)	
First Installment Due	April 1, 2016
Second Installment Due	August 1, 2016

Property taxes are billed and collected by the County Treasurer of Cook County, Illinois.

The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has not been recorded as a receivable as of April 30, 2016 as the tax has not yet been levied by the Village and will not be levied until December 2016 and, therefore, the levy is not measurable at April 30, 2016.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Property Taxes (Continued)

The Village's 2015 tax rates per \$100 of assessed valuation (most current data available) together with the related maximum tax rates are as follows:

Type of Levy	Rate Per \$100 of Assessed Valuation	
	Rate	Legal Maximum
General	0.4375	.4375
Police Protection	0.6000	.6000
Fire Protection	0.6000	.6000
Liability Insurance	0.0690	None
Workers' Compensation Insurance	0.1035	None
Illinois Municipal Retirement	0.1284	None
Social Security	0.1301	None
Police Pension	0.3471	None
Firefighters' Pension	0.1164	None
Auditing	0.0168	None
Bond and Interest	0.5891	None
TOTAL VILLAGE	3.1379	

H. Capital Assets

Capital assets, which include property, buildings, equipment and infrastructure assets (e.g., roads, bridges, stormsewers), 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 \$1,500 for computer and related equipment, \$25,000 for software, \$5,000 for non-infrastructure other than computers and \$50,000 for infrastructure 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 estimated fair market value at the date of donation.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets (Continued)

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	25-40
Land Improvements	10-20
Machinery and Equipment	2-20
Infrastructure	40

I. Compensated Absences

Vacation leave is not accumulated and must be taken in the year following the year in which it was earned. Sick leave does not vest and is accumulated at the rate of 12 days per year, with a maximum of 130 days. The Village allows sick leave buy back for unused sick leave accrued (up to a maximum of six days) for the prior fiscal year. Accordingly, a liability for sick leave buy back has been accrued at year end.

J. 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 on the consumption method.

K. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the financial statements. Short-term interfund loans, if any, are classified as interfund receivables/payables. Long-term interfund loans are classified as advances to/from other funds.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balances/Net Position (Continued)

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 by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions are documented in ordinances approved by the Board of Trustees and can only be modified by subsequent ordinances. 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/Treasurer and Finance Director through the approved budget of the Village. 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 amounts reported as committed for the finance and facilities plan in the General Fund represents funds committed by the Board of Trustees via the budget ordinance for specific projects. The Village has established a fund balance reserve policy for its General Fund. The policy requires assigned fund balance to be maintained in the General Fund equivalent to 33% of the audited expenditures and other financing uses in the fund, which is reported as assigned fund balance working cash in the General Fund; this amount is \$2,825,000 at April 30, 2016. Any fund balance in the General Fund in excess of the 33% can be assigned for future purposes in the finance and facilities plan. The Village has assigned 270,293 in the General Fund for the subsequent year's operating budget deficit. The Village also has assigned \$100,000 in the Working Cash Fund for working cash, as well as \$40,251 in the Public Art Program Fund for the maintenance of public art.

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 asset.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. 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.

N. Comparative Data

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the Village's financial position, operations and cash flows. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

O. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows 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.

2. DEPOSITS AND INVESTMENTS

Deposits and investments are governed by the Village's investment policy and separate policies governing the Police Pension Fund and the Firefighters' Pension Fund as well as Illinois Compiled Status (ILCS).

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 objective of the policy is legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

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

2. DEPOSITS AND INVESTMENTS (Continued)

The Village’s investment policy permits investments in commercial banks and savings and loan institutions (if a member of FDIC), and to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, short-term commercial paper rated within the highest classifications by at least two standard rating services, Illinois Funds, Illinois Metropolitan Investment Fund (IMET) and money market mutual funds permissible under state law. Derivatives are allowable only if they are guaranteed by the full faith and credit of the United States of America.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds’ share price, the price for which the investment could be sold.

IMET is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET’s share price, the price for which the investment could be sold.

A. 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 with a fair value of 105% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village’s name.

B. Investments

The following table presents the investments and maturities of the Village’s debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
IMET	\$ 2,343,967	\$ -	\$ 2,343,967	\$ -	\$ -
U.S. Agency Obligations	1,157,080	751,983	405,097	-	-
TOTAL	\$ 3,501,047	\$ 751,983	\$ 2,749,064	\$ -	\$ -

2. DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a three-year period. The investment policy limits the maximum maturity lengths of investments to three years from date of purchase unless matched to a specific cash flow.

The Village 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 guaranteed by the United States Government. However, the Village's investment policy does not specifically limit the Village to these types of investments. IMET, Illinois Funds, certificates of deposit and the U.S. agency obligations that had available ratings are rated AAA and AA+ by a national rating agency.

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. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased. Illinois Funds, IMET, the mutual funds and the money market mutual funds are not subject to custodial credit risk.

Concentration of credit risk - At April 30, 2016, the Village had greater than 5% of its overall portfolio invested in IMET, Illinois Funds and certificates of deposit. This is in accordance with the Village's investment policy, which limits investments as follows: no more than 90% in U.S. Treasury securities, 50% in U.S. agency securities (no more than 20% in a single agency), 75% in certificates of deposit (no more than 50% at one institution), 50% in IMET, 10% in commercial paper and 25% in money market mutual funds and a percentage limit in Illinois Funds that is based on Finance and Facilities Plan reserves as a percentage of total investments.

Derivatives - The Village investment policy does not prohibit the use of or the investment in derivatives if the derivative falls into an allowable category.

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

3. CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 1,071,223	\$ -	\$ -	\$ 1,071,223
Land Right of Way	9,252,097	-	-	9,252,097
Construction in Progress	611,625	512,773	955,120	169,278
Total Capital Assets not Being Depreciated	<u>10,934,945</u>	<u>512,773</u>	<u>955,120</u>	<u>10,492,598</u>
Capital Assets Being Depreciated				
Buildings	11,999,203	943,275	487,666	12,454,812
Equipment	4,693,451	984,855	238,363	5,439,943
Infrastructure	6,007,255	-	-	6,007,255
Total Capital Assets Being Depreciated	<u>22,699,909</u>	<u>1,928,130</u>	<u>726,029</u>	<u>23,902,010</u>
Less Accumulated Depreciation for				
Buildings	4,548,381	329,425	434,835	4,442,971
Equipment	3,086,609	407,458	197,803	3,296,264
Infrastructure	4,072,748	93,333	-	4,166,081
Total Accumulated Depreciation	<u>11,707,738</u>	<u>830,216</u>	<u>632,638</u>	<u>11,905,316</u>
Total Capital Assets Being Depreciated, Net	<u>10,992,171</u>	<u>1,097,914</u>	<u>93,391</u>	<u>11,996,694</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 21,927,116</u>	<u>\$ 1,610,687</u>	<u>\$ 1,048,511</u>	<u>\$ 22,489,292</u>

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

3. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 683,000	\$ -	\$ -	\$ 683,000
Construction in Progress	108,183	2,355,790	1,693,965	770,008
Total Capital Assets not Being Depreciated	<u>791,183</u>	<u>2,355,790</u>	<u>1,693,965</u>	<u>1,453,008</u>
Capital Assets Being Depreciated				
Land Improvements	918,314	50,819	-	969,133
Building and Structures	2,423,048	-	-	2,423,048
Machinery and Equipment	705,927	-	-	705,927
Water Transmission System	11,435,525	1,643,146	110,725	12,967,946
Sewer Collection System	14,774,736	-	-	14,774,736
Systems Maps	36,592	-	-	36,592
Total Capital Assets Being Depreciated	<u>30,294,142</u>	<u>1,693,965</u>	<u>110,725</u>	<u>31,877,382</u>
Less Accumulated Depreciation for				
Land Improvements	676,086	24,838	-	700,924
Building and Structures	1,288,197	40,540	-	1,328,737
Machinery and Equipment	250,719	40,539	-	291,258
Water Transmission System	5,146,032	288,630	110,725	5,323,937
Sewer Collection System	6,397,390	325,680	-	6,723,070
Systems Maps	36,592	-	-	36,592
Total Accumulated Depreciation	<u>13,795,016</u>	<u>720,227</u>	<u>110,725</u>	<u>14,404,518</u>
Total Capital Assets Being Depreciated, Net	<u>16,499,126</u>	<u>973,738</u>	<u>-</u>	<u>17,472,864</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 17,290,309</u>	<u>\$ 3,329,528</u>	<u>\$ 1,693,965</u>	<u>\$ 18,925,872</u>

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

GOVERNMENTAL ACTIVITIES

General Government	\$ 120,803
Public Safety	252,696
Culture and Recreation	202,394
Highway and Streets	<u>254,323</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u><u>\$ 830,216</u></u>

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

4. LONG-TERM DEBT

The following is a summary of debt transactions of the Village for the year ended April 30, 2016:

	Governmental Activities					Total Governmental Activities
	General Obligation Bonds	*Other Post- Employment Benefit	Net Pension Liability	Premium	**Compensated Absences	
OUTSTANDING DEBT, MAY 1, RESTATED	\$ 10,890,000	\$ 208,389	\$ 10,985,856	\$ 227,515	\$ 297,895	\$ 22,609,655
Increases	-	11,699	3,700,814	-	-	3,712,513
Decreases	735,000	-	-	22,173	9,441	766,614
OUTSTANDING DEBT, APRIL 30	\$ 10,155,000	\$ 220,088	\$ 14,686,670	\$ 205,342	\$ 288,454	\$ 25,555,554

* Retired by the General Fund.

** Retired by the General Fund via contributions to the Internal Service Fund. The estimated current portion of the liability is \$43,268.

	Business-Type Activities			Total Business- Type Activities
	IEPA Loan 1	IEPA Loan 2	IEPA Loan 3	
OUTSTANDING DEBT, MAY 1	\$ 618,913	\$ 471,905	\$ 1,407,810	\$ 2,498,628
Debt Issued	-	-	-	-
Debt Retired	117,412	66,969	141,334	325,715
OUTSTANDING DEBT, APRIL 30	\$ 501,501	\$ 404,936	\$ 1,266,476	\$ 2,172,913

The outstanding debt as of April 30, 2016 consists of the following individual amounts:

	Fund Debt Retired By	Balances April 30	Current Portion
\$5,735,000 General Obligation Refunding Bonds Series 2009 due in annual installments of \$65,000 to \$620,000 from December 1, 2010 to December 1, 2021, interest from 2% to 4%.	Debt Service	\$ 3,380,000	\$ 510,000
\$3,470,000 General Obligation Bonds Series 2013 due in annual installments of \$125,000 to \$240,000 from December 1, 2013 to December 1, 2032, interest from 2.00% to 2.75%.	Debt Service	3,080,000	135,000

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

4. LONG-TERM DEBT (Continued)

	Fund Debt Retired By	Balances April 30	Current Portion
\$3,810,000 General Obligation Bonds Series 2014 due in annual installments of \$115,000 to \$475,000 from December 1, 2015 to December 1, 2034, interest from 2.0% to 3.5%.	Debt Service	\$ 3,695,000	\$ 115,000
\$1,985,373 Illinois EPA low interest loan due in semiannual installments of principal and interest of \$66,446, with interest at 2.625% through February 23, 2020.	Sanitary Sewer Rehabilitation	501,501	120,514
\$1,190,343 Illinois EPA low interest loan due in semiannual installments of principal and interest of \$40,098, with interest at 2.905% through October 17, 2021.	Sanitary Sewer Rehabilitation	404,936	68,929
\$2,678,587 Illinois EPA low interest loan due in semiannual installments of principal and interest of \$87,826, with interest at 2.5% through April 25, 2024.	Sanitary Sewer Rehabilitation	1,266,476	144,890
TOTAL OUTSTANDING DEBT		<u>\$ 12,327,913</u>	<u>\$ 1,094,333</u>

The annual debt service requirements to amortize the outstanding debt as of April 30, 2016 are as follows:

Year Ending April 30,	General Obligation Bonds			IEPA Loan Payable - Phase I		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$ 760,000	\$ 324,155	\$ 1,084,155	\$ 120,514	\$ 12,379	\$ 132,893
2018	785,000	301,430	1,086,430	123,698	9,195	132,893
2019	820,000	273,930	1,093,930	126,967	5,926	132,893
2020	855,000	244,918	1,099,918	130,322	2,571	132,893
2021	885,000	214,643	1,099,643	-	-	-
2022	925,000	183,305	1,108,305	-	-	-
2023	315,000	150,555	465,555	-	-	-
2024	325,000	142,343	467,343	-	-	-
2025	340,000	133,868	473,868	-	-	-
2026	355,000	125,018	480,018	-	-	-
2027	370,000	115,385	485,385	-	-	-
2028	380,000	105,330	485,330	-	-	-
2029	395,000	94,830	489,830	-	-	-
2030	405,000	83,903	488,903	-	-	-
2031	420,000	72,505	492,505	-	-	-
2032	435,000	60,175	495,175	-	-	-
2033	450,000	46,675	496,675	-	-	-
2034	460,000	32,725	492,725	-	-	-
2035	475,000	16,625	491,625	-	-	-
TOTAL	<u>\$ 10,155,000</u>	<u>\$ 2,722,318</u>	<u>\$ 12,877,318</u>	<u>\$ 501,501</u>	<u>\$ 30,071</u>	<u>\$ 531,572</u>

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

4. LONG-TERM DEBT (Continued)

Year Ending April 30,	IEPA Loan Payable - Phase II			IEPA Loan Payable - Phase III		
	Principal	Interest	Total	Principal	Interest	Total
2017	\$ 68,929	\$ 11,266	\$ 80,195	\$ 144,890	\$ 30,762	\$ 175,652
2018	70,946	9,249	80,195	148,535	27,117	175,652
2019	73,022	7,174	80,196	152,272	23,380	175,652
2020	75,159	5,037	80,196	156,102	19,550	175,652
2021	77,358	2,838	80,196	160,029	15,623	175,652
2022	39,522	574	40,096	164,054	11,597	175,651
2023	-	-	-	168,182	7,470	175,652
2024	-	-	-	172,412	3,240	175,652
TOTAL	\$ 404,936	\$ 36,138	\$ 441,074	\$ 1,266,476	\$ 138,739	\$ 1,405,215

5. RISK MANAGEMENT

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive 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. The Village 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 by-laws 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 had no liabilities to IRMA as of April 30, 2016.

The Village purchases third party indemnity insurance for employee health, dental and vision. Losses have not exceeded coverage in the current year or the preceding two years.

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

6. 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 which may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

7. INDIVIDUAL FUND DISCLOSURES

Individual fund interfund receivables/payables are as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 10,295
Nonmajor Governmental	General	24,350
Fiduciary	General	914
Internal Service	General	288,454
TOTAL		\$ 324,013

The purposes of the significant due to/due from other funds are as follows:

- \$288,454 due from the General Fund to the Compensated Absences Fund represents the total of accrued vacation and compensatory time at April 30, 2016.

Individual fund transfers are as follows:

	Transfers In	Transfers Out
General	\$ 1,137	\$ 528,151
Nonmajor Governmental	528,151	1,137
TOTAL	\$ 529,288	\$ 529,288

7. INDIVIDUAL FUND DISCLOSURES (Continued)

Interfund transfers during the year ended April 30, 2016 consisted of the following:

- \$528,151 transferred from the General Fund to Nonmajor Governmental Funds represents the General Fund transfer to the Capital Equipment Fund as part of the Village's capital equipment replacement schedule. Capital equipment replacements are funded over a ten-year period with annual transfers from the General Fund.
- \$686 transferred from Nonmajor Governmental Funds to the General Fund represents transfers for interest income earned in the Working Cash Fund which is remitted to the General Fund on a quarterly basis.
- \$451 transferred from Nonmajor Governmental Funds to the General Fund represents transfers of the Village's share of the local match paid on the MDT grant.

8. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three 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; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by ILCS 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 www.imrf.org.

A. Plan Administration

Illinois Municipal Retirement Fund

All employees (other than those covered by the Police Pension Plan or Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. The plan is treated as a cost sharing plan by the Village and Library. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

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

Inactive Employees or Their Beneficiaries	
Currently Receiving Benefits	52
Inactive Employees Entitled to but not yet	
Receiving Benefits	13
Active Employees	50
 TOTAL	 115

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

Benefits Provided

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contributions for 2015 and 2016 were 13.09% and 12.39%, respectively, of covered payroll.

Actuarial Assumptions

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

Actuarial Valuation Date	December 31, 2015
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 14.50%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2041 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the IMRF total pension liability was 7.47%. 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 Village's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.47% used to determine the total pension liability.

Change in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2015	\$ 15,902,044	\$ 14,275,422	\$ 1,626,622
Changes for the Period			
Service Cost	309,771	-	309,771
Interest	1,167,760	-	1,167,760
Difference Between Expected and Actual Experience	(104,160)	-	(104,160)
Changes in Assumptions	19,586	-	19,586
Employer Contributions	-	363,769	(363,769)
Employee Contributions	-	127,413	(127,413)
Net Investment Income	-	70,379	(70,379)
Benefit Payments and Refunds	(890,333)	(890,333)	-
Other (Net Transfer)	-	327,718	(327,718)
Net Changes	502,624	(1,054)	503,678
BALANCES AT DECEMBER 31, 2015	\$ 16,404,668	\$ 14,274,368	\$ 2,130,300

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Illinois Municipal Retirement Fund (Continued)

Change in the Net Pension Liability (Continued)

The table presented on the previous page includes amounts for both the Village and the Library. The Village's proportionate share of the net pension liability at January 1, 2015, the employer contributions, and the net pension liability at December 31, 2015 was \$1,268,765, \$283,740 and \$1,661,634, respectively. The Library's proportionate share of the net pension liability at January 1, 2015, the employer contributions and the net pension liability at December 31, 2015 was \$357,857, \$80,029 and \$468,666, respectively.

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

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

For the year ended April 30, 2016, the Village recognized pension expense of \$104,589.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 79,708
Changes in Assumption	14,988	-
Contributions made after Measurement Date	120,397	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	798,079	-
TOTAL	\$ 933,464	\$ 79,708

The deferred outflows presented in the table above include amounts for both the Village and the Library. The Village's proportionate share of the deferred outflows of resources at April 30, 2016 was \$728,051. The Library's proportionate share of the deferred outflows of resources at April 30, 2016 was \$205,413. The Village's proportionate share of the deferred inflows of resources at April 30, 2016 was \$62,172. The Library's proportionate share of the deferred inflows of resources at April 30, 2016 was \$17,536.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Illinois Municipal Retirement Fund (Continued)

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

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

<u>Year Ending</u> <u>April 30,</u>		
2017	\$	233,998
2018		140,139
2019		140,139
2020		151,603
2021		-
Thereafter		-
		<u> </u>
TOTAL	\$	<u>665,879</u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.47% 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 (6.47%) or 1 percentage point higher (8.47%) than the current rate:

	<u>1% Decrease</u> <u>(6.47%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(7.47%)</u>	<u>1% Increase</u> <u>(8.47%)</u>
Net Pension Liability (Village)	\$ 3,316,790	\$ 1,661,634	\$ 293,271
Net Pension Liability (Library)	935,505	468,666	82,717
			<u> </u>
Net Pension Liability (Total)	<u>\$ 4,252,295</u>	<u>\$ 2,130,300</u>	<u>\$ 375,988</u>

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (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 ILCS (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

Plan Membership

At April 30, 2016, the Police Pension Plan membership consisted of:

Inactive Plan Members Currently Receiving Benefits	14
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	19
 TOTAL	 33

Benefits Provided

The following is a summary of the Police Pension Plan as provided for in ILCS.

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 day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the 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 plan and the administrative costs as actuarially determined by an enrolled actuary. The Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the Village has adopted a pension funding policy that funds 100% of the past service cost on a closed basis by the year 2040. For the year ended April 30, 2016, the Village's contribution was 32.65% of covered payroll.

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks,

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran’s loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities and real estate investment trusts. The investment policy was not changed during the year.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	40%	4.20%
Domestic Equities - Large Cap	37%	7.90%
Domestic Equity - Small Cap	10%	5.65%
International Equity	5%	3.40%
Real Estate (REITs)	3%	9.50%
Cash and Cash Equivalents	5%	0.10%

ILCS limits the Fund’s investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in March 2016 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2016 are listed in the table above.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at April 30 for debt securities, equity securities and mutual funds and contract values for insurance contracts. Illinois Funds, an investment pool created by the state legislature under the control of the State Treasurer, is a money market mutual fund that maintains a \$1 per share value.

Investment Concentrations

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

Investment Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.84%). 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 policy requires all bank balances to be covered by federal depository insurance.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Government and Agency Obligations	\$ 2,767,027	\$ 658,092	\$ 802,228	\$ 651,867	\$ 654,840
Corporate Obligations	1,828,430	-	1,439,069	389,361	-
Negotiable CDs	360,706	-	360,706	-	-
TOTAL	\$ 4,956,163	\$ 658,092	\$ 2,602,003	\$ 1,041,228	\$ 654,840

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government, and investment grade corporate bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. The U.S. Government and Agency Obligations are rated AAA. The fixed income securities are rated AAA to A1 by Moody's. The negotiable CDs are not rated.

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 requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2016
Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percentage of Pay
Remaining Amortization Period	25 years
Asset Valuation Method	Market Value
Assumptions	
Inflation	2.50%
Salary Increases	5.50%
Investment Rate of Return	7.00%
Retirement Age	50 to 70

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

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

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.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate 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	\$ 13,320,695	\$ 10,184,644	\$ 7,609,719

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 20,268,209	\$ 12,876,162	\$ 7,392,047
Changes for the Period			
Service Cost	450,521	-	450,521
Interest	1,387,397	-	1,387,397
Difference Between Expected and Actual Experience	(77,969)	-	(77,969)
Changes in Assumptions	1,738,314	-	1,738,314
Employer Contributions	-	571,732	(571,732)
Employee Contributions	-	267,982	(267,982)
Net Investment Income	-	(113,044)	113,044
Benefit Payments and Refunds	(896,495)	(896,495)	-
Other	-	(21,004)	21,004
Net Changes	2,601,768	(190,829)	2,792,597
BALANCES AT APRIL 30, 2016	\$ 22,869,977	\$ 12,685,333	\$ 10,184,644

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Police Pension Plan (Continued)

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

For the year ended April 30, 2016, the Village recognized pension expense of \$692,331. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 77,969
Changes in assumption	1,738,314	-
Net difference between projected and actual earnings on pension plan investments	1,011,653	-
TOTAL	<u>\$ 2,749,967</u>	<u>\$ 77,969</u>

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

Year Ending April 30,	
2017	\$ 521,628
2018	521,628
2019	521,628
2020	521,628
2021	521,628
Thereafter	<u>63,858</u>
TOTAL	<u>\$ 2,671,998</u>

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

Plan Membership

At April 30, 2016, the Firefighters' Pension Plan membership consisted of:

Inactive Plan Members Currently Receiving Benefits	3
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	3
 TOTAL	 6

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a firefighter 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 at the date of retirement. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' 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 finance the plan and the administrative costs as actuarially determined by an enrolled actuary. The Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan. However, the Village has adopted a pension funding policy that funds 100% of the past service cost on a closed basis by the year 2040. For the year ended April 30, 2016, the Village's contribution was 72.84% of covered payroll.

Investment Policy

Permitted Deposits and Investments - Statutes and the Firefighter's Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment grade corporate bonds and Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds and corporate equity securities. The investment policy was not changed during the year.

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

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

Asset Class	Range	Target	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	5-15%	10%	0.10%
Equities	10-30%	20%	7.40%
General Insurance Contract Equity Index Annuity	0-20%	10%	6.76%
IMET 1-3 Year Fund	0-35%	17.5%	3.45%
Fixed Income - U.S. Treasuries, U.S. Agencies, and Government Bonds	0-50%	25%	3.93%
Certificates of Deposit	0-25%	12.5%	2.93%
Corporate Bonds	0-10%	5%	5.45%

ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 10%.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in March 2016 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2016 are listed in the table above.

Concentrations

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

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan (Continued)

Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (0.08%). 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 policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Government and Agency Obligations	\$ 310,706	\$ 88	\$ 305,949	\$ 4,669	\$ -
Municipal Bonds	159,149	-	-	159,149	-
Corporate Bonds	199,360	38,325	108,770	52,265	-
IMET	621,489	-	621,489	-	-
TOTAL	\$ 1,290,704	\$ 38,413	\$ 1,036,208	\$ 216,083	\$ -

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan (Continued)

Credit Risk (Continued)

United States Government that are explicitly or implicitly guaranteed by the United States Government and investment grade corporate bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. The U.S. Government and Agency Obligations and municipal bonds are rated AAA by Moody's. The corporate bonds are rated A1 to A2 by Moody's. Certain U.S. Agency securities are not rated.

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 requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Money market mutual funds and mutual funds are not subject to custodial credit risk.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2016
Actuarial Cost Method	Entry-Age Normal
Amortization method	Level Percentage of Pay
Remaining amortization period	25 Years
Asset Valuation Method	Market Value
Assumptions	
Inflation	2.50%
Salary Increases	5.00%
Investment rate of return	6.50%
Retirement age	50 to 70

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions (Continued)

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

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

Discount Rate

The discount rate used to measure the total pension liability was 6.5%. 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.

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 6.5% 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 (5.5%) or 1 percentage point higher (7.5%) than the current rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net Pension Liability	\$ 3,467,127	\$ 2,840,392	\$ 2,316,115

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 4,446,584	\$ 2,121,540	\$ 2,325,044
Changes for the Period			
Service Cost	105,124	-	105,124
Interest	281,507	-	281,507
Difference Between Expected and Actual Experience	(80,271)	-	(80,271)
Changes in Assumptions	485,422	-	485,422
Employer Contributions	-	251,619	(251,619)
Employee Contributions	-	36,207	(36,207)
Net Investment Income	-	(1,344)	1,344
Benefit Payments and Refunds	(231,409)	(231,409)	-
Other	-	(10,048)	10,048
Net Changes	560,373	45,025	515,348
BALANCES AT APRIL 30, 2016	\$ 5,006,957	\$ 2,166,565	\$ 2,840,392

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

For the year ended April 30, 2016, the Village recognized pension expense of \$221,065. At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to the Fire Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 80,271
Changes in Assumption	485,422	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	140,751	-
TOTAL	\$ 626,173	\$ 80,271

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

8. EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Plan Administration (Continued)

Firefighters' 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 Fire Pension will be recognized in pension expense as follows:

Year Ending April 30,	
2017	\$ 96,820
2018	96,820
2019	96,820
2020	96,820
2021	96,820
Thereafter	<u>61,802</u>
TOTAL	<u>\$ 545,902</u>

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 benefits, benefit levels, employee contributions and any employer contributions are governed by ILCS and by the Village. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's General Fund and governmental activities.

B. Benefits Provided

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

All health care benefits are provided through the Village's third party indemnity health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Eligibility in village sponsored health care plans may be continued at a separate premium upon eligibility for federally sponsored health care benefits.

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

C. Membership

At April 30, 2016, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	11
Terminated Employees Entitled to Benefits but not Yet Receiving Them	-
Active Vested Employees	12
Active Nonvested Employees	<u>38</u>
 TOTAL	 <u><u>61</u></u>
 Participating Employers	 <u><u>1</u></u>

D. Funding Policy

The Village provides the contribution percentages between the Village and employees through the union contracts and personnel policy. All retirees contribute 100% of the premium to the plan to cover the cost of providing the benefits to the retirees via the plan (pay as you go) which results in an implicit subsidy to the Village as defined by GASB Statement No. 45. For the fiscal year ended April 30, 2016, the Village contributed \$96,799. 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
2014	\$ 84,401	\$ 51,133	60.6%	\$ 174,900
2015	84,623	51,134	60.4%	208,389
2016	108,498	96,799	89.2%	220,088

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

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

Annual Required Contribution	\$ 107,108
Interest on Net OPEB Obligation	8,336
Adjustment to Annual Required Contribution	<u>(6,946)</u>
Annual OPEB Cost	108,498
Contributions Made	<u>96,799</u>
Increase in Net OPEB Obligation	11,699
Net OPEB Obligation, Beginning of Year	<u>208,389</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 220,088</u>

F. Funded Status and Funding Progress

The funded status of the plan as of April 30, 2016 was as follows:

Actuarial Accrued Liability (AAL)	\$ 1,522,743
Actuarial Value of Plan Position	-
Unfunded Actuarial Accrued Liability (UAAL)	1,522,743
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.0%
Covered Payroll (Active Plan Members)	\$ 4,096,000
UAAL as a Percentage of Covered Payroll	37.2%

G. Annual OPEB Costs and Net OPEB Obligation

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.

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. Actuarial Methods and Assumptions

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

In the April 30, 2016 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses), 4% salary increase, an initial annual healthcare cost trend rate of 5.91% with an ultimate rate of 5%, which includes a 3% 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 dollar amount of projected payroll on an open 30-year basis.

10. CHANGE IN ACCOUNTING PRINCIPLE

	Increase (Decrease)
	<u> </u>
PRIOR PERIOD ADJUSTMENT - GOVERNMENTAL ACTIVITIES	
Change in Accounting Principle	
To Write-Off the Fire Pension Plan Net Pension Asset	\$ (395,601)
To Write-Off the Police Pension Plan Net Pension Asset	(242,431)
To Record the Deferred Outflow for Contributions Outside the Measurement Period	84,576
To Record the Fire Pension Plan Net Pension Liability	(2,325,044)
To Record the Police Pension Plan Net Pension Liability	(7,392,047)
To Record the IMRF Net Pension Liability	<u>(1,268,765)</u>
TOTAL PRIOR PERIOD ADJUSTMENT- GOVERNMENTAL ACTIVITIES	<u>\$ (11,539,312)</u>

With the implementation of GASB Statement Nos. 68 and 71, the Village is required to retroactively record the net pension liability, the deferred outflow for contributions made outside the measurement date and write off the net pension asset.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF FLOSSMOOR, ILLINOIS

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

GENERAL FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016			Variance Over (Under)	2015 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Taxes	\$ 6,141,278	\$ 6,141,278	\$ 5,993,812	\$ (147,466)	\$ 5,723,641
Licenses and Permits	369,450	369,450	438,101	68,651	357,138
Intergovernmental	1,252,490	1,252,490	1,313,565	61,075	1,244,763
Charges for Services	446,104	446,104	519,917	73,813	463,603
Fines and Forfeits, Court Fines	177,000	177,000	163,966	(13,034)	208,320
Investment Income	33,000	33,000	26,095	(6,905)	(12,507)
Other	692,166	692,166	577,513	(114,653)	461,664
Total Revenues	9,111,488	9,111,488	9,032,969	(78,519)	8,446,622
EXPENDITURES					
Current					
General Government	1,454,473	1,501,434	1,135,406	(366,028)	1,142,069
Public Safety	6,199,417	6,347,933	6,138,503	(209,430)	5,760,323
Public Works	1,711,402	1,804,082	1,052,207	(751,875)	1,103,145
Culture and Recreation	45,000	45,000	10,652	(34,348)	45,983
Total Expenditures	9,410,292	9,698,449	8,336,768	(1,361,681)	8,051,520
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(298,804)	(586,961)	696,201	1,283,162	395,102
OTHER FINANCING SOURCES (USES)					
Transfers In	1,250	1,250	1,137	(113)	2,089
Transfers (Out)	(528,151)	(528,151)	(528,151)	-	(507,491)
Total Other Financing Sources (Uses)	(526,901)	(526,901)	(527,014)	(113)	(505,402)
NET CHANGE IN FUND BALANCE	\$ (825,705)	\$ (1,113,862)	169,187	\$ 1,283,049	(110,300)
FUND BALANCE, MAY 1			6,485,144		6,343,111
Prior Period Adjustments			-		252,333
FUND BALANCE, MAY 1, RESTATED			6,485,144		6,595,444
FUND BALANCE, APRIL 30			\$ 6,654,331		\$ 6,485,144

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF FUNDING PROGRESS

OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2016

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age Normal	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Active Members Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2011	\$ -	\$ 789,285	0.00%	\$ 789,285	\$ 3,605,981	21.89%
2012	N/A	N/A	N/A	N/A	N/A	N/A
2013	-	746,395	0.00%	746,395	3,910,200	19.09%
2014	N/A	N/A	N/A	N/A	N/A	N/A
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	1,522,743	0.00%	1,522,743	4,096,000	37.18%

N/A - Information not available as a complete actuarial valuation was not performed as of April 30, 2012, 2014 or 2015 as permitted by GASB Statement No. 45.

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

	<u>2016</u>
Actuarially Determined Contribution	\$ 282,657
Contributions in Relation to the Actuarially Determined Contribution	<u>282,657</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ -</u></u>
Covered-Employee Payroll	\$ 2,159,334
Contributions as a Percentage of Covered-Employee Payroll	13.1%

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

POLICE PENSION FUND

Last Seven Fiscal Years

	2010	2011	2012	2013	2014	2015	2016
Actuarially Determined Contribution	\$ 349,099	\$ 471,579	\$ 461,654	\$ 409,539	\$ 452,873	\$ 525,058	\$ 514,792
Contributions in Relation to the Actuarially Determined Contribution	396,839	492,301	465,261	395,085	487,746	559,108	571,732
CONTRIBUTION DEFICIENCY (Excess)	\$ (47,740)	\$ (20,722)	\$ (3,607)	\$ 14,454	\$ (34,873)	\$ (34,050)	\$ (56,940)
Covered-Employee Payroll	\$ 1,368,018	\$ 1,403,942	\$ 1,470,600	\$ 1,559,708	\$ 1,641,630	\$ 1,675,357	\$ 1,751,357
Contributions as a Percentage of Covered-Employee Payroll	29.0%	35.1%	31.6%	25.3%	29.7%	33.4%	32.6%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 7% annually, projected salary increases assumption of 5.5% compounded annually and postretirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FIREFIGHTERS' PENSION FUND

Last Seven Fiscal Years

	2010	2011	2012	2013	2014	2015	2016
Actuarially Determined Contribution	\$ 66,244	\$ 75,571	\$ 101,120	\$ 97,003	\$ 136,714	\$ 157,587	\$ 159,648
Contributions in Relation to the Actuarially Determined Contribution	78,914	84,167	128,606	106,690	172,082	177,417	251,619
CONTRIBUTION DEFICIENCY (Excess)	\$ (12,670)	\$ (8,596)	\$ (27,486)	\$ (9,687)	\$ (35,368)	\$ (19,830)	\$ (91,971)
Covered-Employee Payroll	\$ 283,419	\$ 193,965	\$ 285,322	\$ 306,324	\$ 324,890	\$ 338,614	\$ 345,444
Contributions as a Percentage of Covered-Employee Payroll	27.8%	43.4%	45.1%	34.8%	53.0%	52.4%	72.8%

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 amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return at 6.5% annually, projected salary increases assumption of 5.0% compounded annually, and post-retirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2016

<u>Fiscal Year Ended April 30,</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2011	\$ 21,703	\$ 44,959	48.27%
2012	50,221	78,046	64.35%
2013	50,221	78,046	64.35%
2014	51,133	83,457	61.27%
2015	51,134	83,457	61.27%
2016	96,799	107,108	90.38%

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY**

ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

	<u>2016*</u>
Employer's Proportion of Net Pension Liability	78.00%
Employer's Proportionate Share of Net Pension Liability	\$ 1,661,634
Employer's Covered-Employee Payroll	2,159,334
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	76.95%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.01%

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

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

POLICE PENSION FUND

April 30, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service Cost	\$ 427,837	\$ 450,521
Interest	1,203,833	1,387,397
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	396,421	(77,969)
Changes of Assumptions*	1,456,173	1,738,314
Benefit Payments, Including Refunds of Member Contributions	(827,335)	(896,495)
Net Change in Total Pension Liability	2,656,929	2,601,768
Total Pension Liability - Beginning	17,611,280	20,268,209
TOTAL PENSION LIABILITY - ENDING	\$ 20,268,209	\$ 22,869,977
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 559,108	\$ 571,732
Contributions - Member	161,883	267,982
Net Investment Income	915,644	(113,046)
Benefit Payments, Including Refunds of Member Contributions	(827,335)	(896,495)
Administrative Expense	(28,933)	(21,004)
Net Change in Plan Fiduciary Net Position	780,367	(190,831)
Plan Fiduciary Net Position - Beginning	12,095,797	12,876,164
PLAN FIDUCIARY NET POSITION - ENDING	\$ 12,876,164	\$ 12,685,333
EMPLOYER'S NET PENSION LIABILITY	\$ 7,392,045	\$ 10,184,644
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.5%	55.5%
Covered-Employee Payroll	\$ 1,675,357	\$ 1,751,357
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	441.2%	581.5%

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

FIREFIGHTERS' PENSION FUND

April 30, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service Cost	\$ 99,531	\$ 105,124
Interest	255,259	281,507
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	27,372	(80,271)
Changes of Assumptions *	249,689	485,422
Benefit Payments, Including Refunds of Member Contributions	(224,669)	(231,409)
Net Change in Total Pension Liability	407,182	560,373
Total Pension Liability - Beginning	4,039,402	4,446,584
TOTAL PENSION LIABILITY - ENDING	\$ 4,446,584	\$ 5,006,957
PLAN FIDUCIARY NET POSITION		
Contributions - Employer	\$ 177,417	\$ 251,619
Contributions - Member	34,152	36,207
Net Investment Income	72,621	(1,740)
Benefit Payments, Including Refunds of Member Contributions	(224,669)	(231,409)
Administrative Expense	(8,249)	(9,653)
Net Change in Plan Fiduciary Net Position	51,272	45,024
Plan Fiduciary Net Position - Beginning	2,070,269	2,121,541
PLAN FIDUCIARY NET POSITION - ENDING	\$ 2,121,541	\$ 2,166,565
EMPLOYER'S NET PENSION LIABILITY	\$ 2,325,043	\$ 2,840,392
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.7%	43.3%
Covered-Employee Payroll	\$ 338,614	\$ 345,444
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	686.6%	822.2%

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

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

POLICE PENSION FUND

April 30, 2016

	<u>2015</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.17%	(0.84%)

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

FIREFIGHTERS' PENSION FUND

April 30, 2016

	<u>2015</u>	<u>2016</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	3.37%	(0.08%)

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2016

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service and Capital Projects Funds on the modified accrual basis. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- A. Prior to March 1, the Village Manager submits to the Village Board a proposed operating budget for the fiscal year commencing the following May 1. The operating budget includes proposed expenditures and the means of financing them.
- B. Public hearings are conducted to obtain taxpayer comments.
- C. Prior to May 1, the budget is legally enacted by Village Board action. This is the amount reported as original budget.
- D. 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 must be communicated to the Village Board.
- E. Budgets are adopted and formal budgetary integration is employed as a management control device during the year for general, special revenue, debt service and capital projects funds.
- F. All budgets for these funds are adopted on a basis consistent with generally accepted accounting principles.
- G. Budgetary authority lapses at year end.
- H. State law requires that “expenditures be made in conformity with appropriations/budget.” As under the Budget Act, transfers between line items, departments and funds may be made by administrative action. The fund budget reflects all amendment needs. The level of legal control is at the fund level.

Expenditures exceed final budget by \$3,567 in the Emergency 911 Fund in the current year.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than special assessments or for major capital projects) that are legally restricted or committed to expenditure for specified purposes.

Motor Fuel Tax Fund - Accounts for the state allotments restricted to fund the street maintenance approved by the State of Illinois.

Emergency 911 Fund - Accounts for the accumulation of E911 surcharges restricted to funding 911 equipment, administrative costs and the Village's participation in the E-Com joint dispatch center.

Drug Forfeiture Fund - Accounts for the accumulation of funds seized by village authorities restricted by the State and Federal governments for drug prevention expenditures.

Foreign Fire Insurance Fund - Accounts for state allotment of charges assessed to insurance companies who insure out of state organizations that do business in the State of Illinois and is restricted for fire department related purposes.

Public Art Program Fund - Accounts for accumulation of funds restricted for placement of outdoor sculpture and gardens in public areas in accordance with the Village's Public Art Program.

11-501 (j) Fund - Accounts for the accumulation of funds from reimbursements paid by persons convicted of driving under the influence and restricted for use for enforcement activities related to driving under the influence.

TIF Area #1 Fund - Accounts for the accumulation of funds from incremental revenue generated within TIF Area #1 restricted for the development and improvement of the TIF area.

SPECIAL REVENUE FUNDS (Continued)

FEMA Fire MDT Grant Fund - Accounts for grant funds restricted for fire mobile data terminals.

Public Safety Donations Fund - Accounts for restricted donations received for police department donations, fire department donations and their related public safety expenditures.

CAPITAL PROJECT FUNDS

The Capital Equipment Fund is a Capital Projects Fund that accounts for funds assigned for capital equipment replacements and major maintenance items.

The 2013 Water Main Improvement Fund accounts for the proceeds of the 2013 General Obligation Bonds issued and restricted for water main improvements, repaid by property taxes.

PERMANENT FUNDS

Permanent Funds are used to account for trusts where both principal and interest in principal may be spent for the purpose of the trust and the purposes of the Village. The Working Cash Fund is used to account for and is restricted for providing working cash loans to other funds of the Village.

VILLAGE OF FLOSSMOOR, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

	Special Revenue				
	Motor Fuel Tax	Emergency 911	Drug Forfeiture	Foreign Fire Insurance	Public Art Program
ASSETS					
Cash and Cash Equivalents	\$ 165,648	\$ -	\$ 32,442	\$ 25,963	\$ 69,354
Investments	-	-	-	-	-
Receivables (Net, of Allowances for Uncollectibles)					
Accounts	-	46,568	-	-	-
Due from Other Governments	21,538	-	-	-	-
Due from Other Funds	-	-	-	-	-
Land Held for Resale	-	-	-	-	-
TOTAL ASSETS	\$ 187,186	\$ 46,568	\$ 32,442	\$ 25,963	\$ 69,354
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 23,502	\$ 46,568	\$ 103	\$ 3,397	\$ -
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Other Payables	-	-	-	-	-
Total Liabilities	23,502	46,568	103	3,397	-
FUND BALANCES					
Nonspendable					
Working Cash	-	-	-	-	-
Restricted for					
Maintenance of Roadways	163,684	-	-	-	-
Public Safety	-	-	32,339	22,566	-
Culture and Recreation	-	-	-	-	29,103
Economic Development	-	-	-	-	-
Committed for					
Capital Projects	-	-	-	-	-
Assigned for Art Maintenance	-	-	-	-	40,251
Assigned for Working Cash	-	-	-	-	-
Total Fund Balances	163,684	-	32,339	22,566	69,354
TOTAL LIABILITIES AND FUND BALANCES	\$ 187,186	\$ 46,568	\$ 32,442	\$ 25,963	\$ 69,354

11-501 (j)	Special Revenue		Capital Projects			Permanent		Total
	TIF Area #1	FEMA Fire MDT Grant	Public Safety Donations	Capital Equipment	2013 Water Main Improvement	Working Cash		
\$ 7,626	\$ 142,630	\$ 20,945	\$ 63,421	\$ 826,115	\$ -	\$ 487,140	\$ 1,841,284	
-	-	-	-	634,122	-	-	634,122	
-	-	-	-	-	-	-	46,568	
-	-	-	-	-	-	-	21,538	
350	-	-	-	24,000	-	-	24,350	
-	1,358,350	-	-	-	-	-	1,358,350	
\$ 7,976	\$ 1,500,980	\$ 20,945	\$ 63,421	\$ 1,484,237	\$ -	\$ 487,140	\$ 3,926,212	
\$ 700	\$ 12,514	\$ -	\$ -	\$ 3,768	\$ -	\$ -	\$ 90,552	
-	-	9,977	-	-	-	319	10,296	
-	-	1,964	-	-	-	-	1,964	
-	7,813	-	-	-	-	-	7,813	
700	20,327	11,941	-	3,768	-	319	110,625	
-	-	-	-	-	-	386,821	386,821	
-	-	-	-	-	-	-	163,684	
7,276	-	9,004	63,421	-	-	-	134,606	
-	-	-	-	-	-	-	29,103	
-	1,480,653	-	-	-	-	-	1,480,653	
-	-	-	-	1,480,469	-	-	1,480,469	
-	-	-	-	-	-	-	40,251	
-	-	-	-	-	-	100,000	100,000	
7,276	1,480,653	9,004	63,421	1,480,469	-	486,821	3,815,587	
\$ 7,976	\$ 1,500,980	\$ 20,945	\$ 63,421	\$ 1,484,237	\$ -	\$ 487,140	\$ 3,926,212	

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended April 30, 2016

	Special Revenue				
	Motor Fuel Tax	Emergency 911	Drug Forfeiture	Foreign Fire Insurance	Public Art Program
REVENUES					
Taxes	\$ -	\$ 124,652	\$ -	\$ 17,174	\$ -
Intergovernmental	242,079	-	-	-	-
Fines and Forfeits	-	-	231	-	-
Investment Income	209	-	38	166	81
Other	-	-	-	-	2,550
Total Revenues	242,288	124,652	269	17,340	2,631
EXPENDITURES					
Current					
Public Safety	-	124,652	103	54,963	-
Highways and Streets	345,692	-	-	-	-
Culture and Recreation	-	-	-	-	2,428
Capital Outlay	-	-	-	-	-
Total Expenditures	345,692	124,652	103	54,963	2,428
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(103,404)	-	166	(37,623)	203
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	-	-	-	-
Proceeds from the Sale of Capital Assets	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(103,404)	-	166	(37,623)	203
FUND BALANCES, MAY 1	267,088	-	32,173	60,189	69,151
FUND BALANCES, APRIL 30	\$ 163,684	\$ -	\$ 32,339	\$ 22,566	\$ 69,354

Special Revenue			Capital Projects			Permanent	
11-501 (j)	TIF Area #1	FEMA Fire MDT Grant	Public Safety Donations	Capital Equipment	2013 Water Main Improvement	Working Cash	Total
\$ -	\$ 122,471	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264,297
-	-	451	-	-	-	-	242,530
1,385	-	-	-	-	-	-	1,616
-	619	-	-	4,574	22	686	6,395
-	-	-	36,235	-	-	-	38,785
1,385	123,090	451	36,235	4,574	22	686	553,623
1,440	-	-	10,861	-	-	-	192,019
-	-	-	-	-	-	-	345,692
-	-	-	-	-	-	-	2,428
-	418,620	-	265,426	1,227,490	423,174	-	2,334,710
1,440	418,620	-	276,287	1,227,490	423,174	-	2,874,849
(55)	(295,530)	451	(240,052)	(1,222,916)	(423,152)	686	(2,321,226)
-	-	-	-	528,151	-	-	528,151
-	-	(451)	-	-	-	(686)	(1,137)
-	-	-	-	60,194	-	-	60,194
-	-	(451)	-	588,345	-	(686)	587,208
(55)	(295,530)	-	(240,052)	(634,571)	(423,152)	-	(1,734,018)
7,331	1,776,183	9,004	303,473	2,115,040	423,152	486,821	5,549,605
\$ 7,276	\$ 1,480,653	\$ 9,004	\$ 63,421	\$ 1,480,469	\$ -	\$ 486,821	\$ 3,815,587

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

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

MOTOR FUEL TAX FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Intergovernmental					
State Allotments	\$ 250,000	\$ 250,000	\$ 242,079	\$ (7,921)	\$ 312,717
Investment Income	250	250	209	(41)	44
Total Revenues	250,250	250,250	242,288	(7,962)	312,761
EXPENDITURES					
Current					
Highways and Streets					
Commodities					
Fuel	100	100	-	(100)	20
Concrete	1,000	1,000	1,461	461	695
Asphalt and Materials	2,100	2,100	4,905	2,805	3,040
Road Salt	104,684	104,684	34,196	(70,488)	71,154
Other Materials and Supplies	4,500	4,500	11,200	6,700	3,868
Contractual Services					
Engineering and Architectural Service	5,000	5,000	3,270	(1,730)	4,173
Electric, Power and Light	20,000	20,000	18,340	(1,660)	21,148
Street Striping	4,500	4,500	7,684	3,184	4,602
Street Maintenance	220,000	265,098	264,636	(462)	191,793
Capital Outlay	3,500	3,500	-	(3,500)	-
Total Expenditures	365,384	410,482	345,692	(64,790)	300,493
NET CHANGE IN FUND BALANCE	\$ (115,134)	\$ (160,232)	(103,404)	\$ 56,828	12,268
FUND BALANCE, MAY 1			267,088		254,820
FUND BALANCE, APRIL 30			\$ 163,684		\$ 267,088

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

EMERGENCY 911 FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Taxes					
Surcharge	\$ 121,085	\$ 121,085	\$ 124,652	\$ 3,567	\$ 117,165
Total Revenues	121,085	121,085	124,652	3,567	117,165
EXPENDITURES					
Current					
Public Safety					
Services	121,085	121,085	124,652	3,567	117,165
Total Expenditures	121,085	121,085	124,652	3,567	117,165
NET CHANGE IN FUND BALANCE	\$ -	\$ -	-	\$ -	-
FUND BALANCE, MAY 1			-		-
FUND BALANCE, APRIL 30			\$ -		\$ -

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

DRUG FORFEITURE FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Fines and Forfeits	\$ 1,250	\$ 1,250	\$ 231	\$ (1,019)	\$ 3,566
Investment Income	8	8	38	30	5
Total Revenues	1,258	1,258	269	(989)	3,571
EXPENDITURES					
Current					
Public Safety					
Suburb Emergency	1,000	1,000	103	(897)	972
Miscellaneous	2,500	2,500	-	(2,500)	332
Total Expenditures	3,500	3,500	103	(3,397)	1,304
NET CHANGE IN FUND BALANCE	\$ (2,242)	\$ (2,242)	166	\$ 2,408	2,267
FUND BALANCE, MAY 1			32,173		29,906
FUND BALANCE, APRIL 30			<u>\$ 32,339</u>		<u>\$ 32,173</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

FOREIGN FIRE INSURANCE FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016		Actual	Variance Over (Under)	2015 Actual
	Original Budget	Final Budget			
REVENUES					
Foreign Fire Insurance Tax	\$ 13,612	\$ 13,612	\$ 17,174	\$ 3,562	\$ 15,355
Investment Income	50	50	166	116	273
Total Revenues	13,662	13,662	17,340	3,678	15,628
EXPENDITURES					
Current					
Public Safety					
Commodities					
Tools and Equipment	-	-	3,076	3,076	4,713
Capital Outlay	65,000	65,000	51,887	(13,113)	14,243
Total Expenditures	65,000	65,000	54,963	(10,037)	18,956
NET CHANGE IN FUND BALANCE	<u>\$ (51,338)</u>	<u>\$ (51,338)</u>	(37,623)	<u>\$ 13,715</u>	(3,328)
FUND BALANCE, MAY 1			60,189		63,517
FUND BALANCE, APRIL 30			<u>\$ 22,566</u>		<u>\$ 60,189</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

PUBLIC ART PROGRAM FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Investment Income	\$ 20	\$ 20	\$ 81	\$ 61	\$ 9
Other	6,000	6,000	2,550	(3,450)	13,738
Total Revenues	6,020	6,020	2,631	(3,389)	13,747
EXPENDITURES					
Current					
Culture and Recreation					
Commodities					
Program Commodities	200	200	58	(142)	90
Contractual Services	11,400	11,400	2,355	(9,045)	8,318
Training and Conferences	150	150	15	(135)	-
Program Maintenance	10,000	10,000	-	(10,000)	100
Total Expenditures	21,750	21,750	2,428	(19,322)	8,508
NET CHANGE IN FUND BALANCE	\$ (15,730)	\$ (15,730)	203	\$ 15,933	5,239
FUND BALANCE, MAY 1			69,151		63,912
FUND BALANCE, APRIL 30			<u>\$ 69,354</u>		<u>\$ 69,151</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

11-501 (j) FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016					2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)		
REVENUES						
Fines and Forfeits	\$ 460	\$ 460	\$ 1,385	\$ 925	\$ 970	
Total Revenues	460	460	1,385	925	970	
EXPENDITURES						
Current						
Public Safety						
Miscellaneous	1,500	1,500	1,440	(60)	2,217	
Total Expenditures	1,500	1,500	1,440	(60)	2,217	
NET CHANGE IN FUND BALANCE	\$ (1,040)	\$ (1,040)	(55)	\$ 985	(1,247)	
FUND BALANCE, MAY 1			7,331		8,578	
FUND BALANCE, APRIL 30			<u>\$ 7,276</u>		<u>\$ 7,331</u>	

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

TIF AREA #1 FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 291,061	\$ 291,061	\$ 122,471	\$ (168,590)	\$ 242,886
Investment Income	2,000	2,000	619	(1,381)	(12,951)
Total Revenues	293,061	293,061	123,090	(169,971)	229,935
EXPENDITURES					
Capital Outlay					
Contractual Services					
Other Miscellaneous Services	1,120,600	1,578,600	418,620	(1,159,980)	37,072
Total Expenditures	1,120,600	1,578,600	418,620	(1,159,980)	37,072
NET CHANGE IN FUND BALANCE	\$ (827,539)	\$ (1,285,539)	(295,530)	\$ 990,009	192,863
FUND BALANCE, MAY 1			1,776,183		1,583,320
FUND BALANCE, APRIL 30			<u>\$ 1,480,653</u>		<u>\$ 1,776,183</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

FEMA FIRE MDT GRANT FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016			Variance Over (Under)	2015 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 451	\$ 451	\$ 518
Total Revenues	-	-	451	451	518
EXPENDITURES					
Current					
Public Safety					
Contractual Services	1,500	1,500	-	(1,500)	-
Capital Outlay	4,264	4,264	-	(4,264)	-
Total Expenditures	5,764	5,764	-	(5,764)	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(5,764)	(5,764)	451	6,215	518
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers (Out)	(2,000)	(2,000)	(451)	1,549	(518)
Total Other Financing Sources (Uses)	(2,000)	(2,000)	(451)	1,549	(518)
NET CHANGE IN FUND BALANCE	\$ (7,764)	\$ (7,764)	-	\$ 7,764	-
FUND BALANCE, MAY 1			9,004		9,004
FUND BALANCE, APRIL 30			\$ 9,004		\$ 9,004

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

PUBLIC SAFETY DONATIONS FUND

For the Year Ended April 30, 2016

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Other	\$ 5,350	\$ 5,350	\$ 36,235	\$ 30,885	\$ 5,350
Total Revenues	5,350	5,350	36,235	30,885	5,350
EXPENDITURES					
Current					
Public Safety					
Tools and Equipment	-	-	10,861	10,861	-
Capital Outlay	6,600	280,848	265,426	(15,422)	32,708
Total Expenditures	6,600	280,848	276,287	(4,561)	32,708
NET CHANGE IN FUND BALANCE	\$ (1,250)	\$ (275,498)	(240,052)	\$ 35,446	(27,358)
FUND BALANCE, MAY 1			303,473		330,831
FUND BALANCE, APRIL 30			\$ 63,421		\$ 303,473

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

CAPITAL EQUIPMENT FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016			Variance Over (Under)	2015 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental	\$ 50,776	\$ 50,776	\$ -	\$ (50,776)	\$ 50,776
Investment Income	5,500	5,500	4,574	(926)	(7,895)
Total Revenues	56,276	56,276	4,574	(51,702)	42,881
EXPENDITURES					
Capital Outlay	1,124,996	1,711,693	1,227,490	(484,203)	806,326
Total Expenditures	1,124,996	1,711,693	1,227,490	(484,203)	806,326
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,068,720)	(1,655,417)	(1,222,916)	432,501	(763,445)
OTHER FINANCING SOURCES (USES)					
Transfers In	654,115	528,151	528,151	-	571,239
Proceeds from the Sale of Capital Assets	39,600	39,600	60,194	20,594	103,621
Total Other Financing Sources (Uses)	693,715	567,751	588,345	20,594	674,860
NET CHANGE IN FUND BALANCE	\$ (375,005)	\$ (1,087,666)	(634,571)	\$ 453,095	(88,585)
FUND BALANCE, MAY 1			2,115,040		2,203,625
FUND BALANCE, APRIL 30			\$ 1,480,469		\$ 2,115,040

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

2013 WATER MAIN IMPROVEMENT FUND

For the Year Ended April 30, 2016

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Investment Income	\$ 50	\$ 50	\$ 22	\$ (28)	\$ 2,957
Total Revenues	50	50	22	(28)	2,957
EXPENDITURES					
Capital Outlay					
Engineering	-	-	920	920	84,384
Construction	276,202	423,174	422,254	(920)	1,258,211
Total Expenditures	276,202	423,174	423,174	-	1,342,595
NET CHANGE IN FUND BALANCE	\$ (276,152)	\$ (423,124)	(423,152)	\$ (28)	(1,339,638)
FUND BALANCE, MAY 1			423,152		1,762,790
FUND BALANCE, APRIL 30			\$ -		\$ 423,152

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are established to account for the financing of self-supporting activities of governmental units which render services to the general public on a user charge basis. Enterprise Funds are maintained on the accrual basis of accounting.

Municipal Control Parking Fund - the Municipal Control Parking Fund was established to account for commuter parking facilities constructed with Village funds. The fund is operated as an Enterprise Fund of the Village.

Grant Control Parking Fund - the Grant Control Parking Fund was established to account for commuter parking facilities constructed with grant funds. The fund is operated as an Enterprise Fund of the Village.

VILLAGE OF FLOSSMOOR, ILLINOIS

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

April 30, 2016

	Municipal Control Parking	Grant Control Parking	Total
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 132,031	\$ 24,543	\$ 156,574
Receivables (Net of Allowances for Uncollectibles)			
Customer Accounts, Billed	3,145	-	3,145
Total Current Assets	135,176	24,543	159,719
NONCURRENT ASSETS			
Capital Assets			
Nondepreciable	181,000	489,000	670,000
Depreciable, Net of Accumulated Depreciation	63,202	51,286	114,488
Net Capital Assets	244,202	540,286	784,488
Total Assets	379,378	564,829	944,207
CURRENT LIABILITIES			
Accounts Payable	268	-	268
Accrued Payroll	343	-	343
Unearned Revenue	7,245	25,200	32,445
Total Current Liabilities	7,856	25,200	33,056
NET POSITION			
Investment in Capital Assets	244,202	540,286	784,488
Unrestricted	127,320	(657)	126,663
TOTAL NET POSITION	\$ 371,522	\$ 539,629	\$ 911,151

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION**

NONMAJOR ENTERPRISE FUNDS

For the Year Ended April 30, 2016

	Municipal Control Parking	Grant Control Parking	Total
OPERATING REVENUES			
Charges for Services	\$ 45,217	\$ 121,701	\$ 166,918
Total Operating Revenues	45,217	121,701	166,918
OPERATING EXPENSES			
Personal Services	15,820	-	15,820
Maintenance	29,907	1,731	31,638
Commodities	150	-	150
Contractual Services	4,955	1,458	6,413
Allocated Costs and Administrative Charge by the General Fund	-	119,388	119,388
Depreciation	4,784	8,464	13,248
Total Operating Expenses	55,616	131,041	186,657
OPERATING INCOME (LOSS)	(10,399)	(9,340)	(19,739)
NON-OPERATING REVENUES (EXPENSES)			
Investment Income	151	21	172
Total Non-Operating Revenues (Expenses)	151	21	172
CHANGES IN NET POSITION	(10,248)	(9,319)	(19,567)
NET POSITION, MAY 1	381,770	548,948	930,718
NET POSITION, APRIL 30	\$ 371,522	\$ 539,629	\$ 911,151

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended April 30, 2016

	Municipal Control Parking	Grant Control Parking	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 45,217	\$ 121,701	\$ 166,918
Payments to Suppliers	(35,205)	(3,189)	(38,394)
Payments to Employees	(16,428)	-	(16,428)
Payments to Other Funds	-	(119,388)	(119,388)
Net Cash from Operating Activities	(6,416)	(876)	(7,292)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
None	-	-	-
Net Cash from Noncapital Financing Activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
None	-	-	-
Net Cash from Capital and Related Financing Activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	151	21	172
Net Cash from Investing Activities	151	21	172
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,265)	(855)	(7,120)
CASH AND CASH EQUIVALENTS, MAY 1	138,296	25,398	163,694
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 132,031	\$ 24,543	\$ 156,574
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (10,399)	\$ (9,340)	\$ (19,739)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities			
Depreciation	4,784	8,464	13,248
Changes in Assets and Liabilities			
Account Receivable	(170)	-	(170)
Accounts Payable	(23)	-	(23)
Accrued Payroll	(608)	-	(608)
NET CASH FROM OPERATING ACTIVITIES	\$ (6,416)	\$ (876)	\$ (7,292)

See accompanying notes to financial statements.

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Pension Trust Funds are used to account for assets held in trust to pay pension benefits to retirees and their beneficiaries.

The Police Pension Fund - to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by sworn police officers at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

The Firefighters' Pension 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 and by the Village at amounts determined by an annual actuarial study.

AGENCY FUNDS

Agency Funds are used to account for assets held solely in a custodial capacity.

Deposits Fund - to account for the retention of deposits.

Special Assessment Fund - to account for the collection of assessments levied to retire special assessments for which the Village has no obligation.

VILLAGE OF FLOSSMOOR, ILLINOIS

COMBINING STATEMENT OF NET POSITION

PENSION TRUST FUNDS

April 30, 2016

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and Cash Equivalents	\$ 623,358	\$ 63,595	\$ 686,953
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)			
Accrued Interest	45,312	3,916	49,228
Investments			
Certificates of Deposit	360,706	50,000	410,706
U.S. Government and U.S. Agency Obligations	2,767,027	310,706	3,077,733
Municipal Bonds	-	159,149	159,149
Corporate Bonds	1,828,430	199,360	2,027,790
IMET	-	621,489	621,489
Mutual Funds	7,064,421	-	7,064,421
Insurance Company Contracts	-	758,350	758,350
Due from General Fund	914	-	914
Prepaid Items	530	-	530
Total Assets	12,690,698	2,166,565	14,857,263
LIABILITIES			
Accounts Payable	5,365	-	5,365
Total Liabilities	5,365	-	5,365
NET POSITION RESTRICTED FOR PENSIONS	\$ 12,685,333	\$ 2,166,565	\$ 14,851,898

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION

PENSION TRUST FUNDS

For the Year Ended April 30, 2016

	Pension Trust		
	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer Contributions	\$ 571,732	\$ 251,619	\$ 823,351
Employee Contributions	267,982	36,207	304,189
Total Contributions	<u>839,714</u>	<u>287,826</u>	<u>1,127,540</u>
Investment Income			
Net Depreciation in Fair Value of Investments	(477,129)	(15,836)	(492,965)
Interest	400,213	14,491	414,704
Total Investment Income	<u>(76,916)</u>	<u>(1,345)</u>	<u>(78,261)</u>
Less Investment Expense	(36,130)	(395)	(36,525)
Net Investment Income	<u>(113,046)</u>	<u>(1,740)</u>	<u>(114,786)</u>
Total Additions	<u>726,668</u>	<u>286,086</u>	<u>1,012,754</u>
DEDUCTIONS			
Retirement Benefits	803,688	231,409	1,035,097
Disability Benefits	92,807	-	92,807
Administrative Expenses	21,004	9,653	30,657
Total Deductions	<u>917,499</u>	<u>241,062</u>	<u>1,158,561</u>
NET INCREASE (DECREASE)	(190,831)	45,024	(145,807)
NET POSITION RESTRICTED FOR PENSIONS			
May 1	<u>12,876,164</u>	<u>2,121,541</u>	<u>14,997,705</u>
April 30	<u>\$ 12,685,333</u>	<u>\$ 2,166,565</u>	<u>\$ 14,851,898</u>

See accompanying notes to financial statements.

VILLAGE OF FLOSSMOOR, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

For the Year Ended April 30, 2016

	Balances			Balances
	May 1, 2015	Additions	Deductions	April 30, 2016
ALL FUNDS				
ASSETS				
Cash and Cash Equivalents	\$ 123,053	\$ 17,211	\$ 6,871	\$ 133,393
TOTAL ASSETS	\$ 123,053	\$ 17,211	\$ 6,871	\$ 133,393
LIABILITIES				
Accounts Payable	\$ 285	\$ -	\$ 285	\$ -
Deposits Payable	21,046	17,100	6,586	31,560
Due to Others	101,722	111	-	101,833
TOTAL LIABILITIES	\$ 123,053	\$ 17,211	\$ 6,871	\$ 133,393
Deposits				
ASSETS				
Cash and Cash Equivalents	\$ 21,331	\$ 17,100	\$ 6,871	\$ 31,560
TOTAL ASSETS	\$ 21,331	\$ 17,100	\$ 6,871	\$ 31,560
LIABILITIES				
Accounts Payable	\$ 285	\$ -	\$ 285	\$ -
Deposits Payable	21,046	17,100	6,586	31,560
TOTAL LIABILITIES	\$ 21,331	\$ 17,100	\$ 6,871	\$ 31,560
Special Assessments				
ASSETS				
Cash and Cash Equivalents	\$ 101,722	\$ 111	\$ -	\$ 101,833
TOTAL ASSETS	\$ 101,722	\$ 111	\$ -	\$ 101,833
LIABILITIES				
Due to Others	\$ 101,722	\$ 111	\$ -	\$ 101,833
TOTAL LIABILITIES	\$ 101,722	\$ 111	\$ -	\$ 101,833

See accompanying notes to financial statements.

LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF GENERAL LONG-TERM DEBT

LONG-TERM DEBT PAYABLE BY GOVERNMENTAL FUNDS

April 30, 2016

**AMOUNT AVAILABLE AND TO BE
PROVIDED FOR THE RETIREMENT OF
GENERAL LONG-TERM DEBT**

Amount Available for Retirement of General Long-Term Debt	\$ 465,622
Amount to be Provided for Retirement of General Long-Term Debt	<u>24,884,590</u>
	<u><u>\$ 25,350,212</u></u>

GENERAL LONG-TERM DEBT PAYABLE

2009 General Obligation Refunding Bonds	\$ 3,380,000
2013 General Obligation Bonds	3,080,000
2014 General Obligation Bonds	3,695,000
Compensated Absences	288,454
Other Postemployment Benefit Obligation	220,088
Net Pension Liability	<u>14,686,670</u>
	<u><u>\$ 25,350,212</u></u>

(See independent auditor's report.)

SUPPLEMENTARY FINANCIAL INFORMATION

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
TAXES			
Property			
Corporate	\$ 910,057	\$ 910,057	\$ 874,804
Police	1,248,078	1,248,078	1,198,798
Fire	1,248,078	1,248,078	1,198,798
Workers' Compensation Insurance	264,526	264,526	297,229
Audit	31,605	31,605	32,008
Social Security	241,119	241,119	246,120
IMRF	251,672	251,672	250,453
Police Pension	547,275	547,275	566,752
Fire Pension	221,868	221,868	251,619
Road and Bridge	86,000	86,000	90,005
Sales	230,000	230,000	253,728
Utility	529,000	529,000	428,065
Telecommunications	332,000	332,000	305,433
 Total Taxes	 6,141,278	 6,141,278	 5,993,812
LICENSES AND PERMITS			
Vehicle	261,000	261,000	253,120
Animal	19,000	19,000	16,916
Liquor and Restaurant	9,280	9,280	12,720
Scavenger License	750	750	750
Yard Waste Stickers	350	350	981
Raffles	300	300	175
Alarm Permits	1,860	1,860	1,950
Fence Permit Fee	1,860	1,860	2,300
Occupancy Permits	2,750	2,750	2,050
Building Permits	45,000	45,000	112,097
Electrical Permits	16,000	16,000	20,162
Plumbing Permits	11,300	11,300	14,880
 Total Licenses and Permits	 369,450	 369,450	 438,101
INTERGOVERNMENTAL			
Personal Property Replacement Tax	46,100	46,100	49,899
State Income Tax	936,000	936,000	1,029,933
Local Use Tax	183,000	183,000	217,798
Grants	83,790	83,790	12,350
Library Reimbursement	3,600	3,600	3,585
 Total Intergovernmental	 1,252,490	 1,252,490	 1,313,565

(This schedule is continued on the following page.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES			
Flossmoor Fest Fees	\$ 3,460	\$ 3,460	\$ -
Emergency Medical Services	280,000	280,000	359,206
Zoning and Subdivision Fees	4,400	4,400	2,400
Architectural Advisory Committee Fees	400	400	-
Sale of Copies and Publications	1,010	1,010	1,035
Elevator Inspections	2,330	2,330	1,716
Public Works Inspection Fees	12,200	12,200	11,430
Health Inspections	6,600	6,600	2,880
Municipal Building Rentals	2,300	2,300	3,180
Share the Cost Programs	17,054	17,054	9,310
Accident Response Fees	3,100	3,100	6,325
Weed Cutting Charges	1,230	1,230	755
Animal Shelter Fees	900	900	1,085
Charges for Excess Alarm Calls	5,300	5,300	7,200
Community Relations Programs	820	820	-
Special Police Services	16,000	16,000	17,088
Special Fire Services	89,000	89,000	96,307
Total Charges for Services	446,104	446,104	519,917
FINES AND FORFEITS, COURT FINES	177,000	177,000	163,966
INVESTMENT INCOME	33,000	33,000	26,095
OTHER			
Net 3 Refund	-	-	56,989
NSF Fees	100	100	45
Cable Franchise	177,000	177,000	201,305
Gasoline Tax Rebates	1,000	1,000	843
Equalization Fees	-	-	21,854
Miscellaneous	3,800	3,800	2,369
Contributions from Private Sources	10,500	10,500	9,965
Tower Lease Rental	151,370	151,370	155,913
Electric Aggregation Civic Contribution	30,000	30,000	45,499
Class 8 Developer Make Whole	318,396	318,396	82,731
Total Other	692,166	692,166	577,513
TOTAL GENERAL FUND REVENUES	\$ 9,111,488	\$ 9,111,488	\$ 9,032,969

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Legislative			
Personal Services			
Mayor and Village Trustees	\$ 45,600	\$ 45,600	\$ 45,000
Unemployment Contribution	369	369	275
Village FICA Contribution	2,341	2,341	2,790
Village Medicare Contribution	791	791	652
Total Personal Services	49,101	49,101	48,717
Commodities			
Office Supplies	1,300	1,300	1,181
Books and Maps	400	400	139
Postal Charges	800	800	1,907
Miscellaneous Mailings	700	700	-
Other Operating Supplies	200	200	-
Office Equipment	200	200	-
Awards and Plaques	250	250	-
Total Commodities	3,850	3,850	3,227
Contractual Services			
Other Professional Services	5,000	5,000	-
Board Contingency Fund	10,000	10,000	-
Printing	1,500	1,500	1,960
Municipal Code Update	3,000	3,000	3,239
Paperless Agenda Software Service	4,740	4,740	5,530
Community Relations Commission	6,700	6,700	6,102
Community Service Activities	2,425	2,425	1,219
Marketing Programs	11,000	11,000	7,376
Total Contractual Services	44,365	44,365	25,426
Training and Conferences			
Membership Dues and Subscriptions	9,130	9,130	9,435
Personnel Training and Conferences	1,000	1,000	776
Total Training and Conferences	10,130	10,130	10,211
Capital Outlay			
Resident Survey	10,000	10,000	-
Paperless Agenda Hardware Devices	19,000	19,000	1,163
Total Capital Outlay	29,000	29,000	1,163
Allocation to Water and Sewer Fund			
Transfer from Water and Sewer - FICA/Medicare/IMRF	(1,270)	(410)	(410)
Transfer from Water and Sewer - Administration	(24,517)	(24,517)	(24,517)
Total Allocation to Water and Sewer Fund	(25,787)	(24,927)	(24,927)
Allocation to Storm Sewer Fund	(2,452)	(2,452)	(2,452)
Total Legislative	108,207	109,067	61,365

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Executive			
Personal Services			
Village Manager	\$ 155,631	\$ 155,631	\$ 155,840
Assistant Village Manager	103,304	103,304	-
Department Secretary	64,308	64,308	65,936
Assistant Village Manager	75,989	75,989	60,025
Temporary Assistant	2,000	2,000	-
Sick Leave Buy Back	3,999	3,999	695
Overtime	401	401	-
Health and Life Insurance	54,355	54,355	30,293
Employee Assistance Program	824	824	990
Unemployment Contributions	2,214	2,214	1,647
Village FICA Contributions	18,727	18,727	15,978
Village HSA Contributions	1,000	1,000	1,000
Village Medicare Contributions	4,743	4,743	4,248
Village IMRF Contributions	44,818	44,818	37,963
Total Personal Services	532,313	532,313	374,615
Commodities			
Office Supplies	2,000	2,000	1,850
Books and Maps	100	100	-
Postal Charges	250	250	21
Other Operating Supplies	300	300	-
Office Equipment	2,800	2,800	1,082
Computer Equipment	2,000	2,000	2,689
Petroleum Products	1,200	1,200	969
Total Commodities	8,650	8,650	6,611
Contractual Services			
Other Professional Services	2,000	2,000	500
Safety Committee	500	500	427
Wellness Committee	7,100	7,100	7,174
Other Miscellaneous Services	340	340	892
Printing	100	100	24
Pre-Employment Physicals	300	300	-
Telephone	2,000	2,000	2,517
Website and Internet Service	4,723	4,723	4,398
IRMA - Workers' Compensation Premium	2,527	3,583	3,348
IRMA - Insurance Deductible	-	-	-
IRMA - General Liability Premium	1,685	2,389	2,232
Website Applications	3,252	3,252	2,947
Total Contractual Services	24,527	26,287	24,459
Training and Conferences			
Meetings and Events	1,200	1,200	482
Membership Dues and Subscriptions	3,276	3,276	2,923
Personnel Training and Conferences	5,500	5,500	4,570
Total Training and Conferences	9,976	9,976	7,975

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Executive (Continued)			
Maintenance			
Office Equipment	\$ 200	\$ 200	\$ -
Vehicle Maintenance and Supplies	400	400	116
Computer Software Maintenance	150	150	599
Computer Hardware Maintenance	6,000	6,000	5,626
Website Maintenance	4,159	4,159	4,039
Phone System Maintenance	5,000	5,000	470
Total Maintenance	15,909	15,909	10,850
Capital Outlay			
Website Redesign	9,815	9,815	9,814
Total Capital Outlay	9,815	9,815	9,814
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(12,700)	(4,100)	(4,100)
Allocation to Water and Sewer Fund - Administration	(48,579)	(48,579)	(48,579)
Total Allocation to Water and Sewer Fund	(61,279)	(52,679)	(52,679)
Allocation to Grant Parking	(1,194)	(1,194)	(1,194)
Allocation to Storm Sewer	(2,404)	(2,404)	(2,404)
Total Executive	536,313	546,673	378,047
Finance Department			
Personal Services			
Finance Director	129,130	129,130	129,535
Accountant	80,331	80,331	82,225
Part-Time Clerk	117,792	117,792	117,092
Receptionist/Cashier	47,189	47,189	46,271
Part-Time Accountant	11,492	11,492	8,483
Village Clerk	4,800	4,800	4,800
Sick Leave Buy Back	6,836	6,836	5,862
Overtime	4,686	4,686	727
Health and Life Insurance	99,531	99,531	82,539
Employee Assistance Program	927	927	2,189
Unemployment Compensation	2,583	2,583	1,921
Village FICA Contributions	28,091	28,091	24,234
Village Medicare Contributions	6,324	6,324	5,817
Village IMRF Contributions	55,161	55,161	48,656
Total Personal Services	594,873	594,873	560,351
Commodities			
Office Supplies	2,890	2,890	2,017
Books and Maps	400	400	-
Postal Charges	5,040	5,040	5,329
Other Operating Supplies	50	50	-
Office Equipment	800	800	843

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Finance Department (Continued)			
Commodities (Continued)			
Computer Equipment and Supplies	\$ 2,500	\$ 2,500	\$ 1,660
License and Permit Supplies	5,090	5,090	4,122
Miscellaneous	1,000	1,000	556
Total Commodities	<u>17,770</u>	<u>17,770</u>	<u>14,527</u>
Contractual Services			
Tax Reporting Services	-	7,000	5,250
Actuary Services	7,700	7,700	4,450
Accounting and Auditing Services	31,182	31,182	27,571
Other Miscellaneous Services	2,900	2,900	1,468
Printing	1,620	1,620	1,417
Pre-Employment Physicals	250	250	-
Telephone	6,150	6,150	6,579
Advertising	890	890	1,783
Workers' Compensation Insurance	2,527	3,583	3,348
Casualty and Liability Insurance	1,685	2,389	2,232
IRMA - Insurance Deductible	400	400	-
Supplemental Insurance	585	585	721
Cyber Liability Insurance	-	3,991	4,031
HR On Demand Services	3,600	3,600	3,600
Bank Service Charges	8,950	8,950	10,141
Collection Services	150	150	101
External Vulnerability Assessment	-	5,750	5,750
Total Contractual Services	<u>68,589</u>	<u>87,090</u>	<u>78,442</u>
Training and Conferences			
Membership Dues and Subscriptions	2,270	2,270	1,904
Personnel Training and Conferences	4,850	4,850	3,694
Total Training and Conferences	<u>7,120</u>	<u>7,120</u>	<u>5,598</u>
Maintenance			
Office Equipment and Maintenance	11,490	11,490	12,219
Computer Hardware and Software Maintenance	29,170	29,170	19,848
Total Maintenance	<u>40,660</u>	<u>40,660</u>	<u>32,067</u>
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(16,510)	(5,330)	(5,330)
Allocation to Water and Sewer Fund - Administration	(150,132)	(150,132)	(150,132)
Total Allocation to Water and Sewer Fund	<u>(166,642)</u>	<u>(155,462)</u>	<u>(155,462)</u>
Allocation to Grant Parking	<u>(32,234)</u>	<u>(32,234)</u>	<u>(32,234)</u>
Allocation to Storm Sewer	<u>(14,460)</u>	<u>(14,460)</u>	<u>(14,460)</u>
Total Finance Department	<u>515,676</u>	<u>545,357</u>	<u>488,829</u>

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Legal Services			
Contractual Services			
Retainer for Village Attorney	\$ 127,500	\$ 127,500	\$ 127,500
Unplanned Litigation	40,000	40,000	8,714
Other Legal Services	15,000	15,000	12,283
Local Adjudication	15,500	15,500	10,965
Total Contractual Services	198,000	198,000	159,462
Allocation to Water and Sewer Fund - Administration	(21,301)	(21,301)	(21,301)
Allocation to Storm Sewer	(1,065)	(1,065)	(1,065)
Total Legal Services	175,634	175,634	137,096
Planning and Zoning			
Personal Services			
Building and Zoning Coordinator	29,635	29,635	29,863
Inspect Services Administration	32,258	32,258	32,481
Health and Life Insurance	9,094	9,094	15
Employee Assistance Program	206	206	41
Unemployment Contributions	369	369	275
Village FICA Contributions	7,023	7,023	3,834
Village Medicare Contributions	1,581	1,581	897
Village IMRF Contributions	24,133	24,133	7,949
Total Personal Services	104,299	104,299	75,355
Commodities			
Office Supplies	600	600	389
Books and Maps	100	100	-
Postal Charges	500	500	303
Office Equipment	200	200	-
Computer Equipment	200	200	-
Total Commodities	1,600	1,600	692
Contractual Services			
Professional Services	20,000	20,000	-
Printing	100	100	24
Telephone	-	-	433
Advertising	300	300	352
IRMA - Workers' D312 Compensation Premium	2,527	3,583	3,348
IRMA - General Liability Premium	1,685	2,389	2,232
Total Contractual Services	24,612	26,372	6,389
Training and Conferences			
Membership Dues and Subscriptions	500	500	354
Personnel Training and Conferences	3,500	3,500	-
Total Training and Conferences	4,000	4,000	354

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Planning and Zoning (Continued)			
Maintenance			
Computer Software Maintenance	\$ 1,000	\$ 1,000	\$ 21
Computer Hardware Maintenance	570	570	396
Total Maintenance	1,570	1,570	417
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(6,350)	(2,050)	(2,050)
Allocation to Water and Sewer Fund - Administration	(10,525)	(10,525)	(10,525)
Total Allocation to Water and Sewer Fund	(16,875)	(12,575)	(12,575)
Allocation to Storm Sewer	(563)	(563)	(563)
Total Planning and Zoning	118,643	124,703	70,069
Total General Government	1,454,473	1,501,434	1,135,406
PUBLIC SAFETY			
Police Department			
Personal Services			
Police Chief	129,130	129,130	128,834
Deputy Police Chief	113,762	113,762	113,267
Sergeants	420,622	420,622	431,252
Patrolmen	1,000,670	1,050,029	1,025,869
Ordinance Enforcement Officer	61,558	61,558	62,203
Ordinance Enforcement Officer - Part-Time	35,650	35,650	37,724
Mechanic	40,932	40,932	41,346
Crossing Guards	23,400	23,400	23,059
Range Officer	564	564	-
Field Training Officer	2,979	3,129	2,527
Shift Leader Pay	15,495	16,725	15,635
Detective Pay	5,000	5,260	4,386
Court Pay	16,500	17,335	17,068
Extra Duty Pay	2,500	2,500	-
Sick Leave Buy Back	12,414	13,042	16,652
Overtime Pay	80,750	84,838	83,307
Health and Life Insurance	370,925	370,925	385,514
Employee Assistance Program	3,708	3,708	3,458
Unemployment Contributions	12,915	12,915	9,607
Village FICA Contributions	11,704	11,704	10,581
Village Medicare Contributions	28,549	28,549	27,492
Village IMRF Contributions	17,238	17,238	17,227
Village Police Pension Contributions	547,275	547,275	571,732
Village PEHP Contributions	33,190	33,190	33,416
Total Personal Services	2,987,430	3,043,980	3,062,156
Commodities			
Office Supplies	3,125	3,125	2,593
Books and Maps	800	800	861
Postal Charges	2,920	2,920	2,387

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police Department (Continued)			
Commodities (Continued)			
Other Operating Supplies	\$ 3,000	\$ 3,000	\$ 1,200
Computer Equipment and Supplies	600	600	490
Petroleum Products	45,000	45,000	26,686
Special Police Commodities	5,592	5,592	2,820
Clothing	16,400	16,400	18,776
Photographic Supplies	500	500	499
Vehicle Sticker Compliance Program	9,866	9,866	10,154
Small Tools and Equipment	12,200	12,200	10,411
Bicycle Patrol Program	2,000	2,000	1,896
Ammunition	6,850	6,850	7,615
Total Commodities	108,853	108,853	86,388
Contractual Services			
Other Professional Services	12,000	12,000	12,526
Printing	3,200	3,200	1,209
Pre-Employment Physicals	2,250	2,250	600
Advertising	1,500	1,500	-
IRMA - Workers' Compensation Premium	80,871	114,680	107,133
IRMA - General Liability Premium	26,114	37,032	34,595
IRMA - Insurance Deductible	17,500	17,500	7,433
Lexipol Update and Day Bulletin	4,450	4,450	4,450
Animal Control Services	1,000	1,000	1,050
South Suburban Major Crimes Task Force	1,000	1,000	1,000
South Suburban Emergency Response Team	1,000	1,000	1,000
Ticket Collection services	4,350	4,350	5,649
Total Contractual Services	155,235	199,962	176,645
Training and Conferences			
Membership Dues and Subscriptions	1,600	1,600	1,199
Personnel Training and Conferences	19,500	19,500	16,496
Auto Expense Reimbursement	100	100	84
Total Training and Conferences	21,200	21,200	17,779
Maintenance			
Office Equipment Maintenance	5,500	5,500	3,728
Vehicle Maintenance and Supplies	11,110	11,110	12,721
Computer Software Maintenance	1,750	1,750	1,162
Computer Network Maintenance	13,829	13,829	10,176
Copier Maintenance	1,500	1,500	1,620
Range Maintenance	6,840	6,840	7,728
Taser Maintenance	953	953	953
Total Maintenance	41,482	41,482	38,088
Capital Outlay			
Evidence Management System	11,500	11,500	11,793
Police Department Staffing Study	20,000	20,000	-
Total Capital Outlay	31,500	31,500	11,793

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police Department (Continued)			
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	\$ (11,430)	\$ (3,690)	\$ (3,690)
Allocation to Water and Sewer Fund - Administration	(8,026)	(8,026)	(8,026)
Total Allocation to Water and Sewer Fund	(19,456)	(11,716)	(11,716)
Allocation to Grant Parking	(56,113)	(56,113)	(56,113)
Allocation to Storm Sewer	(803)	(803)	(803)
Total Police Department	3,269,328	3,378,345	3,324,217
Fire Department			
Personal Services			
Department Secretary	54,885	54,885	55,172
Temporary Assistance	3,917	3,917	1,681
Mechanic	4,095	4,095	4,135
Fire Chief	90,390	90,390	89,899
Assistant Fire Chief	84,764	84,764	85,868
Fire Training Officer	89,575	89,575	90,840
Fire and Paramedic Volunteer Calls	98,500	98,500	59,629
Paramedic Incentive	61,000	61,000	45,081
Mechanic Helper	5,000	5,000	512
Duty Shift Program	220,494	220,494	211,066
Officer Differential	22,701	22,701	16,337
Public Information Assistant	3,056	3,056	3,056
Photography Coordinator	3,056	3,056	3,056
Safety Officer	3,056	3,056	3,056
Sick Leave Buy Back	6,466	6,466	3,532
Overtime Pay	552	552	-
Part-Time Help	8,000	8,000	7,457
Health and Life Insurance	72,459	72,459	81,907
Employee Assistance Program	824	824	1,328
Unemployment Contributions	7,380	7,380	5,490
Village FICA Contributions	46,817	46,817	40,254
Village Medicare Contributions	11,067	11,067	9,780
Village IMRF Contributions	6,895	6,895	7,661
Village Fire Pension Contributions	221,868	221,868	251,619
Total Personal Services	1,126,817	1,126,817	1,078,416
Commodities			
Office Supplies	2,750	2,750	2,531
Books and Maps	1,000	1,000	971
Postal Charges	700	700	737
Other Operating Supplies	2,875	2,875	1,670
Computer Equipment and Supplies	1,000	1,000	66
Petroleum Products	25,000	25,000	15,975
Clothing	33,040	33,040	24,955
Photographic Supplies	500	500	-
Small Tools and Equipment	9,700	9,700	10,199
Cleaning Supplies	3,300	3,300	3,724
Hose and Pager Supplies	10,100	10,100	9,325
Communications Equipment	5,000	5,000	4,771
EMS Equipment and Supplies	3,500	3,500	3,981
Total Commodities	98,465	98,465	78,905

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Fire Department (Continued)			
Contractual Services			
Other Miscellaneous Services	\$ 3,000	\$ 3,000	\$ 3,187
Printing	1,100	1,100	344
Pre-Employment Physicals	5,400	5,400	10,940
Telephone	1,900	1,900	1,627
IRMA - Workers' Compensation Premium	22,745	32,253	30,131
IRMA - General Liability Premium	16,006	22,697	21,204
IRMA - Insurance Deductible	2,500	2,500	2,500
Hazardous Materials	4,800	4,800	4,929
Firefighters and Paramedics Contract	667,183	667,183	667,183
Ambulance Collection Services	12,500	12,500	18,027
Total Contractual Services	<u>737,134</u>	<u>753,333</u>	<u>760,072</u>
Training and Conferences			
Membership Dues and Subscriptions	2,100	2,100	2,013
Personnel Training and Conferences	8,300	8,300	9,344
Physical Fitness and Inoculation	18,000	18,000	4,806
Tuition and Fees	43,000	43,000	31,195
Training Materials and Other Equipment	9,950	9,950	9,674
Total Training and Conferences	<u>81,350</u>	<u>81,350</u>	<u>57,032</u>
Maintenance			
Office Equipment Maintenance	1,000	1,000	542
Vehicle Maintenance	29,000	29,000	32,782
Computer Software Maintenance	8,500	8,500	8,188
Computer Hardware Maintenance	12,000	12,000	7,354
Equipment Maintenance and Supplies	6,000	6,000	8,699
EMS Equipment Maintenance	1,000	1,000	1,349
Equipment Service Contracts	5,150	5,150	19,306
Fire Hydrant Rehabilitation - Sanding and Painting	4,500	4,500	301
Total Maintenance	<u>67,150</u>	<u>67,150</u>	<u>78,521</u>
Capital Outlay			
Portable Radios	36,100	36,100	34,144
Total Capital Outlay	<u>36,100</u>	<u>36,100</u>	<u>34,144</u>
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(12,700)	(4,100)	(4,100)
Allocation to Water and Sewer Fund - Administration	(42,925)	(42,925)	(42,925)
Total Allocation to Water and Sewer Fund	<u>(55,625)</u>	<u>(47,025)</u>	<u>(47,025)</u>
Allocation to Storm Sewer			
	<u>(2,686)</u>	<u>(2,686)</u>	<u>(2,686)</u>
Total Fire Department	<u>2,088,705</u>	<u>2,113,504</u>	<u>2,037,379</u>
Public Safety Reception and Records			
Personal Services			
Police Records Clerks	169,792	169,792	171,366
Civilian Administrative Assistant	62,969	62,969	63,974
Sick Leave Buy Back	3,101	3,101	3,265

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Public Safety Reception and Records (Continued)			
Personal Services (Continued)			
Overtime Pay	\$ 8,373	\$ 8,373	\$ 11,402
Part-Time Help	99,442	99,442	85,383
Health and Life Insurance	54,355	54,355	47,134
Employee Assistance Program	824	824	963
Unemployment Contributions	2,214	2,214	1,647
Village FICA Contributions	23,409	23,409	20,694
Village Medicare Contributions	5,534	5,534	4,840
Village IMRF Contributions	34,476	34,476	32,938
Total Personal Services	464,489	464,489	443,606
Contractual Services			
Other Professional Services	193,100	193,100	154,057
Pre-Employment Physicals	600	600	-
Telephone	20,180	20,180	22,018
Advertising	325	325	-
IRMA - Workers' Compensation Premium	2,527	3,583	3,348
IRMA - General Liability Premium	1,685	2,389	2,232
IRMA - Insurance Deductible	500	500	-
Total Contractual Services	218,917	220,677	181,655
Training and Conferences			
Training	200	200	-
Maintenance			
Office Equipment Maintenance	400	400	352
Computer Software Maintenance	310	310	361
Computer Network Maintenance	4,221	4,221	3,328
Radio System Maintenance	14,900	14,900	1,069
Total Maintenance	19,831	19,831	5,110
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(12,700)	(4,100)	(4,100)
Allocation to Water and Sewer Fund - Administration	(48,962)	(48,962)	(48,962)
Total Allocation to Water and Sewer Fund	(61,662)	(53,062)	(53,062)
Allocation to Grant Parking	(10,745)	(10,745)	(10,745)
Allocation to Storm Sewer	(2,448)	(2,448)	(2,448)
Total Public Safety Reception and Records	628,582	638,942	564,116
Inspectional Services			
Personal Services			
Building and Zoning Coordinator	29,635	29,635	29,863
Inspect Services Administration	32,258	32,258	32,482
Temporary Assistance	5,500	5,500	6,114
Fire Chief	38,739	38,739	38,528
Assistant Fire Chief	28,998	28,998	26,314

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Inspectional Services (Continued)			
Personal Services (Continued)			
Fire Training Officer	\$ -	\$ -	\$ (327)
Structural Code Administrator	7,000	7,000	6,334
Electrical Code Administrator	10,500	10,500	10,135
Plumbing Code Administrator	7,000	7,000	4,830
Miscellaneous Inspectors	11,725	11,725	6,530
Sick Leave Buy Back	1,732	1,732	658
Overtime	289	289	-
Health and Life Insurance	18,104	18,104	16,425
Employee Assistance Program	206	206	109
Unemployment Contributions	738	738	549
Village FICA Contributions	11,704	11,704	10,066
Village Medicare Contributions	3,162	3,162	2,388
Village IMRF Contributions	3,448	3,448	7,949
Total Personal Services	210,738	210,738	198,947
Commodities			
Office Supplies	800	800	508
Books and Maps	1,250	1,250	353
Postal Charges	500	500	226
Office Equipment	900	900	462
Computer Equipment and Supplies	700	700	932
Uniforms and Related Supplies	400	400	284
Total Commodities	4,550	4,550	2,765
Contractual Services			
Other Professional Services	300	300	16,442
Miscellaneous Services	250	250	-
Printing	500	500	344
Pre-Employment Physicals	367	367	-
Telephone	500	500	698
IRMA - Workers' Compensation Premium	2,527	3,583	3,348
IRMA - General Liability Premium	1,685	2,389	2,232
IRMA - Insurance Deductible	138	138	-
Elevator Inspection Services	1,728	1,728	1,957
Sanitarian Inspection Services	5,600	5,600	3,400
Engineer and Architectural Services	-	-	-
Total Contractual Services	13,595	15,355	28,421
Training and Conferences			
Membership Dues and Subscriptions	500	500	729
Personnel Training and Conferences	2,100	2,100	814
Tuition and Fees	1,100	1,100	(122)
Total Training and Conferences	3,700	3,700	1,421
Maintenance			
Office Equipment Maintenance	1,150	1,150	953
Computer Software Maintenance	1,600	1,600	126
Computer Network Maintenance	750	750	859
Total Maintenance	3,500	3,500	1,938

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Inspectional Services (Continued)			
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	\$ (3,810)	\$ (1,230)	\$ (1,230)
Allocation to Water and Sewer Fund - Administration	(18,518)	(18,518)	(18,518)
	<u>(22,328)</u>	<u>(19,748)</u>	<u>(19,748)</u>
Total Allocation to Water and Sewer Fund			
Allocation to Storm Sewer	(953)	(953)	(953)
	<u>212,802</u>	<u>217,142</u>	<u>212,791</u>
Total Inspectional Services			
Total Public Safety	<u>6,199,417</u>	<u>6,347,933</u>	<u>6,138,503</u>
PUBLIC WORKS			
Public Works Administration			
Personal Services			
Department Secretary	54,885	54,885	55,885
Temporary Assistance	4,153	4,153	7,838
Sick Leave Buy Back	2,569	2,569	2,980
Public Works Director	125,419	125,419	129,003
Overtime Pay	211	211	-
Health and Life Insurance	27,241	27,241	32,795
Employee Assistance Program	618	618	136
Unemployment Contributions	1,476	1,476	1,098
Village HSA Contributions	2,000	2,000	2,000
Village FICA Contributions	11,704	11,704	11,518
Village Medicare Contributions	3,162	3,162	2,782
Village IMRF Contributions	27,580	27,580	23,874
	<u>261,018</u>	<u>261,018</u>	<u>269,909</u>
Total Personal Services			
Commodities			
Office Supplies	1,200	1,200	1,711
Books and Maps	350	350	-
Postal Charges	1,800	1,800	1,257
Other Operating Supplies	1,000	1,000	877
Office Equipment	800	800	949
Computer Equipment and Supplies	800	800	800
Petroleum Products	2,850	2,850	1,331
	<u>8,800</u>	<u>8,800</u>	<u>6,925</u>
Total Commodities			
Contractual Services			
Professional Services	20,750	20,750	19,541
Printing	350	350	33
Pre-Employment Physicals	1,100	1,100	2,143
Telephone	27,800	27,800	42,208
IRMA - Workers' Compensation Premium	2,527	3,583	3,348
IRMA - General Liability Premium	1,685	2,389	2,232
IRMA - Insurance Deductible	138	138	2,914
CDL Drug and Alcohol Tests	1,000	1,000	655
	<u>55,350</u>	<u>57,110</u>	<u>73,074</u>
Total Contractual Services			

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Public Works Administration (Continued)			
Training and Conferences			
Membership Dues and Subscriptions	\$ 750	\$ 750	\$ 679
Personnel Training and Conferences	1,700	1,700	2,618
Total Training and Conferences	2,450	2,450	3,297
Maintenance			
Office Equipment Maintenance	1,400	1,400	3,536
Vehicle Maintenance	400	400	22
Computer Software Maintenance	3,250	3,250	2,575
Computer Network Maintenance	6,000	6,000	4,731
Total Maintenance	11,050	11,050	10,864
Capital Outlay			
Brookwood Bridge Engineering	24,500	24,500	8,145
IEPA Phase 4 Design Engineering	50,000	50,000	-
Woods Lift Station Reconstruction	325,000	325,000	-
Flossmoor Road Viaduct Repairs	103,749	103,749	-
Dartmouth Road Bike Bridge Path	50,000	50,000	4,126
Total Capital Outlay	553,249	553,249	12,271
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(7,620)	(2,460)	(2,460)
Allocation to Water and Sewer Fund - Administration	(144,349)	(144,349)	(144,349)
Total Allocation to Water and Sewer Fund	(151,969)	(146,809)	(146,809)
Allocation to Grant Parking	(2,388)	(2,388)	(2,388)
Allocation to Storm Sewer	(57,781)	(57,781)	(57,781)
Total Public Works Administration	679,779	686,699	169,362
Streets and Grounds			
Personal Services			
Mechanic	36,834	36,834	37,211
Sick Leave Buy Back	1,824	1,824	2,628
Assistant Public Works Director	97,033	97,033	105,208
Working Foreman	152,929	152,929	123,125
Utility Maintenance Technician	74,472	74,472	75,376
Maintenance Workers	382,234	382,234	385,241
Forestry Maintenance Technician	72,237	72,237	73,184
Pager Compensation	2,920	2,920	2,936
Overtime Pay	12,388	12,388	3,217
Temporary Mechanic	27,000	27,000	9,399
Health and Life Insurance	199,146	199,146	170,960
Employee Assistance Program	2,163	2,163	2,338
Unemployment Contributions	6,642	6,642	4,941
Village HSA Contributions	5,000	5,000	2,500
Village FICA Contributions	65,546	65,546	52,897

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Streets and Grounds (Continued)			
Personal Services (Continued)			
Village Medicare Contributions	\$ 14,230	\$ 14,230	\$ 12,371
Village IMRF Contributions	124,112	124,112	106,573
Total Personal Services	<u>1,276,710</u>	<u>1,276,710</u>	<u>1,170,105</u>
Commodities			
Office Supplies	600	600	561
Other Operating Supplies	3,450	3,450	3,991
Petroleum Products	21,000	21,000	8,832
Uniforms and Related Supplies	2,650	2,650	2,319
Small Tools and Equipment	4,450	4,450	3,604
Safety Equipment and Supplies	2,450	2,450	3,213
Total Commodities	<u>34,600</u>	<u>34,600</u>	<u>22,520</u>
Contractual Services			
Other Professional Services	1,000	1,000	1,257
Pre-Employment Physicals	2,000	2,000	678
Advertising	2,000	2,000	882
IRMA - Workers' Compensation Premium	7,582	10,751	10,044
IRMA - General Liability Premium	32,010	45,392	42,407
IRMA - Insurance Deductible	2,614	2,614	2,688
Spoil Disposal	10,000	10,000	5,414
Equipment Rental	600	600	766
Share the Cost Tree Program	33,115	33,115	18,984
JULIE One-Call	600	600	782
Total Contractual Services	<u>91,521</u>	<u>108,072</u>	<u>83,902</u>
Training and Conferences			
Membership Dues and Subscriptions	500	500	575
Personnel Training and Conferences	1,000	1,000	902
Total Training and Conferences	<u>1,500</u>	<u>1,500</u>	<u>1,477</u>
Maintenance			
Maintenance and Supplies	9,000	9,000	9,516
Radio System Maintenance	400	400	-
Repairs	2,505	2,505	698
Art Program Maintenance Contract	500	500	-
Landscape Maintenance	52,090	52,090	40,650
CDB Flags	1,500	1,500	1,500
Total Maintenance	<u>65,995</u>	<u>65,995</u>	<u>52,364</u>
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(39,370)	(12,710)	(12,710)
Allocation to Water and Sewer Fund - Administration	(547,160)	(547,160)	(547,160)
Total Allocation to Water and Sewer Fund	<u>(586,530)</u>	<u>(559,870)</u>	<u>(559,870)</u>

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
PUBLIC WORKS (Continued)			
Streets and Grounds (Continued)			
Allocation to Grant Parking	\$ (16,714)	\$ (16,714)	\$ (16,714)
Allocation to Storm Sewer	(250,454)	(250,454)	(250,453)
Total Streets and Grounds	<u>616,628</u>	<u>659,839</u>	<u>503,331</u>
Snow and Ice Control			
Personal Services			
Overtime Pay	15,186	15,186	9,210
Temporary Employees	720	720	-
Village FICA Contributions	4,682	4,682	548
Village Medicare Contributions	-	-	128
Village IMRF Contributions	6,895	6,895	1,105
Total Personal Services	<u>27,483</u>	<u>27,483</u>	<u>10,991</u>
Commodities			
Small Tools and Equipment	250	250	341
Maintenance			
Program Maintenance	2,745	2,745	3,390
Allocation to Water and Sewer Fund			
Allocation to Water and Sewer Fund - FICA/Medicare/IMRF	(2,540)	(820)	(820)
Total Allocation to Water and Sewer Fund	<u>(2,540)</u>	<u>(820)</u>	<u>(820)</u>
Total Snow and Ice Control	<u>27,938</u>	<u>29,658</u>	<u>13,902</u>
Horticulture Maintenance			
Personal Services			
Seasonal Employees	21,525	21,525	21,353
Part-Time Employees	1,500	1,500	1,901
Village FICA Contributions	2,341	2,341	1,438
Village Medicare Contributions	-	-	336
Total Personal Services	<u>25,366</u>	<u>25,366</u>	<u>25,028</u>
Commodities			
Small Tools and Equipment	1,000	1,000	1,385
Program Commodities	3,635	3,635	2,983
Total Commodities	<u>4,635</u>	<u>4,635</u>	<u>4,368</u>
Maintenance			
Program Maintenance	1,450	1,450	306
Art Landscaping Maintenance	1,000	1,000	-
Total Maintenance	<u>2,450</u>	<u>2,450</u>	<u>306</u>
Total Horticulture Maintenance	<u>32,451</u>	<u>32,451</u>	<u>29,702</u>

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
Parkway Tree Maintenance			
Personal Services			
Overtime Pay	\$ 1,268	\$ 1,268	\$ 377
Temporary Employees	3,465	3,465	-
Village FICA Contributions	-	-	730
Village Medicare Contributions	-	-	171
Village IMRF Contributions	-	-	44
Total Personal Services	4,733	4,733	1,322
Commodities			
Small Tools and Equipment	600	600	586
Contractual Services			
Contractual Services	127,000	127,000	94,301
Maintenance			
Program Maintenance	300	300	53
Total Parkway Tree Maintenance	132,633	132,633	96,262
Weedy Lot Program			
Personal Services			
Temporary Employees	15,000	15,000	-
Commodities			
Small Tools and Equipment	950	950	182
Contractual Services			
Code Enforcement Mowing Services	3,500	3,500	1,218
Maintenance			
Program Maintenance	1,240	1,240	2,107
Total Weedy Lot Program	20,690	20,690	3,507
Concrete Repair Program			
Commodities			
Small Tools and Equipment	330	330	248
Program Commodities	1,000	1,000	1,630
Art Program Commodities	500	500	-
Total Commodities	1,830	1,830	1,878
Maintenance			
Program Maintenance	100	100	86
Flossmoor Rd Sidewalk ADA Ramp	40,330	76,700	75,210
Sidewalk Replacement Program	60,000	64,459	64,459
Total Maintenance	100,430	141,259	139,755
Total Concrete Repair Program	102,260	143,089	141,633

(This schedule is continued on the following pages.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	Original Budget	Final Budget	Actual
PUBLIC WORKS (Continued)			
General Cleanup Program			
Personal Services			
Temporary Employees	\$ 3,988	\$ 3,988	\$ 4,146
Village FICA Contributions	-	-	257
Village Medicare Contributions	-	-	60
Total Personal Services	3,988	3,988	4,463
Maintenance			
Program Maintenance	100	100	-
Total General Cleanup Program	4,088	4,088	4,463
Asphalt Maintenance Program			
Commodities			
Program Commodities	2,000	2,000	4,984
Building and Maintenance Program			
Commodities			
Other Operating Supplies	10,000	10,000	7,703
Small Tools and Equipment	150	150	90
Cleaning Supplies	4,440	4,440	5,218
Repair and Maintenance Supplies	2,200	2,200	2,094
Total Commodities	16,790	16,790	15,105
Contractual Services			
Cleaning Services	20,325	20,325	21,216
Other Miscellaneous Services	10,875	10,875	15,303
Water and Sewer Services	10,000	10,000	10,218
Gas Energy/Pumps and Heating	15,000	15,000	7,259
Scavenger and Disposal Service	3,100	3,100	3,441
Total Contractual Services	59,300	59,300	57,437
Maintenance			
Building Maintenance	3,000	3,000	2,631
General and Concrete Repairs	2,500	2,500	2,614
Maintenance Contracts	36,464	36,464	31,368
Total Maintenance	41,964	41,964	36,613
Capital Outlay			
Village Hall Parking Lot	-	-	1,025
Total Capital Outlay	-	-	1,025
Allocation to Water and Sewer Fund - Administration	(20,662)	(20,662)	(20,662)
Allocation to Storm Sewer	(4,457)	(4,457)	(4,457)
Total Building and Maintenance Program	92,935	92,935	85,061
Total Public Works	1,711,402	1,804,082	1,052,207

(This schedule is continued on the following page.)

VILLAGE OF FLOSSMOOR, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)

GENERAL FUND

For the Year Ended April 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
CULTURE AND RECREATION			
Contractual Services			
Flossmoor Fest	\$ 45,000	\$ 45,000	\$ 10,652
Total Culture and Recreation	<u>45,000</u>	<u>45,000</u>	<u>10,652</u>
TOTAL GENERAL FUND EXPENDITURES	<u>\$ 9,410,292</u>	<u>\$ 9,698,449</u>	<u>\$ 8,336,768</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

2014 WATER MAIN IMPROVEMENT FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016			Variance Over (Under)	2015 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ 11,875	\$ 11,875	\$ 12,858	\$ 983	\$ 2,987
Total Revenues	11,875	11,875	12,858	983	2,987
EXPENDITURES					
Current					
Public Works					
Bond Issuance Costs	-	-	-	-	118,545
Arbitrage Rebate Services	2,500	2,500	-	(2,500)	-
Capital Outlay					
Engineering	90,000	109,900	144,813	34,913	-
Construction	1,226,483	1,784,706	1,125,963	(658,743)	-
Total Expenditures	1,318,983	1,897,106	1,270,776	(626,330)	118,545
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,307,108)	(1,885,231)	(1,257,918)	627,313	(115,558)
OTHER FINANCING SOURCES (USES)					
Bonds Issued at Par	-	-	-	-	3,810,000
Premium on Bonds	-	-	-	-	89,177
Total Other Financing Sources (Uses)	-	-	-	-	3,899,177
NET CHANGE IN FUND BALANCE	<u>\$ (1,307,108)</u>	<u>\$ (1,885,231)</u>	(1,257,918)	<u>\$ 627,313</u>	3,783,619
FUND BALANCE, MAY 1			3,783,619		-
FUND BALANCE, APRIL 30			<u>\$ 2,525,701</u>		<u>\$ 3,783,619</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

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

DEBT SERVICE FUND

For the Year Ended April 30, 2016
(With Comparative Actual)

	2016				2015 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes					
2009 GO Bond Issue	\$ 862,510	\$ 862,510	\$ 654,446	\$ (208,064)	\$ 592,314
2013 GO Bond Issue	205,795	205,795	212,830	7,035	194,485
2014 GO Bond Issue	-	-	236,069	236,069	104,953
Total Revenues	1,068,305	1,068,305	1,103,345	35,040	891,752
EXPENDITURES					
Debt Service					
Principal	735,000	735,000	735,000	-	595,000
Interest and Fiscal Charges	340,089	340,089	339,988	(101)	240,755
Total Expenditures	1,075,089	1,075,089	1,074,988	(101)	835,755
NET CHANGE IN FUND BALANCE	\$ (6,784)	\$ (6,784)	28,357	\$ 35,141	55,997
FUND BALANCE, MAY 1			437,265		381,268
FUND BALANCE, APRIL 30			<u>\$ 465,622</u>		<u>\$ 437,265</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF ASSESSED VALUATIONS, TAX RATES
AND EXTENSIONS FOR TAX LEVY YEAR 2015**

Last Ten Levy Years

Tax Year Levy	Assessed Valuation	Tax Rates	Road and Bridge Tax Rate Village Share	
			Bloom Township	Rich Township
2006	\$ 254,595,867	1.6330	0.0220	0.0300
2007	274,805,644	1.6220	0.0220	0.0290
2008	294,601,766	1.6260	0.0202	0.0274
2009	307,631,825	1.6160	0.0200	0.0270
2010	310,504,671	1.7040	0.0200	0.0280
2011	242,666,993	2.2190	0.0210	0.0300
2012	219,815,910	2.5929	0.0270	0.0380
2013	205,297,740	2.7710	0.0300	0.0430
2014	197,446,531	3.0185	0.0320	0.0480
2015	192,569,506	3.1379	0.0340	0.0520

The gross extended tax levy for 2015 is analyzed below:

	Rate	Amount
General Fund		
Corporate	0.4375	\$ 842,683
Police Protection	0.6000	1,155,417
Fire Protection	0.6000	1,155,417
Liability Insurance	0.0690	132,840
Workers' Compensation Insurance	0.1035	199,260
Illinois Municipal Retirement	0.1284	247,229
Social Security	0.1301	250,520
Police Pension	0.3471	668,505
Firefighters' Pension	0.1164	224,128
Auditing	0.0168	32,375
Bond and Interest	0.5891	1,134,457
	<u>3.1379</u>	
Road and Bridge Fund		<u>93,893</u>
		<u>\$ 6,136,724</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
2009 GENERAL OBLIGATION REFUNDING BONDS**

April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
Principal and interest payable June 2 and December 1 of each year with interest from 2% to 4%.	2017	\$ 510,000	\$ 131,375	\$ 641,375
	2018	530,000	114,800	644,800
	2019	550,000	93,600	643,600
	2020	575,000	71,600	646,600
	2021	595,000	48,600	643,600
	2022	620,000	24,800	644,800
			<u>\$ 3,380,000</u>	<u>\$ 484,775</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
2013 GENERAL OBLIGATION BONDS**

April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
Principal and interest payable June 1 and December 1 of each year with interest from 2.00% to 2.75%.	2017	\$ 135,000	\$ 74,680	\$ 209,680
	2018	135,000	71,980	206,980
	2019	145,000	69,280	214,280
	2020	150,000	66,017	216,017
	2021	155,000	62,643	217,643
	2022-2026	860,000	258,538	1,118,538
	2027-2031	1,030,000	147,102	1,177,102
	2032-2034	470,000	19,525	489,525
			<u>\$ 3,080,000</u>	<u>\$ 769,765</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
2014 GENERAL OBLIGATION BONDS**

April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
Principal and interest payable June 1 and December 1 of each year with interest from 2.00% to 3.50%.	2017	\$ 115,000	\$ 118,100	\$ 233,100
	2018	120,000	114,650	234,650
	2019	125,000	111,050	236,050
	2020	130,000	107,300	237,300
	2021	135,000	103,400	238,400
	2022-2026	780,000	451,750	1,231,750
	2027-2031	940,000	324,850	1,264,850
	2032-2034	1,350,000	136,675	1,486,675
			<u>\$ 3,695,000</u>	<u>\$ 1,467,775</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
IEPA LOW INTEREST LOAN - PHASE I**

April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
Principal and interest payable February 23 and August 23 of each year with interest at 2.625%.	2017	\$ 120,514	\$ 12,379	\$ 132,893
	2018	123,698	9,195	132,893
	2019	126,967	5,926	132,893
	2020	130,322	2,571	132,893
		<u>\$ 501,501</u>	<u>\$ 30,071</u>	<u>\$ 531,572</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
IEPA LOW INTEREST LOAN - PHASE II**

April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
Principal and interest payable April 17 and October 17 of each year with interest at 2.905%.	2017	\$ 68,929	\$ 11,266	\$ 80,195
	2018	70,946	9,249	80,195
	2019	73,022	7,174	80,196
	2020	75,159	5,037	80,196
	2021	77,358	2,838	80,196
	2022	39,522	574	40,096
			<u>\$ 404,936</u>	<u>\$ 36,138</u>

(See independent auditor's report.)

VILLAGE OF FLOSSMOOR, ILLINOIS

**SCHEDULE OF DEBT SERVICE REQUIREMENTS
IEPA LOW INTEREST LOAN - PHASE III**

April 30, 2016

	Year Ending April 30,	Principal	Interest	Total
Principal and interest payable April 25 and October 25 of each year with interest at 2.5%.	2017	\$ 144,890	\$ 30,762	\$ 175,652
	2018	148,535	27,117	175,652
	2019	152,272	23,380	175,652
	2020	156,102	19,550	175,652
	2021	160,029	15,623	175,652
	2022-2025	504,648	22,307	526,955
		<u>\$ 1,266,476</u>	<u>\$ 138,739</u>	<u>\$ 1,405,215</u>

(See independent auditor's report.)

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Village of Flossmoor's 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.	125-134
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	135-139
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.	140-144
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.	145-146
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.	147-149

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

VILLAGE OF FLOSSMOOR, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 18,089,576	\$ 18,273,790	\$ 18,668,746	\$ 19,221,718
Restricted	2,660,966	2,939,451	3,005,058	2,917,197
Unrestricted	7,096,189	8,099,754	8,391,293	8,540,709
TOTAL GOVERNMENTAL ACTIVITIES	\$ 27,846,731	\$ 29,312,995	\$ 30,065,097	\$ 30,679,624
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 8,331,689	\$ 8,433,956	\$ 8,258,145	\$ 8,790,267
Unrestricted	3,583,641	3,791,785	3,450,985	2,669,750
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 11,915,330	\$ 12,225,741	\$ 11,709,130	\$ 11,460,017
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 26,421,265	\$ 26,707,746	\$ 26,926,891	\$ 28,011,985
Restricted	2,660,966	2,939,451	3,005,058	2,917,197
Unrestricted	10,679,830	11,891,539	11,842,278	11,210,459
TOTAL PRIMARY GOVERNMENT	\$ 39,762,061	\$ 41,538,736	\$ 41,774,227	\$ 42,139,641

Data Source

Audited Financial Statements

2011	2012	2013	2014	2015	2016*
\$ 20,309,419	\$ 17,772,753	\$ 18,018,078	\$ 17,859,465	\$ 18,118,086	\$ 19,161,548
2,066,417	2,427,023	2,718,383	3,198,380	3,421,996	2,774,010
7,874,678	8,789,886	8,075,072	7,297,097	6,027,290	(7,285,385)
<u>\$ 30,250,514</u>	<u>\$ 28,989,662</u>	<u>\$ 28,811,533</u>	<u>\$ 28,354,942</u>	<u>\$ 27,567,372</u>	<u>\$ 14,650,173</u>
\$ 9,714,395	\$ 12,393,348	\$ 12,237,656	\$ 13,711,804	\$ 14,791,681	\$ 16,752,959
2,195,747	1,860,639	1,850,363	1,832,805	1,484,070	1,463,869
<u>\$ 11,910,142</u>	<u>\$ 14,253,987</u>	<u>\$ 14,088,019</u>	<u>\$ 15,544,609</u>	<u>\$ 16,275,751</u>	<u>\$ 18,216,828</u>
\$ 30,023,814	\$ 30,166,101	\$ 30,103,811	\$ 29,954,467	\$ 29,963,166	\$ 31,539,025
2,066,417	2,427,023	2,718,383	3,198,380	3,421,996	2,774,010
10,070,425	10,650,525	10,077,358	10,746,704	10,457,961	(1,446,034)
<u>\$ 42,160,656</u>	<u>\$ 43,243,649</u>	<u>\$ 42,899,552</u>	<u>\$ 43,899,551</u>	<u>\$ 43,843,123</u>	<u>\$ 32,867,001</u>

VILLAGE OF FLOSSMOOR, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
EXPENSES				
Governmental Activities				
General Government	\$ 1,082,500	\$ 1,197,808	\$ 1,163,484	\$ 1,146,223
Public Safety	4,126,831	4,437,017	4,687,757	4,970,438
Public Works	1,141,782	1,282,303	1,331,046	1,338,780
Highways and Streets	399,643	657,356	744,150	718,303
Culture and Recreation	120,812	237,838	210,446	336,040
Interest	325,765	312,799	299,218	268,677
Total Governmental Activities Expenses	<u>7,197,333</u>	<u>8,125,121</u>	<u>8,436,101</u>	<u>8,778,461</u>
Business-Type Activities				
Water and Sewer	2,293,397	2,516,432	2,835,375	2,770,107
Sanitary Sewer Rehabilitation	307,002	336,643	359,779	333,679
Storm Sewer	-	-	-	-
Commuter Parking	161,076	166,138	195,122	177,525
Total Business-Type Activities Expenses	<u>2,761,475</u>	<u>3,019,213</u>	<u>3,390,276</u>	<u>3,281,311</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 9,958,808</u>	<u>\$ 11,144,334</u>	<u>\$ 11,826,377</u>	<u>\$ 12,059,772</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 277,433	\$ 248,110	\$ 217,807	\$ 245,325
Public Safety	535,574	533,496	609,511	539,021
Public Works	29,165	28,205	32,300	105,281
Culture and Recreation	-	688	1,140	5,138
Operating Grants and Contributions	314,722	319,946	292,658	267,365
Capital Grants and Contributions	801,913	426,970	42,492	50,442
Total Governmental Activities Program Revenues	<u>1,958,807</u>	<u>1,557,415</u>	<u>1,195,908</u>	<u>1,212,572</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	2,324,462	2,422,472	2,334,190	2,399,665
Sanitary Sewer Rehabilitation	372,433	368,788	369,463	367,418
Storm Sewer	-	-	-	-
Commuter Parking	173,080	172,804	168,384	170,352
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	764,097	308,090	30,098	187,307
Total Business-Type Activities Program Revenues	<u>3,634,072</u>	<u>3,272,154</u>	<u>2,902,135</u>	<u>3,124,742</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 5,592,879</u>	<u>\$ 4,829,569</u>	<u>\$ 4,098,043</u>	<u>\$ 4,337,314</u>
NET REVENUE (EXPENSE)				
Governmental Activities	\$ (5,238,526)	\$ (6,567,706)	\$ (7,240,193)	\$ (7,565,889)
Business-Type Activities	872,597	252,941	(488,141)	(156,569)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (4,365,929)</u>	<u>\$ (6,314,765)</u>	<u>\$ (7,728,334)</u>	<u>\$ (7,722,458)</u>

	2011	2012	2013	2014	2015	2016
\$	1,153,449	\$ 1,216,607	\$ 1,398,138	\$ 1,585,792	\$ 1,447,733	\$ 1,225,614
	5,158,578	5,272,521	5,418,000	5,859,374	6,066,471	6,641,080
	1,530,755	1,275,021	2,071,955	2,883,258	2,546,643	1,059,902
	1,489,558	580,935	560,705	551,405	585,819	872,898
	193,193	66,061	246,548	249,130	256,885	215,474
	218,534	206,076	209,947	257,252	282,196	338,373
	9,744,067	8,617,221	9,905,293	11,386,211	11,185,747	10,353,341
	2,916,632	3,092,585	3,396,836	3,436,090	3,544,456	3,600,030
	323,526	287,519	349,066	258,016	320,238	258,146
	-	250,697	401,620	476,248	492,980	519,215
	179,800	175,473	235,714	194,688	182,697	186,657
	3,419,958	3,806,274	4,383,236	4,365,042	4,540,371	4,564,048
\$	13,164,025	\$ 12,423,495	\$ 14,288,529	\$ 15,751,253	\$ 15,726,118	\$ 14,917,389
\$	258,395	\$ 418,769	\$ 414,541	\$ 683,596	\$ 434,381	\$ 538,174
	569,492	608,268	636,404	665,657	770,280	796,079
	30,810	301,531	291,525	279,526	268,302	274,615
	4,779	4,493	4,264	4,214	4,355	-
	320,958	306,851	333,474	635,375	355,121	308,235
	269,067	589,490	171,274	108,694	160,763	12,802
	1,453,501	2,229,402	1,851,482	2,377,062	1,993,202	1,929,905
	2,302,789	2,423,248	3,098,496	3,053,065	2,987,842	3,229,455
	367,711	367,941	369,896	368,821	367,148	366,794
	-	397,892	507,686	417,635	373,890	362,660
	172,263	173,671	170,351	168,197	168,554	166,918
	-	-	-	154,842	105,000	-
	1,141,013	14,603	126,166	1,656,494	1,342,595	618,884
	3,983,776	3,377,355	4,272,595	5,819,054	5,345,029	4,744,711
\$	5,437,277	\$ 5,606,757	\$ 6,124,077	\$ 8,196,116	\$ 7,338,231	\$ 6,674,616
\$	(8,290,566)	\$ (6,387,819)	\$ (8,053,811)	\$ (9,009,149)	\$ (9,192,545)	\$ (8,423,436)
	563,818	(428,919)	(110,641)	1,454,012	804,658	180,663
\$	(7,726,748)	\$ (6,816,738)	\$ (8,164,452)	\$ (7,555,137)	\$ (8,387,887)	\$ (8,242,773)

VILLAGE OF FLOSSMOOR, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 3,872,598	\$ 4,863,097	\$ 5,017,355	\$ 5,567,322
Sales	197,922	227,698	174,205	154,344
Utility	586,375	625,308	597,487	523,309
Telecommunications	452,456	501,890	475,685	457,564
Local Use (1)	-	-	134,880	111,179
Other (1)	-	-	2,191	-
State Shared Income Taxes	905,775	856,374	847,459	734,057
Investment Income	436,304	449,510	240,319	95,222
Miscellaneous	355,734	411,080	378,202	413,133
Contributions	1,165	10,325	1,070	9,679
Gain on Sale of Capital Assets	-	-	33,244	-
Transfers	93,559	88,688	90,198	114,607
	6,901,888	8,033,970	7,992,295	8,180,416
Total Governmental Activities				
Business-Type Activities				
Investment Income	153,788	146,158	61,728	22,063
Miscellaneous				
Transfers	(93,559)	(88,688)	(90,198)	(114,607)
	60,229	57,470	(28,470)	(92,544)
Total Business-Type Activities				
TOTAL PRIMARY GOVERNMENT	\$ 6,962,117	\$ 8,091,440	\$ 7,963,825	\$ 8,087,872
CHANGE IN NET POSITION				
Governmental Activities	\$ 1,663,362	\$ 1,466,264	\$ 752,102	\$ 614,527
Business-Type Activities	932,826	310,411	(516,611)	(249,113)
TOTAL PRIMARY GOVERNMENT	\$ 2,596,188	\$ 1,776,675	\$ 235,491	\$ 365,414
CHANGE IN NET POSITION				

(1) Included in other categories prior to 2009.

Data Source

Audited Financial Statements

	2011	2012	2013	2014	2015	2016
\$	5,201,260	\$ 5,831,637	\$ 5,688,609	\$ 6,231,187	\$ 5,817,753	\$ 6,282,300
	231,704	249,660	220,708	230,667	243,658	253,728
	539,271	492,051	502,563	552,632	515,430	428,065
	420,579	411,885	422,348	334,031	330,196	305,433
	128,150	138,914	150,748	161,559	182,248	217,798
	-	-	-	-	-	-
	731,874	739,859	874,937	923,005	921,226	1,029,933
	55,559	22,944	26,120	29,852	(38,686)	45,348
	423,390	8,930	1,416	89,625	117,069	241,309
	9,630	-	-	-	-	-
	-	-	-	-	-	-
	120,039	(2,768,913)	58,723	-	63,748	(1,758,365)
	7,861,456	5,126,967	7,946,172	8,552,558	8,152,642	7,045,549
	6,346	3,851	3,396	2,578	(8,912)	2,049
	(120,039)	2,768,913	(58,723)	-	(856)	-
	(113,693)	2,772,764	(55,327)	2,578	(73,516)	1,760,414
\$	7,747,763	\$ 7,899,731	\$ 7,890,845	\$ 8,555,136	\$ 8,079,126	\$ 8,805,963
\$	(429,110)	\$ (1,260,852)	\$ (107,639)	\$ (456,591)	\$ (1,039,903)	\$ (1,377,887)
	450,125	2,343,845	(165,968)	1,456,590	731,142	1,941,077
\$	21,015	\$ 1,082,993	\$ (273,607)	\$ 999,999	\$ (308,761)	\$ 563,190

VILLAGE OF FLOSSMOOR, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GENERAL FUND				
Reserved	\$ 91,244	\$ 80,458	\$ 77,803	\$ 83,343
Unreserved, Designated	3,569,435	4,425,240	4,204,651	3,473,879
Unreserved, Undesignated	1,730,000	1,788,000	2,042,000	2,276,000
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unrestricted				
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
TOTAL GENERAL FUND	\$ 5,390,679	\$ 6,293,698	\$ 6,324,454	\$ 5,833,222
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 2,660,966	\$ 2,939,451	\$ 3,001,274	\$ 3,742,747
Unreserved, Reported in				
Capital Project Funds	1,448,088	1,535,561	1,801,923	1,535,052
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Unrestricted				
Committed	-	-	-	-
Assigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 4,109,054	\$ 4,475,012	\$ 4,803,197	\$ 5,277,799

* The Village implemented GASB Statement No. 54 in fiscal year 2011.

Data Source

Audited Financial Statements

2011*	2012	2013	2014	2015	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
74,019	74,019	74,019	74,019	74,019	121,334
130,321	122,143	113,718	113,521	113,521	113,521
2,169,727	2,156,250	2,213,367	2,107,897	1,358,457	2,315,000
2,470,000	2,402,000	2,516,000	3,104,525	3,343,897	3,095,293
985,428	1,661,961	1,075,730	943,149	1,595,250	1,009,183
<u>\$ 5,829,495</u>	<u>\$ 6,416,373</u>	<u>\$ 5,992,834</u>	<u>\$ 6,343,111</u>	<u>\$ 6,485,144</u>	<u>\$ 6,654,331</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
400,000	617,644	400,000	-	-	386,821
1,536,096	1,904,880	5,202,503	4,847,649	7,515,246	4,799,369
1,782,886	1,874,077	1,729,090	2,203,625	2,115,040	1,480,469
40,506	40,531	40,566	140,297	140,203	140,251
<u>\$ 3,759,488</u>	<u>\$ 4,437,132</u>	<u>\$ 7,372,159</u>	<u>\$ 7,191,571</u>	<u>\$ 9,770,489</u>	<u>\$ 6,806,910</u>

VILLAGE OF FLOSSMOOR, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
REVENUES				
Taxes	\$ 5,184,037	\$ 6,169,329	\$ 6,359,075	\$ 6,792,436
Licenses and Permits	412,854	371,139	340,980	370,087
Intergovernmental	1,341,572	1,561,997	1,354,777	1,194,999
Charges for Services	313,721	333,263	413,358	421,523
Fines and Forfeits	143,342	85,762	83,567	96,049
Investment Income	436,310	449,504	240,319	95,222
Other	252,360	268,335	272,685	308,065
Total Revenues	8,084,196	9,239,329	9,064,761	9,278,381
EXPENDITURES				
General Government	918,245	1,000,473	1,042,266	1,122,809
Public Safety	3,877,617	4,335,213	4,532,544	4,891,214
Public Works	990,126	1,247,791	1,826,335	1,978,438
Highways and Streets	295,048	406,622	474,365	389,271
Culture and Recreation	9,060	35,444	8,052	133,645
Capital Outlay	439,290	405,854	307,744	379,466
Debt Service				
Principal	310,000	325,000	340,000	360,000
Interest	323,935	311,225	298,250	284,310
Other Charges	350	350	-	-
Total Expenditures	7,163,671	8,067,972	8,829,556	9,539,153
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	920,525	1,171,357	235,205	(260,772)
OTHER FINANCING SOURCES (USES)				
Payment to Escrow Agent	-	-	-	(5,842,759)
Transfers In	457,405	421,068	416,397	476,731
Transfers (Out)	(363,846)	(332,380)	(326,199)	(362,124)
Bonds Issued at Par	-	-	-	5,735,000
Premium on Bonds Issued	-	-	-	205,844
Proceeds from Sale of Capital Assets	12,936	8,932	33,538	31,449
Total Other Financing Sources (Uses)	106,495	97,620	123,736	244,141
NET CHANGE IN FUND BALANCES	\$ 1,027,020	\$ 1,268,977	\$ 358,941	\$ (16,631)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	9.30%	8.29%	7.99%	7.57%

Data Source

Audited Financial Statements

	2011	2012	2013	2014	2015	2016
\$	6,482,769	\$ 7,076,956	\$ 6,928,408	\$ 7,432,985	\$ 6,990,799	\$ 7,361,454
	377,938	377,742	343,996	374,131	357,138	438,101
	1,482,309	1,790,003	1,500,284	1,518,232	1,608,774	1,556,095
	365,558	359,672	366,101	379,621	463,603	519,917
	108,778	157,344	212,065	195,529	212,856	165,582
	55,559	22,944	26,120	29,852	(38,686)	45,348
	321,420	340,621	361,957	966,392	480,752	616,298
	9,194,331	10,125,282	9,738,931	10,896,742	10,075,236	10,702,795
	1,157,212	1,151,174	1,186,608	1,231,013	1,142,069	1,135,406
	5,077,391	5,231,815	5,185,537	5,723,779	5,932,673	6,330,522
	1,503,444	958,797	1,961,387	1,206,951	1,221,690	1,052,207
	220,858	232,271	265,206	310,442	300,493	345,692
	37,198	36,507	44,153	46,736	54,491	13,080
	2,204,716	861,931	927,390	2,193,670	2,185,993	3,605,486
	440,000	430,000	445,000	590,000	595,000	735,000
	202,287	193,900	185,300	245,321	240,755	339,988
	-	-	-	-	-	-
	10,843,106	9,096,395	10,200,581	11,547,912	11,673,164	13,557,381
	(1,648,775)	1,028,887	(461,650)	(651,170)	(1,597,928)	(2,854,586)
	-	-	-	-	-	-
	537,483	502,791	684,511	456,398	573,328	529,288
	(417,444)	(391,965)	(572,853)	(456,398)	(509,580)	(529,288)
	-	-	3,470,000	-	3,810,000	-
	-	-	37,599	-	89,177	-
	6,700	124,809	34,500	140,240	103,621	60,194
	126,739	235,635	3,653,757	140,240	4,066,546	60,194
\$	(1,522,036)	\$ 1,264,522	\$ 3,192,107	\$ (510,930)	\$ 2,468,618	\$ (2,794,392)
	6.82%	7.49%	6.56%	7.42%	7.65%	8.91%

VILLAGE OF FLOSSMOOR, ILLINOIS

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Railroad	Commercial Property^	Industrial Property^	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2006 Levy/FY 2007	\$ 248,664,780	\$ 201,595	\$ -	\$ -	\$ 248,866,375	1.642	\$ 746,599,125	33.333%
2007 Levy/FY 2008	246,457,609	193,907	18,780,135	9,373,993	274,805,644	1.622	824,416,932	33.333%
2008 Levy/FY 2009	264,707,240	241,605	19,246,337	10,406,584	294,601,766	1.626	883,805,298	33.333%
2009 Levy/FY 2010	279,260,177	291,245	17,740,796	10,339,607	307,631,825	1.616	922,895,475	33.333%
2010 Levy/FY 2011	282,147,933	338,923	17,894,082	10,123,733	310,504,671	1.704	931,514,013	33.333%
2011 Levy/FY 2012	218,540,063	403,570	15,075,283	8,648,077	242,666,993	2.219	728,000,979	33.333%
2012 Levy/FY 2013	197,367,028	419,957	13,861,207	8,167,718	219,815,910	2.593	659,447,730	33.333%
2013 Levy/FY 2014	184,146,655	442,034	12,957,405	7,751,646	\$ 205,297,740	2.771	615,893,220	33.333%
2014 Levy/FY 2015	177,095,642	433,815	12,461,874	7,455,200	\$ 197,446,531	3.019	592,339,593	33.333%
2015 Levy/FY 2016*	173,435,661	433,815	18,551,113	148,917	\$ 192,569,506	3.138	577,708,518	33.333%

* Estimated for commercial/industrial breakdown; final not available at time of printing.

^ Data not available prior to 2007 Levy/FY 2008.

Note: Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF FLOSSMOOR, ILLINOIS

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Levy Years

Levy Year	Village Direct Rates					Overlapping Rates													
	Bonds and General Interest	Rate 3	Rate 4	Total Direct Tax Rate	Village of Flossmoor Library Fund	Homewood-Park District	Grade School 161	High School 233	Community College District 515	So. Cook County Mosquito Abatement District	Water Reclam Dist. Of Greater Chicago	Suburban T.B. Sanitarium	Forest Preserve Dist. Of Cook County	Consolidated Elections	Cook County	Rich Township	Bloom Township		
2006 Levy/FY 2007	1.370	0.263	-	-	1.632	0.472	0.800	3.945	4.103	0.292	0.007	0.284	0.005	0.057	-	0.500	0.278	0.235	
2007 Levy/FY 2008	1.378	0.244	-	-	1.622	0.454	0.775	3.806	3.966	0.294	0.006	0.263	-	0.053	0.012	0.446	0.274	0.230	
2008 Levy/FY 2009	1.396	0.230	-	-	1.626	0.445	0.730	3.673	3.787	0.280	0.001	0.252	0.009	0.051	-	0.415	0.266	0.217	
2009 Levy/FY 2010	1.396	0.220	-	-	1.616	0.428	0.715	3.558	3.686	0.277	0.009	0.261	-	0.049	0.021	0.394	0.270	0.222	
2010 Levy/FY 2011	1.495	0.209	-	-	1.704	0.439	0.723	3.648	3.723	0.293	0.010	0.274	-	0.051	-	0.423	0.286	0.225	
2011 Levy/FY 2012	1.947	0.272	-	-	2.219	0.572	0.898	4.650	4.676	0.357	0.012	0.320	-	0.058	0.025	0.462	0.366	0.284	
2012 Levy/FY 2013	2.208	0.385	-	-	2.593	0.652	0.946	5.221	5.351	0.410	0.014	0.370	-	0.063	-	0.531	0.416	0.322	
2013 Levy/FY 2014	2.346	0.425	-	-	2.771	0.671	0.958	5.742	5.830	0.439	0.016	0.417	-	0.069	0.031	0.560	0.444	0.350	
2014 Levy/FY 2015	2.451	0.568	-	-	3.019	0.673	0.998	6.220	6.255	0.458	0.017	0.430	-	0.069	-	0.568	0.451	0.371	
2015 Levy/FY 2016	2.549	0.589	-	-	3.138	0.675	0.986	6.572	6.532	0.487	0.017	0.426	-	0.069	0.034	0.552	0.454	0.383	

Note: The Village basic property tax rate may be increased only by a majority vote of the Village's residents. Rates for debt service are set based on each year's requirements. (Governments are required to disclose any external limitations on their ability to change.)

Data Source

Office of the County Clerk

VILLAGE OF FLOSSMOOR, ILLINOIS

PROPERTY TAX RATES - PER \$100 OF ASSESSED VALUATION - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Fiscal Years

	2006 Levy	2007 Levy	2008 Levy	2009 Levy	2010 Levy	2011 Levy	2012 Levy	2013 Levy	2014 Levy	2015 Levy
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Village of Flossmoor	1.633	1.622	1.626	1.616	1.704	2.219	2.593	2.771	3.019	3.138
Village of Flossmoor Library Fund	0.472	0.454	0.445	0.428	0.439	0.572	0.652	0.671	0.673	0.675
Homewood-Flossmoor Park District	0.800	0.775	0.730	0.715	0.723	0.898	0.946	0.958	0.998	0.986
Grade School District No. 161	3.945	3.806	3.673	3.558	3.648	4.650	5.221	5.742	6.220	6.572
High School District No. 233	4.103	3.966	3.787	3.686	3.723	4.676	5.351	5.830	6.255	6.532
Community College District No. 515	0.292	0.294	0.280	0.277	0.293	0.357	0.410	0.439	0.458	0.487
South Cook County Mosquito Abatement District	0.007	0.006	0.001	0.009	0.010	0.012	0.014	0.016	0.017	0.017
Water Reclamation District of Greater Chicago	0.284	0.263	0.252	0.261	0.274	0.320	0.370	0.417	0.430	0.426
Rich Township	0.278	0.274	0.266	0.270	0.286	0.366	0.416	0.444	0.451	0.454
Bloom Township	0.235	0.230	0.217	0.222	0.225	0.284	0.322	0.350	0.371	0.383
Suburban T.B. Sanitarium	0.005	-	0.009	-	-	-	-	-	-	-
Forest Preserve District of Cook County	0.057	0.053	0.051	0.049	0.051	0.058	0.063	0.069	0.069	0.069
Consolidated Elections	-	0.012	-	0.021	-	0.025	-	0.031	-	0.034
County of Cook	0.500	0.446	0.415	0.394	0.423	0.462	0.531	0.560	0.568	0.552
TOTAL - PROPERTY IN RICH TOWNSHIP	12.376	11.971	11.535	11.284	11.574	14.615	16.567	17.948	19.158	19.942
TOTAL - PROPERTY IN BLOOM TOWNSHIP	12.333	11.927	11.486	11.236	11.513	14.533	16.473	17.854	19.078	19.871

Property tax rates are per \$100 of assessed valuation.

Data Source

Office of the County Clerk

VILLAGE OF FLOSSMOOR, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2015 Levy			2006 Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Sunrise Assisted Living	\$ 3,202,200	1	1.66%	\$ 3,764,365	1	1.48%
Flossmoor Commons	1,905,184	2	0.99%	2,565,512	2	1.01%
Ingalls Family Care Center	1,788,826	3	0.93%	-	n/a	0.00%
Flossmoor Executive Center - Professional Office Building	1,256,693	4	0.65%	2,460,420	3	0.97%
Lehigh Gas Corporation (BP)	816,273	5	0.42%	-	n/a	0.00%
CVS Pharmacy	803,918	6	0.42%	-	n/a	0.00%
Flossmoor Center	692,601	7	0.36%	-	n/a	0.00%
Civic Center	677,860	8	0.35%	848,152	8	0.33%
Idlewild Country Club	669,166	9	0.35%	1,609,795	4	0.63%
Flossmoor Professional Office Building	534,234	10	0.28%	1,051,888	7	0.41%
Children of America	486,326	11	0.25%	-	n/a	0.00%
Flossmoor Commons Medical Center	473,253	12	0.25%	1,056,202	6	0.41%
American Portfolio Mortgage	452,041	13	0.23%	617,700	10	0.24%
Family Video Building	361,651	14	0.19%	728,786	9	0.29%
Flossmoor Medical Building Center	355,329	15	0.18%	1,099,089	5	0.43%
	<u>\$ 14,475,555</u>		<u>7.52%</u>	<u>\$ 15,801,909</u>		<u>6.21%</u>

n/a - not available

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.

Data Source

Office of the County Clerk

VILLAGE OF FLOSSMOOR, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Total Collections to Date	
		Amount	Percentage of Levy	Amount	Percentage of Levy
2006 Levy/FY 2007	\$ 5,324,345	\$ 2,006,783	37.69%	\$ 5,162,403	96.96%
2007 Levy/FY 2008	5,725,037	2,344,080	40.94%	5,681,508	99.24%
2008 Levy/FY 2009	6,085,433	2,530,091	41.58%	5,965,448	98.03%
2009 Levy/FY 2010	6,247,224	2,923,361	46.79%	6,153,723	98.50%
2010 Levy/FY 2011	6,654,116	3,002,464	45.12%	6,472,779	97.27%
2011 Levy/FY 2012^	5,384,781	2,509,219	46.60%	5,203,137	96.63%
2012 Levy/FY 2013	5,699,827	2,657,766	46.63%	5,567,946	97.69%
2013 Levy/FY 2014	5,688,800	2,800,099	49.22%	5,516,649	96.97%
2014 Levy/FY 2015	5,960,911	2,741,590	45.99%	5,767,911	96.76%
2015 Levy/FY 2016	6,042,831	2,929,608	49.15%	2,929,608	48.48%

^ Beginning with 2011 Levy/FY 2012, data reflects the Village only and does not include the Library.

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 FLOSSMOOR, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental	Business-Type	Total Primary Government	Percentage of EAV	Percentage of Personal Income*	Per Capita*
	Activities	Activities				
	General Obligation Bonds	IEPA Loans Payable				
2007	\$ 7,005,000	\$ 4,819,691	\$ 11,824,691	4.64%	2.97%	\$ 1,271
2008	6,680,000	4,555,360	11,235,360	4.09%	2.82%	1,208
2009	6,340,000	4,284,040	10,624,040	3.61%	2.67%	1,142
2010	6,110,000	4,005,546	10,115,546	3.29%	2.22%	1,088
2011	5,670,000	3,719,688	9,389,688	3.02%	2.06%	992
2012	5,398,340	3,426,271	8,824,611	3.64%	1.90%	932
2013	8,443,225	3,125,093	11,568,318	5.26%	2.54%	1,222
2014	7,835,511	2,815,949	10,651,460	5.19%	2.34%	1,126
2015	11,117,515	2,498,628	13,616,143	6.90%	2.99%	1,439
2016	10,360,342	2,172,913	12,533,255	6.51%	2.75%	1,324

* See the schedule of Demographic and Economic Information on page 145 for personal income and population data.

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

VILLAGE OF FLOSSMOOR, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita**
2007	\$ 7,005,000	\$ 227,632	\$ 6,777,368	2.66%	\$ 729
2008	6,680,000	252,157	6,427,843	2.34%	691
2009	6,340,000	279,772	6,060,228	2.06%	652
2010	6,110,000	320,152	5,789,848	1.88%	623
2011	5,670,000	303,797	5,366,203	1.73%	567
2012	5,398,340	313,440	5,084,900	2.10%	521
2013	8,443,225	377,694	7,887,306	3.67%	833
2014	7,835,511	381,268	7,454,243	3.63%	788
2015	11,117,515	437,265	10,680,250	5.41%	1,129
2016	10,360,342	465,622	9,894,720	5.14%	1,046

* See Assessed Value and Estimated Actual Value of Taxable Property on page 135 for property value data.

** See page 145 for demographic information.

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

VILLAGE OF FLOSSMOOR, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2016

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village (1)	The Village's Share of Debt
Village of Flossmoor	\$ 10,360,342	100.00%	\$ 10,360,342
Homewood-Flossmoor Park District	15,228,075	36.26%	5,521,700
Water Reclamation District of Chicago	2,543,400,740	0.16%	4,069,441
County of Cook	3,361,910,000	0.15%	5,042,865
Cook County Forest Preserve District	165,330,000	0.15%	247,995
Schools			
Grade School District No. 161	7,800,000	53.32%	4,158,960
High School District No. 233	30,480,000	31.08%	9,473,184
Community College District No. 515	13,465,000	6.69%	900,809
	<u>6,137,613,815</u>		<u>29,414,954</u>
	<u>\$ 6,147,974,157</u>		<u>\$ 39,775,296</u>

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

Data Source

Office of the County Clerk

VILLAGE OF FLOSSMOOR, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt Limit	\$ 21,464,725	\$ 23,701,987	\$ 25,409,402	\$ 26,533,245	\$ 26,781,028	\$ 20,930,028	\$ 18,959,122	\$ 17,706,930	\$ 17,029,763	\$ 16,609,120
Total Net Debt Applicable to Limit	7,005,000	6,680,000	6,340,000	6,110,000	5,670,000	5,240,000	8,265,000	7,675,000	10,890,000	10,155,000
LEGAL DEBT MARGIN	\$ 14,459,725	\$ 17,021,987	\$ 19,069,402	\$ 20,423,245	\$ 21,111,028	\$ 15,690,028	\$ 10,694,122	\$ 10,031,930	\$ 6,139,763	\$ 6,454,120
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	32.6%	28.2%	25.0%	23.0%	28.7%	25.0%	43.6%	43.3%	63.9%	61.1%

Legal Debt Margin Calculation for Fiscal 2016

Equalized Assessed Value	<u>\$ 192,569,506</u>
Legal Debt Margin	<u>8.625%</u>
Debt Limit	16,609,120
Debt Applicable to Limit General Obligation Bonds	<u>10,155,000</u>
LEGAL DEBT LIMIT	<u>\$ 6,454,120</u>

VILLAGE OF FLOSSMOOR, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

Fiscal Year	IEPA Loans						Coverage
	SSR	Less	Net	Debt Service			
	Surcharge Revenue and Fund Balance	Operating Expenses	Available Revenue	Principal	Interest		
2007	\$ 1,787,104	\$ 176,337	\$ 1,610,767	\$ 257,523	\$ 131,217	4.14	
2008	1,842,529	212,801	1,629,728	264,898	123,842	4.19	
2009	1,836,509	242,940	1,593,569	271,901	116,839	4.10	
2010	1,860,986	224,030	1,636,956	278,494	109,649	4.22	
2011	1,906,316	221,257	1,685,059	285,858	102,269	4.34	
2012	1,987,457	192,826	1,794,631	293,417	94,693	4.62	
2013	2,011,370	262,150	1,749,220	301,178	86,916	4.51	
2014	2,121,869	179,083	1,942,786	309,144	78,933	5.01	
2015	2,153,913	249,500	1,904,413	317,321	70,738	4.91	
2016	2,268,803	195,821	2,072,982	325,717	62,325	5.34	

Note: Details of the Village's outstanding debt can be found in the notes to financial statements. Surcharge revenue includes investment earnings. Operating expenses do not include interest.

VILLAGE OF FLOSSMOOR, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income*	Per Capita Personal Income	Unemployment Rate**
2007	9,301	\$ 398,268,820	\$ 42,820	3.7%
2008	9,301	398,268,820	42,820	4.8%
2009	9,301	398,268,820	42,820	7.8%
2010	9,301	398,268,820	42,820	9.4%
2011	9,464	455,265,720	48,105	9.6%
2012	9,464	455,265,720	48,105	8.8%
2013	9,464	455,265,720	48,105	9.0%
2014	9,464	455,265,720	48,105	7.5%
2015	9,464	455,265,720	48,105	7.5%
2016	9,464	455,265,720	48,105	6.1%

* Data not available; estimated.

** Unemployment rate is estimated for 2015.

Data Source

Village Financial Consultant

VILLAGE OF FLOSSMOOR, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2016				2007			
Employer	Rank	Number	% of Total Village Population	Employer	Rank	Number	% of Total Village Population
Homewood-Flossmoor Park District*	1	625	6.6%	Homewood-Flossmoor Park District*	1	684	7.4%
School District 161	2	326	3.4%	Homewood-Flossmoor High School	2	300	3.2%
Homewood-Flossmoor High School	3	314	3.3%	School District 161	3	239	2.6%
Ingalls Family Care Center	4	175	1.8%	Village of Flossmoor	4	142	1.5%
Village of Flossmoor	5	144	1.5%	Prudential Partners Real Estate	5	115	1.2%
First Mortgage Corporation	6	80	0.8%	First Mortgage Corporation	6	80	0.9%
Flossmoor Station Restaurant & Brewery	7	70	0.7%	Ingalls Family Care Center	7	80	0.9%
Sunrise of Flossmoor	8	65	0.7%	Sunrise of Flossmoor	8	65	0.7%
Coldwell Banker Residential Brokerage	9	60	0.6%	Coldwell Banker Residential Brokerage	9	60	0.6%
Avanti Enterprises	10	35	0.4%	Flossmoor Station Restaurant & Brewery	10	60	0.6%

*Includes seasonal and part-time employees: 572

*Includes seasonal employees: 628

Data Source

Village Financial Consultant

VILLAGE OF FLOSSMOOR, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GENERAL GOVERNMENT										
Executive	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	4.10	4.10
Finance	5.40	5.40	5.45	5.45	5.45	5.50	5.50	5.55	5.60	5.60
Planning and Zoning	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.00	1.00
PUBLIC SAFETY										
Police										
Officers	19.50	19.40	19.35	19.35	19.35	19.35	19.35	19.25	19.05	19.05
Civilians	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Code Enforcement	1.80	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.90
Fire										
Firefighters and Officers	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.50
Volunteers and Part-Time	5.80	7.60	9.00	9.00	9.00	9.60	9.60	4.50	4.50	4.50
Civilians	1.80	1.80	1.80	1.80	1.80	1.85	1.85	1.55	1.60	1.75
Inspectional Services	2.55	2.55	2.55	2.55	2.55	2.55	2.55	2.55	3.05	2.55
Public Safety Records and Recep*	5.70	5.70	5.70	5.70	5.70	5.70	5.70	5.70	5.70	5.90
PUBLIC WORKS										
Administration	2.60	2.60	2.60	2.60	2.60	2.65	2.15	2.15	2.15	2.15
Street Maintenance	17.85	17.35	17.85	17.85	17.85	17.85	18.30	17.80	17.80	17.80
Miscellaneous Activities	1.45	1.45	1.45	1.45	1.45	1.45	1.45	1.45	1.45	1.45
TOTAL	71.90	73.15	75.05	75.05	75.05	75.80	75.75	69.80	70.80	71.05

Data Source

Village budget office

VILLAGE OF FLOSSMOOR, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PUBLIC SAFETY										
Police										
Physical Arrests	158	427	401	442	352	292	363	440	375	221
Parking Violations	4,079	2,833	2,654	2,876	2,436	2,289	2,865	2,274	2,080	1,751
Traffic Violations	1,950	2,321	2,588	2,047	1,044	986	1,393	2,086	1,938	1,601
Fire										
Fire Emergency Responses	530	430	455	377	399	373	483	568	567	425
Fires Extinguished	18	18	16	12	13	19	39	16	32	20
EMS Emergency Responses	751	855	757	743	787	741	776	800	902	975
Inspectional Services										
Inspections	1,363	1,045	649	704	674	738	888	1,118	1,113	950
Permits Issued	425	397	267	367	355	519	519	778	702	679
PUBLIC WORKS										
Streeting Resurfacing (miles)	2.5	2.5	2.5	2.5	1.2	1.5	1.4	1.3	1.0	1.34
Pothole Repairs	22	83	69	75	75	85	80	92	110	100
Water										
New Connections	21	14	4	5	1	3	-	-	-	-
Water Main Breaks	22	21	26	18	43	36	46	42	33	40
Number of Accounts	3,697	3,721	3,737	3,749	3,752	3,762	3,768	3,768	3,763	3,760
Total Annual Consumption	323,349,000	454,966,500	400,916,000	406,729,000	419,583,000	419,649,000	437,615,000	417,806,000	382,878,000	359,424,000
Average Daily Consumption	1,147,290	1,246,484	1,098,400	1,114,326	1,149,542	1,149,723	1,198,945	1,144,674	1,048,981	984,723
Peak Daily Consumption	1,949,000	2,384,500	1,850,000	1,664,000	1,862,000	2,036,000	2,651,000	1,777,000	2,938,300	1,476,000
Wastewater										
Average Daily Treatment	N/A									

N/A - Not Available

Data Source

Various Village Departments

VILLAGE OF FLOSSMOOR, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area Patrols	2	2	2	2	2	2	2	2	2	2
Patrol Units	5	5	5	5	5	5	5	5	5	5
Fire										
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Engines	4	4	4	4	5	5	5	4	4	4
Ambulances	2	2	2	2	2	2	2	2	2	2
PUBLIC WORKS										
Arterial Streets (miles)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Residential Streets (miles)	42.0	42.4	42.4	42.4	42.4	42.4	42.4	42.4	42.2	42.2
County Streets (miles)	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8	6.8
State Streets (miles)	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0
Streetlights	92	92	92	92	92	92	92	92	92	92
Traffic Signals	N/A									
Water										
Water Mains (miles)	52.3	53.0	53.0	53.2	53.5	61.0	63.8	63.8	63.8	63.9
Fire Hydrants	720	726	726	729	733	771	773	773	794	799
Storage Capacity (gallons)	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000	4,300,000
Wastewater										
Sanitary Sewers (miles)	42.4	43.1	43.1	43.1	43.2	43.2	43.2	43.2	43.2	43.2
Storm Sewers (miles)	29.9	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6	30.6
Treatment Capacity (gallons)	N/A									
AREA (square miles)	3.5									

N/A - Not Available

Data Source

Various Village departments