

VILLAGE OF EVERGREEN PARK, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For The Year Ended October 31, 2015



Prepared By
John Sawyers
Director of Finance, Treasurer

COMPREHENSIVE ANNUAL FINANCIAL REPORT
VILLAGE OF EVERGREEN PARK, ILLINOIS
 Year Ended October 31, 2015

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INTRODUCTORY SECTION

VILLAGE OF EVERGREEN PARK, ILLINOIS
NAMES AND TITLES OF PRINCIPAL OFFICIALS
OCTOBER 31, 2015

VILLAGE BOARD

James J. Sexton, Mayor and President

Mary Keane	Dan McKeown
Carol Kyle	James McQuillan
Mark Marzullo	Mark Phelan

ADMINISTRATION

Village Clerk.....	Catherine Aparo
Finance Director/Treasurer.....	John Sawyers
Chief of Police.....	Michael Saunders
Fire Chief.....	Ronald Kleinhaus
Building Commissioner.....	Edward Clohessy
Public Works Director.....	William Lorenz
Director of Citizens Services.....	Mary Ann Diehl
Director of Youth Department.....	Jim Feltz
Director of Recreation Department.....	Dennis Duffy



Village of Evergreen Park

Mayor
James J. Sexton

Clerk
Catherine T. Aparo, CMC

9418 SOUTH KEDZIE AVENUE
EVERGREEN PARK, ILLINOIS 60805
Tel. (708) 422-1551
Fax (708) 422-7818

Trustees
Mary Keane
Carol E. Kyle
Mark Marzullo
Daniel F. McKeown
James A. McQuillan
Mark T. Phelan

June 3, 2016

Village of Evergreen Park Village Board of Trustees

Dear Village Board of Trustees:

It is with great pleasure that I present to you the Village of Evergreen Park's Comprehensive Annual Financial Report (CAFR). A CAFR represents a significant improvement over a conventional report because, as the name implies, it covers all aspects of Village finances. Also, the CAFR is generally more useful to Village officials and citizens because it contains a much richer text accompaniment, making the financial data more understandable and meaningful. The remainder of this letter of transmittal is divided into various sections discussing different aspects of Village financial performance.

Introduction

Management Responsibility for Financial Information

This CAFR covers the fiscal year beginning on November 1, 2014, and ending October 31, 2015. The Village believes the data as presented is accurate in all material respects. Responsibility for the accuracy and completeness of this data rests with the Village.

The management of the Village of Evergreen Park is responsible for maintaining accurate financial records in order to ensure efficiency and the accountability of public funds. The accounts of the Village are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in accounting for resources. The minimum number of funds that is practical is maintained by the Village. Account groups are a reporting device to account for certain assets and liabilities of the government funds not recorded directly in those funds. The Village utilizes four basic types of funds to account for its operations: governmental funds, proprietary funds, trust & agency funds, and fiduciary funds. A more detailed explanation of each fund type is available within the financial section of the report.

In order to ensure the accuracy of its financial position each year, the Village engages an independent auditor each year to examine the Village's financial statements. The Village has received an unqualified opinion from the independent auditor verifying the accuracy of the Village's statements for every audit since the Village was incorporated.

Economic Condition and Outlook

Overview of Local Economy

The Village of Evergreen Park is a residential community located in mid-southwestern Cook County and is bordered on the north, south and east by the City of Chicago and on the west by the Village of Oak Lawn. The Village encompasses approximately 4 square miles, comprised of mostly single family homes. Based on the 2010 census, more than 95% of the residences are owner occupied. Nearly 90% of the Village housing units were constructed after 1940.

The Village is a banking, retail shopping, and medical center of the southwestern Metropolitan area. In addition, the Evergreen Shopping Plaza is a totally enclosed 140 store mall that serves the Village and surrounding communities.

Unemployment rates within the Village are lower than the Cook County and State of Illinois averages.

Information Regarding Major Industries Affecting the Local Economy

The six largest employers in the Village are Little Company of Mary Hospital, School District 124, Wal-Mart, Meijers, Menards and Sam's Warehouse Club. Commercial retail is the most important non-residential aspect of the Village's economy.

Future Economic Outlook

The Village should experience future sales tax growth with the future redevelopment of the Evergreen Park Shopping Plaza and the continued retail growth from the development of the former Evergreen Park Country Club.

Financial Information

Internal Control Framework and Budgetary Controls

In developing and evaluating the Village's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding:

- The safeguarding of assets against loss from unauthorized use or disposition
- The reliability of financial records for preparing financial statements and maintaining accountability for assets.
- To promote operational efficiency.

The concept of reasonable assurance recognizes that the costs of internal control should not exceed the benefits likely to be desired; and that the evaluation of cost and benefits requires judgements by management.

All internal control evaluations take place within the above framework. The relationship of internal control to basic management responsibilities emphasizes the relationship of the accounting system with all other management control systems. We believe that the Village's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of all financial transactions.

Budgetary control is maintained through an annual budget passed by the Village of Evergreen Park Village Board of Trustees. This is a balanced budget and is based on actual expected receipts for the year plus any unexpended surplus from prior years. The budget is appropriately controlled through a computerized accounting system to assure effective fiscal management and accountability.

Financial reports, which compare actual performance with the budget, are prepared monthly and presented to Department Directors, the Mayor, and the Village Board of Trustees. In this manner the Village is able to review the financial status of the various departments and funds and determine the effectiveness of budgetary controls. Below is a table summarizing the activity of each governmental and proprietary fund type for the Village.

	Beginning Balance	Revenues and Other Financing Sources (Uses)	Expenditures/ Expenses	Ending Balance
General Fund	\$ 5,779,352	\$ 23,014,587	\$ 22,670,812	\$ 6,123,127
Special Revenue Funds	\$ 7,851,373	\$ 13,191,347	\$ 3,019,958	\$ 18,022,762
Capital Projects Funds	\$ (178,115)	\$ 1,587,391	\$ 1,166,484	\$ 242,792
Debt Service Funds	\$ -	\$ 2,051,092	\$ 2,051,092	\$ -
Enterprise Funds*	\$ 8,838,273	\$ 6,454,760	\$ 6,201,153	\$ 9,091,880
Total Funds	\$ 22,290,883	\$ 46,299,177	\$ 35,109,499	\$ 33,480,561

* Includes Depreciation

General Governmental Functions

General Fund

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

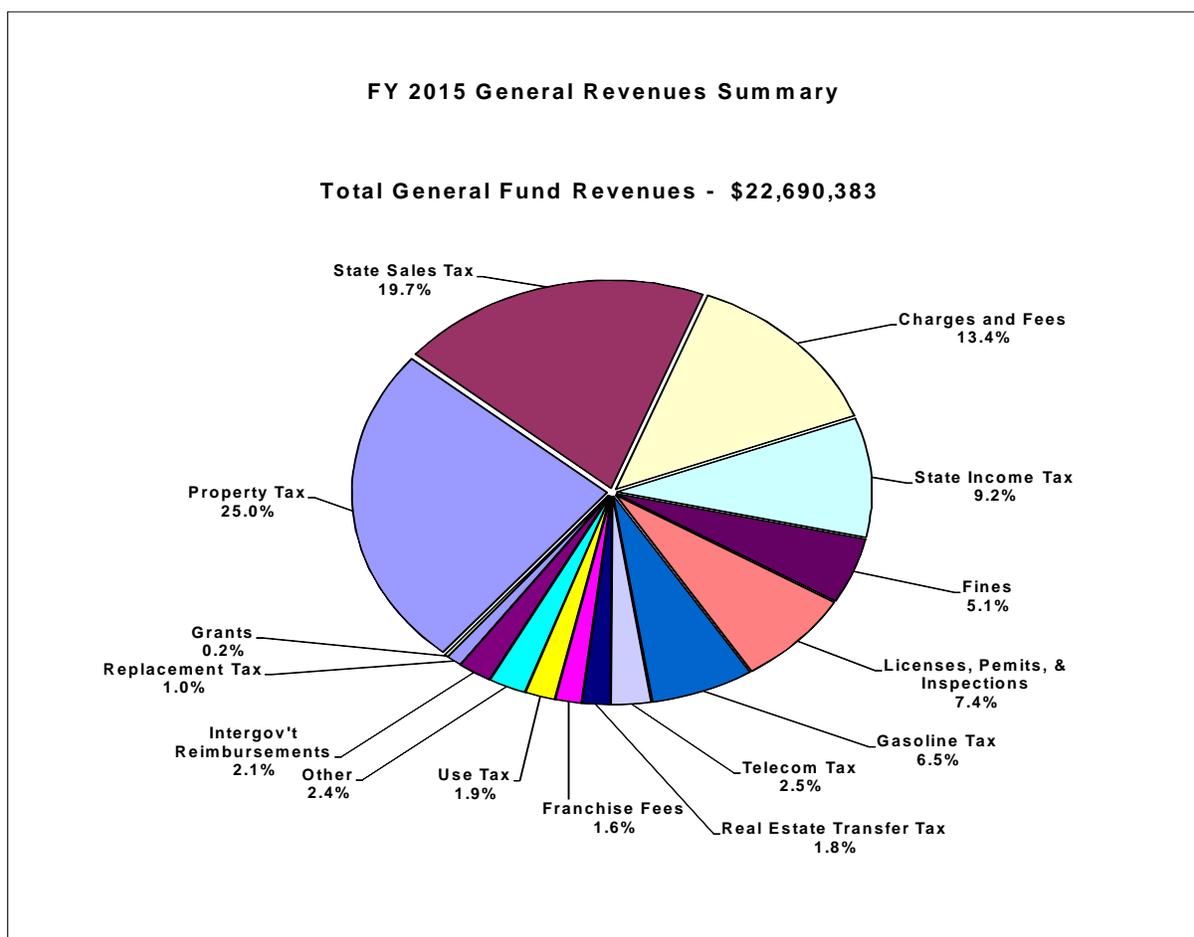
Revenues

The total general fund revenue (excluding "Other Financing Sources") for the fiscal year beginning November 1, 2014 and ending October 31, 2015 (FY 2015) was \$22,690,383. Property taxes were the largest source of revenue at 25.0% of all Village general revenue.

The second largest source of revenue for the Village was sales tax at 19.7% of all general fund revenue. The Village receives a 1% tax on all retail sales made in the Village of Evergreen Park.

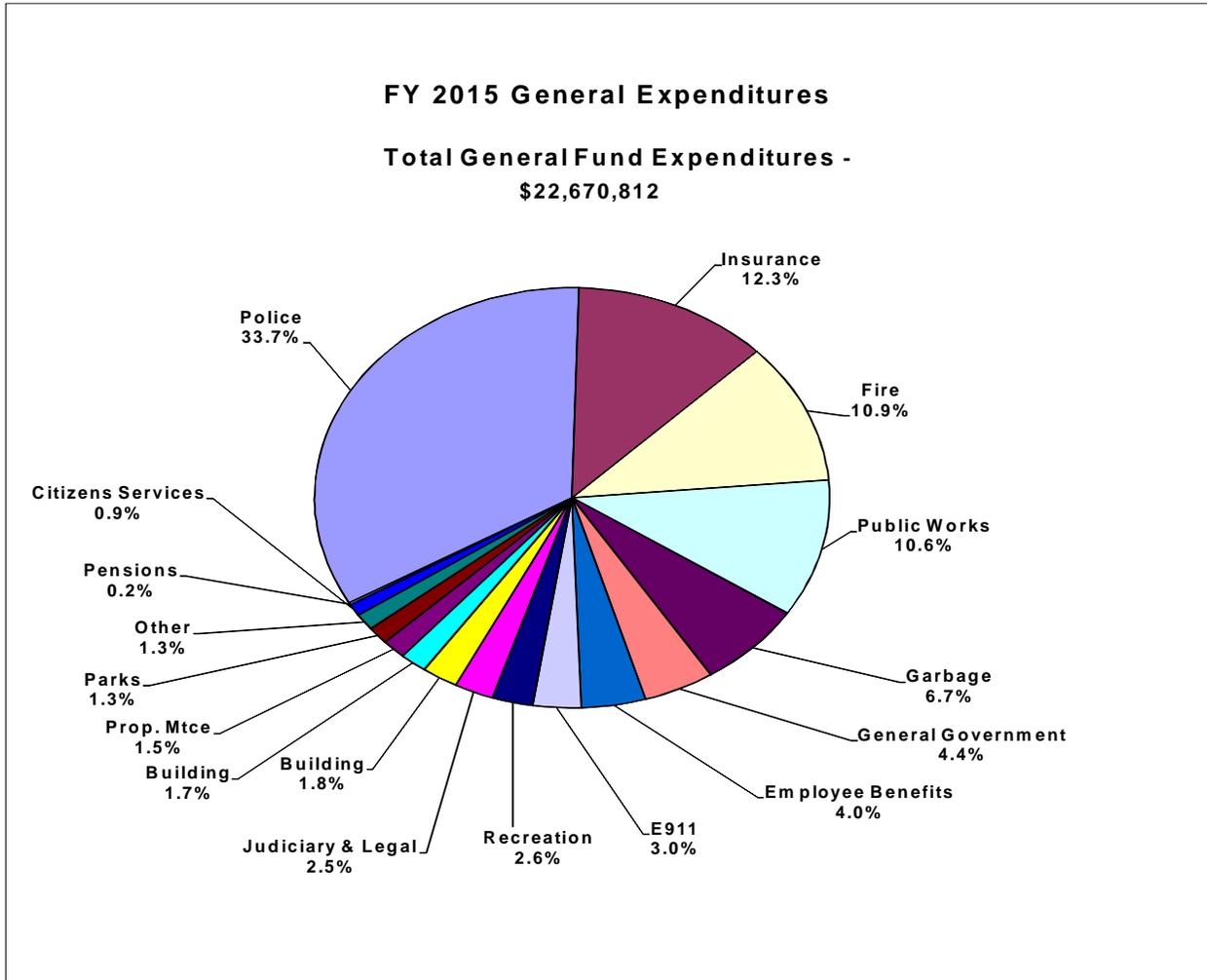
Other important general revenue sources include user fees and charges for services 13.4%, state income tax 9.2%, licenses, permits, and fees 7.4%, gasoline tax 6.5%, fines forfeiture and penalties 5.1%, and telecommunications tax 2.5%. The chart below shows the importance of various categories of revenue to the Village.

Expenditures



The Village has a diverse revenue base

The total general fund expenditures (excluding operating transfers-out) for the year were \$22,670,812. The largest area of expenditure was the police department at 33.7% of general expenditures. The second largest was insurance at 12.3% followed by the fire department with 10.9% of general expenditures and public works department at 10.6%. The chart on the next page shows the relative importance of each department's expenditures.



Police is the largest area of expenditure in the Village.

The Village increased its general fund balance with an operating surplus of \$343,775 this fiscal year. The Village fund balance policy states a minimum fund balance be an amount representing two months of the current year's operating budget (excluding transfers and contingency amount). The reserve is necessary to meet unforeseen emergencies or unexpected revenue shortfalls. At the October 31, 2015 the audited general fund balance of \$6,123,127 is significantly greater than the minimum recommended general fund balance, which is \$4,031,369 calculated based on fund accounting policy criteria.

Special Revenue Funds

Special revenue funds account for revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trusts or major capital projects). The Village uses the following special revenue funds: home rule sales tax, motor fuel tax, TIF, forfeited confiscated property and special service unit #1 and #2.

In FY 2015 these funds had revenues of \$4,626,409, expenditures of \$3,019,959 and other financing sources of \$8,564,939 resulting in an ending fund balance of \$18,022,762.

Capital Projects Funds

Capital projects funds are used to account for large, multi-year capital projects of a general nature such as street repairs and grant projects. In FY 2015 these funds had revenues of \$712,391, expenditures of \$1,166,484 and other financing sources of \$875,000 resulting in an ending fund balance of \$242,792.

Proprietary Funds

Proprietary Operations are those operations of the Village that are financed totally by service charges, such as the water and sewer funds and the commuter lot fund. Because they run on a fee-for-service basis these funds use accounting standards that are similar to private enterprise. However, since these are public operations, their goal is to break-even rather than to make a “profit”.

Water Management Fund: The water management fund is used to account for Lake Michigan Water distribution services performed by the Public Works Department. In FY 2015 the Water Management Fund had operating revenues and interest income of \$6,852,195, operating and interest expenses of \$6,218,588 and operating transfers-out of \$380,000. The water management fund had a net position of \$9,091,880 as of October 31, 2015.

Debt Administration

In order to finance certain capital improvements, the Village has incurred debt. The notes to the financial statements include information on various debt schedules relating to Village debt. The statistical section also includes a summary of general Village debt. It is the Village’s policy to pay for capital improvements out of current revenue so that there will be no need to raise taxes. For this reason, the Village has taken out installment purchase contracts to finance long-term capital purchases of a general nature. Installment purchase contracts allow the Village to complete major projects and pay for them over a number of years using current revenue.

The Village has also been fortunate enough to receive grant funds from its state legislators, reducing the amount the Village needs to borrow.

Cash Management

Cash temporarily idle during the year is kept with the Illinois Funds and IMET, which pools together idle cash from a number of municipalities to make secure investments that will obtain higher interest than would be obtainable by the Village of Evergreen Park working alone through a commercial bank.

Risk Management

The Village also has a proactive risk prevention program. The Village operates an active safety committee which examines potential hazards and proposes solutions to enhance safety for Village residents and employees.

Fiduciary Operations

Pensions

The Village of Evergreen Park participates in the Illinois Municipal Retirement Fund (IMRF), an agent, multiple-employer public retirement plan administered by the IMRF. The plan covers all employees in the Village who meet statutory eligibility requirements. Employees who do not qualify as IMRF eligible, as set forth by state statute, are considered non-participating employees and are covered under Social Security.

Sworn employees of the Village police department participate in the Police Pension Fund.

Full time fire department employees participate in the Fire Pension Fund.

Other information

Independent Audit

The Village of Evergreen Park is required by state law to be audited annually by an independent certified public accountant, who is engaged by the Village Board of Trustees. The Village Board of Trustees has selected Cygan Hayes, Ltd. for this task.

For Fiscal Year 2015, the Village has received an unmodified opinion from the independent auditor, meaning the auditor has determined that the financial statements of the Village are an accurate representation of the Village's financial position.

Acknowledgements

The preparation of the Village of Evergreen Park's comprehensive annual financial report was made possible by the diligent efforts of both the Administration and Finance Departments of the Village of Evergreen Park. All members of both these departments have my gratitude for this accomplishment. I would also like to thank our accounting firm, Cygan Hayes, Ltd., for their guidance to the Village through this process.

Respectfully submitted,



John Sawyers,
Director of Finance, Treasurer

FINANCIAL SECTION



CYGAN HAYES Ltd.

Certified Public Accountants and Consultants

Glenn A. Cygan, CPA
Jeffrey S. Hayes, CPA

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INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and Members
of the Board of Trustees
Village of Evergreen Park, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the remaining aggregate fund information of the Village of Evergreen Park, Illinois, as of and for the year ended October 31, 2015 and the related notes to the financial statements, which collectively comprise the basic financial statements of the Village's primary government 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 entity'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 entity'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 remaining aggregate fund information for the primary government of the Village of Evergreen Park, Illinois, as of October 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note I, the financial statements referred to above include only the primary government of the Village of Evergreen Park, Illinois, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Village's legal entity. These primary government financial statements do not include financial data for the Village's legally separate component unit, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Village's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Village of Evergreen Park, Illinois, as of October 31, 2015, the changes in its financial position, or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of the reporting entity of the Village of Evergreen Park, Illinois, as of and for the year ended October 31, 2015, and our report thereon, dated June 3, 2016, expressed an unmodified opinion on those financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of American require that the management's discussion and analysis, on pages 4 through 13, Exhibits 1A through 1H and Exhibit 2 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 of Evergreen Park's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual fund financial statements are fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2016, on our consideration of the Village of Evergreen Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Evergreen Park's internal control over financial reporting and compliance.



CYGAN HAYES, LTD.
Certified Public Accountants

Frankfort, Illinois
June 3, 2016

REQUIRED SUPPLEMENTAL
INFORMATION

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MDA)**

**Village of Evergreen Park
Management's Discussion and Analysis
October 31, 2015**

The Village of Evergreen Park's (the "Village") management discussion and analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter and the Village's financial statements.

Using the Financial Section of this Comprehensive Annual Report

The financial statements' focus is on both the Village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government to government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to emulate the corporate sector 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 (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement, for the first time, combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

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 police, public works, engineering and administration. Shared state sales, local utility and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water Management Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Village of Evergreen Park Management's Discussion and Analysis (Continued)

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 (the previous model's – reported on years ending prior to October 31, 2003) fund types.

Governmental Funds

The Governmental Major Fund presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

Fiduciary Funds

The Fund Financial Statements also allow the government to address its Fiduciary Funds (Police and Firefighters Pension). While these 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.

Enterprise Funds

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

Infrastructure Assets

Prior to years ending October 31, 2003, the Village's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the Governmental column of the Government-wide Financial 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 chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

**Village of Evergreen Park
Management's Discussion and Analysis (Continued)**

Government-Wide Financial Statements

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets exceeded liabilities by \$32.5 million as of October 31, 2015.

A significant portion of the Village's net position reflects its investment in capital assets (i.e., land, streets, storm sewers, water mains, buildings and vehicles); less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

**Table 1
Statement of Net Position (In millions)
October 31, 2015 and 2014**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	2015	2014	2015	2014	2015	2014
Current Assets	\$ 25.6	\$ 15.3	\$ 3.8	\$ 3.0	\$29.4	\$18.3
Capital Assets	39.7	38.6	7.5	7.7	47.2	46.3
Total Assets	<u>65.3</u>	<u>53.9</u>	<u>11.3</u>	<u>10.7</u>	<u>76.6</u>	<u>64.6</u>
Current Liabilities	3.5	3.2	0.5	0.3	4.0	3.5
Non Current Liabilities	38.4	16.6	1.7	1.6	40.1	18.2
Total Liabilities	<u>41.9</u>	<u>19.8</u>	<u>2.2</u>	<u>1.9</u>	<u>44.1</u>	<u>21.7</u>
Net Position:						
Invested in Capital Assets, Net of Related Debt	13.3	21.8	5.7	6.1	19.0	27.9
Restricted	17.9	7.7	0.0	0.0	17.9	7.7
Unrestricted	<u>(7.8)</u>	<u>4.6</u>	<u>3.4</u>	<u>2.7</u>	<u>(4.4)</u>	<u>7.3</u>
Total Net Position	<u>\$23.4</u>	<u>\$34.1</u>	<u>\$9.1</u>	<u>\$8.8</u>	<u>\$32.5</u>	<u>\$42.9</u>

For more detailed information, see the Statement of Net Position.

**Village of Evergreen Park
Management's Discussion and Analysis (Continued)**

The Village's combined net position decreased from \$42.9 million to \$32.5 million. Net position of the Village's governmental activities decreased from \$34.1 million to \$23.4 million. Most of the decline in the governmental activities net position resulted from the conversion to GASB 68 which required a prior period adjustment of \$6.5 million for the beginning of the period's net pension liability. The net position of business-type activities increased from \$8.8 million to \$9.1 million.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Assets summary presentation.

Net Results of Activities – This will impact (increase/decrease) current assets and unrestricted net assets.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change the invested in capital assets, net of debt.

Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase invested in capital assets, net of debt.

Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase invested in capital assets, net of debt.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and invested in capital assets, net of debt.

Current Year Impacts

The Village's total business-type activities net position increased \$.3 million and can be attributed to the efficiencies of the water management system with regards to minimizing significant repair and maintenance expenditures for the sewer and water systems.

Changes in Net Position

The following chart compares the revenue and expenses for the current and prior fiscal years

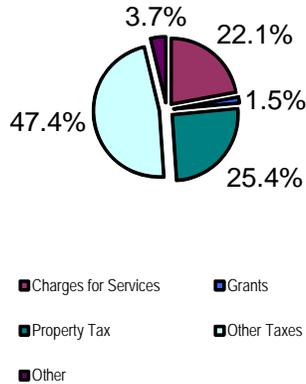
**Village of Evergreen Park
Management's Discussion and Analysis (Continued)**

**Table 2
Change in Net Position
For Fiscal Years Ended October 31, 2015 and 2014**

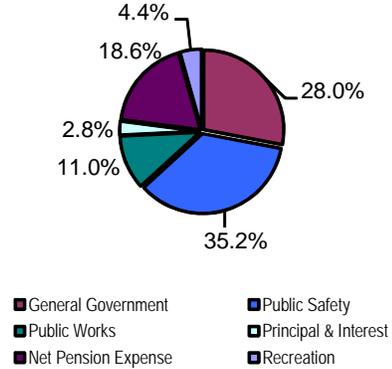
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
REVENUES						
Program Revenues						
Charges for Services	\$ 6.0	\$ 5.9	\$ 6.9	\$ 6.1	\$ 12.9	\$ 12.0
Operating Grant & Contributions	0.0	0.0			0.0	0.0
Capital Grant & Contributions	0.4	0.3	0.0	0.6	0.4	0.9
General Revenues						
Property Tax	6.9	7.2			6.9	7.2
Other Taxes	12.9	11.9			12.9	11.9
Other	1.0	.4			1.0	.4
Total Revenues	<u>27.2</u>	<u>25.7</u>	<u>6.9</u>	<u>6.7</u>	<u>34.1</u>	<u>32.4</u>
EXPENSES						
General Government	8.9	7.4			8.9	7.4
Public Safety	11.2	11.6			11.2	11.6
Public Works	3.5	4.2	6.2	6.0	9.7	10.2
Recreation	1.4	1.6			1.4	1.6
Net Pension Expense	5.9	0.0			5.9	0.0
Principal and Interest	0.9	0.6			0.9	0.6
Total Expenses	<u>31.8</u>	<u>25.4</u>	<u>6.2</u>	<u>6.0</u>	<u>38.0</u>	<u>31.4</u>
Excess before transfers	(4.6)	0.3	0.7	0.7	(3.9)	1.0
Transfers in (out)	0.4	0.4	(0.4)	(0.4)	-	-
CHANGE IN NET POSITION	<u>(4.2)</u>	<u>0.7</u>	<u>0.3</u>	<u>0.3</u>	<u>(3.9)</u>	<u>1.0</u>
BEG. NET POSITION- RESTATE	<u>27.6</u>	<u>26.9</u>	<u>8.8</u>	<u>8.5</u>	<u>36.4</u>	<u>35.4</u>
ENDING NET POSITION	<u>\$ 23.4</u>	<u>\$ 27.6</u>	<u>\$ 9.1</u>	<u>\$ 8.8</u>	<u>\$ 32.5</u>	<u>\$ 36.4</u>

**Village of Evergreen Park
Management’s Discussion and Analysis (Continued)**

**2015 Governmental Activities
Revenue**



**2015 Governmental Activities
Expenses**



There are eight basic impacts on revenues and expenses as reflected below:

Normal Impacts

Revenues:

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on state income, sales and utility tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Board approved rates – while certain tax rates are set by statute, the Village Board has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.)

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 using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

**Village of Evergreen Park
Management's Discussion and Analysis (Continued)**

Expenses:

Introduction of New Programs – within the functional expense categories (Public Safety, Public Works, General Government, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent approximately 70% of the Village's operating costs.

Salary Increases (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

Revenues:

For the fiscal year ended October 31, 2015, revenues from all activities totaled \$34.1 million compared to \$32.4 million from the prior year. Revenues that had increases were other taxes \$12.9 million compared to \$11.9 million from the prior year and charges for services were \$12.9 million compared to \$12.0 million from the prior year. Revenues that had decreases were property taxes \$6.9 million compared to \$7.2 million from the prior year and capital grants \$.4 million compared to \$.9 million from the prior year.

The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services we provide.

Expenses:

The Village's total expenses for all activities for the year ended October 31, 2015 were \$38.0 million compared to \$31.4 million for the prior year. Expenses with increases were general government expenses \$8.9 million compared to \$7.4 million from the prior year and net pension expense (new with GASB 68) \$5.9 million compared to \$0.0 million from the prior year. Expenditures with decreases were public safety expense \$11.2 million compared to \$11.6 million from the prior year and public works expense \$9.7 million compared to \$10.2 million from the prior year.

**Village of Evergreen Park
Management’s Discussion and Analysis (Continued)**

Financial Analysis of the Village’s Funds

Governmental Funds

At October 31, 2015, the governmental funds (as presented on the balance sheet) reported a combined fund balance of \$24.4 million. Revenues and other financing sources (uses) exceeded expenditures in 2015 by \$10.9 million. The primary reason for the increase was from the \$11.4 million in bond proceeds.

General Fund Budgetary Highlights

The Village did not amend its original budget for this fiscal year. Below is a table that reflects the original budget and the actual for the revenues and expenditures for the General Fund.

**Table 3
General Fund Budgetary Highlights
(In millions)**

General Fund	Original Budget	Actual
Revenues and Transfers In		
Taxes	\$15.1	\$15.4
Intergovernmental	.2	.1
Transfers In	1.8	1.0
Other	7.0	7.2
Total	\$24.1	\$23.7
Expenditures and Transfers Out		
Expenditures	\$23.4	\$22.7
Transfers	0.7	0.7
Total	\$24.1	\$23.4
Change in Fund Balance	\$ 0.0	\$ 0.3

Capital Assets

At the end of the fiscal Year 2015, the Village had a combined total of capital assets of \$46.9 million invested in a broad range of capital assets including land, buildings, vehicles, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See table 4 below). This amount represents a net increase (including additions and deletions) of \$.6 million.

**Village of Evergreen Park
Management's Discussion and Analysis (Continued)**

**Table 4
Total Capital Assets at Year End
Net of Depreciation
(In millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 5.9	\$ 6.2	\$ 0.0	\$ 0.0	\$ 5.9	\$ 6.2
Construction in Process	0.3	0.0	0.0	0.0	0.3	0.0
Machinery and Equipment	0.5	0.6	0.5	0.5	1.0	1.1
Buildings	15.9	14.6	2.7	2.7	18.6	17.3
Vehicles & Equipment	1.3	1.4	0.3	0.3	1.6	1.7
Infrastructure	15.8	15.8	1.8	1.9	17.6	17.7
Water & Sewer – Water meters	<u>0.0</u>	<u>0.0</u>	<u>2.2</u>	<u>2.3</u>	<u>2.2</u>	<u>2.3</u>
Total Capital Assets	<u>\$39.7</u>	<u>\$38.6</u>	<u>\$7.5</u>	<u>\$7.7</u>	<u>\$47.2</u>	<u>\$46.3</u>

Debt Outstanding

The Village, under its home rule authority, does not have a legal debt limit. At year-end, the Village had \$28.3 million in bonds and capital leases outstanding versus \$18.4 million in the prior year - as shown in Table 5.

**Table 5
Outstanding Debt at Year End
(In millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Totals</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General obligation bonds	\$13.2	\$14.7	\$ 0.0	\$ 0.0	\$13.2	\$14.7
Capital leases	0.8	0.9	1.8	1.6	2.6	2.5
Special service area bonds	<u>12.7</u>	<u>1.2</u>	<u>0.0</u>	<u>0.0</u>	<u>12.7</u>	<u>1.2</u>
Totals	<u>\$26.7</u>	<u>\$16.8</u>	<u>\$1.8</u>	<u>\$1.6</u>	<u>\$28.5</u>	<u>\$18.4</u>

Economic Factors

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Evergreen Park during 2015 and is expected to continue into 2016. Grant assistance is extremely competitive with available funding expected to remain low. Per capital revenues (motor fuel and use taxes) from the State are projected to be lower than last year. Sales tax revenues have increased and are forecasted to increase again with the reconstruction of a modern outdoor shopping plaza. Continued economic development will provide the Village increased sales tax and allow for an offset against the decline of other financial conditions.

**Village of Evergreen Park
Management's Discussion and Analysis (Continued)**

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to John Sawyers, Finance Director, Village of Evergreen Park, 9418 S. Kedzie Ave., Evergreen Park, IL 60805.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

VILLAGE OF EVERGREEN PARK, ILLINOIS
STATEMENT OF NET POSITION
OCTOBER 31, 2015

Statement 1
Page 1 of 2

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 23,763,191	\$ 1,869,558	\$ 25,632,749
Accounts receivable			
Taxes	1,154,784	-	1,154,784
Franchise fee	82,831	-	82,831
Sewer and water	-	1,942,215	1,942,215
Other	20,532	300	20,832
Deferred evidence	26,354	-	26,354
Prepaid expenses	3,979	-	3,979
Unamortized bond cost	385,035	-	385,035
Unamortized bond discount	103,951	-	103,951
Capital assets (net of accumulated depreciation):			
Land	5,846,619	-	5,846,619
Buildings	15,903,189	2,694,667	18,597,856
Vehicles	1,300,295	254,254	1,554,549
Machinery and equipment	547,320	497,370	1,044,690
Infrastructure	15,807,720	1,765,089	17,572,809
Water meters	-	2,227,235	2,227,235
Construction in progress	320,550	-	320,550
	\$ 65,266,350	\$ 11,250,688	\$ 76,517,038
TOTAL ASSETS	\$ 65,266,350	\$ 11,250,688	\$ 76,517,038

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
STATEMENT OF NET POSITION
OCTOBER 31, 2015

Statement 1
Page 2 of 2

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Liabilities:			
Current Liabilities			
Accounts payable	\$ 535,817	\$ 274,261	\$ 810,078
Accrued vacation and sick pay	184,185	17,855	202,040
Accrued salaries	263,087	77,468	340,555
Accrued payroll benefits payable	451		451
Accrued bond interest	587,456	-	587,456
Due to external funds	-	-	-
Current portion of loans payable	85,522	76,385	161,907
Current portion of bonds payable	1,790,000	-	1,790,000
Total Current Liabilities	3,446,518	445,969	3,892,487
Long Term Liabilities:			
Accrued compensated absences	1,130,995	-	1,130,995
Postemployment benefit obligation (OPEB)	293,526	-	293,526
Unamortized bond premium	201,269	-	201,269
Net pension liability	11,938,684	-	11,938,684
Loan payable	727,232	1,712,839	2,440,071
Bonds payable	24,100,000	-	24,100,000
Total Long Term Liabilities	38,391,706	1,712,839	40,104,545
Total Liabilities	41,838,224	2,158,808	43,997,032
NET POSITION			
Net Position			
Invested in capital assets, net of related debt	13,310,656	5,649,391	18,960,047
Restricted for:			
Street improvements	175,287	-	175,287
Police use	120,609	-	120,609
TIF District	4,658,232	-	4,658,232
Redevelopment cost and capital improvements	12,990,876	-	12,990,876
Unrestricted	(7,827,534)	3,442,489	(4,385,045)
Total Net Position	\$ 23,428,126	\$ 9,091,880	\$ 32,520,006

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
STATEMENT OF ACTIVITIES
YEAR ENDED OCTOBER 31, 2015

Statement 2

	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business Type Activities	Total
FUNCTIONS/PROGRAMS:							
Governmental Activities:							
General Government	\$ 8,870,958	\$ 1,688,386	\$ 6,250	\$ -	\$ (7,176,322)	\$ -	\$ (7,176,322)
Public Safety	11,209,284	2,191,089	45,071	-	(8,973,124)	-	(8,973,124)
Streets and Public Works	2,002,746	-	-	309,230	(1,693,516)	-	(1,693,516)
Culture and Recreation	1,424,610	506,074	-	125,000	(793,536)	-	(793,536)
Sanitation	1,511,748	1,643,292	-	-	131,544	-	131,544
Net Pension Expense	5,946,106	-	-	-	(5,946,106)	-	(5,946,106)
Interest on Long-Term Debt	923,162	-	-	-	(923,162)	-	(923,162)
Total Governmental Activities	31,888,614	6,028,841	51,321	434,230	(25,374,222)	-	(25,374,222)
Business-Type Activities:							
Water and Sewer Enterprise	6,218,587	6,849,694	-	-	-	631,107	631,107
Total Functions/Programs	\$ 38,107,201	\$ 12,878,535	\$ 51,321	\$ 434,230	(25,374,222)	631,107	(24,743,115)
General Revenues:							
Taxes:							
Property Taxes					6,878,736	-	6,878,736
State Sales Tax					6,785,436	-	6,785,436
Income Tax					2,096,688	-	2,096,688
Replacement tax					216,573	-	216,573
Local Use Tax					430,364	-	430,364
Motor Fuel Tax					1,965,149	-	1,965,149
Utilities Tax					569,189	-	569,189
Franchise taxes					371,988	-	371,988
Real Estate Transfer Tax					406,874	-	406,874
Other Taxes					52,054	-	52,054
Gain/Loss on Sale of Capital Assets					415,918	-	415,918
Interest Income					31,831	2,500	34,331
Miscellaneous					584,232	-	584,232
Transfers in (out)					380,000	(380,000)	-
Total General Revenues and Transfers					21,185,032	(377,500)	20,807,532
Change in Net Position					(4,189,190)	253,607	(3,935,583)
Net Position, Beginning of Year					34,129,784	8,838,273	42,968,057
Prior Period Adjustment					(6,512,468)	-	(6,512,468)
Net Position, Beginning of Year - Restated					27,617,316	8,838,273	36,455,589
Net Position, End of Year					\$ 23,428,126	\$ 9,091,880	\$ 32,520,006

See accompanying notes to financial statements.

FUND FINANCIAL
STATEMENTS

VILLAGE OF EVERGREEN PARK, ILLINOIS
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 OCTOBER 31, 2015

Statement 3

	<u>General Fund</u>	<u>Special Service Unit #2</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 5,657,866	\$ 11,435,236	\$ 6,670,089	\$ 23,763,191
Receivables				
Taxes	977,111		177,673	1,154,784
Franchise Fee	82,831		-	82,831
Other	18,151	2,381	-	20,532
Construction in progress	-	-	320,550	320,550
Deferred evidence	-		26,354	26,354
Prepaid expenses	3,979		-	3,979
TOTAL ASSETS	<u>\$ 6,739,938</u>	<u>11,437,617</u>	<u>\$ 7,194,666</u>	<u>\$ 25,372,221</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 169,088	-	\$ 366,729	\$ 535,817
Accrued vacation payable	184,185	-	-	184,185
Accrued salaries	263,087	-	-	263,087
Accrued payroll benefits payable	451	-	-	451
TOTAL LIABILITIES	<u>616,811</u>	<u>-</u>	<u>366,729</u>	<u>983,540</u>
Fund Balance:				
Unassigned	6,123,127		-	6,123,127
Assigned			1,228,363	1,228,363
Restricted	-	11,437,617	5,599,574	17,037,191
TOTAL FUND BALANCE	<u>6,123,127</u>	<u>11,437,617</u>	<u>6,827,937</u>	<u>24,388,681</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 6,739,938</u>	<u>\$ 11,437,617</u>	<u>\$ 7,194,666</u>	<u>\$ 25,372,221</u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
RECONCILIATION OF FUND BALANCES
TO THE GOVERNMENTAL ACTIVITIES
IN THE STATEMENT OF NET POSITION
OCTOBER 31, 2015

Statement 4

Total fund balances, governmental funds	\$ 24,388,681
Amount reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds	39,405,143
Unamortized bond discount on long-term liabilities is reported as a liability on the statement of net assets	103,951
Unamortized bond cost assets used in governmental activities are not financial resources and therefore not reported in the funds	385,035
Long term liabilities, including bonds and loans payable, are not due and not payable in the current period and therefore not reported in the funds	(26,702,754)
Accrued interest on long-term liabilities is reported as a liability on the statement of net assets.	(587,456)
Post employment benefit obligation (OPEB) on long-term liabilities is reported as a liability on the statement of net assets	(293,526)
Net pension liability on long-term liabilities is reported as a liability on the statement of net assets	(11,938,684)
Unamortized bond premium on long-term liabilities is reported as a liability on the statement of net assets	(201,269)
Compensated absences payable is not due and payable in the current period and, therefore, is not reported in governmental funds.	<u>(1,130,995)</u>
Net position of governmental activities	<u>\$ 23,428,126</u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, IL
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED OCTOBER 31, 2015

	<u>General Fund</u>	<u>Special Service Unit #2</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 15,434,476	\$ -	\$ 3,990,259	\$ 19,424,735
Licenses and permits	1,686,886	-	-	1,686,886
Franchise fees	371,988	-	-	371,988
Intergovernmental	231,450	-	-	231,450
Charges for services	3,031,857	-	-	3,031,857
Fines	1,161,802	-	-	1,161,802
Interest earned	14,997	2,381	14,453	31,831
Investment value adjustment	-	-	(185,189)	(185,189)
Miscellaneous	90,830	-	-	90,830
Proceeds from sale of assets	130,786	-	-	130,786
Reimbursements	483,990	-	90,105	574,095
Land sale proceeds	-	-	587,865	587,865
Forfeitures	-	-	404,695	404,695
Grants	51,321	-	434,230	485,551
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	22,690,383	2,381	5,336,418	28,029,182
Expenditures:				
General government	1,007,917	-	-	1,007,917
Adjudication	323,922	-	-	323,922
Street	2,406,664	-	-	2,406,664
Police	7,649,251	-	-	7,649,251
Fire	2,476,814	-	-	2,476,814
Garbage	1,511,748	-	-	1,511,748
Village prosecutor	30,000	-	-	30,000
Property maintenance	347,811	-	-	347,811
Insurance premiums	2,792,007	-	-	2,792,007
Citizens service	209,421	-	-	209,421
Parks and playgrounds	304,191	-	-	304,191
Board of Police and Fire Commissioners	12,277	-	-	12,277
Employee benefits	915,186	-	-	915,186
Library - replacement tax reimb.	34,073	-	-	34,073
Youth Commission	31,390	-	-	31,390
Professional services	29,726	-	240,360	270,086
Building Department	379,641	-	-	379,641
Fireman's Pension Fund	2,119	-	-	2,119

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, IL
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED OCTOBER 31, 2015

	<u>General Fund</u>	<u>Special Service Unit #2</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Police Pension Fund	38,082	-	-	38,082
Recreation	578,708	-	-	578,708
Community Center	100,921	-	-	100,921
Emergency 911	690,212	-	-	690,212
Legal	206,499	-	-	206,499
Ambulance billing services	43,347	-	-	43,347
Audit	30,500	-	-	30,500
Farmers market expenditures	500	-	-	500
Economic incentive agreement	515,486	-	-	515,486
Other	2,399	-	-	2,399
Drug enforcement	-	-	410,480	410,480
Capital expenditures	-	-	933,144	933,144
Loan principal retirement	-	-	82,850	82,850
Bond interest expense	-	-	518,975	518,975
TIF Expenditures	-	-	2,276,246	2,276,246
	<u>22,670,812</u>	<u>-</u>	<u>6,237,534</u>	<u>28,908,346</u>
TOTAL EXPENDITURES				
Excess (Deficiency) of Revenues over expenditures	<u>19,571</u>	<u>2,381</u>	<u>(901,116)</u>	<u>(879,164)</u>
Other financing sources				
Bond proceeds	-	11,435,236	-	11,435,236
Operating transfers-in	970,219	-	2,926,092	3,896,311
Operating transfers-out	<u>(646,015)</u>	<u>-</u>	<u>(2,870,297)</u>	<u>(3,516,312)</u>
Total other financing sources (uses)	<u>324,204</u>	<u>11,435,236</u>	<u>55,795</u>	<u>11,815,235</u>
NET CHANGE IN FUND BALANCES	343,775	11,437,617	(845,321)	10,936,071
FUND BALANCE AT BEGINNING OF YEAR	<u>5,779,352</u>	<u>-</u>	<u>7,673,258</u>	<u>13,452,610</u>
FUND BALANCE AT END OF YEAR	<u>\$ 6,123,127</u>	<u>\$ 11,437,617</u>	<u>\$ 6,827,937</u>	<u>\$ 24,388,681</u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED OCTOBER 31, 2015

Net change in fund balance, total governmental funds	\$ 10,936,071
Amount reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay	1,962,595
Depreciation	(1,296,201)
Sales of capital assets are reported as proceeds in governmental funds but as a gain from sale on the statement of activities	97,132
Repayment of bond & loan principal is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities.	1,833,382
Premium on bonds is recorded as other financing uses in the fund financial statements, but the premium is netted with general obligation bonds in the Statement of Net Assets and is amortized over the life of the bonds. This is the amount in the current period:	
Amortization of bond premium	31,849
Bond proceeds are reported as a revenue when received in governmental funds but as an increase in principal outstanding in the statement of activities.	
Bond proceeds	(11,435,236)
Bond issuance costs are recorded as an expenditure in the fund financial statements, but the cost is recorded as an asset in the Statement of Net Assets and amortized over the life of the bonds. These are the amounts in the current period:	
Amortization of bond issuance costs	(35,464)
Some expenses reported in the statement of activities do not require the use of current financial resources and are therefore not reported as expenditures in governmental funds. These activities consist of:	
Increase in accrued interest	(375,624)
Decrease in compensated absences	100,905
Increase in net pension liability	(5,946,106)
Increase in other postemployment benefits obligation	(62,493)
Change in net position of governmental activities	<u>\$ (4,189,190)</u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
ENTERPRISE FUND - WATER MANAGEMENT FUND
STATEMENT OF NET POSITION
OCTOBER 31, 2015

Statement 7
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ASSETS

Current Assets:	
Cash and cash equivalents	\$ 1,869,558
Accounts receivable	1,942,215
Deposit	300
Due from general fund	<u>-</u>
Total Current Assets	<u>3,812,073</u>
Plant Assets:	
Buildings	3,269,211
Vehicles	529,641
Machinery and equipment	706,300
Sewer system improvements at original cost	5,000,665
Water mains at original cost	998,814
Water meters	2,470,075
Less: Accumulated depreciation	<u>(5,536,091)</u>
Plant asset improvements - Net	<u>7,438,615</u>
Total Assets	<u>\$ 11,250,688</u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
ENTERPRISE FUND - WATER MANAGEMENT FUND
STATEMENT OF NET POSITION
OCTOBER 31, 2015

Statement 7
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LIABILITIES AND NET POSITION

Liabilities:

Current Liabilities

(Payable from Current Assets):

Accounts payable	\$ 274,261
Accrued salaries	17,855
Accrued vacation and sick pay	<u>77,468</u>

Total Current Liabilities

(Payable from Current Assets) 369,584

Long Term Liabilities:

Loan Payable (Net of current portion)

1,789,224

Total Liabilities

2,158,808

NET POSITION

Invested in capital assets, net of
related debt

5,649,391

Unrestricted

3,442,489

Total Net Position

9,091,880

Total Liabilities and Net Position

\$ 11,250,688

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
 ENTERPRISE FUND - WATER MANAGEMENT FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED OCTOBER 31, 2015

Statement 8
Page 1 of 2

	Water Management Fund
Operating Revenues:	
Water and service fees	\$ 6,684,870
Permits	27,430
Sewer and water penalties	110,982
Other income	26,413
	<hr/>
Total Operating Revenues	6,849,695
	<hr/>
Operating Expenses:	
Salaries and wages	980,666
Data Processing	3,468
Employee benefits	180,599
Insurance Group - Health	434,610
Insurance Group - Other	303,734
Uniforms	10,993
Telephone	10,345
Electric-Pumping Station	46,444
Communications	14,725
Administration charge	125,000
Audit and accounting	15,500
Purchase of water	2,314,950
Bank charges	1,207
Engineering fees	30,259
Printing and promotion	18,989
Copier maintenance	3,455
Computer support	78,835
Mosquito abatement	12,880
Detention pond	14,308
Office supplies	5,725
Postage	11,546
Gasoline and oil	22,605
Shop supplies and tools	19,533
Repairs and maintenance	
Vehicles	29,711
Building	63,822
Sewer system	256,028
Storm sewers	215,126
Water system	438,519
Training	149
Dues and memberships	1,402
Meetings and conferences	4,631
Office equipment	5,816
Vehicles	61,823
Shop equipment	6,568
Depreciation	401,409
Water meters	55,773
Total Operating Expenses	<hr/> 6,201,153 <hr/>

VILLAGE OF EVERGREEN PARK, ILLINOIS
ENTERPRISE FUND - WATER MANAGEMENT FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED OCTOBER 31, 2015

Statement 8
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	<u>Water Management Fund</u>
Net Operating Income (Loss)	<u>\$ 648,542</u>
Nonoperating Revenues (Expenses)	
Interest earned	2,500
Interest expense	(17,435)
Gain on disposal of equipment	-
Loan proceeds	-
Proceeds from debt forgiveness	<u>-</u>
Total Nonoperating Revenues Over Expenses	<u>(14,935)</u>
Income (loss) before transfers in (out)	633,607
Transfers out	<u>(380,000)</u>
Net income (loss)	253,607
Net position - beginning of year	<u>8,838,273</u>
Net position - end of year	<u><u>\$ 9,091,880</u></u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
ENTERPRISE FUND - WATER MANAGEMENT FUND
STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31, 2015

Statement 9
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CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 6,661,283
Payments to suppliers	(4,769,417)
Payments to employees	<u>(947,516)</u>
Net Cash Provided by Operating Activities	944,350
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Due from general fund	173,258
Transfers to other funds	<u>(380,000)</u>
Net Cash Used by Noncapital Financing Activities	(206,742)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Loan payable	181,600
Capital expenditure	(112,755)
Interest paid	(17,435)
Proceeds from disposal of fixed asset	-
Proceeds from debt forgiveness	<u>-</u>
Net Cash Used by Capital and Related Financing Activities	51,410
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on cash and investments	<u>2,500</u>
Net Cash Provided by Financing Activities	2,500
Net increase (decrease) in cash and cash equivalents	791,518
Cash/cash equivalents at beginning of year	<u>1,078,040</u>
CASH/CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 1,869,558</u></u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
ENTERPRISE FUND - WATER MANAGEMENT FUND
STATEMENT OF CASH FLOWS
YEAR ENDED OCTOBER 31, 2015

Statement 9
Page 2 of 2

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net operating income (loss)	<u>\$ 648,542</u>
Adjustments to reconcile net income to net operating cash:	
Depreciation and amortization	401,409
(Increase) decrease in assets:	
Accounts receivable	(188,412)
Increase (decrease) in liabilities:	
Accounts payable	49,661
Accrued salaries	17,855
Accrued vacation and sick pay	<u>15,295</u>
Total Adjustments	<u>295,808</u>
Net Cash Provided by Operating Activities	<u><u>\$ 944,350</u></u>

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
FIDUCIARY FUNDS
COMBINED STATEMENT OF FIDUCIARY NET POSITION
OCTOBER 31, 2015

Statement 10

	Pension Trust Funds		Private-purpose Trust Funds		Total
	Police	Firemen	Street Bond	Insurance	Memo only
ASSETS					
Cash and Cash Equivalents	\$ 2,664,060	\$ 462,262	\$ 648,885	\$ 1,059,474	\$ 4,834,681
Investments	44,205,172	130,525	-	-	44,335,697
Receivables:					
Property tax	-	-	-	-	-
Interest	11,875	-	-	-	11,875
Other	-	-	-	-	-
TOTAL ASSETS	\$ 46,881,107	\$ 592,787	\$ 648,885	\$ 1,059,474	\$ 49,182,253
LIABILITIES					
Accounts payable	\$ 10,963	\$ 695	\$ -	\$ 35,431	\$ 47,089
Street bond payable	-	-	648,885	-	648,885
Total Liabilities	10,963	695	648,885	35,431	695,974
NET POSITION					
Held in trust for pension benefits and other purposes	\$ 46,870,144	\$ 592,092	\$ -	\$ 1,024,043	\$ 48,486,279

See accompanying notes to financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
 FIDUCIARY FUNDS
 COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 YEAR ENDED OCTOBER 31, 2015

Statement 11

	<u>Pension Trust Funds</u>		<u>Private-purpose Trust Funds</u>		<u>Total</u>
	<u>Police</u>	<u>Firemen</u>	<u>Street Bond</u>	<u>Insurance</u>	
ADDITIONS					
Contributions:					
Property taxes	\$ 788,318	\$ 110,906	\$ -	\$ -	\$ 899,224
Replacement property taxes	37,282	2,119	-	-	39,401
Employee contributions	513,170	13,314	-	-	526,484
Total contributions	<u>1,338,770</u>	<u>126,339</u>	<u>-</u>	<u>-</u>	<u>1,465,109</u>
Investment earnings:					
Dividend and interest income	242,105	1,850	-	2,205	246,160
Unrealized gains (losses) on investments	(616,821)	(4,165)	-	-	(620,986)
Annuities - valuation adjustment	835,397	2,124	-	-	837,521
Gain (losses) on sale of investments	381,438	-	-	-	381,438
Total investment earnings	<u>842,119</u>	<u>(191)</u>	<u>-</u>	<u>2,205</u>	<u>844,133</u>
Less investment expense	152,689	-	-	-	152,689
Net investment earnings	<u>689,430</u>	<u>(191)</u>	<u>-</u>	<u>2,205</u>	<u>691,444</u>
Total additions	<u>2,028,200</u>	<u>126,148</u>	<u>-</u>	<u>2,205</u>	<u>2,156,553</u>
DEDUCTIONS					
Pension payments to beneficiaries	2,615,961	227,792	-	-	2,843,753
Professional	16,000	3,475	-	-	19,475
Other	9,766	915	-	35,431	46,112
Total deductions	<u>2,641,727</u>	<u>232,182</u>	<u>-</u>	<u>35,431</u>	<u>2,909,340</u>
Change in net assets	(613,527)	(106,034)	-	(33,226)	(752,787)
Net position, beginning of year	<u>47,483,671</u>	<u>698,126</u>	<u>-</u>	<u>1,057,269</u>	<u>49,239,066</u>
Net position, end of year	<u>\$ 46,870,144</u>	<u>\$ 592,092</u>	<u>\$ -</u>	<u>\$ 1,024,043</u>	<u>\$ 48,486,279</u>

See accompanying notes to financial statements.

**NOTES TO BASIC
FINANCIAL STATEMENTS**

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) General Statement

The financial statements of the Village of Evergreen Park, 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.

B) Reporting Entity

The Village is a municipal corporation governed by an elected Mayor and a Board of Trustees. The financial statements present only the primary government of the Village, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Village's legal entity. The financial statements do not include financial data for the Village's legally separate component unit, the Evergreen Park Public Library, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Village's primary government.

The Police Pension Fund and the Firefighters' Pension Fund have been included as fiduciary funds due to the fiduciary responsibility exercised over the Police and Firefighters' Pension Funds.

C) Basis of Presentation**Government-Wide Financial Statements**

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

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 in program revenues are reported instead as general revenues.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into individual funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses.

Funds are organized as major funds or non-major funds within the governmental, proprietary, and fiduciary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type and
- b. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Governmental Funds

Governmental funds are identified as either general, special revenue, debt service or capital projects based upon the following guidelines.

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

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital equipment and projects.

Business Type Activities

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Major Funds

The Village reports the following major governmental funds:

The General Fund - Accounts for the Village's primary operating activities.

Special Service Unit #2 Fund - To account for the costs of capital improvements to the Village's Special Service Area #2 for the demolition and site improvements for the Evergreen Plaza property, financed by a special service area general obligation bond.

The Village reports the following major proprietary fund:

Water and Sewer Fund - Accounts for the provision of water and sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing and related debt service and billing and collection.

Non-Major Funds

The Village reports the following non-major funds:

Capital Improvement Fund - Accounts for the costs of various capital improvements expended from general obligation debt.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt Service Fund - Accounts for proceeds from long-term borrowing and other resources to be used for capital improvement projects.

Tax Increment Fund - Per ordinance 24-2000, the 95th Street Redevelopment Plan was approved in 2000. The approved area is in accordance with the Tax Increment Allocation Redevelopment Act. The fund is to account for collection of incremental real estate tax increases. These funds are earmarked for the payment of redevelopment costs and any obligations incurred in the payment thereof.

Special Revenue Funds:

Home Rule Sales Tax Fund - To account for collection of Home Rule Municipal Retailers' Occupation Tax at the rate of .75% on certain gross receipts from sales. These funds are to be used for repayment of general obligation bond interest and principal issued to finance infrastructure projects and redevelopment costs.

Motor Fuel Tax Fund - To account for the public benefit portion of special assessments financing as provided by the Village's share of state gasoline taxes. These funds are to be used for street improvements.

Special Service Unit #1 Fund - To account for the costs of capital improvements to the Village's Special Service Area #1 financed by a special service area general obligation bond.

Forfeited Confiscated Property Fund - To account for the collection of monies received from State and Local Municipal authorities for forfeitures of properties from illegal drug or gambling activities. These funds are to be used for certain police purposes.

Fiduciary Funds

Fiduciary Funds are not included in government-wide statements. Fiduciary Funds account for assets held by the government in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the government under the terms of a formal agreement. The Village maintains two pension trust fiduciary funds and two private purpose trust funds.

The Village reports the following fiduciary funds:

Police Pension Fund - to account for the accumulation of resources to be used for retirement annuity payments for policemen at appropriate amounts and times in the future. The Fund does not account for the administrative costs of the system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Firefighters' Pension Fund - to account for the accumulation of resources to be used for retirement annuity payments for firemen in the same manner as that of the Police Pension Fund.

Street Bond Private Purpose Trust Fund - to account for monies collected on a street bond and held until work is completed. Revenues are earned when the street bond is forfeited by the depositor.

Hospitalization Insurance Private Purpose Trust Fund - to account for monies contributed from Village's General Fund that are being held to pay hospitalization benefits to employees.

D) Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund and expendable trust financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when they become measurable and available as net current assets. Taxpayer-assessed income, gross receipts, and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are recognized as revenue at that time.

Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues considered to be susceptible to accrual are:

Interest
Taxes - Property (2014 Tax Levy)
 - Sales
 - Income
Motor Fuel Tax Allotments

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

All proprietary funds and private-purpose trust and pension trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Unbilled Water and Sewer Fund utility service receivables are recorded at year end.

E) Cash and Cash Equivalents

The Village considers cash and cash equivalents to be any cash on hand, demand deposits, time deposits, any highly liquid investments, and all certificates of deposit.

F) Investments

Investments are reported at fair value. Cash deposits are reported at carrying amounts, which reasonably estimates fair value.

G) Inventories

Supplies on hand at the end of the year are minimal and insignificant in dollar value. Consequently, the policy has been neither to tabulate nor record such amounts.

I) Capital Assets

Capital assets that include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The government defines Capital assets as assets with an initial individual cost of at least \$25,000 and an estimated useful life in excess of two years. These assets (excluding Village police squads) 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Land is not depreciated. Property, plant, and equipment of the government is depreciated using the straight line method over the following estimated useful lives:

Buildings	75
Building improvements	20-75
Vehicles	15
Office equipment	10
Other equipment	20
Infrastructure	20-50

J) Compensated Absences

Vested or accumulated vacation and sick leave of proprietary funds and governmental activities at the government-wide level is recorded as an expense and as a liability as benefits accrue to employees.

Upon leaving Village employment, non-sworn and non-union employees with at least 10 years of service may request the Village to buy back no more than 50% of accrued sick pay, but not to exceed 60 days. The sick pay is paid as follows:

11-15 years of service	\$40 per day
16-20 years of service	\$50 per day
21-25 years of service	\$60 per day
26 and greater years of service	\$70 per day

Union employees with at least 10 years of service may request the Village to buy back no more than 50% of accrued sick pay, but not to exceed 60 days, or for an employee with at least 20 years of service, the buyback shall not exceed 80 days at the 50% rate. The sick pay is paid as follows:

11-15 years of service	\$ 85 per day
16-20 years of service	\$ 100 per day
21-25 years of service	\$ 110 per day
26 and greater years of service	\$ 150 per day

Sworn police employees are entitled to one sick day a month. Sworn police employees having in excess of 60 accrued sick days may request the Village to pay the employee \$160 for each day requested in excess of 60 in return for waiver of such requested day or days by the employee. Upon retirement, after 20 years of service, for all sick days (up to and including 120 days) the sick pay is calculated at rate of pay at retirement.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-sworn police employees are entitled to 1/2 sick day per month. Non-sworn police employees having in excess of 60 accrued sick days may request the Village to pay the employee \$90 for each day requested in excess of 60 in return for the waiver of such requested day or days by the employee. Upon leaving Village employment, with at least 10 years of service, a non-sworn police employee may request the Village to buy back no more than 50% of the accrued sick leave, but not to exceed 60 days. The sick pay is paid as follows:

11-15 years of service	\$40 per day
16-20 years of service	\$50 per day
21-25 years of service	\$60 per day
26 and greater years of service	\$70 per day

K) General Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable and accrued compensated absences.

Long term liabilities expected to be financed from governmental funds are accounted for in the General Long Term Debt Account Group, not in the governmental funds.

This account group is not a "fund". It is concerned only with the measurement of financial position. It is not involved with the measurement of results of operations. The accounting and reporting treatment applied to long-term liabilities associated with a fund are determined by its measurement focus. All Governmental Funds and Expendable Trust Funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current position) is considered a measure of "available, spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) in net current position. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All proprietary funds and private-purpose trust and pension trust funds are accounted for on a cost of services of "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total position) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

L) Receivables and Payables and Transfers

Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

M) Fund Balances

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable - includes amounts that cannot be spent because they are either a) not in spendable form; or b) legally or contractually required to be maintained intact.
- Restricted - includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Village's highest level of decision-making authority rests with the Village's Board of Trustees. The Village passes formal resolutions to commit their fund balances.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Assigned - includes amounts that are constrained by the Village's intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Village's Board of Trustees itself; or b) a body or official to which the Board of Trustees has delegated the authority to assign amounts to be used for specific purposes. The Village's Board of Trustees has authorized management to assign amounts for specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. Within these same funds, a residual deficit, if any, is reported as unassigned.
- Unassigned - includes the residual fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

It is the Village's policy for the General Fund to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

For all other governmental funds, it is the Village's policy to consider unrestricted resources (i.e. - committed, assigned) to have been spent first, followed by restricted resources.

N) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE II - PROPERTY TAX

Property taxes attach as an enforceable lien at the beginning of the year, January 1st. Taxes are levied by December 1st and payable in the subsequent year in two installments: 55% of the prior year's bill is due March 1st, and the remaining balance due on August 1st. The collection and billing of property taxes are done by the Cook County Collectors' Office of the County of Cook, Illinois. Property taxes collected are then periodically remitted to the Village. Approximately 97% of the total property tax receipts, for the 2014 tax levy year, were collected in 2015.

For the tax year 2014, the Village has levied taxes of 1.902 per \$100 of assessed valuation. Since the tax levy for 2014 will not be known until December of 2015 and the collection of 2015 will not be made until March of 2016, the Village has not accrued property taxes for the year 2015 tax levy.

Tax Rates for the past nine years are scheduled in Supplemental Schedule 7 of the financial report.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE III - CAPITAL ASSETS

Capital asset activity for the year ended October 31, 2015 was as follows:

<u>Governmental activities</u>	<u>Balance at</u> <u>11/01/14</u>	<u>Reclass</u>	<u>Additions</u>	<u>Deletions/</u> <u>Removals</u>	<u>Balance at</u> <u>10/31/15</u>
Capital assets not being depreciated:					
Land	\$ 6,246,483	\$ -	\$ 191,004	\$ (590,868)	\$ 5,846,619
Construction in process-The Park	-	-	114,206	-	114,206
Construction in process-Farm Project	-	-	206,344	-	206,344
Total capital assets not being depreciated	<u>6,246,483</u>	<u>-</u>	<u>511,554</u>	<u>(590,868)</u>	<u>6,167,169</u>
Other capital assets:					
Buildings and improvements	19,213,299	-	1,763,013	-	20,976,312
Machinery and equipment	999,113	-	-	-	999,113
Infrastructure	20,746,639	-	655,992	-	21,402,631
Vehicles	2,752,516	-	40,586	-	2,793,102
Total capital assets being depreciated	<u>43,711,567</u>	<u>-</u>	<u>2,459,591</u>	<u>-</u>	<u>46,171,158</u>
Less accumulated depreciation for:					
Buildings and improvements	(4,665,973)	-	(407,150)	-	(5,073,123)
Machinery and equipment	(399,291)	-	(52,502)	-	(451,793)
Infrastructure	(4,900,519)	-	(694,392)	-	(5,594,911)
Vehicles	(1,350,650)	-	(142,157)	-	(1,492,806)
Total accumulated depreciation	<u>(11,316,433)</u>	<u>-</u>	<u>(1,296,201)</u>	<u>-</u>	<u>(12,612,633)</u>
Total capital assets being depreciated, net	<u>32,395,134</u>	<u>-</u>	<u>1,163,390</u>	<u>-</u>	<u>33,558,525</u>
Governmental activities capital assets, net	<u>\$38,641,617</u>	<u>\$ -</u>	<u>\$1,674,944</u>	<u>\$ (590,868)</u>	<u>\$39,725,694</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE III - CAPITAL ASSETS (CONTINUED)

<u>Business-type Activities:</u>	<u>Balance at</u>			<u>Deletions</u>	<u>Balance at</u>
	<u>11/01/14</u>	<u>Reclass</u>	<u>Additions</u>	<u>Removals</u>	<u>10/31/15</u>
Capital assets not being depreciated:					
Construction in process-Water Meters	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other capital assets:					
Water distribution and sanitary system infrastructure	5,999,479	-	-	-	5,999,479
Water Meters	2,386,725	-	83,350	-	2,470,075
Buildings and improvements	3,269,211	-	-	-	3,269,211
Machinery and equipment	706,300	-	-	-	706,300
Vehicles	500,236	-	29,405	-	529,641
Total capital assets being depreciated	<u>12,861,951</u>	<u>-</u>	<u>112,755</u>	<u>-</u>	<u>12,974,706</u>
Less accumulated depreciation for:					
Water distribution and sanitary system infrastructure	(4,061,841)	-	(172,549)	-	(4,234,390)
Water Meters	(119,336)	-	(123,504)	-	(242,840)
Buildings and improvements	(530,954)	-	(43,590)	-	(574,544)
Machinery and equipment	(173,615)	-	(35,315)	-	(208,930)
Vehicles	(248,936)	-	(26,451)	-	(275,387)
Total accumulated depreciation	<u>(5,134,682)</u>	<u>-</u>	<u>(401,409)</u>	<u>-</u>	<u>(5,536,091)</u>
Total capital assets 0being depreciated, net	<u>7,727,269</u>	<u>-</u>	<u>(288,654)</u>	<u>-</u>	<u>7,438,615</u>
Business-type activities capital assets, net	<u>\$7,727,269</u>	<u>\$ -</u>	<u>\$ (288,654)</u>	<u>\$ -</u>	<u>\$7,438,615</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE III - CAPITAL ASSETS (CONTINUED)

Governmental Activities:

General Government	\$ 158,918
Public Safety	142,048
Streets and Public Works	802,461
Culture and Recreation	<u>192,774</u>
 Total Government Activities Depreciation Expense	 <u>\$1,296,201</u>

Business-type Activities:

Sewer and Water	<u>\$ 401,409</u>
 Total Business-type Activities Depreciation Expense	 <u>\$ 401,409</u>

The Village has active construction projects as of October 31, 2015. Total accumulated commitments for ongoing capital projects are composed of the following:

Committed

The Park	\$ 114,206
Farm Project	<u>206,344</u>
 Total Construction Projects	 <u>\$ 320,550</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE IV - LONG-TERM DEBT

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the government funds will be retired by future property tax levies accumulated by the debt service fund. Proprietary fund debt is payable by revenues from user fees of those funds. The general credit of the municipality is obligated only to the extent that charges for services are insufficient to retire the outstanding bonds.

Long-term liability activity for the year ended October 31, 2015 was as follows:

	Balance			Balance	Amounts
	<u>11/01/14</u>	<u>Increases</u>	<u>Decreases</u>	<u>10/31/15</u>	<u>Due Within</u>
					<u>One Year</u>
<u>Governmental Activities</u>					
Bonds and Notes Payable					
General obligation debt	\$15,865,000	\$11,775,000	\$1,750,000	\$25,890,000	\$1,790,000
Unamortized bond premium	233,619	-	32,350	201,269	-
Unamortized issuance costs	(185,186)	235,313	(35,464)	(385,035)	-
Equipment note	896,136	-	83,382	812,754	85,522
Compensated absences	1,417,900	-	102,720	1,315,180	184,185
Other postemployment benefits obligation	170,944	122,582	-	293,526	-
Total governmental activities	<u>\$18,398,413</u>	<u>\$12,132,895</u>	<u>\$1,932,988</u>	<u>\$28,127,694</u>	<u>\$2,059,707</u>
<u>Business Type Activities</u>					
Bonds and Notes Payable					
IEPA loan	1,607,624	219,440	37,840	1,789,224	76,385
Compensated absences	62,173	15,295	-	77,468	77,468
Total business type activities	<u>\$1,669,797</u>	<u>\$ 234,735</u>	<u>\$ 37,840</u>	<u>\$ 1,866,692</u>	<u>\$ 153,853</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE IV - LONG-TERM DEBT (CONTINUED)

	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>Balance at</u>	
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>10/31/15</u>	
<u>Governmental Activities</u>						
Long-Term Obligations						
2006	General Obligation Bonds	09/01/06	09/01/21	3.60% to 4.30%	3,500,000	1,925,000
2009	General Obligation					
	Corporate Purpose Bonds	09/01/09	12/01/19	2.95% to 4.04%	1,985,000	1,505,000
2010	General Obligation Bonds	02/01/10	12/01/25	4.00% to 5.00%	6,000,000	6,000,000
2011	General Obligation Bonds	10/27/11	12/01/18	2.00% to 3.00%	2,260,000	1,310,000
2012A	General Obligation Bonds	05/15/12	12/01/23	2.00% to 2.50%	1,820,000	1,520,000
2012B	General Obligation Bonds	09/20/12	12/01/17	2.00%	2,015,000	920,000
2012C	General Obligation Bonds	10/25/12	12/01/17	0.90% to 1.85%	1,545,000	935,000
2015	General Obligation Bonds	09/08/15	12/01/49	3.20% to 5.90%	11,775,000	11,775,000
	Unamortized bond premium				-	201,269
	Unamortized bond issuance costs				-	(385,035)
					<u>30,900,000</u>	<u>25,706,234</u>
	Equipment note	11/04/13	11/01/23	2.875%	935,434	812,754
	Compensated absences				-	1,130,995
	Other postemployment benefits obligation				-	<u>293,526</u>
					<u>\$31,835,434</u>	<u>\$27,943,509</u>
<u>Business Type Activities</u>						
Long-Term Obligations						
	IEPA loan	08/22/14	02/08/35	1.9300%	1,827,064	1,789,224
	Compensated absences				-	<u>77,468</u>
					<u>\$ 1,827,064</u>	<u>\$ 1,866,692</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE IV - LONG-TERM DEBT (CONTINUED)

Debt Service Requirements to Maturity

The future debt service requirements to amortize the outstanding debt, other than the unamortized issuance costs, unamortized bond premium, compensated absences, and other post employment benefits obligation including governmental type interest of \$18,184,881 and business type interest of \$366,224 are as follows:

Fiscal Year Ending October 31	<u>Governmental Type</u> <u>Long Term Debt</u>		<u>Business Type</u> <u>Note Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	1,875,522	971,206	76,385	34,165
2017	1,683,095	1,102,814	77,866	32,684
2018	1,720,681	1,053,947	79,377	31,173
2019	1,428,345	1,002,731	80,916	29,634
2020	1,126,053	955,443	82,486	28,066
2021-2025	7,264,060	3,854,333	437,051	115,702
2026-2030	2,265,000	2,833,965	481,105	71,647
2031-2035	1,485,000	2,477,856	474,038	23,153
2036-2040	1,930,000	2,022,406	-	-
2041-2045	2,545,000	1,388,620	-	-
2046-2050	<u>3,380,000</u>	<u>521,560</u>	<u>-</u>	<u>-</u>
	<u>\$26,702,756</u>	<u>\$18,184,881</u>	<u>\$1,789,224</u>	<u>\$366,224</u>

There are a number of other limitations and restrictions contained in the various bond indentures. The Village is in compliance with all significant limitations and restrictions.

As of October 31, 2014, the Illinois EPA loan had a recorded principal balance due of \$1,607,624. Only a portion of the proceeds of the loan had been received as of that date. The full amount of the loan to be repaid is \$2,441,703, less debt forgiveness of \$643,011, for a total principal due of \$1,827,064. As of October 31, 2015, the remaining proceeds have been received and the first scheduled payment of \$37,840 has been made. The balance of the loan at that date was \$1,789,224.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE V - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the combined fund statements - overview, of certain information concerning individual funds including:

- A. Segment information for certain individual Enterprise Funds. This requirement is effectively fulfilled in this report by Statements 1, 2, 7, 8 and 9, because the Village maintains only one Enterprise Fund.
- B. Summary disclosure of Debt Service requirements to maturity for all types of outstanding debt. This requirement is met by Note IV to the financial statements.
- C. Summary disclosure of changes in long-term debt. This requirement is met by Note IV to the financial statements.
- D. Excess of expenditures over appropriations in individual funds. For those funds that have appropriations prepared, the Village has not exceeded its expenditures over appropriations.
- E. Deficit fund balance or retained earnings balances of individual funds. This requirement is met by Note I, Section M to the financial statements.
- F. Interfund Receivables, Payables and Transfers.

Interfund debt reflects operating loans which are expected to be repaid in the following fiscal year. There are no interfund balances as of October 31, 2015.

Interfund transfers for the period ended October 31, 2015 consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General Fund	Motor Fuel Tax Fund	\$ 470,219
Debt Service Fund	General Fund	646,015
Debt Service Fund	Sewer and Water Fund	380,000
Debt Service Fund	Home Rule Sales Tax	1,025,077
General Fund	Home Rule Sales Tax	500,000
Capital Improvement Fund	Home Rule Sales Tax	<u>875,000</u>
Total		<u>\$3,896,311</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE V - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (CONTINUED)

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them. In addition, transfers are used to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS

Other Post-Employment Benefits

a. Plan Description

The Village of Evergreen Park provides limited health care benefits (OPEB) for its eligible retired employees through a single employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

The Village makes available post-employment health, vision and dental care benefits for all retirees and their dependents.

The Village provides COBRA health and dental care benefits to all prior employees as required by law. The prior employee or prior dependent pays up to 102% of the premiums.

The Village also provides a \$2,500 term life insurance policy to each employee upon retirement for a period of two years.

The Village finances all post-employment benefits on a pay-as-you-go basis. Currently, 7 former employees and their dependents are receiving at least one of the benefits described above.

Public safety personnel injured on duty and eligible to receive a duty-disability are eligible to receive health and dental benefits at no charge. As of October 31, 2015, no employees are eligible to receive health and dental benefits at no charge due to duty-disability.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

c. Membership

At October 31, 2015, membership consisted of:

Retirees and beneficiaries currently receiving benefits	7
Terminated employees entitled to benefits but not yet receiving them	-
Active vested plan members	92
Active non-vested plan members	<u>41</u>
 TOTAL	 <u>140</u>
 Participating employers	 <u>1</u>

d. Funding Policy

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

e. Annual OPEB Costs and Net OPEB Obligation

The Village had an actuarial valuation performed for the Plan as of October 31, 2015 to determine the funded status of the Plan as of that date as well as the employer's annual required contribution (ARC) for the fiscal year ended October 31, 2015. The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
October 31, 2013	\$105,533	\$45,841	43.4%	\$170,944
October 31, 2014	\$105,931	\$45,841	43.3%	\$231,033
October 31, 2015	\$108,334	\$45,841	42.3%	\$293,526

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The net OPEB obligation as of October 31, 2015, was calculated as follows:

Annual required contribution	\$104,791
Interest on net OPEB obligation	9,241
Adjustment to annual required contribution	<u>(5,698)</u>
Annual OPEB cost	108,334
Contributions made	<u>45,841</u>
Increase in net OPEB obligation	62,493
Net OPEB obligation beginning of year	<u>231,033</u>
NET OPEB OBLIGATION END OF YEAR	<u>\$293,526</u>

Funded Status and Funding Progress: The funded status and funding progress of the plan as of October 31, 2012 (most recent data available) was as follows:

Actuarial accrued liability (AAL)	\$1,211,533
Actuarial value of plan assets	-
Unfunded actuarial accrued liability(UAAL)	\$1,211,533
Funded ratio (actuarial value of plan assets/AAL)	- %
Covered payroll (active plan members)	-
UAAL as a percentage of covered payroll	-

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 EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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 October 31, 2012 actuarial valuation, the entry-age actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period was 30 years.

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 Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained on-line at www.imrf.org.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

a. Plan Descriptions

Illinois Municipal Retirement Fund (IMRF)

All employees (other than those covered by the Police or Firefighters' plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides retirement, disability, post retirement increases, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefits provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

At December 31, 2014, the date of the most recent actuarial valuation, pension plan membership consisted of:

Retirees and beneficiaries	57
Inactive, non-retired members	25
Active members	<u>88</u>
 TOTAL	 <u>170</u>

Contributions

Employees participating in IMRF are required to contribute 4.5% of their annual covered salary. The member rate is established by state statute. The Village is required to contribute at an actuarially determined rate. The employer rate for calendar year 2014 was 11.79% of annual covered payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The components of the net pension liability as of December 31, 2014, calculated in accordance with GASB Statement No. 67, were as follows:

Total Pension liability	\$ 22,461,816
Plan fiduciary net position	21,640,864
Village's net pension liability	820,952
Plan fiduciary net position as a percentage of the total pension liability	96.35%

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2014 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2014
Actuarial cost method	Entry Age Normal
Assumptions	
Inflation	4.00%
Salary increases	0.4 to 10%
Investment rate of return	7.50%
Asset valuation method	Market

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF projection experience. For disabled retirees, an IMRF specific mortality table was used with fully generational scale MP-2014 (base year 2014). The 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). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balance, December 31, 2013	20,240,055	20,294,166	(54,111)
Changes for the year:			
Service Cost	561,837		561,837
Interest	1,509,903		1,509,903
Difference between expected and actual experience	117,962		117,962
Changes in assumptions	809,934		809,934
Contributions - employees		220,179	220,179
Contributions - employer		556,495	556,495
Net investment income		1,237,907	1,237,907
Benefit payments, including refunds of employee contributions	(777,875)	(777,875)	
Other changes	<u> </u>	<u>109,992</u>	<u>109,992</u>
Net changes	<u>2,221,761</u>	<u>1,346,698</u>	<u>875,063</u>
Balance, December 31, 2014	<u>22,461,816</u>	<u>21,640,864</u>	<u>820,952</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Discount Rate Sensitivity

The following is a sensitive analysis of the net position liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	3,700,012	820,952	(1,548,925)

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

At October 31, 2014, the Police Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	43
Terminated employees entitled to benefits but not yet receiving them	1
Current employees	
Vested	41
Nonvested	<u>20</u>
TOTAL	<u>105</u>

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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 as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service cost for the Police Pension Plan. For the year ended October 31, 2014, the Village's contribution was 17.54% of covered payroll.

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of October 31, 2014, calculated in accordance with GASB Statement No. 67, were as follows:

Total Pension liability	\$ 56,265,245
Plan fiduciary net position	47,483,671
Village's net pension liability	8,781,574
Plan fiduciary net position as a percentage of the total pension liability	84.39%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of October 31, 2014 using the following actuarial methods and assumptions.

Actuarial valuation date	October 31, 2014
Actuarial cost method	Entry Age Normal
Assumptions	
Inflation	2.50%
Salary increases	5.00%
Investment rate of return	7.50%
Asset valuation method	Market

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Mortality rates were based on the RP-2000 CHBCA Mortality Table. The actuarial assumptions used in the October 31, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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 pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current 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 EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Changes in the Village's Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance, October 31, 2013	49,489,588	44,846,844	4,642,744
Changes for the year:			
Service Cost	1,009,511		1,009,511
Interest	3,627,675		3,627,675
Difference between expected and actual experience	352,256		352,256
Changes in assumptions	4,027,384		4,027,384
Contributions - employees		533,073	533,073
Contributions - employer		929,407	929,407
Net investment income		3,442,991	3,442,991
Benefit payments, including refunds of employee contributions	(2,241,169)	(2,241,169)	
Administrative expense	_____	(27,475)	27,475
Net changes	<u>6,775,657</u>	<u>2,636,827</u>	<u>4,138,830</u>
Balance, October 31, 2014	<u>56,265,245</u>	<u>47,483,671</u>	<u>8,781,574</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Discount Rate Sensitivity

The following is a sensitive analysis of the net position liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.50% 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 (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability	15,353,316	8,781,574	3,277,801

Firefighters' Pension Plan

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 Illinois Compiled Statutes (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.

At October 31, 2014, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits	4
Terminated employees entitled to benefits	
But not yet receiving them	0
Current employees	
Vested	1
Nonvested	0
TOTAL	5

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by 1/12 of 2.50% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75.00% of such monthly salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 upon reaching the age of at least 55 by 3.00% of the original pension and 3.00% compounded annually thereafter.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

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 as actuarially determined by an enrolled actuary. Effective July 1, 1993, the Village has until the year 2033 to fully fund the past service cost for the Firefighter's Pension Plan. For the year ended October 31, 2014 the Village's contribution was 77.869% of covered payroll.

Net Pension Liability

The components of the net pension liability of the Village as of October 31, 2014 were as follows:

Total pension liability	\$ 3,034,284
Plan fiduciary net position	698,126
Village's net pension liability	2,336,158
Plan fiduciary net position as a percentage of the total pension liability	23.01%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of October 31, 2014 using the following actuarial methods and assumptions.

Actuarial valuation date	October 31, 2014
Actuarial cost method	Entry Age Normal
Assumptions	
Inflation	2.50%
Salary increases	5.00%
Investment rate of return	5.00%
Asset valuation method	Market

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Mortality rates were based on the RP-2000 CHBCA Mortality Table. The actuarial assumptions used in the October 31, 2014 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 5.00%. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that 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 pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current 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 EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

Changes in the Village's Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
	<u>(a)</u>	<u>(b)</u>	<u>(a)-(b)</u>
Balance, October 31, 2013	2,204,126	800,181	1,403,945
Changes for the year:			
Service Cost	33,901		33,901
Interest	156,923		156,923
Difference between expected and actual experience	66,590		66,590
Changes in assumptions	796,376		796,376
Contributions - employees		12,865	12,865
Contributions - employer		108,031	108,031
Net investment income		5,890	5,890
Benefit payments, including refunds of employee contributions	(223,632)	(223,632)	
Administrative expense	<u> </u>	<u>(5,209)</u>	<u>5,210</u>
Net changes	<u>830,158</u>	<u>(102,055)</u>	<u>932,214</u>
Balance, October 31, 2014	<u>3,034,284</u>	<u>698,126</u>	<u>2,336,158</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (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 5.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage lower (4.00%) or 1 percentage higher (6.00%) than the current rate:

	1% Decrease (4.00%)	Current Discount Rate (5.00%)	1% Increase (6.00%)
Net Pension Liability	2,596,179	2,336,158	2,109,326

b. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date.

Administrative Costs

Administrative costs for the Police and Firefighters' Pension Plans are financed primarily through investment earnings.

c. Annual Pension Costs

The Village annual required contribution for the current year and related information for each plan is as follows:

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Contribution Rates			
Employer	11.79%	17.54%	77.869%
Employee	4.50%	9.91%	9.455%
Annual Pension Cost	\$576,870	\$870,953	\$80,992

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VI - POST-EMPLOYMENT BENEFITS AND EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Contributions Made	\$576,870	\$929,407	\$108,031
Actuarial Valuation Date	12/31/14	10/31/14	10/31/14
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Open 29 Year Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	29 Years	27 Years	27 Years
Asset Valuation Method	5-Year Smoothed Market	Market	Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.50% Compounded Annually	5.00% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.00%	5.00%
Inflation Rate Included	4.00%	2.50%	2.50%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

NOTE VII - DEPOSITS AND INVESTMENTS

Permitted Deposits and Investments: The Village is authorized by state statute and locally approved investment policies to invest in the following:

- 1) Obligations of the U.S. Treasury, its agencies and instruments
- 2) Savings accounts, certificates of deposit, or time deposits that are direct obligations of any bank, savings bank, savings and loan association, or credit union which maintains its principal office in the state of Illinois that is insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration
- 3) Illinois Public Treasurer's Investment Pool

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VII - DEPOSITS AND INVESTMENTS (CONTINUED)

- 4) Money market mutual funds registered under the Investment Company Act of 1940 and rated at the highest classification of at least one nationally recognized rating service, provided that the portfolio is limited to obligations described in (1) above
- 5) Interest-bearing bonds of any county, township, municipality, municipal corporation or school district rated at the time of purchase within the four highest general classifications of at least one nationally recognized rating service
- 6) Securities that are guaranteed by the full faith and credit of the United States as to principal and interest.
- 7) A fund managed, operated and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or which uses the services of such an entity to hold and invest or advise regarding the investment of any public funds

In addition to the above, the Village's Firefighters' and Police Pension Trust Funds 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, general and separate accounts of Illinois authorized life insurance companies, and certain mutual funds. The Village's Police Pension Trust Fund may also invest a portion of its assets in common and preferred stock.

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 Fund's share price, which is the price the investment could be sold.

Deposits

Custodial Credit Risk for Deposits: is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. Deposits in federally insured banks and savings and loans are insured in an amount equal to \$250,000. It is the policy of the Village that deposits above insured limits will be secured by the institution pledging securities with a third party institution in fair value amounts at least to cover the uninsured amounts. As of October 31, 2015, the Village reported deposits of \$30,467,130 with a bank balance of \$31,820,562. Cash on hand of \$300 has been excluded from the amounts shown below.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VII - DEPOSITS AND INVESTMENTS (CONTINUED)

Deposits have been reported as follows:

Reported in governmental funds	\$23,762,890
Reported in enterprise funds	1,869,558
Reported in fiduciary funds	<u>4,834,682</u>
Total Deposits	<u>\$30,467,130</u>

All of the deposits were insured or covered by collateral as of October 31, 2015.

Investments

At October 31, 2015, the Village had the following investments:

<u>Type of Investment</u>	<u>Fair Value</u>
Annuities	\$32,969,832
Equities	11,340,805
Illinois Metropolitan Investment Fund	<u>25,060</u>
Total Investments	<u>\$44,335,697</u>

Investments have been reported as follows:

Reported in governmental funds	\$ -
Reported in fiduciary funds	<u>44,335,697</u>
Total Investments	<u>\$44,335,697</u>

Restricted Investments:

On May 16, 2014, the IMET Convenience Fund, a pooled short-term investment fund, had invested in repurchase agreements backed by First Farmers Financial, LLC. On September 29, 2014, it was found that the loans underlying the FFF Repo were fraudulently made. As of September 30, 2014, the Convenience Fund had invested approximately 2.8% of its overall investments in the FFF Repo, and as a result, that same percentage of the current balance of each of the Fund's participants was removed from their accounts and placed into a restricted account until the Convenience Fund can recover their investment in the FFF Repo. The Village, being a participant in the Convenience Fund, was affected by this action, having approximately 2.8% of the current balance of what they had invested in the Convenience Fund transferred to a restricted account until IMET can resolve the issue. It is believed that substantially all of the investment will be recovered.

This is an example of an infrequent event, outside of the control of management, and as such, is not required to be reported in the financial statements of the Village. It is sufficiently addressed as a disclosure to the basic financial statements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VII - DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policies, the Village manages its exposure to declines in fair values by the following methods:

- 1) For investments in all funds except fiduciary funds, interest rate risk is minimized by structuring investments so that securities mature to meet cash requirements for ongoing operations without selling or cashing in securities on the open market prior to maturity.
- 2) For investments in the Police and Firemen's Pension Funds, the investment portfolio is structured to remain sufficiently liquid to meet all operating requirements that may reasonably anticipated by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. All investments shall be undertaken in a manner which seeks to insure the preservation of capital in the overall portfolio. Diversification is required to eliminate the risk of loss resulting from concentration in a specific maturity, issuer, or class of securities.

Credit Risk:

Credit risk is the risk that the insurer of a debt security will not pay its par value upon maturity. The Village does not have a formal policy relating to credit rate risk. Investments in U.S. Government securities and securities of certain U.S. Government Agencies (Primary Obligation Agencies) are not considered to be of any credit risk since they carry the full obligation and guarantee of the U.S. Government.

Credit Risk:

	<u>Investment</u>	<u>Amount</u>	<u>Rating Organization</u>	<u>Rating</u>
Annuities:	Hartford Life Ins.	\$ 1,191,003	Standard & Poors	BBB+
	Protective Life	4,646,917	Standard & Poors	AA-
	Riversource	27,131,912	Standard & Poors	AA-
IL Funds:	Illinois Funds-Money Market Fund	127,699	Standard & Poors	AAAm
	Illinois Metropolitan Investment Fund	\$ 25,060	Standard & Poors	AAAf

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VII - DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk:

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. At October 31, 2015, more than 5 percent of the investments of the Village's Police Pension Fund and the Fire Pension Fund were in securities of the following issuers:

	<u>Police Pension</u>	<u>Fire Pension</u>
Protective Life	11%	-
Riversource	61%	81%
Illinois Metropolitan Investment Fund	-	19%

At October 31, 2015, more than 5 percent of the net assets of the Village's Police Pension Fund and the Fire Pension Fund were in securities of the following issuers:

	<u>Police Pension</u>	<u>Fire Pension</u>
Protective Life	10%	-
Riversource	58%	18%

Custodial Credit Risk for Investments: is the risk that in the event of the failure of the counterparty, the fund may not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village has no custodial credit risk in that all of its investments are insured.

NOTE VIII - CONTINGENT LIABILITIES

The economic development agreement dated July 7, 2003 with a retailer to reimburse the retailer the cost of extraordinary site development costs was amended on March 21, 2005. The amendment requires the Village to refund to the retailer all of the sales tax revenue which exceeds \$580,000 per annual period for the first 12 annual periods, and \$600,000 per annual period thereafter. The refund is to be paid annually within 90 days after the end of each annual period. In no event shall the amount of sales tax revenue refunded to the retailer exceed \$5,250,000. No liability for this has been recorded due to the fact that the contingency cannot be reasonably estimated as of October 31, 2015.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE VIII - CONTINGENT LIABILITIES (CONTINUED)

There is another redevelopment agreement with a separate retailer, dated April 7, 2008, and revised on August 7, 2012.

As part of the revised agreement, the Village agreed to reimburse the retailer for the remaining 75% of the renovation, rehabilitation and build-out costs to a maximum of \$350,000. The Village agrees to pay the reimbursement to the retailer from the Special Tax Allocation Fund over the first 5 years that the Developer Redevelopment Project is open on a schedule which is dependent upon the sales tax payments made to the Village. The Village will pay annually to the Developer an amount equal to 50% of the sales tax on the first \$10,000,000 of sales plus 75% of the sales tax on all sales in excess of \$10,000,000. Sales tax means the 1% retailers' occupation tax received by the Village from the retail sales made by the retailer from the Developer Redevelopment Project and does not include any home rule sales tax.

As part of the amendment, the Village also agreed to reimburse the retailer for the remaining \$600,000 of the costs to acquire and develop the additional real estate. The Village agrees to pay the reimbursement to the retailer from the Special Tax Allocation Fund using the existing formula in the revised redevelopment agreement.

As of October 31, 2015 a liability of \$108,136 has been recorded relating to this redevelopment agreement.

NOTE IX - JOINT VENTURE

On September 1, 2006 the Village entered into a joint venture agreement with the Evergreen Park Public Library, a legally separate entity. The Village issued a general obligation bond for \$3,500,000 for the expansion of the Evergreen Park Public Library. The total outstanding debt at October 31, 2015 is \$1,925,000. The Evergreen Park Public Library issues separate financial reports. That report can be obtained from Evergreen Park Public Library, 9400 South Troy Street, Evergreen Park, Illinois 60805.

NOTE X - PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED

GASB Statement No. 72, *Fair Value Measurement and Application*, will be effective for the Village beginning with its year ended October 31, 2016. This statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This statement provides guidance for determining a fair value measurement for financial reporting purposes. This statement also provides guidance for applying fair value to certain investments and disclosures related to fair value measurements.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE X - PRONOUNCEMENTS ISSUED BUT NOT YET ADOPTED (CONTINUED)

GASB Statement No. 73, *Accounting and Financial Reporting for Pension and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68*, will be effective for the Village beginning with its year ended October 31, 2016, except those provisions that address employers and governmental nonemployer contributing entities for pension that are not within the scope of GASB Statement No. 68, which are effective for the Village beginning with its year ended October 31, 2017. This statement will establish requirements for those pension and pension plans that are not administered through a trust meeting specified criteria.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective for the Village beginning with its year ending October 31, 2016. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The statement also addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

NOTE XI - PRIOR PERIOD ADJUSTMENT

A prior period adjustment was necessary in order to restate the net position of the governmental activities of the Village at the beginning of the year, due to the implementation of GASB Statements Nos. 67 and 68. These statements require the Village to report the net pension liability on the face of the financial statements. The net pension liability is the difference between the total pension liability and fiduciary net position of the plans. With the implementation of these GASB statements, restatement of beginning net position was required as well. The amount of the prior period adjustment necessary to restate beginning net position of governmental activities was a decrease in net position of \$6,512,468.

NOTE XII - EVERGREEN PLAZA REDEVELOPMENT

During the year ended October 31, 2015, the Village Board of Trustees approved an ordinance to establish Special Service Area No. 2 for the demolition and site improvements for the Evergreen Plaza property. The establishment of a special service area allows for the issuance of bonds for public improvements, and the bonds are repaid from a specific levy on the land within the special service area. There are no effects on any residents or residential properties of the Village outside of the Plaza area.

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
OCTOBER 31, 2015

NOTE XII - EVERGREEN PLAZA REDEVELOPMENT (CONTINUED)

On September 4, 2015, a bond was issued for Special Service Area No. 2 in order to fund the costs necessary for the redevelopment of the Plaza. A levy of a direct annual tax was approved by the Village Board of Trustees in an amount that will be sufficient to pay the principal and interest on the issued bond, less the amount of capitalized interest received by the Village along with the bond proceeds. The capitalized interest totaled \$1,432,636. Interest payments on the bond are set to begin during the next fiscal year, ending October 31, 2016, which will be paid from the amount received for capitalized interest. The remaining principal and interest payments are set to begin during the fiscal year ending October 31, 2019, which will then be paid using the amounts collected from the special service area annual levy.

NOTE XIII - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 3, 2016, the date the financial statements were available to be issued.

REQUIRED
SUPPLEMENTARY
INFORMATION

VILLAGE OF EVERGREEN PARK, ILLINOIS
OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1)/(2)	(4) Unfunded Actuarial Accrued Liability (UAAL) (2)-(1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4)/(5)
2009	\$ -	\$ 495,568	0.0%	\$ 495,568		
2010	-	495,568	0.0	495,568		
2011	-	495,568	0.0	495,568		
2012	-	1,211,533	0.0	1,211,533		
2013	-	1,211,533	0.0	1,211,533		
2014	-	1,211,533	0.0	1,211,533		
2015	-	1,211,533	0.0	1,211,533		

The Village implemented GASB Statement No. 45 for the fiscal year ended October 31, 2009. Information for prior years is not available.

VILLAGE OF EVERGREEN PARK, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

Calendar Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
2014	\$546,534	\$556,495	\$9,961	\$4,892,876	11.37%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	December 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Pay (Open)
Remaining Amortization Period	29 years
Asset Valuation Method	Market
Inflation	4.00%
Salary Increases	0.4% to 10%
Investment Rate of Return	7.50%
Retirement Age	See Notes to the Financial Statements
Mortality	RP-2014 Blue Collar Health Annuitant/Disabled Retiree/Employee Mortality Tables

Note: The Village implemented GASB Statement No. 67 for the fiscal year ended October 31, 2015. Information for prior years is not available.

VILLAGE OF EVERGREEN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Excess/ (Deficiency)</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered-Employee Payroll</u>
2014	\$ 81,704	\$108,031	\$26,327	\$ 138,734	77.87%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	October 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Remaining Amortization Period	27 years
Asset Valuation Method	Market
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	5.00%
Retirement Age	50-70
Mortality	RP 2000 CHBCA

Note: The Village implemented GASB Statement No. 67 for the fiscal year ended October 31, 2015. Information for prior years is not available.

VILLAGE OF EVERGREEN PARK, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Excess/ (Deficiency)</u>	<u>Covered- Employee Payroll</u>	<u>Contributions as a Percentage of Covered-Employee Payroll</u>
2014	\$883,582	\$929,407	\$45,825	\$5,300,244	17.54%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	October 31, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Pay (Closed)
Remaining Amortization Period	27 years
Asset Valuation Method	Market
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	7.50%
Retirement Age	50-70
Mortality	RP 2000 CHBCA

Note: The Village implemented GASB Statement No. 67 for the fiscal year ended October 31, 2015. Information for prior years is not available.

VILLAGE OF EVERGREEN PARK, ILLINOIS
OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF EMPLOYER CONTRIBUTIONS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

<u>Fiscal Year</u>	<u>Employer</u> <u>Contributions</u>	<u>Annual</u> <u>Required</u> <u>Contribution</u> <u>(ARC)</u>	<u>Percentage</u> <u>Contributed</u>
2010	\$24,155	N/A	N/A
2011	25,725	N/A	N/A
2012	7,375	42,999	17.2
2013	45,841	105,533	43.4
2014	45,841	105,931	43.3
2015	45,841	108,334	42.3

N/A - Information not available.

VILLAGE OF EVERGREEN PARK, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

	<u>December 31, 2014</u>
Total Pension Liability	
Service Cost	\$ 561,837
Interest	1,509,903
Difference between expected and actual experience	117,962
Change of assumptions	809,934
Benefit payments, including refunds of member contributions	<u>(777,875)</u>
Net change in total pension liability	2,221,761
Total pension liability - beginning	<u>20,240,055</u>
Total pension liability - ending	<u>22,461,816</u>
Pension fiduciary net position	
Contributions - employer	556,495
Contributions - employee	220,179
Net investment income	1,237,907
Benefit payments, including refunds of member contributions	(777,875)
Other (net transfer)	<u>109,992</u>
Net change in plan fiduciary net position	1,346,698
Plan net position - beginning	<u>20,294,166</u>
Plan net position - ending	<u>21,640,864</u>
Net pension liability	<u>820,952</u>
Plan fiduciary net position as a percentage of total pension liability	96.35%
Covered valuation payroll	4,892,876
Net pension liability as a percentage of covered valuation payroll	16.78%

VILLAGE OF EVERGREEN PARK, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

	<u>October 31, 2014</u>
Total Pension Liability	
Service Cost	\$ 1,009,511
Interest	3,627,675
Difference between expected and actual experience	352,256
Change of assumptions	4,027,384
Benefit payments, including refunds of member contributions	<u>(2,241,169)</u>
Net change in total pension liability	6,775,657
Total pension liability - beginning	<u>49,489,588</u>
Total pension liability - ending	<u>56,265,245</u>
Pension fiduciary net position	
Contributions - employer	929,407
Contributions - employee	533,073
Net investment income	3,442,991
Benefit payments, including refunds of member contributions	<u>(2,241,169)</u>
Administrative expense	<u>(27,475)</u>
Net change in plan fiduciary net position	2,636,827
Plan net position - beginning	<u>44,846,844</u>
Plan net position - ending	<u>47,483,671</u>
Net pension liability	<u>8,781,574</u>
Plan fiduciary net position as a percentage of total pension liability	84.39%
Covered valuation payroll	5,300,244
Net pension liability as a percentage of covered valuation payroll	165.68%

VILLAGE OF EVERGREEN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

	<u>October 31, 2014</u>
Total Pension Liability	
Service Cost	\$ 33,901
Interest	156,923
Difference between expected and actual experience	66,590
Change of assumptions	796,376
Benefit payments, including refunds of member contributions	<u>(223,632)</u>
Net change in total pension liability	830,158
Total pension liability - beginning	<u>2,204,126</u>
Total pension liability - ending	<u><u>3,034,284</u></u>
Pension fiduciary net position	
Contributions - employer	108,031
Contributions - employee	12,865
Net investment income	5,890
Benefit payments, including refunds of member contributions	(223,632)
Administrative expense	<u>(5,210)</u>
Net change in plan fiduciary net position	(102,056)
Plan net position - beginning	<u>800,181</u>
Plan net position - ending	<u><u>698,126</u></u>
Net pension liability	<u><u>2,336,158</u></u>
Plan fiduciary net position as a percentage of total pension liability	23.01%
Covered valuation payroll	138,734
Net pension liability as a percentage of covered valuation payroll	1683.91%

VILLAGE OF EVERGREEN PARK, ILLINOIS
POLICE PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

<u>Fiscal Year</u>	<u>Annual Money-Weighted Rate of Return, Net of Investment Expense</u>
2014	7.75%

VILLAGE OF EVERGREEN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND
SCHEDULE OF INVESTMENT RETURNS
REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

<u>Fiscal Year</u>	<u>Annual Money-Weighted Rate of Return, Net of Investment Expense</u>
2014	0.79%

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - COMPARED TO PROJECTED REVENUES AND BUDGET
YEAR ENDED OCTOBER 31, 2015

Exhibit 2
Page 1 of 2

	Projected		Actual	Variance
	Revenue			Favorable (Unfavorable)
REVENUES:				
Taxes	\$ 15,096,716		\$ 15,434,476	\$ 337,760
Licenses and permits	1,404,500		1,686,886	282,386
Franchise fees	356,000		371,988	15,988
Intergovernmental	173,272		231,450	58,178
Charges for services	3,049,500		3,031,857	(17,643)
Fines	1,420,100		1,161,802	(258,298)
Interest earned	20,150		14,997	(5,153)
Miscellaneous	39,500		90,830	51,330
Reimbursements	494,944		483,990	(10,954)
Proceeds - capital equipment sale	10,000		130,786	120,786
Grants	200,000		51,321	(148,679)
Total Revenues	\$22,264,682		\$22,690,383	\$ 425,701
	Budgeted Amounts		Actual	Variance
	Original	Final		With Final Favorable (Unfavorable)
EXPENDITURES:				
General government	\$ 1,032,730	\$ 1,032,730	\$ 1,007,917	\$ 24,813
Adjudication	326,856	326,856	323,922	2,934
Street	2,444,934	2,444,934	2,406,664	38,270
Police	7,863,075	7,863,075	7,649,251	213,824
Fire	2,570,755	2,570,755	2,476,814	93,941
Garbage	1,523,000	1,523,000	1,511,748	11,252
Village prosecutor	30,000	30,000	30,000	-
Property maintenance	275,000	275,000	347,811	(72,811)
Insurance premiums	3,027,000	3,027,000	2,792,007	234,993
Citizens service	223,795	223,795	209,421	14,374
Parks and playgrounds	236,000	236,000	304,191	(68,191)
Board of Police and Fire Commissioners	7,500	7,500	12,277	(4,777)
Employee benefits	941,000	941,000	915,186	25,814
Library - replacement tax reimb.	31,502	31,502	34,073	(2,571)
Youth Commission	37,289	37,289	31,390	5,899
Professional services	45,000	45,000	29,726	15,274
Building Department	383,338	383,338	379,641	3,697
Fireman's Pension Fund	1,922	1,922	2,119	(197)
Police Pension Fund	34,817	34,817	38,082	(3,265)
Recreation	573,397	573,397	578,708	(5,311)
Community Center	65,742	65,742	100,921	(35,179)
Emergency 911	775,000	775,000	690,212	84,788
Legal	220,000	220,000	206,499	13,501
Ambulance billing services	42,000	42,000	43,347	(1,347)
Contingencies	250,000	250,000	-	250,000
Audit fees	32,000	32,000	30,500	1,500
Farmers market expenditures	1,500	1,500	500	1,000
Sales tax incentive agreement	407,082	407,082	515,486	(108,404)
Education reimbursement	6,000	6,000	-	6,000
Other	1,420	1,420	2,399	(979)
Bank service charges	-	-	-	-
Total Expenditures	23,409,654	23,409,654	22,670,812	738,842

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - COMPARED TO PROJECTED REVENUES AND BUDGET
YEAR ENDED OCTOBER 31, 2015

Exhibit 2
Page 2 of 2

	<u>Appropriation</u>		<u>Actual</u>	<u>Variance With Final Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,144,972)</u>	<u>(1,144,972)</u>	<u>19,571</u>	<u>1,164,543</u>
Other Financing Sources (Uses):				
Operating transfer in	1,774,671	1,774,671	970,219	(804,452)
Operating transfers out	<u>(646,015)</u>	<u>(646,015)</u>	<u>(646,015)</u>	<u>-</u>
Total Other Financial Sources (Uses)	<u>1,128,656</u>	<u>1,128,656</u>	<u>324,204</u>	<u>(804,452)</u>
Excess (Deficiency) of Revenues and Expenditures Over Other Financing Sources (Uses)		<u>(16,316)</u>	343,775	<u>360,091</u>
Fund Balance Beginning of year			<u>5,779,352</u>	
FUND BALANCE END OF YEAR			<u>\$ 6,123,127</u>	

**NOTES TO REQUIRED
SUPPLEMENTARY INFORMATION**

VILLAGE OF EVERGREEN PARK, ILLINOIS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
OCTOBER 31, 2015

A) Budgets and Budgetary Accounting

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

- 1) In July, the Village Treasurer asks department heads for an estimate of the department requirements for the year beginning November 1.
- 2) At the same time, the Village Treasurer will estimate revenues so that the Village Board can pass the property tax levy in December of the current year for the current taxes.
- 3) Budget requests are then reviewed by the Mayor and Treasurer before being presented to the Board of Trustees.
- 4) By the end of the first quarter of the fiscal year beginning November 1, the Board will have passed an ordinance approving expenditures for the General Fund, the Water and Sewer Fund and the Tax Increment Fund.
- 5) The Village does not prepare an ordinance approving revenues for the General Fund and the Water and Sewer Fund or revenues and expenditures for the other Governmental Funds. Projected revenues are shown on the financial statements as they are estimated by the Village Treasurer.

COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
BALANCE SHEET
OCTOBER 31, 2015

Exhibit 3

ASSETS

Cash and cash equivalents	\$ 5,657,866
Receivables	
Taxes	977,111
Franchise Fees	82,831
Other	18,151
Prepaid expenses	<u>3,979</u>
 TOTAL ASSETS	 <u><u>\$ 6,739,938</u></u>

LIABILITIES AND FUND BALANCE

Liabilities	
Accounts payable	\$ 169,088
Accrued vacation payable	184,185
Accrued salaries	263,087
Accrued payroll benefits payable	<u>451</u>
Total Liabilities	<u>616,811</u>
 Fund Balance	
Unassigned	<u>6,123,127</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$ 6,739,938</u></u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Projected Revenue</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Taxes:			
Sales tax	\$ 4,318,075	\$ 4,318,075	\$ 4,481,285
Use tax	368,218	368,218	430,364
Property tax	5,908,300	5,908,300	5,616,273
Property tax - Road & Bridges	65,000	65,000	61,603
Income tax	1,941,526	1,941,526	2,096,688
Municipal rental tax	28,600	28,600	25,902
Real estate transfer tax	335,000	335,000	406,874
Replacement tax	200,000	200,000	216,573
Telecomm tax	623,548	623,548	569,189
Gasoline tax	1,265,000	1,265,000	1,479,899
Gaming tax	22,200	22,200	23,789
Video tax	4,000	4,000	2,363
Foreign fire tax	17,249	17,249	23,674
TOTAL	<u>15,096,716</u>	<u>15,096,716</u>	<u>15,434,476</u>
Licenses and Permits:			
Vehicle licenses	460,000	460,000	450,772
Contractors licenses	170,000	170,000	151,280
Liquor licenses	32,000	32,000	40,000
Animal registration	15,000	15,000	16,083
Business certificates	100,000	100,000	81,180
Registrar fees	30,000	30,000	32,581
Zoning board fees	20,000	20,000	19,400
Health inspection fees	8,000	8,000	6,600
Charitable game fees	6,500	6,500	-
Rental housing reg-inspection	30,000	30,000	32,720
Inspections	70,000	70,000	75,804
Building permits - commercial	300,000	300,000	630,974
Building permits - residential	135,000	135,000	119,122
Street bond forfeitures	10,000	10,000	19,750
Death certificates	15,000	15,000	9,894
Other fees	3,000	3,000	726
TOTAL	<u>1,404,500</u>	<u>1,404,500</u>	<u>1,686,886</u>
Franchise Fees:			
Cable TV Franchise Fees	<u>356,000</u>	<u>356,000</u>	<u>371,988</u>
Intergovernmental:			
Reimbursement - Police Training	-	-	18,343
Reimbursement - Street Projects	73,272	73,272	73,272
Reimbursement - Police Salary	100,000	100,000	139,835
TOTAL	<u>\$ 173,272</u>	<u>\$ 173,272</u>	<u>\$ 231,450</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Projected Revenue</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Charges for Services:			
Garbage collection	\$ 1,657,000	\$ 1,657,000	\$ 1,636,692
Traffic accident reports	7,500	7,500	12,249
EMT	540,000	540,000	529,376
E911 surcharge	85,000	85,000	75,756
Rental income	240,000	240,000	270,724
Activity center rentals	2,000	2,000	985
Program revenue - Rec dept	370,000	370,000	376,501
Theatre program	6,500	6,500	6,172
Ice rink rentals	35,000	35,000	26,936
Pool program revenues	20,000	20,000	17,468
Program revenue - OCS	40,000	40,000	35,615
Program revenue - Youth dept	7,500	7,500	2,183
Snack bar revenues	4,000	4,000	4,091
Driving range receipts	35,000	35,000	37,109
TOTAL	<u>3,049,500</u>	<u>3,049,500</u>	<u>3,031,857</u>
Fines:			
Court fines	343,600	343,600	269,523
Police miscellaneous	1,500	1,500	-
Adjudication court	1,075,000	1,075,000	892,279
TOTAL	<u>1,420,100</u>	<u>1,420,100</u>	<u>1,161,802</u>
Miscellaneous:			
Fire miscellaneous	10,000	10,000	8,555
Farmers market revenues	4,500	4,500	3,705
Meals On Wheels - Citizens service	5,000	5,000	8,100
Other income	20,000	20,000	28,350
TOTAL	<u>39,500</u>	<u>39,500</u>	<u>48,710</u>
Grants:			
Federal grants	-	-	3,502
State grants	-	-	6,250
Police grants	100,000	100,000	41,569
Fire grants	100,000	100,000	-
TOTAL	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 51,321</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
General Government:			
Salaries	\$ 742,980	\$ 742,980	\$ 732,029
Zoning Board of Appeals	2,000	2,000	1,363
Telephone	90,000	90,000	106,205
Drug & Alcohol test	2,500	2,500	2,299
Printing and promotion	8,000	8,000	8,842
Copier Lease and maintenance	13,000	13,000	16,448
Computer support	25,000	25,000	8,541
License and decals	17,000	17,000	14,838
Office supplies	33,000	33,000	31,525
Computer supplies	5,000	5,000	9,714
Postage	10,000	10,000	13,451
Repairs and maintenance			
office equipment	5,000	5,000	3,322
Training	500	500	-
Dues and membership	10,000	10,000	10,870
Meetings and conferences	5,000	5,000	2,845
Ordinance recodification	2,500	2,500	1,167
Administrative expenses	6,000	6,000	5,750
Awards, flowers & memorials	250	250	350
Special events	24,000	24,000	19,098
Legal notices	5,000	5,000	2,043
Data & record retention	4,500	4,500	7,974
Office and computer equipment	10,000	10,000	-
Software maintenance	10,000	10,000	5,493
Furniture	1,500	1,500	3,750
 TOTAL	 <u>\$ 1,032,730</u>	 <u>\$ 1,032,730</u>	 <u>\$ 1,007,917</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Adjudication Dept			
Salaries	\$ 181,084	\$ 181,084	\$ 174,935
Contract services	78,500	78,500	79,806
Legal	14,000	14,000	13,174
Computer support	2,500	2,500	6,276
Office supplies	5,000	5,000	8,292
Postage	8,500	8,500	4,926
Repairs and maintenance-vehicle	3,000	3,000	7,339
Equipment	2,500	2,500	1,570
Vehicles	31,772	31,772	27,604
	<u>31,772</u>	<u>31,772</u>	<u>27,604</u>
TOTAL	<u>\$ 326,856</u>	<u>\$ 326,856</u>	<u>\$ 323,922</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Street Department:			
Salaries	\$ 1,381,748	\$ 1,381,748	\$ 1,344,268
Uniforms	13,000	13,000	14,122
Telephone	12,000	12,000	10,601
Electricity for street lighting and traffic control	145,000	145,000	135,448
Gas/electric-buildings	130,000	130,000	98,378
Engineering	-	-	25,139
Rental equipment	20,000	20,000	18,663
Copier lease & maintenance	-	-	375
Computer Support	8,000	8,000	7,788
Tree removal	16,000	16,000	14,750
Street signs	20,000	20,000	23,225
Ice & snow control	90,000	90,000	120,674
Debris removal	60,000	60,000	110,277
Office supplies	2,000	2,000	1,799
Materials	4,000	4,000	4,246
Gasoline and oil	220,000	220,000	161,132
Shop supplies and tools	30,000	30,000	35,334
Repairs and maintenance			
Street and traffic light	70,000	70,000	49,818
Streets and alleys	-	-	34,624
Shop equipment	10,000	10,000	7,467
Vehicles	100,000	100,000	71,107
Building	30,000	30,000	21,690
Sidewalks and curbs	30,000	30,000	53,549
Parking lots	10,000	10,000	-
Training	1,000	1,000	260
Dues and memberships	1,600	1,600	1,343
Vehicles	40,586	40,586	40,587
TOTAL	<u>\$ 2,444,934</u>	<u>\$ 2,444,934</u>	<u>\$ 2,406,664</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Original</u>	
Property Maintenance:			
Cleaning Service	\$ 34,000	\$ 34,000	\$ 40,211
Administration building	20,000	20,000	32,019
Community Center	6,000	6,000	29,449
Repairs and maintenance			
Food Pantry	-	-	7,154
Fire Station	150,000	150,000	151,960
Senior Center	10,000	10,000	26,025
Village gym	5,000	5,000	2,508
HVAC	50,000	50,000	58,485
TOTAL	<u>\$ 275,000</u>	<u>\$ 275,000</u>	<u>\$ 347,811</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Police Department:			
Salaries:			
Regular police and officers	\$ 6,506,791	\$ 6,506,791	\$ 6,402,797
Auxiliary personnel	171,175	171,175	163,674
School patrol	165,500	165,500	156,692
Uniform Allowance - Police	45,000	45,000	41,492
Education reimbursement	6,100	6,100	9,291
Uniforms	55,000	55,000	81,745
Telephone	18,000	18,000	26,500
Communications	38,000	38,000	39,859
Printing and promotion	5,000	5,000	5,891
Copier lease and maintenance	13,000	13,000	16,309
Computer support	45,000	45,000	54,908
Park surveillance network	38,000	38,000	30,810
Pistol range	21,000	21,000	20,762
Office supplies	38,000	38,000	47,129
Computer supplies	20,000	20,000	10,562
Postage	7,000	7,000	4,539
Gasoline and oil	55,000	55,000	61,709
Investigative equipment	33,000	33,000	55,320
Repairs and maintenance			
Vehicles	90,000	90,000	86,532
Building	60,000	60,000	22,693
HVAC	15,000	15,000	9,989
Radio equipment	25,000	25,000	13,421
Pistol range	5,000	5,000	6,381
Training	39,000	39,000	40,887
Dues and memberships	3,000	3,000	2,439
Meetings and conferences	9,000	9,000	6,989
K-9 expenditures	3,000	3,000	1,678
Crime prevention	10,000	10,000	10,533
Domestic preparedness	15,000	15,000	9,621
MEG Drug Enforcement	1,000	1,000	1,500
Grant expenditures	100,000	100,000	23,419
Community events	25,237	25,237	19,199
Office equipment	10,000	10,000	4,198
Computer equipment	24,000	24,000	26,903
Vehicles	81,272	81,272	83,676
Radio equipment	15,000	15,000	1,895
Car computers / cameras	38,000	38,000	37,214
Bicycle support	2,000	2,000	1,703
Weapons - Public Safety	12,000	12,000	8,392
	<u>\$ 7,863,075</u>	<u>\$ 7,863,075</u>	<u>\$ 7,649,251</u>
TOTAL			

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Fire Department:			
Wages	\$ 2,058,076	\$ 2,058,076	\$ 2,085,589
Uniforms and protective clothing	30,000	30,000	26,230
Emergency alert system	4,500	4,500	4,500
Telephone systems	19,000	19,000	18,349
Communication	6,500	6,500	1,527
Insurance	5,600	5,600	5,241
Copier lease & maintenance	1,000	1,000	-
Computer support	54,370	54,370	53,191
Office supplies	3,000	3,000	3,394
Computer supplies	34,600	34,600	30,972
Materials	12,500	12,500	12,771
Postage	500	500	83
Gasoline & Oil	18,000	18,000	17,781
Medical / Fire Suppression supplies and gases	17,000	17,000	14,867
Fire & Safety Commodities	17,000	17,000	9,895
Repairs and maintenance			
Vehicles	59,000	59,000	59,068
Fire Station	25,000	25,000	29,170
Communication equipment	12,500	12,500	10,931
Emergency warning system	3,000	3,000	2,711
Training	24,000	24,000	25,430
Dues & memberships	9,250	9,250	9,245
Meetings & conferences	4,000	4,000	3,516
Fire prevention and public education	15,500	15,500	16,009
Grant expenditures	100,000	100,000	-
Preparedness	3,500	3,500	3,057
Fire station equipment	3,000	3,000	2,930
Vehicle replacement	30,359	30,359	30,357
TOTAL	<u>\$ 2,570,755</u>	<u>\$ 2,570,755</u>	<u>\$ 2,476,814</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Citizens' Services:			
Salaries and wages	\$ 146,160	\$ 146,160	\$ 143,132
Meals on Wheels wages	11,000	11,000	10,913
Telephone	3,200	3,200	3,905
Insurance - other	170	170	165
Copier lease & maintenance	4,000	4,000	3,245
Office supplies	1,000	1,000	442
Postage	750	750	392
Gasoline & oil	2,800	2,800	3,013
Repairs and maintenance:			
Vehicles	2,000	2,000	31
Dues and memberships	175	175	-
Meals on Wheels expenses	6,500	6,500	6,383
Publications	40	40	39
Program expenses	40,000	40,000	31,530
PLOWs	6,000	6,000	6,231
 TOTAL	 <u>\$ 223,795</u>	 <u>\$ 223,795</u>	 <u>\$ 209,421</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Parks and Playgrounds:			
Repairs and maintenance			
Vehicles	4,000	4,000	1,391
Parks	50,000	50,000	120,522
Playgrounds	2,000	2,000	792
Ball Fields	25,000	25,000	35,674
Fences	20,000	20,000	1,127
Landscaping	130,000	130,000	108,258
Tree replacement	5,000	5,000	8,950
Playground equipment	-	-	26,867
Turf maintenance equipment	-	-	610
 TOTAL	 <u>\$ 236,000</u>	 <u>\$ 236,000</u>	 <u>\$ 304,191</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Youth Commission:			
Salaries	\$ 28,459	\$ 28,459	\$ 26,540
Telephone	720	720	850
Printing and promotion	75	75	17
Copier lease & maintenance	250	250	-
Office supplies	450	450	390
Postage	35	35	-
Office equipment repairs	200	200	-
Dues and memberships	100	100	45
Snack bar expense	4,000	4,000	2,825
Program expenses	2,500	2,500	270
Office equipment & furniture	-	-	100
Recreation equipment	500	500	353
	<u>\$ 37,289</u>	<u>\$ 37,289</u>	<u>\$ 31,390</u>
TOTAL			

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Recreational Department:			
Salaries	\$ 388,572	\$ 388,572	\$ 380,201
Telephone	600	600	850
Printing and promotion	5,500	5,500	9,295
Copier lease & maintenance	6,000	6,000	5,642
Computer support	100	100	1,086
Office supplies	2,000	2,000	2,163
Computer supplies	1,300	1,300	418
Postage	400	400	134
Gasoline & oil	750	750	611
Repairs and maintenance			
Vehicles	1,000	1,000	752
Ice Rink	3,000	3,000	6,858
Dues and memberships	675	675	829
Program expenses	150,000	150,000	162,508
Program expenses-theater	5,000	5,000	3,909
Dog park expenses	1,500	1,500	1,192
Driving range equipment	7,000	7,000	2,260
 TOTAL	 <u>\$ 573,397</u>	 <u>\$ 573,397</u>	 <u>\$ 578,708</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Community Center:			
Salaries	\$ 65,742	\$ 65,742	\$ 87,210
Uniforms	-	-	1,112
Telephone	-	-	2,686
Surveillance network	-	-	1,762
Office Supplies	-	-	3,685
Building maintenance	-	-	4,466
TOTAL	<u>\$ 65,742</u>	<u>\$ 65,742</u>	<u>\$ 100,921</u>
Building Department:			
Salaries	\$ 300,088	\$ 300,088	\$ 312,234
Uniforms	750	750	599
Telephone	3,000	3,000	2,839
Professional services	2,000	2,000	1,441
Inspections - contracted	26,000	26,000	26,326
Printing and promotion	1,000	1,000	196
Pest control	12,000	12,000	11,021
Copier maintenance & supplies	750	750	-
Computer support	2,000	2,000	1,622
Animal welfare	4,000	4,000	2,556
Demolition	10,000	10,000	5,400
Office supplies	3,000	3,000	2,967
Computer supplies	750	750	-
Postage	2,500	2,500	2,505
Gasoline & oil	2,000	2,000	2,341
Vehicle repairs	3,000	3,000	1,934
R&M-Code enforcement	10,000	10,000	5,660
Training	500	500	-
TOTAL	<u>\$ 383,338</u>	<u>\$ 383,338</u>	<u>\$ 379,641</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
GENERAL FUND
STATEMENT OF REVENUES AND EXPENDITURES, BUDGET AND ACTUAL
YEAR ENDED OCTOBER 31, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u>
	<u>Original</u>	<u>Final</u>	
Transfers Out			
Debt Administration:			
Debt Fund	\$ 646,015	\$ 646,015	\$ 646,015
TOTAL	<u>\$ 646,015</u>	<u>\$ 646,015</u>	<u>\$ 646,015</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
OTHER MAJOR FUNDS
COMBINING BALANCE SHEET
OCTOBER 31, 2015

Exhibit 5

	<u>Special Service Unit #2</u>
ASSETS	
Cash and cash equivalents	\$ 11,435,236
Receivable:	
Other	2,381
TOTAL ASSETS	<u>\$ 11,437,617</u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	-
TOTAL LIABILITIES	<u>-</u>
Fund Balance:	
Restricted	11,437,617
TOTAL FUND BALANCE	<u>11,437,617</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 11,437,617</u>

VILLAGE OF EVERGREEN PARK, ILLINOIS
OTHER MAJOR FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - COMPARED TO PROJECTED REVENUES AND BUDGET
YEAR ENDED OCTOBER 31, 2015

Exhibit 6

	Special Service Unit #2		
	Projected Revenue	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property tax	\$ -	\$ -	\$ -
Interest earned	-	2,381	2,381
		<u>-</u>	<u>-</u>
Total Revenues	-	<u>2,381</u>	<u>2,381</u>
	Budget	Actual	Variance Favorable (Unfavorable)
Expenditures:			
SSU #2 Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over over Expenditures	<u>-</u>	2,381	<u>2,381</u>
Other Financing Sources (Uses):			
Bond Proceeds	-	11,435,236	
Fund balances beginning of year		<u>-</u>	
FUND BALANCES END OF YEAR		<u>\$ 11,437,617</u>	

VILLAGE OF EVERGREEN PARK, ILLINOIS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
OCTOBER 31, 2015

Exhibit 7

	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Improvement Fund</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 6,618,178	\$ -	\$ 51,911	\$ 6,670,089
Receivables				
Taxes	177,673	-	-	177,673
Other		-	-	-
Construction in progress	-	-	320,550	320,550
Deferred evidence	26,354	-	-	26,354
 TOTAL ASSETS	 <u>\$ 6,822,205</u>	 <u>\$ -</u>	 <u>\$ 372,461</u>	 <u>\$ 7,194,666</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	\$ 237,060	\$ -	\$ 129,669	\$ 366,729
 TOTAL LIABILITIES	 <u>237,060</u>	 <u>-</u>	 <u>129,669</u>	 <u>366,729</u>
Fund Balance:				
Assigned	1,228,363	-	-	1,228,363
Restricted	5,356,782	-	242,792	5,599,574
 TOTAL FUND BALANCE	 <u>6,585,145</u>	 <u>-</u>	 <u>242,792</u>	 <u>6,827,937</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$6,822,205</u>	 <u>\$ -</u>	 <u>\$372,461</u>	 <u>\$7,194,666</u>

VILLAGE OF EVERGREEN PARK, IL
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED OCTOBER 31, 2015

Exhibit 8

	Special Revenue Fund	Debt Service Fund	Capital Improvement Fund	Total
Revenues:				
Home rule sales tax	\$ 2,304,151	\$ -	\$ -	\$ 2,304,151
Motor fuel taxes	485,249	-	-	485,249
Property taxes	1,200,859	-	-	1,200,859
Interest earned	14,397	-	56	14,453
Investment value adjustment	(185,189)	-	-	(185,189)
Reimbursements-Street Rehab Project	-	-	90,105	90,105
Land sale proceeds	399,865	-	188,000	587,865
Grants	-	-	434,230	434,230
Federal and State disbursement	404,695	-	-	404,695
TOTAL REVENUES	4,624,027	-	712,391	5,336,418
Expenditures:				
Drug enforcement	410,480	-	-	410,480
Capital project	-	-	933,144	933,144
TIF expenditures	2,276,246	-	-	2,276,246
Professional fees	7,020	-	233,340	240,360
Loan principal retirement	-	82,850	-	82,850
Loan interest expense	-	25,479	-	25,479
Bond principal retirement	310,000	1,440,000	-	1,750,000
Bond interest expense	16,212	502,763	-	518,975
TOTAL EXPENDITURES	3,019,958	2,051,092	1,166,484	6,237,534
Excess (Deficiency) of Revenues over expenditures	1,604,069	(2,051,092)	(454,093)	(901,116)
Operating transfers-in	-	2,051,092	875,000	2,926,092
Operating transfers-out	(2,870,297)	-	-	(2,870,297)
TOTAL FINANCING SOURCES	(2,870,297)	2,051,092	875,000	55,795
Excess (Deficiency) of Revenues and Expenditures Over Other Financing Sources (Uses)	(1,266,228)	-	420,907	(845,321)
Fund balances at beginning of year	7,851,373	-	(178,115)	7,673,258
FUND BALANCES AT END OF YEAR	\$ 6,585,145	\$ -	\$ 242,792	\$ 6,827,937

VILLAGE OF EVERGREEN PARK, ILLINOIS
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
OCTOBER 31, 2015

Exhibit 9

	Home Rule Sales Tax	Motor Fuel Tax	Special Service Unit #1	Tax Increment	Forfeited Confiscated Property	Total
Cash and cash equivalents	\$ 1,228,363	\$ 2,257	\$531,578	\$ 4,761,725	\$94,255	\$ 6,618,178
Receivables:						
Other	-	-	-	-	-	-
Taxes	-	173,030	-	4,643	-	177,673
Deferred evidence	-	-	-	-	26,354	26,354
TOTAL ASSETS	<u>\$1,228,363</u>	<u>\$175,287</u>	<u>\$531,578</u>	<u>\$ 4,766,368</u>	<u>\$120,609</u>	<u>\$ 6,822,205</u>
LIABILITIES						
Accounts Payable	-	-	128,924	108,136	-	237,060
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>128,924</u>	<u>108,136</u>	<u>-</u>	<u>237,060</u>
FUND BALANCE						
Assigned	1,228,363	-	-	-	-	1,228,363
Restricted	-	175,287	402,654	4,658,232	120,609	5,356,782
TOTAL FUND BALANCE	<u>1,228,363</u>	<u>175,287</u>	<u>402,654</u>	<u>4,658,232</u>	<u>120,609</u>	<u>6,585,145</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$1,228,363</u>	<u>\$175,287</u>	<u>\$531,578</u>	<u>\$4,766,368</u>	<u>\$120,609</u>	<u>\$6,822,205</u>

VILLAGE OF EVERGREEN PARK, IL
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED OCTOBER 31, 2015

	Home Rule Sales Tax	Motor Fuel Tax	Special Service Unit #1	Tax Increment	Forfeited Confiscated Property	Total
Revenues:						
Home rule sales tax	\$ 2,304,151	\$ -	\$ -	\$ -	\$ -	\$ 2,304,151
Motor fuel taxes	-	485,249	-	-	-	485,249
Property taxes	-	-	255,576	945,283	-	1,200,859
Interest earned	3,331	3	4	11,007	52	14,397
Investment value adjustment	(185,189)	-	-	-	-	(185,189)
Land sale proceeds	-	-	-	399,865	-	399,865
Federal and State disbursement	-	-	-	-	404,695	404,695
TOTAL REVENUES	2,122,293	485,252	255,580	1,356,155	404,747	4,624,027
Expenditures:						
Drug enforcement	-	-	-	-	410,480	410,480
Bond principal	-	-	310,000	-	-	310,000
Bond interest	-	-	16,212	-	-	16,212
TIF expenditures	-	-	-	2,276,246	-	2,276,246
Professional services	-	-	7,020	-	-	7,020
TOTAL EXPENDITURES	-	-	333,232	2,276,246	410,480	3,019,958
Excess (Deficiency) of Revenues over expenditures	2,122,293	485,252	(77,652)	(920,091)	(5,733)	1,604,069
Bond proceeds	-	-	-	-	-	0
Operating transfers-out	(2,400,078)	(470,219)	-	-	-	(2,870,297)
Fund balances at beginning of year	1,506,148	160,254	480,306	5,578,323	126,342	7,851,373
FUND BALANCES AT END OF YEAR	\$ 1,228,363	\$ 175,287	\$ 402,654	\$ 4,658,232	\$ 120,609	\$ 6,585,145

VILLAGE OF EVERGREEN PARK, ILLINOIS
WATER MANAGEMENT FUND
STATEMENT OF EXPENDITURES, COMPARED TO BUDGET
YEAR ENDED OCTOBER 31, 2015

Exhibit 11

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original</u>	<u>Final</u>		Final - Favorable (Unfavorable)
Salaries and wages	\$ 919,338	\$ 919,338	\$ 980,666	\$ (61,328)
Data Processing	22,000	22,000	3,468	18,532
Employee benefits	180,000	180,000	180,599	(599)
Insurance Group - Health	257,000	257,000	434,610	(177,610)
Insurance Group - Other	303,631	303,631	303,734	(103)
Uniforms	12,000	12,000	10,993	1,007
Telephone	11,000	11,000	10,345	655
Electric-Pumping Station	47,000	47,000	46,444	556
Communications	113,000	113,000	14,725	98,275
Administration charge	125,000	125,000	125,000	-
Audit and accounting	17,000	17,000	15,500	1,500
Purchase of water	2,384,400	2,384,400	2,314,950	69,450
Bank charges	15,000	15,000	1,207	13,793
Engineering fees	10,000	10,000	30,259	(20,259)
Printing and promotion	25,000	25,000	18,989	6,011
Copier maintenance	3,000	3,000	3,455	(455)
Computer support	66,000	66,000	78,835	(12,835)
Mosquito abatement	11,000	11,000	12,880	(1,880)
Detention pond	20,000	20,000	14,308	5,692
Office supplies	7,000	7,000	5,725	1,275
Postage	12,000	12,000	11,546	454
Gasoline and oil	24,000	24,000	22,605	1,395
Shop supplies and tools	26,500	26,500	19,533	6,967
Repairs and maintenance				
Vehicles	50,000	50,000	29,711	20,289
Building	65,000	65,000	63,822	1,178
Sewer system	375,000	375,000	256,028	118,972
Storm sewers	250,000	250,000	215,126	34,874
Water system	425,000	425,000	438,519	(13,519)
G.I.S.	30,000	30,000	-	30,000
Contingencies	250,000	250,000	-	250,000
Training	1,000	1,000	149	851
Dues and memberships	2,000	2,000	1,402	598
Meetings and conferences	3,000	3,000	4,631	(1,631)
Office equipment	3,000	3,000	5,816	(2,816)
Vehicles	60,000	60,000	61,823	(1,823)
Shop equipment	12,000	12,000	6,568	5,432
Water Meters	4,000	4,000	55,772	(51,772)
	<u>6,140,869</u>	<u>6,140,869</u>	<u>5,799,743</u>	<u>341,126</u>

Note: Depreciation expense of \$401,409 is not included in above.

VILLAGE OF EVERGREEN PARK, ILLINOIS
SCHEDULE OF GENERAL LONG-TERM DEBT
OCTOBER 31, 2015

Exhibit 12

Amount available and to be provided for
payment of General Long Term Debt:

Amount available in Debt Service Fund	\$ -
Deferred charge - bond cost	385,035
Amount to be provided for Retirement of General Long Term Debt	40,469,649
TOTAL ASSETS	<u>\$ 40,854,684</u>

General Long Term Debt Payable:

Accrued vacation and sick pay	\$ 1,130,995
Accrued bond interest	587,456
Other postemployment benefits obligation	293,526
Unamortized bond premium	201,269
Net pension liability	11,938,684
2006 General obligation bond issue	1,925,000
2009 General obligation bond issue	1,505,000
2010 General obligation bond issue	6,000,000
2011 General obligation bond issue	1,310,000
2012A General obligation bond issue	1,520,000
2012B General obligation bond issue	920,000
2012C General obligation bond issue	935,000
2015 General obligation bond issue	11,775,000
2014 Fire Trucks loan	812,754
TOTAL LIABILITIES	<u>\$ 40,854,684</u>

**STATISTICAL
SECTION**

VILLAGE OF EVERGREEN PARK, ILLINOIS
LEGAL DEBT MARGIN
OCTOBER 31, 2015

Schedule 1

Equalized Assessed Valuation - 2014 Tax Year \$ 358,956,113

Statutory Debt Limitation *

Total Debt:

2006 General obligation bond issue	\$ 1,925,000
2009 General obligation bond issue	1,505,000
2010 General obligation bond issue	6,000,000
2011 General obligation bond issue	1,310,000
2012A General obligation bond issue	1,520,000
2012B General obligation bond issue	920,000
2012C General obligation bond issue	935,000
2015 General obligation bond issue	11,775,000

Unamortized Bond Premium	201,269
Unamortized Bond Discount	(103,951)
Unamortized Bond Issuance Costs	<u>(385,035)</u>

Total Debt \$ 25,602,283

TOTAL APPLICABLE DEBT \$ 25,602,283

Legal Debt Margin *

* Under Public Act 78-902 (effective 7/1/74), "home rule" municipalities have unlimited powers to incur debt payable from property taxes subject only to a 40 year maturity limitation. Evergreen Park remains in "home rule" status, because the Village voters approved a referendum to remain as a "home rule" unit at the March 16, 1982 election.

VILLAGE OF EVERGREEN PARK, ILLINOIS
 OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years

Schedule 2

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government
	Gross General Obligation Bonds	Capital Leases	Gross General Obligation Bonds	Capital Leases	
2006	22,865,000	51,589	210,000	-	23,126,589
2007	21,798,588	20,432	110,000	-	21,929,020
2008	19,000,518	-	-	60,125	19,060,643
2009	17,985,657	-	-	36,815	18,022,472
2010	19,831,049	-	-	12,525	19,843,574
2011	20,541,025	-	-	-	20,541,025
2012	22,404,463	-	-	-	22,404,463
2013	17,616,448	-	-	-	17,616,448
2014	15,913,433	896,135	-	1,607,624	18,417,192
2015	25,602,283	812,754	-	1,789,224	28,204,261

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

VILLAGE OF EVERGREEN PARK, ILLINOIS
NET POSITION BY COMPONENT
Last Ten Fiscal Years

Schedule 3

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES										
Invested in capital assets, net of related debt	\$ 4,771,529	\$ 4,605,184	\$ 10,404,162	\$ 10,707,811	\$ 8,300,978	\$ 12,482,454	\$ 14,285,893	\$ 19,805,639	\$ 21,832,049	\$ 13,310,656
Restricted	11,627,922	9,635,858	8,173,646	9,771,864	15,752,402	17,687,404	19,005,912	8,972,070	7,673,258	17,945,004
Unrestricted	422,709	2,490,937	741,179	1,178,960	2,210,643	1,597,938	187,352	4,650,850	4,624,477	(7,827,534)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 16,822,160	\$ 16,731,979	\$ 19,318,987	\$ 21,658,635	\$ 26,264,023	\$ 31,767,796	\$ 33,479,157	\$ 33,428,559	\$ 34,129,784	\$ 23,428,126
BUSINESS-TYPE ACTIVITIES										
Invested in capital assets, net of related debt	\$ 6,073,776	\$ 5,934,812	\$ 5,832,576	\$ 5,728,160	\$ 5,593,165	\$ 5,425,424	\$ 5,205,865	\$ 5,308,330	\$ 6,119,645	\$ 5,649,391
Restricted	24,664	(2,979)	-	-	-	-	-	-	-	-
Unrestricted	903,558	683,388	877,816	1,067,951	1,578,150	1,729,693	2,593,931	3,156,561	2,718,628	3,442,489
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 7,001,998	\$ 6,615,221	\$ 6,710,392	\$ 6,796,111	\$ 7,171,315	\$ 7,155,117	\$ 7,799,796	\$ 8,464,891	\$ 8,838,273	\$ 9,091,880
PRIMARY GOVERNMENT										
Invested in capital assets, net of related debt	\$ 10,845,305	\$ 10,539,996	\$ 16,236,738	\$ 16,435,971	\$ 13,894,143	\$ 17,907,878	\$ 19,491,758	\$ 25,113,969	\$ 27,951,694	\$ 18,960,047
Restricted	11,652,586	9,632,879	8,173,646	9,771,864	15,752,402	17,687,404	19,005,912	8,972,070	7,673,258	17,945,004
Unrestricted	1,326,267	3,174,325	1,618,995	2,246,911	3,788,793	3,327,631	2,781,283	7,807,411	7,343,105	(4,385,045)
TOTAL PRIMARY GOVERNMENT	\$ 23,824,158	\$ 23,347,200	\$ 26,029,379	\$ 28,454,746	\$ 33,435,338	\$ 38,922,913	\$ 41,278,953	\$ 41,893,450	\$ 42,968,057	\$ 32,520,006

Data Source

Audited Financial Statements

VILLAGE OF EVERGREEN PARK, ILLINOIS
CHANGE IN NET POSITION
Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
EXPENSES										
Governmental activities										
General Government	\$ 5,417,570	\$ 5,025,823	\$ 5,228,712	\$ 4,677,991	\$ 3,878,128	\$ 5,481,842	\$ 6,671,464	\$ 7,939,264	\$ 7,410,605	\$ 8,870,958
Public Safety	8,339,046	8,820,342	9,361,676	9,664,122	9,611,128	10,142,820	10,243,122	11,048,810	11,640,423	11,209,284
Streets and Public Works	1,682,655	2,409,174	2,617,048	3,363,054	3,619,096	3,085,180	3,046,669	2,802,711	2,701,627	2,002,746
Culture and Recreation	1,725,609	5,119,836	1,983,977	1,422,735	3,027,388	1,386,081	1,398,975	1,466,858	1,619,098	1,424,610
Sanitation	1,125,594	1,207,608	1,081,162	1,231,122	1,287,870	1,346,876	1,401,760	1,447,193	1,498,864	1,511,748
Net Pension Expense	-	-	-	-	-	-	-	-	-	5,946,106
Postemployment Benefit Obligation	-	-	-	36,254	18,844	20,029	-	-	-	-
Interest on Long-Term Debt	840,660	938,466	853,863	743,221	775,448	788,529	692,391	601,323	570,751	923,162
Total governmental activities expenses	19,131,134	23,521,249	21,126,438	21,138,499	22,217,902	22,251,357	23,454,381	25,306,159	25,441,368	31,888,614
Business-type activities										
Water and Sewer Enterprise	3,314,527	3,549,738	3,646,341	3,755,312	4,099,270	4,422,829	4,682,280	4,915,143	6,034,390	6,218,587
Interest on Long-Term Debt	17,740	7,692	1,420	2,130	1,150	165	-	-	-	-
Total business-type activities expenses	3,332,267	3,557,430	3,647,761	3,757,442	4,100,420	4,422,994	4,682,280	4,915,143	6,034,390	6,218,587
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 22,463,401	\$ 27,078,679	\$ 24,774,199	\$ 24,895,941	\$ 26,318,322	\$ 26,674,351	\$ 28,136,661	\$ 30,221,302	\$ 31,475,758	\$ 38,107,201
PROGRAM REVENUES										
Governmental activities										
Charges for services										
General Government	\$ 840,800	\$ 820,805	\$ 783,713	\$ 837,058	\$ 901,083	\$ 882,031	\$ 1,947,014	\$ 1,653,573	\$ 1,431,823	\$ 1,688,386
Public Safety	1,547,842	1,723,613	1,712,264	2,892,653	2,813,260	2,434,837	2,651,336	2,803,697	2,369,139	2,191,089
Culture and Recreation	348,610	371,209	381,380	357,868	345,947	388,760	475,255	448,825	494,062	506,074
Sanitation	1,047,765	1,089,907	1,159,472	1,278,733	1,345,381	1,439,288	1,484,343	1,542,790	1,567,017	1,643,292
Operating grants	405,843	85,776	97,539	23,219	442,988	625,760	305,613	4,670	11,487	51,321
Capital grants	83,883	77,719	55,000	-	1,787,249	2,637,995	250,000	250,000	310,413	434,230
Total governmental activities program revenues	4,274,743	4,169,029	4,189,368	5,389,531	7,635,908	8,408,671	7,113,561	6,703,555	6,183,941	6,514,392
Business-type activities										
Charges for services										
Water and Sewer Enterprise	3,424,365	3,347,819	3,888,923	4,197,297	4,853,124	4,784,296	5,704,459	5,987,067	6,136,563	6,849,694
Capital Grants	50,000	-	-	-	-	-	-	-	643,011	-
Total business-type activities revenues	3,474,365	3,347,819	3,888,923	4,197,297	4,853,124	4,784,296	5,704,459	5,987,067	6,779,574	6,849,694
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 7,749,108	\$ 7,516,848	\$ 8,078,291	\$ 9,586,828	\$ 12,489,032	\$ 13,192,967	\$ 12,818,020	\$ 12,690,622	\$ 12,963,515	\$ 13,364,086
NET REVENUE (EXPENSE)										
Governmental activities	\$ (14,856,391)	\$ (19,352,220)	\$ (16,937,070)	\$ (15,748,968)	\$ (14,581,994)	\$ (13,842,686)	\$ (16,340,820)	\$ (18,602,604)	\$ (19,257,427)	\$ (25,374,222)
Business-type activities	142,098	(209,611)	241,162	439,855	752,704	361,302	1,022,179	1,071,924	745,184	631,107
TOTAL PRIMARY GOVERNMENT REVENUES NET REVENUE (EXPENSE)	\$ (14,714,293)	\$ (19,561,831)	\$ (16,695,908)	\$ (15,309,113)	\$ (13,829,290)	\$ (13,481,384)	\$ (15,318,641)	\$ (17,530,680)	\$ (18,512,243)	\$ (24,743,115)

VILLAGE OF EVERGREEN PARK, ILLINOIS
CHANGE IN NET POSITION
Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities										
General Government	\$ 627,304	\$ 746,163	\$ 1,859,916	\$ 797,569	\$ 1,898,143	\$ 1,158,229	\$ -	\$ -	\$ -	\$ -
Net Pension Asset	-	-	-	36,707	46,773	17,652	-	-	-	-
Taxes										
Property Taxes	6,571,742	6,757,581	6,448,937	7,473,631	6,578,917	6,826,582	6,924,534	6,825,533	7,205,702	6,878,736
State Sales Tax	5,404,862	5,696,348	5,602,607	4,974,302	5,074,732	5,173,479	5,008,378	5,188,479	6,193,654	6,785,436
Income Tax	1,687,365	1,832,286	1,984,892	1,701,463	1,598,532	1,632,687	1,716,348	1,897,255	1,900,222	2,096,688
Replacement Tax	190,192	221,327	222,982	187,789	185,531	193,730	175,475	196,415	203,086	216,573
Local Use Tax	263,407	271,815	302,900	274,682	251,783	305,289	296,801	327,927	360,832	430,364
Motor Fuel Tax	1,142,347	1,122,508	1,065,613	1,059,433	1,749,376	1,655,100	1,641,378	1,697,953	1,927,328	1,965,149
Utilities Tax	820,452	794,416	859,551	809,778	765,890	760,350	757,027	675,589	608,779	569,189
Franchise Taxes	195,602	224,954	242,000	269,470	301,262	328,965	342,202	341,664	360,712	371,988
Real Estate Transfer Tax	467,093	367,029	207,091	145,641	175,739	183,153	245,805	454,266	302,910	406,874
Other Taxes	47,674	43,656	41,083	33,465	42,019	32,129	33,464	36,861	47,762	52,054
Gain/Loss on Sale of Capital Assets	23,135	273,577	42,878	12,317	39,544	442,542	21,200	35,077	125,001	415,918
Public Safety	-	-	-	-	-	171,816	-	-	-	-
Interest Income	623,775	704,370	441,267	162,465	99,141	84,756	43,399	38,535	36,979	31,831
Miscellaneous	-	-	-	-	-	-	466,170	456,452	305,685	584,232
Transfers in (out)	-	206,009	202,361	366,633	380,000	380,000	380,000	380,000	380,000	380,000
Total governmental activities	18,064,950	19,262,039	19,524,078	18,305,345	19,187,382	19,346,459	18,052,181	18,552,006	19,958,652	21,185,032
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Business-type activities										
Water and Sewer Enterprise	-	8,500	36,370	-	-	-	-	(29,329)	5,698	-
Gain/Loss on Sale of Capital Assets	678	20,343	20,000	12,497	2,500	2,500	2,500	2,500	2,500	2,500
Interest Income	18,463	-	-	-	-	-	-	-	-	-
Other	32,707	(206,009)	(202,361)	(366,633)	(380,000)	(380,000)	(380,000)	(380,000)	(380,000)	(380,000)
Transfers in (out)	-	-	-	-	-	-	-	-	-	-
Total business-type activities	51,848	(177,166)	(145,991)	(354,136)	(377,500)	(377,500)	(377,500)	(406,829)	(371,802)	(377,500)
TOTAL PRIMARY GOVERNMENT	\$ 18,116,798	\$ 19,084,873	\$ 19,378,087	\$ 17,951,209	\$ 18,809,882	\$ 18,968,959	\$ 17,674,681	\$ 18,145,177	\$ 19,586,850	\$ 20,807,532
CHANGE IN NET POSITION										
Governmental activities	\$ 3,208,559	\$ (90,181)	\$ 2,587,008	\$ 2,556,377	\$ 4,605,388	\$ 5,503,773	\$ 1,711,361	\$ (50,598)	\$ 701,225	\$ (4,189,190)
Business-type activities	193,946	(386,777)	95,171	85,719	375,204	(16,198)	644,679	665,095	373,382	253,607
Prior Period Adjustment	-	-	-	(216,729)	-	-	-	-	-	-
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	\$ 3,402,505	\$ (476,958)	\$ 2,682,179	\$ 2,425,367	\$ 4,980,592	\$ 5,487,575	\$ 2,356,040	\$ 614,497	\$ 1,074,607	\$ (3,935,583)

Data Source

Audited Financial Statements

VILLAGE OF EVERGREEN PARK, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

Schedule 5

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL FUND Unassigned	\$ 5,704,055	\$ 5,720,825	\$ 5,475,790	\$ 5,311,638	\$ 5,532,261	\$ 5,709,050	\$ 5,710,538	\$ 5,753,407	\$ 5,779,352	\$ 6,123,127
TOTAL GENERAL FUND	<u>\$ 5,704,055</u>	<u>\$ 5,720,825</u>	<u>\$ 5,475,790</u>	<u>\$ 5,311,638</u>	<u>\$ 5,532,261</u>	<u>\$ 5,709,050</u>	<u>\$ 5,710,538</u>	<u>\$ 5,753,407</u>	<u>\$ 5,779,352</u>	<u>\$ 6,123,127</u>
ALL OTHER GOVERNMENTAL FUNDS Restricted Assigned	\$ 11,627,922 -	\$ 9,635,858 -	\$ 7,147,070 -	\$ 8,622,474 -	\$ 14,655,684 -	\$ 14,862,607 1,681,326	\$ 15,189,139 2,614,522	\$ 8,811,425 1,917,521	\$ 6,167,110 1,506,148	\$ 17,037,191 1,228,363
TOTAL ALL OTHER GOVERNMENTAL FUNDS	<u>\$ 11,627,922</u>	<u>\$ 9,635,858</u>	<u>\$ 7,147,070</u>	<u>\$ 8,622,474</u>	<u>\$ 14,655,684</u>	<u>\$ 16,543,933</u>	<u>\$ 17,803,661</u>	<u>\$ 10,728,946</u>	<u>\$ 7,673,258</u>	<u>\$ 18,265,554</u>

Data Source

Audited Financial Statements

VILLAGE OF EVERGREEN PARK, ILLINOIS
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Taxes	\$ 16,604,427	\$ 17,116,162	\$ 16,746,019	\$ 16,674,015	\$ 16,439,203	\$ 16,779,521	\$ 16,817,133	\$ 17,316,202	\$ 18,767,524	\$ 19,424,735
Licenses and permits	1,140,577	1,196,958	1,082,575	1,159,768	1,533,840	1,443,924	1,969,414	1,630,884	1,397,952	1,686,886
Franchise fees	195,602	224,954	242,000	269,470	301,262	328,965	342,202	341,664	360,712	371,988
Intergovernmental	108,758	207,004	874,606	144,301	139,473	132,017	138,195	150,066	194,131	231,450
Charges for services	2,089,288	2,212,877	2,262,930	2,455,670	2,512,343	2,629,288	2,812,884	3,059,948	2,904,999	3,031,857
Fines	835,505	703,417	972,385	1,427,394	1,691,100	1,833,736	1,864,872	1,696,673	1,413,101	1,161,802
Interest earned	623,776	704,370	441,267	162,461	99,139	84,756	43,397	38,537	36,978	31,831
Miscellaneous	112,713	52,930	62,394	50,351	31,847	168,983	48,497	55,781	55,499	(94,359)
Loan proceeds- fire trucks									935,434	
Proceeds from sale of equipment	23,135	21,750	42,878	12,317	17,115	734,173	21,200	45,347	154,065	130,786
Land sale proceeds	44,236	-	-	-	-	-	-	-	-	587,865
Reimbursements	16,023	13,511	226,468	68,341	840,764	69,573	60,735	290,723	488,302	574,095
Forfeitures	55,926	355,805	123,066	795,680	477,490	180,416	111,598	430,668	377,531	404,695
Grants	489,726	163,495	434,497	88,219	2,230,237	3,263,755	555,613	254,670	321,902	485,551
Total revenues	22,339,692	22,973,233	23,511,085	23,307,987	26,313,813	27,649,107	24,785,740	25,311,163	27,408,130	28,029,182
EXPENDITURES										
General government	791,950	769,901	851,989	792,676	779,472	797,015	925,398	929,055	961,543	1,007,917
Adjudication	248,521	284,701	291,100	223,138	222,318	261,093	322,483	282,377	303,246	323,922
Data processing	1,088	-	-	-	-	-	-	-	-	-
Street	1,682,655	1,949,006	2,517,070	2,272,694	1,973,431	2,670,558	2,423,192	2,279,216	2,470,575	2,406,664
Police	5,607,761	5,887,011	6,044,861	6,314,024	6,358,589	6,843,218	7,288,447	7,601,539	7,943,279	7,649,251
Fire	2,291,973	2,328,222	2,501,304	2,262,629	2,393,680	2,407,321	2,371,159	2,438,806	3,580,138	2,476,814
Garbage	1,125,594	1,207,608	1,081,162	1,231,122	1,287,870	1,346,876	1,401,760	1,447,193	1,498,864	1,511,748
Village prosecutor	20,400	22,200	24,000	25,500	30,000	30,000	30,000	30,000	30,000	30,000
Property maintenance	141,368	296,729	203,298	151,616	81,197	137,419	190,448	154,490	177,519	347,811
Insurance premiums	2,146,846	2,164,952	2,198,736	2,081,739	2,123,313	2,181,403	2,488,437	2,700,671	2,827,117	2,792,007
Citizens service	207,824	164,844	171,055	174,679	163,526	163,571	229,173	201,132	211,444	209,421
Parks and playgrounds	775,562	542,435	441,088	377,576	302,967	441,683	403,991	377,450	439,999	304,191
Board of Police and Fire Commissioners	20,223	1,080	9,958	2,915	18,548	9,354	11,431	6,555	32,105	12,277
Employee benefits	554,816	678,671	642,943	701,305	694,911	721,628	821,123	875,740	974,645	915,186
Library - replacement tax reimb.	29,908	34,412	35,580	24,066	27,080	38,430	27,343	31,027	32,112	34,073
Youth Commission	94,732	93,914	88,535	77,708	45,107	38,123	31,924	33,552	36,255	31,390
Professional services	22,202	15,384	19,775	65,456	48,784	78,382	142,818	127,000	229,441	270,086
Recycle Program	8,204	-	-	-	-	-	-	-	-	-
Building Department	140,791	108,235	149,410	367,257	338,343	296,198	336,728	339,989	392,509	379,641
Fireman's Pension Fund	1,860	2,140	2,213	1,497	1,684	2,043	1,700	1,929	1,997	2,119
Police Pension Fund	439,591	337,392	39,692	27,013	30,391	36,738	31,078	34,749	35,896	38,082
Recreation	491,982	529,157	548,686	492,533	443,400	493,385	489,720	559,130	574,979	578,708
Community Center	125,600	117,965	105,084	122,978	104,259	109,997	128,251	120,136	132,610	100,921
Emergency 911	194,846	196,994	190,068	247,326	333,121	399,501	418,304	657,348	728,858	690,212
Legal	119,876	115,110	141,577	153,819	132,652	196,340	179,083	207,220	230,572	206,499

VILLAGE OF EVERGREEN PARK, ILLINOIS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 Last Ten Fiscal Years

Schedule 6
 Page 2 of 2

Fiscal Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Ambulance billing services	35,741	41,085	38,442	42,667	43,105	43,173	42,232	47,680	40,673	43,347
Audit	22,140	26,989	15,225	20,600	25,600	24,747	33,597	29,080	28,250	30,500
Farmers market expenditures	4,549	3,863	3,039	1,289	790	1,447	1,652	1,040	1,355	500
Sales tax incentive agreement	-	71,256	57,934	82,306	174,250	75,130	62,273	1,515,359	272,079	515,486
Other	2,348	23,305	3,601	3,924	3,911	2,080	-	7,060	1,533	2,399
Bank service charges	-	-	-	5,428	7,775	806	645	153	-	-
Drug enforcement	11,539	181,722	397,236	614,687	392,529	359,570	62,701	341,810	443,933	410,480
Capital expenditures	3,476,511	6,334,568	2,762,585	751,503	2,852,343	5,210,294	3,476,299	2,759,798	2,430,392	933,144
Land acquisition	-	-	200,302	-	-	-	-	-	-	-
Loan Principal retirement	-	-	-	-	-	-	-	-	39,373	82,850
Loan Interest expense	-	-	-	-	-	-	-	-	14,791	25,479
Bond Principal retirement	1,875,750	2,766,412	4,798,069	2,999,861	4,276,792	1,533,865	1,235,000	1,275,000	1,705,000	1,750,000
Bond Interest expense	754,445	973,194	894,236	757,138	733,012	811,509	737,131	661,960	556,577	518,975
Contract services	119,655	113,483	106,652	92,247	-	-	-	-	-	-
Reimb - SSU#1 property tax	-	-	80,716	-	-	-	-	-	-	-
TIF Expenditures	102,001	466,493	790,048	211,031	122,815	453,115	663,841	1,132,765	1,438,214	2,276,246
Total expenditures	23,690,852	28,850,433	28,447,269	23,773,947	26,567,565	28,216,012	27,009,362	29,208,009	30,817,873	28,908,346
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,351,160)	(5,877,200)	(4,936,184)	(465,960)	(253,752)	(566,905)	(2,223,622)	(3,896,846)	(3,409,743)	(879,164)
OTHER FINANCING SOURCES (USES)										
Bond proceeds	\$ 3,500,000	\$ 1,700,000	\$ -	\$ 1,985,000	\$ 6,000,000	\$ 2,260,000	\$ 1,820,000	\$ -	\$ -	\$ 11,435,236
Bond refunding proceeds	-	-	-	-	-	-	3,560,000	-	-	-
Tax anticipation note proceeds	-	-	2,000,000	-	-	-	-	-	-	-
Bond Premium	-	-	-	-	226,585	45,135	72,989	-	-	-
Bond issue cost	-	-	-	(16,453)	(99,000)	(53,193)	(128,152)	-	-	-
Bond refunding principal retirement	-	-	-	-	-	-	(2,220,000)	(3,515,000)	-	-
Land sale proceeds	-	1,995,897	-	-	-	-	-	-	-	-
Transfers-in	4,372,967	5,879,792	5,512,812	6,002,552	3,319,412	3,119,479	2,564,305	3,871,507	4,222,293	3,896,311
Transfers-out	(4,372,967)	(5,673,783)	(5,310,451)	(5,635,919)	(2,939,412)	(2,739,479)	(2,184,304)	(3,491,507)	(3,842,293)	(3,516,312)
Total other financing sources (uses)	3,500,000	3,901,906	2,202,361	2,335,180	6,507,585	2,631,942	3,484,838	(3,135,000)	380,000	11,815,235
NET CHANGE IN FUND BALANCES	\$ 2,148,840	\$ (1,975,294)	\$ (2,733,823)	\$ 1,869,220	\$ 6,253,833	\$ 2,065,037	\$ 1,261,216	\$ (7,031,846)	\$ (3,029,743)	\$ 10,936,071

Data Source
 Audited Financial Statements

VILLAGE OF EVERGREEN PARK, ILLINOIS
PROPERTY TAX RATES
 DIRECT AND OVERLAPPING GOVERNMENTS
 Last Ten Levy Years

Schedule 7

Tax Levy Years	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tax rates per EAV										
Village direct rates										
Village of Evergreen Park	1.333	1.421	1.295	1.224	1.251	1.264	1.501	1.671	1.769	1.902
Evergreen Park Public Library	0.202	0.202	0.196	0.184	0.192	0.194	0.231	0.258	0.272	0.292
Overlapping rates										
Cook County										
General	0.538	0.505	0.446	0.415	0.394	0.423	0.462	0.531	0.560	0.568
Forest Preserve	0.060	0.057	0.053	0.051	0.049	0.051	0.058	0.063	0.069	0.069
Mosquito Abatement	0.010	0.007	0.006	0.009	0.009	0.010	0.012	0.014	0.016	0.017
Elections	0.014	-	0.012	-	0.021	-	0.025	-	0.031	-
Township										
Township	0.051	0.054	0.052	0.048	0.048	0.050	0.060	0.068	0.073	0.076
Road & Bridge	0.026	0.027	0.026	0.024	0.024	0.025	0.030	0.033	0.035	0.037
General Assistance	0.014	0.014	0.014	0.012	0.012	0.013	0.015	0.017	0.018	0.020
Metropolitan Water Reclamation	0.315	0.284	0.263	0.252	0.261	0.274	0.320	0.370	0.417	0.430
School District										
Moraine Valley Comm Coll District #5	0.208	0.270	0.262	0.247	0.247	0.256	0.311	0.346	0.375	0.403
Community High School District #231	3.250	3.322	3.228	3.055	3.042	3.067	3.617	4.042	4.353	4.625
School District #124	3.986	4.076	3.959	3.743	3.726	3.757	4.428	4.947	5.430	5.766
Total Tax Rate	10.007	10.239	9.812	9.264	9.276	9.384	11.070	12.360	13.418	14.205

Data Source

Cook County Tax Extension Office