

**Village of Sauk Village,
Illinois**

Annual Financial Report

Year Ended April 30, 2015

Village of Sauk Village, Illinois
ANNUAL FINANCIAL REPORT
Year Ended April 30, 2015

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FINANCIAL SECTION

MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the Board of Trustees
Village of Sauk Village, 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 aggregate remaining fund information of the Village of Sauk Village, Illinois (the Village), as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Village's 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 also 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Police Pension Fund and the Firefighters' Pension Fund, which are pension trust funds, included as fiduciary funds in the aggregate remaining fund information, whose accounts are included in the basic financial statements. Total assets, net position, and additions of the Police Pension Fund and the Firefighters' Pension Fund constitute all of the assets, net position, and additions of the fiduciary fund types reported herein, as of and for the year ended April 30, 2015, on pages 16 and 17. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the fiduciary fund types in the Village's basic financial statements, is based solely on the reports of the other auditors. 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. The financial statements of the Police Pension Fund and the Firefighters' Pension Fund were not audited in accordance with *Government Auditing Standards*.

To the Honorable Mayor and
Members of the Board of Trustees
Village of Sauk Village, Illinois

Auditors' Responsibility (Continued)

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, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Sauk Village, Illinois, as of April 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Illinois Municipal Retirement Fund, Firefighters' Pension Fund, and Police Pension Fund data on pages 81 through 89, the other postemployment benefits data on page 90, and the budgetary comparison schedules and notes to the required supplementary information on pages 91 through 92, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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 and the other auditors 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.

(Continued)

To the Honorable Mayor and
Members of the Board of Trustees
Village of Sauk Village, Illinois

Other Matters (Continued)

Required Supplementary Information (Continued)

Management has omitted the management's discussion and analysis that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Other Information

Our audit for the year ended April 30, 2015 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The other schedules, listed in the table of contents as other supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended April 30, 2015 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended April 30, 2015.

(Continued)

To the Honorable Mayor and
Members of the Board of Trustees
Village of Sauk Village, Illinois

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2016 on our consideration of the Village of Sauk Village'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 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 Sauk Village's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.

A handwritten signature in cursive script that reads "Miller, Cooper & Co., Ltd." is written over a horizontal line.

Certified Public Accountants

Deerfield, Illinois
February 2, 2016

BASIC FINANCIAL STATEMENTS

Village of Sauk Village, Illinois
STATEMENT OF NET POSITION (DEFICIT)
April 30, 2015

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Current			
Cash and cash equivalents	\$ 1,662,504	\$ -	\$ 1,662,504
Receivables, net of allowances			
Property taxes	1,709,949	-	1,709,949
Intergovernmental	467,825	-	467,825
Charges for services and other	169,699	298,249	467,948
Deposits with paying agent	9,252,792	-	9,252,792
Prepaid items	258,903	-	258,903
Noncurrent			
Internal balances	(552,003)	552,003	-
Land held for resale	1,063,822	-	1,063,822
Capital assets not being depreciated	574,003	2,717,205	3,291,208
Capital assets, net of accumulated depreciation	<u>11,207,567</u>	<u>4,204,211</u>	<u>15,411,778</u>
 Total assets	 <u>25,815,061</u>	 <u>7,771,668</u>	 <u>33,586,729</u>
LIABILITIES			
Current			
Accounts payable	553,815	592,180	1,145,995
Accrued payroll	136,808	12,472	149,280
Accrued interest	577,214	9,482	586,696
Insurance premium loan	216,526	-	216,526
Deposits payable	-	164,086	164,086
Due to county government	264,339	-	264,339
Due to Firefighters' Pension Fund	704	-	704
Due to Police Pension Fund	15,682	-	15,682
Noncurrent			
Due within one year	3,193,104	193,925	3,387,029
Due in more than one year	<u>36,765,772</u>	<u>3,480,904</u>	<u>40,246,676</u>
 Total liabilities	 <u>41,723,964</u>	 <u>4,453,049</u>	 <u>46,177,013</u>
NET POSITION (DEFICIT)			
Net investment in capital assets	7,378,877	3,285,693	10,664,570
Restricted by enabling legislation	11,893,242	-	11,893,242
Unrestricted	<u>(35,181,022)</u>	<u>32,926</u>	<u>(35,148,096)</u>
 Total net position (deficit)	 <u>\$ (15,908,903)</u>	 <u>\$ 3,318,619</u>	 <u>\$ (12,590,284)</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2015

<u>Functions/Programs</u>	Program Revenues			
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities				
General government	\$ 2,007,885	\$ 338,059	\$ 12,035	\$ -
Public safety	4,724,865	354,524	74,311	-
Public works	520,688	-	8,980	491,956
Interest	1,980,150	-	-	-
Total governmental activities	9,233,588	692,583	95,326	491,956
Business-type activities				
Waterworks	1,490,023	1,705,729	18,750	650,000
Sewerage	594,539	718,886	-	-
Total business-type activities	2,084,562	2,424,615	18,750	650,000
Total	\$ 11,318,150	\$ 3,117,198	\$ 114,076	\$ 1,141,956
		General revenues		
		Taxes		
		Intergovernmental		
		Interest		
		Miscellaneous		
		Transfers		
		Total general revenues		
		Change in net position		
		Net position (deficit) - beginning		
		Net position (deficit) - ending		

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,657,791)	\$ -	\$ (1,657,791)
(4,296,030)	-	(4,296,030)
(19,752)	-	(19,752)
<u>(1,980,150)</u>	<u>-</u>	<u>(1,980,150)</u>
<u>(7,953,723)</u>	<u>-</u>	<u>(7,953,723)</u>
-	884,456	884,456
<u>-</u>	<u>124,347</u>	<u>124,347</u>
<u>-</u>	<u>1,008,803</u>	<u>1,008,803</u>
<u>(7,953,723)</u>	<u>1,008,803</u>	<u>(6,944,920)</u>
6,975,398	-	6,975,398
2,316,885	-	2,316,885
652	-	652
297,260	(6,494)	290,766
<u>270,000</u>	<u>(270,000)</u>	<u>-</u>
<u>9,860,195</u>	<u>(276,494)</u>	<u>9,583,701</u>
1,906,472	732,309	2,638,781
<u>(17,815,375)</u>	<u>2,586,310</u>	<u>(15,229,065)</u>
<u>\$ (15,908,903)</u>	<u>\$ 3,318,619</u>	<u>\$ (12,590,284)</u>

Village of Sauk Village, Illinois

Governmental Funds

BALANCE SHEET

April 30, 2015

	General Fund	Debt Service Fund	Sauk Pointe Industrial Park Fund	LogistiCenter at Sauk Village Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ -	\$ 582,632	\$ -	\$ -	\$ 1,079,872	\$ 1,662,504
Receivables, net of allowances						
Property taxes	1,413,493	-	18,160	-	278,296	1,709,949
Intergovernmental	443,390	-	-	-	24,435	467,825
Other	148,140	-	-	-	21,559	169,699
Deposits with paying agent	-	8,997,271	-	218,274	37,247	9,252,792
Prepaid items	258,903	-	-	-	-	258,903
Advances to other funds	336,630	-	12,609	207,223	1,649,467	2,205,929
Land held for resale	-	-	-	1,063,822	-	1,063,822
	<u>\$ 2,600,556</u>	<u>\$ 9,579,903</u>	<u>\$ 30,769</u>	<u>\$ 1,489,319</u>	<u>\$ 3,090,876</u>	<u>\$ 16,791,423</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES (DEFICITS)						
Liabilities						
Accounts payable	\$ 469,810	\$ -	\$ -	\$ -	\$ 84,005	\$ 553,815
Accrued payroll	133,722	-	-	-	3,086	136,808
Accrued interest	2,285	-	-	-	-	2,285
Advances from other funds	1,760,043	-	207,223	487,029	303,637	2,757,932
Due to county government	264,339	-	-	-	-	264,339
Due to Firefighters' Pension Fund	704	-	-	-	-	704
Due to Police Pension Fund	15,682	-	-	-	-	15,682
Street light loan	38,176	-	-	-	-	38,176
Insurance premium loan	216,526	-	-	-	-	216,526
	<u>2,901,287</u>	<u>-</u>	<u>207,223</u>	<u>487,029</u>	<u>390,728</u>	<u>3,986,267</u>
Deferred inflows						
Property taxes levied for a future period	1,386,739	-	-	-	272,298	1,659,037
Income taxes collected in a future period	188,326	-	-	-	-	188,326
	<u>1,575,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,298</u>	<u>1,847,363</u>
Fund balances (deficits)						
Nonspendable						
Deposits with paying agent	-	8,997,271	-	218,274	37,247	9,252,792
Prepaid items	258,903	-	-	-	-	258,903
Advances to other funds	336,630	-	12,609	207,223	1,649,467	2,205,929
Land held for resale	-	-	-	1,063,822	-	1,063,822
Restricted						
Railroad noise and safety improvements	240,017	-	-	-	-	240,017
Special revenue purposes	-	-	-	-	502,497	502,497
Debt service	-	582,632	-	-	-	582,632
Capital projects	-	-	-	-	277,978	277,978
Unassigned	(2,711,346)	-	(189,063)	(487,029)	(39,339)	(3,426,777)
	<u>(1,875,796)</u>	<u>9,579,903</u>	<u>(176,454)</u>	<u>1,002,290</u>	<u>2,427,850</u>	<u>10,957,793</u>
Total fund balance (deficit)	<u>(1,875,796)</u>	<u>9,579,903</u>	<u>(176,454)</u>	<u>1,002,290</u>	<u>2,427,850</u>	<u>10,957,793</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 2,600,556</u>	<u>\$ 9,579,903</u>	<u>\$ 30,769</u>	<u>\$ 1,489,319</u>	<u>\$ 3,090,876</u>	<u>\$ 16,791,423</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
Governmental Funds
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION (DEFICIT)
April 30, 2015

Total fund balance - governmental funds \$ 10,957,793

Amounts reported for governmental activities in the statement of net position (deficit) differ from the governmental funds balance sheet because:

Certain revenues that are unearned in the fund financial statements because they are not considered available are recognized as revenue in the government-wide financial statements. 1,847,363

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. 11,781,570

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (574,929)

Certain liabilities, including bonds payable, streetlight loan, capital leases, premiums on bonds sold, compensated absences, net pension obligations, net other postemployment benefit obligations, and judgment liability, do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds. (39,920,700)

Net position (deficit) - governmental activities \$ (15,908,903)

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Governmental Funds

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)

For the Year Ended April 30, 2015

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Sauk Pointe Industrial Park Fund</u>	<u>LogistiCenter at Sauk Village Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Property taxes	\$ 2,413,706	\$ -	\$ 1,009,250	\$ 2,907,059	\$ 606,720	\$ 6,936,735
Licenses and permits	208,697	-	-	-	-	208,697
Charges for services	659,989	-	-	-	77,110	737,099
Utility taxes	-	-	-	-	216,040	216,040
Intergovernmental	1,628,519	-	-	-	497,025	2,125,544
Fines and forfeitures	275,034	-	-	-	-	275,034
Interest	18	526	-	14	94	652
Contributions and donations	4,803	-	-	-	-	4,803
Miscellaneous	282,729	-	-	-	14,531	297,260
Total revenues	<u>5,473,495</u>	<u>526</u>	<u>1,009,250</u>	<u>2,907,073</u>	<u>1,411,520</u>	<u>10,801,864</u>
Expenditures						
Current						
General government	1,664,710	-	-	10,500	64,184	1,739,394
Public safety	3,662,898	-	-	-	536,838	4,199,736
Public works	303,361	-	-	-	437,720	741,081
Debt service						
Principal	37,809	2,685,000	-	-	68,085	2,790,894
Interest	14,602	1,443,789	-	-	6,822	1,465,213
Capital outlay	-	-	-	-	7,191	7,191
Total expenditures	<u>5,683,380</u>	<u>4,128,789</u>	<u>-</u>	<u>10,500</u>	<u>1,120,840</u>	<u>10,943,509</u>
Excess (deficiency) of revenues over expenditures	<u>(209,885)</u>	<u>(4,128,263)</u>	<u>1,009,250</u>	<u>2,896,573</u>	<u>290,680</u>	<u>(141,645)</u>
Other financing sources (uses)						
Proceeds from debt issuance	146,144	-	-	-	-	146,144
Transfers in	899,540	4,779,927	-	-	35,903	5,715,370
Transfers (out)	<u>(690,000)</u>	<u>-</u>	<u>(991,089)</u>	<u>(3,337,019)</u>	<u>(427,262)</u>	<u>(5,445,370)</u>
Total other financing sources (uses)	<u>355,684</u>	<u>4,779,927</u>	<u>(991,089)</u>	<u>(3,337,019)</u>	<u>(391,359)</u>	<u>416,144</u>
Net change in fund balances	145,799	651,664	18,161	(440,446)	(100,679)	274,499
Fund balances (deficits)						
Beginning of year	<u>(2,021,595)</u>	<u>8,928,239</u>	<u>(194,615)</u>	<u>1,442,736</u>	<u>2,528,529</u>	<u>10,683,294</u>
End of year	<u>\$ (1,875,796)</u>	<u>\$ 9,579,903</u>	<u>\$ (176,454)</u>	<u>\$ 1,002,290</u>	<u>\$ 2,427,850</u>	<u>\$ 10,957,793</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (DEFICITS) OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended April 30, 2015

Net change in fund balances - total governmental funds	\$ 274,499
Amounts reported for governmental activities in the statement of activities are different because:	
Certain revenues that are unearned in the fund financial statements because they are not considered available are recognized as revenue in the government-wide financial statements.	68,196
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital asset additions.	(113,615)
Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.	29,026
Premiums on bonds are recorded as other financing sources in the fund financial statements, but the premium is recorded as a liability in the statement of net position that is amortized over the life of the related bonds.	26,208
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes the current financial resources of governmental funds.	<u>1,622,158</u>
Change in net position - governmental activities	\$ <u><u>1,906,472</u></u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Enterprise Funds

STATEMENT OF NET POSITION

April 30, 2015

	<u>Waterworks Fund</u>	<u>Sewerage Fund</u>	<u>Total</u>
ASSETS			
Current			
Receivables, net	\$ 206,739	\$ 91,510	\$ 298,249
Total current assets	<u>206,739</u>	<u>91,510</u>	<u>298,249</u>
Noncurrent			
Advances to other funds	493,146	365,490	858,636
Capital assets not being depreciated	2,717,205	-	2,717,205
Capital assets, net of accumulated depreciation	<u>3,738,550</u>	<u>465,661</u>	<u>4,204,211</u>
Total noncurrent assets	<u>6,948,901</u>	<u>831,151</u>	<u>7,780,052</u>
Total assets	<u>7,155,640</u>	<u>922,661</u>	<u>8,078,301</u>
LIABILITIES			
Current			
Accounts payable	588,379	3,801	592,180
Accrued payroll	8,237	4,235	12,472
Accrued interest	9,482	-	9,482
Advances from other funds	306,633	-	306,633
Deposits	164,086	-	164,086
Noncurrent			
Due within one year	170,784	23,141	193,925
Due in more than one year	<u>3,480,904</u>	<u>-</u>	<u>3,480,904</u>
Total liabilities	<u>4,728,505</u>	<u>31,177</u>	<u>4,759,682</u>
NET POSITION			
Net investment in capital assets	2,820,032	465,661	3,285,693
Unrestricted (deficit)	<u>(392,897)</u>	<u>425,823</u>	<u>32,926</u>
Total net position	<u>\$ 2,427,135</u>	<u>\$ 891,484</u>	<u>\$ 3,318,619</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
Enterprise Funds
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended April 30, 2015

	Waterworks Fund	Sewerage Fund	Total
Operating revenues			
Charges for services	\$ 1,683,129	\$ 718,886	\$ 2,402,015
Meter sales	22,600	-	22,600
Miscellaneous	(6,494)	-	(6,494)
Total operating revenues	<u>1,699,235</u>	<u>718,886</u>	<u>2,418,121</u>
Operating expenses			
Operations	1,189,741	570,948	1,760,689
Depreciation	241,031	23,591	264,622
Total operating expenses	<u>1,430,772</u>	<u>594,539</u>	<u>2,025,311</u>
Operating income	<u>268,463</u>	<u>124,347</u>	<u>392,810</u>
Nonoperating revenue (expenses)			
IEPA principal forgiveness	650,000	-	650,000
Other state grants	18,750	-	18,750
Debt service - interest	(59,251)	-	(59,251)
Total nonoperating revenues	<u>609,499</u>	<u>-</u>	<u>609,499</u>
Other financing sources (uses)			
Transfers in	15,000	15,000	30,000
Transfers out	(150,000)	(150,000)	(300,000)
Total other financing sources (uses)	<u>(135,000)</u>	<u>(135,000)</u>	<u>(270,000)</u>
Change in net position	742,962	(10,653)	732,309
Net position			
Beginning of year	<u>1,684,173</u>	<u>902,137</u>	<u>2,586,310</u>
End of year	<u>\$ 2,427,135</u>	<u>\$ 891,484</u>	<u>\$ 3,318,619</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Enterprise Funds

STATEMENT OF CASH FLOWS

For the Year Ended April 30, 2015

	Waterworks Fund	Sewerage Fund	Total
Cash flows from operating activities			
Cash received from customers	\$ 1,733,228	\$ 724,556	\$ 2,457,784
Cash paid to suppliers	(158,146)	(72,158)	(230,304)
Cash paid to employees	(781,772)	(512,565)	(1,294,337)
Net cash provided by operating activities	<u>793,310</u>	<u>139,833</u>	<u>933,143</u>
Cash flows from noncapital financing activities			
Transfers from other funds	15,000	15,000	30,000
Transfers to other funds	(150,000)	(150,000)	(300,000)
Changes in advances to/from other funds, net	(410,619)	1,627	(408,992)
Net cash (used in) noncapital financing activities	<u>(545,619)</u>	<u>(133,373)</u>	<u>(678,992)</u>
Cash flows from capital financing activities			
Proceeds from other governmental entities	18,750	-	18,750
Purchases of capital assets	(3,961,882)	(6,460)	(3,968,342)
Proceeds from IEPA loan	3,695,441	-	3,695,441
Net cash (used in) capital financing activities	<u>(247,691)</u>	<u>(6,460)</u>	<u>(254,151)</u>
Net change in cash and cash equivalents	-	-	-
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
 Enterprise Funds
 STATEMENT OF CASH FLOWS (Continued)
 For the Year Ended April 30, 2015

	<u>Waterworks Fund</u>	<u>Sewerage Fund</u>	<u>Total</u>
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 268,463	\$ 124,347	\$ 392,810
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	241,031	23,591	264,622
Decrease in assets			
Receivables	27,293	5,670	32,963
Increase (decrease) in liabilities			
Accounts payable	272,978	2,104	275,082
Accrued payroll	(16,517)	(16,086)	(32,603)
Compensated absences	(144)	207	63
Deposits	206	-	206
Net cash provided by operating activities	<u>\$ 793,310</u>	<u>\$ 139,833</u>	<u>\$ 933,143</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois

Fiduciary Funds

STATEMENT OF NET POSITION

April 30, 2015

	Pension Trust Funds	Agency Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,030,775	\$ 2,659	\$ 1,033,434
Investments	4,717,392	-	4,717,392
Accrued interest	15,354	-	15,354
Due from Village	16,386	-	16,386
	<u>5,779,907</u>	<u>2,659</u>	<u>5,782,566</u>
LIABILITIES			
Due to Sauk Village Housing Commission	<u>-</u>	<u>2,659</u>	<u>2,659</u>
NET POSITION			
Held in trust for pension benefits	<u>\$ 5,779,907</u>	<u>\$ -</u>	<u>\$ 5,779,907</u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
Pension Trust Funds
STATEMENT OF CHANGES IN PLAN NET POSITION
For the Year Ended April 30, 2015

Additions	
Contributions	
Employer	\$ 196,650
Members and other	<u>154,622</u>
Total contributions	<u>351,272</u>
Investment income	260,996
Less investment expenses	<u>(21,659)</u>
Net investment income	<u>239,337</u>
Total additions	<u>590,609</u>
Deductions	
Benefits	520,955
Contribution refunds	212,887
Administrative expense	<u>52,564</u>
Total deductions	<u>786,406</u>
Change in net position	(195,797)
Net position held in trust for pension benefits	
Beginning of year	<u>5,975,704</u>
End of year	\$ <u><u>5,779,907</u></u>

The accompanying notes are an integral part of this statement.

Village of Sauk Village, Illinois
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April 30, 2015

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Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Sauk Village (the "Village") was incorporated in 1957. The Village is located in Cook County, Illinois, with a small portion located in Will County, Illinois. The Village operates under the mayor-trustee form of government. The Village Board consists of a mayor and six elected members that exercise all powers of the Village but are accountable to their constituents for their actions. The Village provides the following services as authorized by its charter: public safety (police, fire, civil defense and emergency), highways and streets, parks and playgrounds, sanitation, water and sewer, public improvements, planning and zoning, and general administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the Village's significant accounting policies:

1. Reporting Entity

As defined by GAAP, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials, of the primary government, are financially accountable. Financial accountability is defined as:

- a. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- b. Fiscal dependency on the primary government.

Based on the above criteria, the Village does not have any component units. Additionally, the Village is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. New Accounting Pronouncement

During the year ended April 30, 2015, the Sauk Village Police Pension Fund, Illinois and the Village of Sauk Village, Illinois Firefighters' Pension Fund, which are reported as pension trust (fiduciary) funds of the Village, adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*, which has as its objective improving the usefulness of pension information included in the general purpose external financial reports of state and local governmental pension plans for making decisions and assessing accountability. Adoption of GASB No. 67 had no effect on the Village's net position as of April 30, 2015, or on its changes in net position for the year then ended. It did, however, change the requirements for information disclosed in the notes to the financial statements and information presented as required supplementary information.

3. Future Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which are expected to have a material impact on the Village's financial statements in future periods:

GASB has issued Statement No. 68, *Accounting and Financial Reporting for Pensions*, which will be implemented by the District during the fiscal year ended April 30, 2016. This Statement established standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures on the government wide financial statements. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute the present value to periods of employee service.

GASB has issued Statement No. 71, *Pension Transition For Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, and will also be implemented by the District during the fiscal year ended April 30, 2016. This Statement established standards for measuring amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Specific changes to the Village's financial statements will relate to the recognition of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The most significant effect of these statements will be the requirement that the Village record the net pension liability related to the Illinois Municipal Retirement Fund, the Police Pension Fund, and the Firefighters' Pension Fund as part of long-term liabilities in the statement of net position (see note J). The Village anticipates that the adoption of these statements will have a significant negative impact on the government-wide financial statements as of and for the year ending April 30, 2016.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of interfund activity has been removed 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 services.

The statement of net position presents the Village's non-fiduciary assets and liabilities with the difference reported as net position in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net positions arise when constraints placed on the use of net position are either externally imposed by creditors, grantors, contributors and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consist of net positions that do not meet the criteria of the two preceding categories.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first to finance qualifying activities, then unrestricted resources as they are needed.

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

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor funds, that are aggregated in the fund financial statements, are reported separately in the other supplementary information.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Basis of Presentation - Fund Accounting

The accounts of the Village are organized on the basis of funds, which are considered as separate accounting entities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/net position, revenues, and expenditures/expenses. The Village's resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report into generic fund types and broad fund categories as follows:

a. Governmental Fund Types

Governmental funds are those through which governmental functions of the Village are financed. The Village's expendable financial resources (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is based upon the determination of changes in financial position, rather than upon net income determination. The following are the Village's governmental fund types:

- i. 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. Its primary revenue sources include property taxes and intergovernmental revenues.
- ii. *Special revenue funds* are used to account for the proceeds of specific revenue sources (other than debt service or capital projects) that are legally restricted to expenditures for specified purposes. The Village's special revenue funds are the Fire Protection, Motor Fuel Tax, Emergency Telephone System, Police Seizure, Working Cash, and Railroad Noise Mitigation Funds. The primary revenue sources include property taxes and intergovernmental revenues.
- iii. *Debt service funds* are used to account for the accumulation of resources for debt service payments. The Village's debt service funds are the Debt Service, Sauk Pointe Industrial Park, and LogistiCenter at Sauk Village Funds. The primary revenue and other financing sources include property taxes and transfers from other funds.
- iv. *Capital projects funds* are used to account for the use of resources for capital improvements. The Village's capital projects funds are the Utility Tax, Community Development Block Grant, Sauk Plaza Redevelopment Plan, SurreyBrook Plaza, and Municipal Building Funds. The primary revenue and financing sources include property taxes, utility taxes, intergovernmental revenues, bond proceeds, and transfers from other funds.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Basis of Presentation - Fund Accounting (Continued)

b. Proprietary Fund Types

Proprietary funds are used to account for the Village's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income.

- i. *Enterprise funds* are used to account for operations (a) 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 or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Village's enterprise funds are the Waterworks and Sewerage Funds.

c. Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

- i. *Pension trust funds* are used to account for the Village's public safety employee pension funds. The Police Pension Fund and the Firefighters' Pension Fund are the Village's pension trust funds.
- ii. *Agency funds* are custodial in nature and do not involve the measurement of results of operations. Agency funds account for assets held by the Village which are owned, operated, and managed separately from the governance of the Village. The Sauk Village Housing Commission Fund is the Village's sole agency fund.

6. Fund Balance

The governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as deposits with paying agent, prepaid expenditures, advances to other funds, or land held for resale.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Fund Balance (Continued)

- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to 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 (the Village Board). The Village Board commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the Village removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. At April 30, 2015, the Village had no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the Village's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Trustees or the individual the Village Board delegates the authority to assign amounts to be used for specific purposes. The Village Board has not delegated this authority as of April 30, 2015. At April 30, 2015, the Village had no assigned fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal period for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements, imposed by the provider, have been met.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers all governmental fund revenues as available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. All taxes are reported as general revenues.

Property taxes, interest revenue, and charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The Village reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the unearned/unavailable revenue is removed from the balance sheet and revenue is recognized.

The fiduciary fund statements are reported using the accrual basis of accounting.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports the following major governmental funds:

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

The *Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The *Sauk Pointe Industrial Park Fund* is a debt service fund which accounts for the revenue generated from the tax incremental finance (TIF) district for office and light manufacturing development.

The *Logisticenter at Sauk Village Fund* is a debt service fund which accounts for the revenue generated from the TIF district to finance the first phase development and construction of a one hundred and fifty-acre intermodal transportation facility.

The Village reports the following major proprietary funds:

The *Waterworks Fund* accounts for the provision of potable water 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.

The *Sewerage Fund* accounts for the provision of sewerage 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to future periods. At April 30, 2015, the Village has no deferred outflows of resources. In addition to liabilities, the Village may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period. At April 30, 2015, the Village's property taxes levied for a future period and income taxes are reported as deferred inflows of resources.

9. Cash Equivalents

The Village considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents.

10. Receivables

The recognition of receivables associated with nonexchange transactions is as follows:

- Derived tax receivables (such as sales, income, and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables, such as grants, are recognized when all eligibility requirements have been met.

The carrying amount of receivables - charges for services and other is reduced by a valuation allowance that reflects management's best estimate of the amounts that may not be collected. Management's estimate is based on receivables aged over 90 days past due for garbage services and Village utility sales (water and sewer) charged to residents. The allowances for doubtful customer receivables totaled \$55,036, \$165,159 and \$66,645 in the General Fund, Waterworks Fund, and Sewerage Fund, respectively, at April 30, 2015.

11. Investments

Investments are stated at fair value. Due to the nature of the Village, Police, and Firefighters' pension trust funds' investments, fair value approximates cost. Gains and losses on the sale of investments are recorded as interest income, at the date of sale or maturity.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Prepaid Items

Prepaid items are recorded at cost and amortized over the terms of the underlying agreements. Reported prepaid expenditures are equally offset by nonspendable portions of fund balance, which indicate that they do not constitute "available spendable resources" even though they are a component of current assets. Prepaid items are accounted for using the consumption method; that is, they are recognized as an expenditure as they are used.

13. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered, and for lending/borrowing purposes. These receivables and payables are classified as "due from/to other funds" (the current portion of interfund transactions) or "advance from/to other fund" (the noncurrent portion of interfund transactions) on the fund balance sheets.

Advances between funds are offset by a nonspendable fund balance, in applicable governmental funds, to indicate that they are not available for appropriation and are not expendable, available financial resources.

14. Land Held for Resale

The Village values its land held for resale at the lower of cost or market.

15. Capital Assets

Capital assets, which include buildings, machinery and equipment, vehicles, and infrastructure assets (e.g. roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial individual cost of more than \$5,000 for machinery and equipment, \$25,000 for property and buildings, and \$50,000 for infrastructure. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value, at the date of donation.

Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset, are capitalized. The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend assets' lives, are not capitalized.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Years</u>
Buildings and improvements	20 - 40
Waterworks and sewerage systems	10 - 40
Machinery and equipment	5 - 25
Vehicles	4 - 15
Water meters	10 - 20
Infrastructure	15 - 40

Construction in progress is stated at cost and includes engineering, design, and legal costs incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and put in use.

16. Compensated Absences

Accumulated vacation and sick leave that are expected to be liquidated with expendable, available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay them, typically the General Fund. Accumulated vacation and sick leave that are not expected to be liquidated with expendable, available financial resources are reported as long-term debt on the government-wide statement of net position. Accumulated vacation and sick leave of the proprietary funds are recorded as expenses and liabilities of that fund, as the benefits accrue to employees.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Long-Term Obligations

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

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

18. Use of Estimates

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

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position (Deficit)

The governmental funds balance sheet includes a reconciliation between fund balance – governmental funds and net position (deficit) – governmental activities as reported in the government-wide statement of net position (deficit).

One element of that reconciliation explains that “Certain liabilities do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds.” The details of this difference are as follows:

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position (Deficit) (Continued)

Alternate revenue bonds payable	\$ 35,138,726
General obligation bonds payable	315,000
Street light loan	146,144
Capital leases payable	153,620
Premiums on bonds sold	370,824
Compensated absences payable	153,156
Net pension obligations	
IMRF	137,595
Police	2,553,754
Firefighters'	93,054
Net other postemployment benefit obligation	799,521
Judgment liability	<u>59,306</u>
 Net total long-term liabilities not reported in governmental funds	 \$ <u><u>39,920,700</u></u>

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position - governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 495,196
Depreciation expense	<u>(608,811)</u>
 Net total amount by which depreciation expense exceeded capital outlay	 \$ <u><u>(113,615)</u></u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits) and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Interest accreted - capital appreciation bonds	\$ (570,171)
Principal payments on alternate revenue bonds	2,630,000
Principal payments on general obligation bonds	55,000
Proceeds from street light loan	(146,144)
Principal payments on capital leases	105,894
Net increases in net pension obligations	
IMRF	(5,704)
Police	(330,220)
Firefighters'	(7,595)
Net increase in other postemployment benefits obligation	(146,954)
Net increase in compensated absences	(4,336)
Net decrease in judgment liability	<u>42,388</u>
 Net changes in current financial resources	 <u>\$ 1,622,158</u>

NOTE C - DEPOSITS AND INVESTMENTS

1. Village Deposits and Investments

At April 30, 2015, the Village's cash and cash equivalents, excluding the pension trust funds, consisted of the following:

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
Cash and cash equivalents	\$ <u>1,662,504</u>	\$ <u>-</u>	\$ <u>1,662,504</u>

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Village Deposits and Investments (Continued)

For disclosure purposes, this amount is segregated into three components, as follows:

	Total
Cash on hand	\$ 2,300
Deposits with financial institutions	1,031,621
Illinois Funds	628,583
	\$ 1,662,504

Deposits with Financial Institutions

The Village maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is included in cash and cash equivalents on the governmental funds balance sheet or the enterprise funds statement of net position. In addition, deposits are separately held by several of the Village's funds.

Custodial risk for deposits with financial institutions is the risk that, in the event of bank failure, the Village's deposits may not be returned to it. The Village does not have a policy for custodial credit risk. At April 30, 2015, the carrying amount of the Village's deposits was \$1,031,621 with bank balances totaling \$1,195,098. At April 30, 2015, substantially all of the Village's deposits were insured or collateralized.

Investments

The Village's investment policy, which is consistent with state statutes, authorizes the Village to invest in deposits in interest-bearing savings accounts, interest-bearing certificates of deposits or interest-bearing time deposits, insured savings and loan institutions, the Illinois Funds, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations, obligations of the U.S. Treasury and U.S. Agencies, or other securities guaranteed by the full faith and credit of the United States of America. The investment policy limits the Village's deposits to financial institutions that are members of the FDIC system.

The 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. The Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in The Illinois Funds are valued at The Illinois Fund's share price, the price for which the investment could be sold.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

1. Village 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. The Village's investment policy does not specifically identify limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not specifically address credit risk. As of April 30, 2015 the Illinois Funds Money Market Fund was rated AAAM by Standard & Poor's.

Concentration of credit risk - In the case of deposits, this is the risk that, in the event of a bank failure, the entity's deposits may not be returned to it. The Village's investment policy does not restrict the amount of investments in any one issuer. The Illinois Funds Money Market Fund is not subject to concentration of credit risk.

Custodial credit risk - for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. The Village's investment policy does not specifically address custodial credit risk. The Illinois Funds Money Market Fund is not subject to custodial credit risk.

2. Pension Deposits, Investments, and Concentrations

a. Firefighters' Pension Fund

The deposits and investments of the Firefighters' Pension Fund (the pension fund) are held separately from those of other Village funds.

Statutes and the pension fund's investment policy authorize the pension fund to make deposits or invest in interest-bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the state of Illinois, to the extent that the deposits are insured by agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Funds Money Market Fund, or by banks, their subsidiaries, or holding companies, in accordance with the laws of the state of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the state of Illinois; and direct obligations of the State of Israel.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

a. Firefighters' Pension Fund (Continued)

Also authorized are deposits or investments in money market mutual funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies; separate accounts of life insurance companies and mutual funds - the mutual funds must meet specific restrictions, provided the investment in separate accounts and mutual funds does not exceed ten percent of the pension fund's plan net position; and corporate bonds managed through an investment advisor, rated as investment grade by one of the two largest rating services at the time of purchase. Pension funds with net positions of \$2.5 million or more may invest up to forty-five percent of plan net position in separate accounts of life insurance companies and mutual funds. Pension funds with net position of at least \$5 million that have appointed an investment advisor may, through that investment advisor, invest up to forty-five percent of the plan's net position in common and preferred stocks that meet specific restrictions. In addition, pension funds with plan net positions of at least \$10 million that have appointed an investment advisor may invest up to fifty-five percent of their plan net position in common and preferred stocks and mutual funds that meet specific restrictions.

i. Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits and investments - At April 30, 2015, the carrying amount of the Firefighters' Pension Fund's deposits totaled \$5,766, and the bank balances totaled \$5,766. At April 30, 2015, the pension fund had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities - in Years</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6-10</u>
U.S. Treasuries	\$ 60,952	\$ 5,001	\$ 25,408	\$ 30,543
U.S. Agencies	36,524	-	31,564	4,960
Corporate Bonds	15,248	-	15,248	-
Equity Mutual Funds	1,818	1,818	-	-
	<u>\$ 114,542</u>	<u>\$ 6,819</u>	<u>\$ 72,220</u>	<u>\$ 35,503</u>

The pension fund assumes any callable securities will not be called.

Interest rate risk - In accordance with the pension fund's investment policy, the pension fund limits its exposure to interest rate risk by structuring the portfolios to provide liquidity, while at the same time matching investment maturities to projected fund liabilities.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

a. Firefighters' Pension Fund (Continued)

i. Credit Risk, Custodial Credit Risk, and Concentration Risk (Continued)

Credit risk - The pension fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The pension fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The investments in the securities of U.S. government agencies were rated AAA by Standard and Poor's or by Moody's. Besides investing in securities issued by agencies of the United States government, the pension fund has no other formal policy for reducing credit risk.

Custodial credit risk - Deposits - At April 30, 2015, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The pension fund's investment policy states that deposits in excess of federally insured limits in financial institutions will be required to be secured by some form of collateral. The pension fund will accept the following as collateral: U.S. Treasuries, Notes and Bonds, and U.S. agencies. The amount of collateral provided will not be less than 110 percent of the fair market value of the pension fund's uninsured deposits.

Custodial credit risk - Investments Money market mutual funds, and equity mutual funds are not subject to custodial credit risk. At April 30, 2015, the U.S. Government agency securities and the corporate bonds are held by the counterparty in the trust department. The pension fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the pension fund, to act as custodian for its securities and collateral.

Concentration of credit risk - This is the risk of loss attributed to the magnitude of the pension fund's investment in a single issuer. The pension fund does not have a formal written policy with regards to concentration credit risk for investments. At April 30, 2015, the pension fund had over 5 percent of plan net position invested in various agency securities. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and are backed by the issuing organization. Although agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have an implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

a. Firefighters' Pension Fund (Continued)

i. Credit Risk, Custodial Credit Risk, and Concentration Risk (Continued)

The fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	90.0 %	2.5 %
Domestic equities	7.0	6.0
International equities	2.5	5.5
Real estate	0.5	7.0
Cash and cash equivalents	0.0	0.0

Securities in any one company should not exceed 5 percent of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant in August 2015 in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding the expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of April 30, 2015 are listed in the table above.

The pension board has diversified its equity mutual fund holdings as follows:

Equity Mutual Funds	Fair Value
Cohen & Sterrs Realty	\$ 307
Oakmark International	1,511
Total	\$ 1,818

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

a. Firefighters' Pension Fund (Continued)

i. Credit Risk, Custodial Credit Risk, and Concentration Risk (Continued)

Rate of Return - For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.58 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

b. Police Pension Fund

The deposits and investments of the Police Pension Fund (the pension fund) are held separately from those of other Village funds.

Investment Policy - The Police Pension Plan investment program is derived from the terms and provisions of the Illinois Compiled Statutes (ILCS). ILCS requires the Police Pension Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board. During the year, no changes to the investment policy were approved by the Board of Trustees.

The following investments are allowed as limited by the provisions of the ILCS: direct obligations of the United States of America; obligations that are fully guaranteed or insured by the United States of America; obligations of agencies of the United States of America; insured savings accounts or certificates of deposit issued by banks or savings and loan associations; insured investments in credit unions; bonds of the state of Illinois; pooled accounts managed by the Illinois Public Treasurer's Investment Pool; funds and pooled accounts managed, operated and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies; obligations of any county, township, or municipal corporation of the state of Illinois; money market mutual funds; general and separate accounts of life insurance companies; mutual funds; and common and preferred stocks.

The following was the asset allocation policy adopted by the Board of Trustees as of April 30, 2015:

<u>Asset Class</u>	<u>Allocation</u>
Fixed income, government	49.50 %
Domestic equities	31.50
International developed	11.25
Corporate investment grade	5.50
Real estate	2.25
	100.00 %

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

b. Police Pension Fund (Continued)

Rate of Return - For the year ended April 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 4.66 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Police Pension Fund's deposits might not be recovered. The Police Pension Fund does not have a deposit policy for custodial credit risk. As of April 30, 2015, the Police Pension Fund's bank balances were fully covered by federal depository insurance.

Investments As of April 30, 2015, the Police Pension Fund had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Average Credit Quality/ Ratings (1)</u>	<u>Weighed Average Years to Maturity (2)</u>
Corporate bonds	\$ 384,598	A1/A2/Aa3/Baa2	2.33
Equities	489,514	N/A	N/A
Mutual funds	1,713,288	N/A	N/A
U.S. government agency securities	580,162	Aaa/AA+	2.71
U.S. Treasury notes	<u>1,435,288</u>	Aaa/AA+	3.42
Total	<u>\$ 4,602,850</u>		

(1) Ratings are provided where applicable to indicate associated *Credit Risk*. N/A indicates not applicable.

(2) *Interest Rate Risk* is estimated using weighted average years to maturity.

The Police Pension Fund's investments are subject to the following risks:

Concentration of credit risk is the risk of loss attributed to the magnitude of the Police Pension Fund's investment in a single issuer. The Police Pension Fund does not have an investment policy for this risk.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE C - DEPOSITS AND INVESTMENTS (Continued)

2. Pension Deposits, Investments, and Concentrations (Continued)

b. Police Pension Fund (Continued)

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Police Pension Fund's investment program is derived from the terms and provisions of the Illinois Compiled Statutes Public Funds Investment Act (40 ILCS 5/1-113) which allow investment in instruments of the United States of America or its agencies, savings accounts, certificates of deposit, public treasurers' pools, interest bearing bonds of any county, township or municipal corporation, mutual funds, certain short-term obligations of U.S. corporations, common stocks, and general or separate accounts of life insurance companies authorized to transact business in Illinois.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Police Pension Fund does not have an investment policy for this risk.

NOTE D - PROPERTY TAXES

Property taxes for the 2014 tax year attach as an enforceable lien on January 1, 2014 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal period (by passage of a tax levy ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1, 2015 and August 1, 2015. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 3 percent of the tax levy to reflect actual collection experience. That portion of the 2014 levy property tax receivable which is not collected within 60 days after year-end is not considered a current financial resource and is, therefore, recorded as property tax revenue levied for a future period.

NOTE E - DEPOSITS WITH PAYING AGENT

The Village maintains deposits with the paying agent for the payment of principal and interest maturities on its tax increment financing (TIF) and other bonded debt, TIF redevelopment project costs, reserve and redemption, and for certain other purposes, in accordance with the requirements set forth by the respective bond ordinances. As of April 30, 2015, deposits with paying agent totaling \$9,252,792 were invested in the Goldman Sachs Financial Square Federal Fund, a money market portfolio that comprises U.S. Government and U.S. Treasury securities. The Fund was rated AAAM by Standard & Poor's and Aaa-mf by Moody's as of April 30, 2015.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE F - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2015 was as follows:

1. Governmental Activities

	Balance May 1, 2014	Additions	Disposals	Balance April 30, 2015
Capital assets not being depreciated				
Land	\$ 574,003	\$ -	\$ -	\$ 574,003
Capital assets being depreciated				
Buildings	7,505,200	-	-	7,505,200
Machinery and equipment	2,050,523	26,660	-	2,077,183
Vehicles	3,800,331	-	-	3,800,331
Infrastructure	35,814,890	468,536	-	36,283,426
Total capital assets being depreciated	49,170,944	495,196	-	49,666,140
Less accumulated depreciation for				
Buildings	2,113,280	193,898	-	2,307,178
Machinery and equipment	2,010,830	12,126	-	2,022,956
Vehicles	2,688,343	188,362	-	2,876,705
Infrastructure	31,037,309	214,425	-	31,251,734
Total accumulated depreciation	37,849,762	608,811	-	38,458,573
Total capital assets, being depreciated, net	11,321,182	(113,615)	-	11,207,567
Governmental activities capital assets, net	\$ 11,895,185	\$ (113,615)	\$ -	\$ 11,781,570

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE F - CAPITAL ASSETS (Continued)

2. Business-Type Activities

	Balance May 1, 2014	Additions/ Transfers	Disposals/ Transfers	Balance April 30, 2015
Capital assets not being depreciated				
Land	\$ 13,500	\$ -	\$ -	\$ 13,500
Construction in progress	816,314	3,948,822	2,061,431	2,703,705
	<u>829,814</u>	<u>3,948,822</u>	<u>2,061,431</u>	<u>2,717,205</u>
Capital assets, being depreciated				
Buildings	51,117	-	-	51,117
Waterworks and sewerage system	6,820,994	2,061,431	-	8,882,425
Machinery and equipment	706,503	19,520	-	726,023
Vehicles	469,211	-	-	469,211
Water meters	644,961	-	-	644,961
	<u>8,692,786</u>	<u>2,080,951</u>	<u>-</u>	<u>10,773,737</u>
Less accumulated depreciation for				
Buildings	49,851	316	-	50,167
Waterworks and sewerage system	4,589,303	235,670	-	4,824,973
Machinery and equipment	553,308	26,906	-	580,214
Vehicles	469,211	-	-	469,211
Water meters	643,231	1,730	-	644,961
	<u>6,304,904</u>	<u>264,622</u>	<u>-</u>	<u>6,569,526</u>
Total capital assets, being depreciated, net	<u>2,387,882</u>	<u>1,816,329</u>	<u>-</u>	<u>4,204,211</u>
Business-type activities, capital assets, net	<u>\$ 3,217,696</u>	<u>\$ 5,765,151</u>	<u>\$ 2,061,431</u>	<u>\$ 6,921,416</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE F - CAPITAL ASSETS (Continued)

3. Depreciation Expense

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

Governmental activities:	
General government	\$ 146,694
Public safety	201,422
Public works	<u>260,695</u>
Total depreciation expense - governmental activities	<u>\$ 608,811</u>
Business – type activities:	
Waterworks	\$ 241,031
Sewerage	<u>23,591</u>
Total depreciation expense - business-type activities	<u>\$ 264,622</u>

NOTE G - INTERFUND TRANSACTIONS

1. Interfund Advances

	<u>Advances to</u>	<u>Advances from</u>
General		
Sauk Pointe Industrial Park	\$ -	\$ 12,609
LogistiCenter at Sauk Village	32,993	-
Nonmajor governmental	303,637	1,195,431
Waterworks	-	493,146
Sewerage	<u>-</u>	<u>58,857</u>
Total General	<u>336,630</u>	<u>1,760,043</u>
Sauk Pointe Industrial Park		
General	12,609	-
Logisticcenter at Sauk Village	<u>-</u>	<u>207,223</u>
Total Sauk Pointe Industrial Park	<u>12,609</u>	<u>207,223</u>

(Continued)

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE G - INTERFUND TRANSACTIONS (Continued)

1. Interfund Advances (Continued)

	<u>Advances to</u>	<u>Advances from</u>
LogistiCenter at Sauk Village		
General	\$ -	\$ 32,993
Sauk Pointe Industrial Park	207,223	-
Nonmajor governmental	<u>-</u>	<u>454,036</u>
Total Logisticenter at Sauk Village	<u>207,223</u>	<u>487,029</u>
Nonmajor governmental		
General	1,195,431	303,637
Logisticenter at Sauk Village	<u>454,036</u>	<u>-</u>
Total nonmajor governmental	<u>1,649,467</u>	<u>303,637</u>
Total governmental funds	<u>2,205,929</u>	<u>2,757,932</u>
Waterworks		
General	493,146	-
Sewerage	<u>-</u>	<u>306,633</u>
Total Waterworks	<u>493,146</u>	<u>306,633</u>
Sewerage		
General	58,857	-
Waterworks	<u>306,633</u>	<u>-</u>
Total Sewerage	<u>365,490</u>	<u>-</u>
Total enterprise funds	<u>858,636</u>	<u>306,633</u>
Total all funds	3,064,565	3,064,565
Less amounts eliminated during GASB 34 conversion	<u>(2,512,562)</u>	<u>(2,512,562)</u>
Total government-wide internal balances	<u>\$ 552,003</u>	<u>\$ 552,003</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE G - INTERFUND TRANSACTIONS (Continued)

2. Interfund Transfers

	Transfers in	Transfers out
General		
LogistiCenter at Sauk Village	\$ 353,540	\$ -
Debt Service	-	690,000
Nonmajor Governmental	246,000	-
Waterworks	150,000	-
Sewerage	150,000	-
Total General	899,540	690,000
Debt Service		
General	690,000	-
Sauk Pointe Industrial Park	991,089	-
LogistiCenter at Sauk Village	2,983,479	-
Nonmajor Governmental	115,359	-
Total Debt Service	4,779,927	-
Sauk Pointe Industrial Park		
Debt Service	-	991,089
Total Sauk Pointe Industrial Park	-	991,089
LogistiCenter at Sauk Village		
General	-	353,540
Debt Service	-	2,983,479
Total LogistiCenter at Sauk Village	-	3,337,019

(Continued)

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE G - INTERFUND TRANSACTIONS (Continued)

2. Interfund Transfers (Continued)

	Transfers in	Transfers out
Nonmajor governmental		
General	\$ -	\$ 246,000
Debt Service	-	115,359
Nonmajor governmental	35,903	35,903
Waterworks	-	15,000
Sewerage	-	15,000
Total nonmajor governmental	35,903	427,262
Total governmental funds	5,715,370	5,445,370
Waterworks		
General	-	150,000
Nonmajor governmental	15,000	-
Total Waterworks	15,000	150,000
Sewerage		
General	-	150,000
Nonmajor governmental	15,000	-
Total Sewerage	15,000	150,000
Total enterprise funds	30,000	300,000
Total all funds	5,745,370	5,745,370
Less amounts eliminated during GASB 34 conversion	(5,475,370)	(5,475,370)
Total government-wide transfers	\$ 270,000	\$ 270,000

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE H - RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; natural disasters; employee health; and injuries to the Village's employees. The Village has purchased private commercial liability and health insurance coverage to manage these risks. The Village also participates in the Illinois Public Risk Fund, a self-insured pool for workers' compensation coverage which has in excess of 500 member entities. Settled claims have not exceeded the coverages in the current or preceding three fiscal periods.

NOTE I - INSURANCE PREMIUM LOAN

In March 2014, the Village entered into a loan agreement with a third party finance company, to finance premium payments on certain insurance policies. The agreement required monthly payments of \$19,731, including interest at 6.15 percent, through January 2015.

In March 2015, the Village entered into another loan agreement with the same finance company, to finance premium payments on certain insurance policies. The agreement requires monthly payments of \$24,578, including interest at 5.15 percent, through January 2016.

The following is a summary of the Village's insurance premium loan activity, recorded in the General Fund, for the year ended April 30, 2015:

	<u>Balance</u> <u>May 1, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>April 30, 2015</u>	<u>Due Within</u> <u>One Year</u>
Insurance premium loan	\$ 173,113	\$ 240,074	\$ 196,661	\$ 216,526	\$ 216,526

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES

1. Changes in Long-Term Liabilities

The following is a summary of the Village's long-term liability balances and transactions associated with governmental activities, for the year ended April 30, 2015:

	<u>Balance</u> <u>May 1, 2014</u>	<u>Additions/</u> <u>Accretion</u>	<u>Retirements</u>	<u>Balance</u> <u>April 30, 2015</u>	<u>Due Within</u> <u>One Year</u>
Alternate revenue bonds	\$ 37,198,555	\$ 570,171	\$ 2,630,000	\$ 35,138,726	\$ 2,749,879
General obligation bonds	370,000	-	55,000	315,000	55,000
Unamortized bond premium	397,032	-	26,208	370,824	26,208
Street light loan	-	184,320	-	184,320	38,176
Capital leases	259,514	-	105,894	153,620	111,379
Compensated absences	148,820	208,170	203,834	153,156	153,156
Judgment liability	101,694	65,112	107,500	59,306	59,306
Net OPEB obligation	652,567	271,608	124,654	799,521	-
Net pension obligations					
IMRF	131,891	216,739	211,035	137,595	-
Police	2,223,534	516,752	186,532	2,553,754	-
Firefighters'	85,459	17,713	10,118	93,054	-
 Total governmental activities	 \$ <u>41,569,066</u>	 \$ <u>2,050,585</u>	 \$ <u>3,660,775</u>	 \$ <u>39,958,876</u>	 \$ <u>3,193,104</u>

The following is a summary of the Village's long-term liability balances and transactions associated with business-type activities, for the year ended April 30, 2015:

	<u>Balance</u> <u>May 1, 2014</u>	<u>Additions/</u> <u>Interest</u>	<u>Retirements/</u> <u>Forgiveness</u>	<u>Balance</u> <u>April 30, 2015</u>	<u>Due Within</u> <u>One Year</u>
Illinois EPA loan	\$ 539,487	\$ 3,746,236	\$ 650,000	\$ 3,635,723	\$ 154,819
Compensated absences	39,043	53,122	53,059	39,106	39,106
 Total business-type activities	 \$ <u>578,530</u>	 \$ <u>3,799,358</u>	 \$ <u>703,059</u>	 \$ <u>3,674,829</u>	 \$ <u>193,925</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES (Continued)

2. Long-Term Debt - Terms and Maturities

Alternate revenue bonds payable at April 30, 2015 are comprised of the following individual issues:

\$9,755,000 general obligation tax increment refunding bonds (alternate revenue source) series 2002A, payable in annual installments ranging from \$685,000 to \$1,055,000 through December 1, 2021, with a final installment of \$1,145,000 due on June 1, 2022; interest is payable on June 1 and December 1 at interest rates ranging from 5.00% to 5.10%.	\$ 7,200,000
\$4,999,356 general obligation capital appreciation bonds (tax increment alternate revenue source) series 2002B, payable in annual installments ranging from \$925,000 to \$1,405,000 through December 1, 2021, with a final installment of \$1,460,000 due on June 1, 2022. Interest rates range from 5.35% to 5.95%. Interest accreted at April 30, 2015 totaled \$3,660,159.	7,295,323
\$5,201,610 general obligation capital appreciation (alternate revenue) bonds series 2007A, payable in annual installments ranging from \$685,000 to \$690,000 through December 1, 2018. Interest rates range from 4.15% to 4.30%. Interest accreted at April 30, 2015 totaled \$665,697.	2,478,403
\$1,405,000 general obligation (alternate revenue) bonds series 2007B, payable in annual installments ranging from \$50,000 to \$140,000 through December 1, 2027; interest is payable on June 1 and December 1 at interest rates ranging from 3.95% to 5.00%.	1,160,000
\$810,000 general obligation (alternate revenue) bonds series 2007C, payable in annual installments ranging from \$30,000 to \$80,000 through December 1, 2027; interest is payable June 1 and December 1 at interest rates ranging from 3.90% to 5.00%.	670,000
\$9,500,000 general obligation bonds (alternate revenue source) series 2008, payable in annual installments ranging from \$150,000 to \$1,470,000 through December 1, 2028; interest is payable June 1 and December 1 at interest rates ranging from 5.40% to 7.25%.	9,015,000

(Continued)

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES (Continued)

2. Long-Term Debt - Terms and Maturities (Continued)

\$8,000,000 general obligation tax increment bonds (alternate revenue source) series 2009, payable in annual installments ranging from \$60,000 to \$1,105,000 through December 1, 2028, with a final installment of \$985,000 due on April 1, 2029; interest is payable semiannually through December 1, 2028 at interest rates ranging from 4.30% to 7.50%, with a final payment due on April 1, 2029 at 4.75%. \$ 7,320,000

Total alternate revenue bonds \$ 35,138,726

General obligation bonds payable at April 30, 2015 are comprised of the following individual issue:

\$574,000 general obligation working cash bonds series 2010, payable in annual installments ranging from \$55,000 to \$70,000 through February 1, 2020; interest is payable on February 1 and August 1 at rates ranging from 4.50% to 5.00%. \$ 315,000

\$ 35,453,726

The future requirements to retire the alternate revenue and general obligation bonds outstanding, as of April 30, 2015 are as follows:

Years Ending April 30,	Principal	Interest	Total
2016	\$ 2,804,879	\$ 1,452,915	\$ 4,257,794
2017	2,809,556	1,459,368	4,268,924
2018	2,792,724	1,472,346	4,265,070
2019	2,896,115	1,491,187	4,387,302
2020	2,363,965	1,380,787	3,744,752
2021-2025	12,061,487	5,581,094	17,642,581
2026-2029	<u>9,725,000</u>	<u>1,411,346</u>	<u>11,136,346</u>
	<u><u>\$ 35,453,726</u></u>	<u><u>\$ 14,249,043</u></u>	<u><u>\$ 49,702,769</u></u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES (Continued)

2. Long-Term Debt - Terms and Maturities (Continued)

The details of the Illinois EPA loan payable as of April 30, 2015 are as follows:

Illinois Environmental Protection Agency Public Water Supply Loan, payable in semiannual installments following completion of the related project, beginning September 18, 2015 and ending September 18, 2034, including interest at 1.995%. During the year ended April 30, 2015, the Illinois Environmental Protection Agency forgave \$650,000 of the principal balance of the loan. \$ 3,635,723

The future requirements to retire the outstanding loan balance, as of April 30, 2015 are as follows:

Year Ending April 30,	Principal	Interest	Total
2016	\$ 154,819	\$ 71,157	\$ 225,976
2017	157,313	68,663	225,976
2018	160,467	65,509	225,976
2019	163,684	62,292	225,976
2020	166,966	59,010	225,976
2021-2025	886,405	243,475	1,129,880
2026-2030	978,901	150,980	1,129,881
2031-2035	<u>967,168</u>	<u>48,841</u>	<u>1,016,009</u>
	<u>\$ 3,635,723</u>	<u>\$ 769,927</u>	<u>\$ 4,405,650</u>

3. Bond Ordinance Compliance

In accordance with the applicable bond ordinances, the Village is required to maintain certain minimum balances in deposits with the paying agent, for debt service and other purposes. For the year ended April 30, 2015, due to a shortfall in pledged revenues for debt service on the 2007A, 2007B, and 2007C bonds, deposits held for the purpose of making the scheduled principal and interest payments on those bonds were insufficient to meet the applicable bond ordinance coverage requirements. Accordingly, supplemental transfers were made from other revenue sources of the Village. All principal and interest maturities were paid as scheduled.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES (Continued)

4. Revenues Pledged for Debt Service

The Village has issued alternate revenue bonded debt over several years to be paid by pledged revenue sources. These pledges will remain until all of the associated bonds are retired. The amounts of the pledges remaining, as of April 30, 2015, are as follows:

<u>Debt Issue</u>	<u>Pledged Revenue Source</u>	<u>Pledge Remaining</u>	<u>Commitment End Date</u>
2002A & 2002B	TIF revenue - LogistiCenter TIF	\$ 18,442,540	6/1/22
2007A	Impact fees/property taxes	2,750,000	12/1/18
2007B	911 and wireless surcharges - ETS Fund	1,599,423	12/1/27
2007C	Property taxes - Fire Protection Fund	934,720	12/1/27
2008	TIF revenue - LogistiCenter TIF	14,630,673	12/1/28
2009	TIF revenue - LogistiCenter TIF	10,982,293	4/1/29

The secured debt was issued to provide improvements to the tax increment financing districts and roads of the Village, upgrade the Village's 911 system, purchase a fire truck, build a new Village Hall, and reimburse a developer for TIF-related expenditures.

A comparison of the pledged revenues collected and the related principal and interest expenditure for the year ended April 30, 2015 is as follows:

<u>Debt Issue</u>	<u>Pledged Revenue Source</u>	<u>Pledged Revenues</u>	<u>Principal and Interest Retired</u>	<u>Percentage of Pledged Revenue Used</u>
2002A&B, 2008, and 2009	TIF revenue	\$ 2,907,059	\$ 3,210,498	110.44%
2007A	Impact fees	-	690,000	N/A
2007B	911/wireless surcharge	60,216	98,615	163.77%
2007C	Property taxes	445,907	57,245	12.84%

In accordance with the respective bond ordinances, supplemental transfers were made for debt service purposes, from other revenue sources of the Village, to provide for the shortfalls in pledged TIF revenues, impact fees, and telecommunications surcharges.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES (Continued)

5. Capital Lease Obligations

The Village leases a fire pumper under a capital lease, which expires in February 2016. The annual lease payments, including interest at 4.89%, are \$74,907. The original cost of the leased asset, \$451,000, and accumulated depreciation, \$180,400, as of April 30, 2015 are included under vehicles in the governmental activities capital assets.

The Village also leases six police vehicles under a capital lease, which expire in October 2016. The annual lease payments, including interest at 5.70%, are \$44,649. The original cost of the leased assets, \$164,663, and accumulated depreciation, \$82,332, as of April 30, 2015 are included under vehicles in the governmental activities capital assets.

Minimum future lease payments are as follows:

Years Ending April 30,	
2016	\$ 119,557
2017	44,649
Total minimum lease payments	164,206
Less amount representing interest	10,586
Present value of minimum lease payments	153,620
Less current portion	111,379
Long-term portion	\$ 42,241

6. Judgment Liability

There are several pending lawsuits in which the Village is involved. The Village has accrued \$59,306, at April 30, 2015, in the governmental activities statement of net position, related to settlement payments that occurred subsequent to April 30, 2015. Management believes that all other potential claims against the Village that are not accrued at April 30, 2015 and are not covered by insurance would not have a materially adverse effect on the Village's financial position.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE J - LONG-TERM LIABILITIES (Continued)

7. Street Light Loan

On January 15, 2015, the Village entered into a loan agreement with a bank, to finance the installation of energy-efficient street lighting in the Village. The loan is due in annual installments of \$40,461 commencing May 1, 2015, through May 1, 2019, including interest at 4.21%. As the May 1, 2015 installment is due immediately after April 30, 2015, it has been recorded as current liabilities (principal of \$38,176 and accrued interest of \$2,285) in the General Fund at April 30, 2015. The future principal and interest maturities at April 30, 2015 are as follows:

Year Ending April 30,	Principal	Interest	Total
2016	\$ 38,176	\$ 2,285	\$ 40,461
2017	34,308	6,153	40,461
2018	35,752	4,709	40,461
2019	37,258	3,203	40,461
2020	<u>38,826</u>	<u>1,635</u>	<u>40,461</u>
	<u>\$ 184,320</u>	<u>\$ 17,985</u>	<u>\$ 202,305</u>

NOTE K - RESTRICTIONS OF NET POSITION

The government-wide statement of net position reports net position restricted by enabling legislation, which consist of the following:

<u>Net position restricted for:</u>	<u>Amount</u>
Road improvements	\$ 214,318
Public safety	764,221
Emergency 911 services	31,833
Debt service	
Tax incremental financing	10,669,155
Other	<u>213,380</u>
Total net position restricted by enabling legislation	<u>\$ 11,892,907</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE L - FUND BALANCES RESTRICTED FOR SPECIAL REVENUE PURPOSES

The governmental funds balance sheet reports fund balances restricted for special revenue purposes, which consist of the following:

<u>Fund balance restricted for:</u>	<u>Amount</u>
Fire protection	\$ 478,026
Police seizure	12,963
Working cash	<u>11,038</u>
 Total fund balance restricted for special revenue purposes	 \$ <u><u>502,027</u></u>

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE M - NONSPENDABLE FUND BALANCES - DEPOSITS WITH PAYING AGENT

The governmental funds balance sheet reports nonspendable fund balances for deposits with paying agent, which are not spendable resources. The details of those balances are as follows:

Tax incremental financing districts - Incremental tax revenues, generated by the Village's TIF districts, and collected by Cook County Treasurer/Collector, are remitted directly by the County Treasurer/Collector to accounts held in the Village's name at Amalgamated Bank of Chicago, the trustee and paying agent. Upon receipt of any incremental tax revenues, the trustee/paying agent directs the funds to the following accounts:

Bond Funds - used to accumulate amounts sufficient for payment of principal, interest and premium, if any, on the Parity Bonds and other additional bonds, if any. Amounts deposited into the Bond Funds should be used solely and only for such purposes until the bonds have been paid in full. If the amount in the Bond Funds at a specified date are less than the debt service requirements, as defined, the Trustee/Paying Agent shall replenish any deficiency by immediately withdrawing funds first from the Reserve and Redemption Fund and then the General Account. As of April 30, 2015, \$3,161,167 was held for the 2002A and 2002B bonds, \$1,186,744 was held for the 2008 bonds, and \$952,438 was held for the 2009 bonds. \$ 5,300,349

Reserve and Redemption Fund - used to hold amounts in excess of the sum of the debt service requirements, as defined, and program expenses for each bond year. Provided the ratio of the amount held in the Reserve and Redemption Fund, as of a specified date, is equal to or greater than 125% of the average annual debt service requirements or such higher amount that may be designated from time to time, the Trustee/Paying Agent may transfer any excess amount to the General Account. 3,696,912

General Account - may be distributed upon the request of the Village for the following purposes; 1) to purchase, redeem or defease the Parity Bonds, 2) to pay, reimburse or provide for payment of redevelopment costs or any expenditure permitted under the Tax Increment Financing Act or 3) to distribute surplus funds to taxing districts as defined by the Tax Increment Financing Act. 214,503

Administrative Expense and Prior Note Fund - used to make payments for certain eligible redevelopment project costs. If, as of a specified date, the amount in the Bond Fund equals or exceeds debt service requirements, as defined, the Trustee/Paying Agent, within 10 days thereafter, shall deposit into this account annually an amount not to exceed \$250,000. 3,501

Special Tax Allocation Fund - TIF 3 270

Total amounts nonspendable in relation to tax incremental financing districts 9,215,535

(Continued)

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE M - NONSPENDABLE FUND BALANCES - DEPOSITS WITH PAYING AGENT (Continued)

Nonspendable in relation to other long-term obligations:

Deposits with paying agent for debt service

Series 2007A bonds	\$	10
Series 2010 bonds		37,247
Total nonspendable	\$	9,252,792

NOTE N - DEFICIT FUND BALANCES

At April 30, 2015, the following funds have deficit fund balances:

Fund	Deficit
General	\$ (1,875,796)
Sauk Pointe Industrial Park Fund	(176,454)
Nonmajor	
Motor Fuel Tax	(10,682)
Railroad Noise Mitigation	(4,055)
Municipal Building	(13,043)

The Village's management expects to fund these deficits through future operating revenues.

NOTE O - DEFINED BENEFIT PENSION PLANS

1. Illinois Municipal Retirement Fund

a. Plan Description

The Village's defined benefit pension plan for regular and Sheriff's Law Enforcement Personnel (SLEP) employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The Village plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent, multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. 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.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (Continued)

b. Funding Policy

As set by state statute, the Village's regular and SLEP plan members are required to contribute 4.5% and 7.5%, respectively, of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates for calendar year 2014 used by the Village were 15.13% and 0.00% of annual covered payroll for regular and SLEP employees, respectively. The Village's annual required contribution rates for calendar year 2014 were 15.42% and 13.75%, for regular and SLEP employees, respectively. The Village also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

c. Fiscal IMRF Pension Cost and Net IMRF Pension Obligation

The Village's annual IMRF pension cost is calculated based on the annual required contribution (ARC) of the Village. The following table shows the components of the Village's annual IMRF pension cost, the amount actually contributed to the plan, and changes in the Village's net IMRF pension obligation, for the year ended April 30, 2015.

	<u>Regular Employees</u>	<u>SLEP Employees</u>
Annual required contribution	\$ 213,918	\$ -
Interest on net IMRF pension obligation	9,892	-
Adjustment to annual required contribution	<u>(7,071)</u>	<u>-</u>
Annual IMRF cost	216,739	-
Contributions made	<u>211,035</u>	<u>-</u>
Increase in IMRF pension obligation	5,704	-
Net IMRF pension obligation, at May 1, 2014	<u>131,891</u>	<u>-</u>
Net IMRF pension obligation, at April 30, 2015	<u>\$ 137,595</u>	<u>\$ -</u>

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (Continued)

d. Annual Pension Cost

For the year ended April 30, 2015, the Village's actual contributions for pension cost were \$211,035 and \$0 for regular and SLEP employees, respectively. Its required contributions were \$213,918 and \$0, respectively.

The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2012 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial values of the Village's regular and SLEP plan assets were determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The Village's regular plan's unfunded actuarial accrued liability at December 31, 2012 is being amortized as a level percentage of projected payroll on an open 29-year basis.

Trend Information

Regular Employees

Period Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/15	\$ 216,739	97%	\$ 137,595
4/30/14	216,871	86%	131,891
4/30/13	88,746	93%	100,917

SLEP Employees

Period Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
04/30/15	\$ -	0%	\$ -
04/30/14	-	0%	-
04/30/13	-	0%	-

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

1. Illinois Municipal Retirement Fund (Continued)

e. Funded Status and Funding Progress

As of December 31, 2014, the most recent actuarial valuation date, the regular and SLEP plans were 63.47 percent and 95.95 percent funded, respectively. The actuarial accrued liabilities for benefits were \$2,855,843 and \$123,451, and the actuarial values of assets were \$1,812,746 and \$118,454 for the regular and SLEP plans, respectively, resulting in underfunded actuarial accrued liabilities (UAAL) of \$1,043,097 and \$4,997 for the regular plan and the SLEP plan, respectively. The covered payrolls for calendar year 2014 (annual payroll of active employees covered by the plans) were \$1,421,712 and \$0 for the regular and SLEP plans, respectively, and the ratio of the UAAL to the covered payroll was 73 percent for the regular plan. There is no ratio of the OAIL to the covered payroll for the SLEP plan.

2. Firefighters' Pension Plan

a. Plan Description

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn fire personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois Legislature. The Village accounts for the plan as a pension trust fund. The plan is governed by a five member Board of Trustees. Two members of the Board are appointed by the Village's Mayor, one member is elected by pension beneficiaries, and two members are elected by active fire employees.

At April 30, 2015, the Firefighters' Pension Plan membership consisted of the following:

Inactive plan members currently receiving benefits	1
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	-
	-
Total plan membership	2

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

a. Plan Description (Continued)

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3% compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of one half of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2, percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the Firefighters' office retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or one half of the change in the Consumer Price Index for the proceeding calendar year.

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 contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90 percent of the past service cost by the year 2040. For the year-ended April 30, 2015, the Village has no active members so covered payroll is \$0.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters

Reporting Entity

The Firefighters' Pension Fund is a pension trust fund of the Village of Sauk Village, Illinois, pursuant to GASB Statement No. 61. The decision to include the Firefighters' Pension Fund in the Village's reporting entity was made based upon the significance of the operational or financial relationship with the Village.

The Village's sworn fire employees participate in the Firefighters Pension Employees' Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board: two members appointed by the Village's Mayor, one elected pension beneficiary, and two elected firefighter employees constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels.

The Firefighters' Pension Plan issues its own financial report and required supplementary information. That report may be obtained by writing to the Village of Sauk Village, 21801 Torrence Avenue, Sauk Village, Illinois 60411.

Basis of Presentation

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Fire Department.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded. *Basis of accounting* refers to when transactions are recorded, regardless of the measurement focus applied.

Measurement focus. Pension trust funds utilize an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of changes in net position. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Pension trust fund equity is classified as net position.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting. The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net position are recorded when earned and deductions from net position are recorded when the time-related liabilities/deferred inflows are incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments

Firefighters' Pension Fund investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market, if any, are reported at estimated fair value.

Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds of the Village for goods provided or services rendered. These receivables that relate to the Firefighters' Pension Fund are classified as "Due from Village" on the statement of net position.

c. Net Pension Liability

The components of the net pension liability of the Village as of April 30, 2015, calculated in accordance with GASB Statement No. 67, were as follows:

Total pension liability	\$ 1,255,411
Plan fiduciary net position	<u>121,012</u>
Village's net pension liability (disclosure only)	<u><u>1,134,399</u></u>
Plan fiduciary net position as a percentage of the total pension liability	9.64%

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

c. Net Pension Liability (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 April 30, 2015 using the following actuarial methods and assumptions:

Actuarial valuation date	5/1/2015
Actuarial cost method	Entry age normal
Asset valuation method	5-year smoothed market
Actuarial assumptions	
Interest rate	5.00%
Salary increases	0.00%
Cost of living adjustments	2.50%
Inflation	2.50%

Mortality rates were based on the RP-2000 Mortality Table (BCA, +1M, -4F, 2x>105). The actuarial assumptions used in the April 30, 2015 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 percent, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

c. Net Pension Liability (Continued)

Discount Rate Sensitivity - The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 5.00 percent as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.00 percent) or one percentage point higher (6.00 percent) than the current rate:

	<u>1% Decrease</u> <u>(4.00%)</u>	<u>Current</u> <u>Discount</u> <u>(5.00%)</u>	<u>1% Increase</u> <u>(6.00%)</u>
Net pension liability (disclosure only)	\$ <u>1,344,674</u>	\$ <u>1,134,399</u>	\$ <u>967,772</u>

d. Net Pension Obligation

The Village's net pension obligation as of April 30, 2015, and its annual pension cost for the year then ended, for the Firefighters' Pension Fund, are as follows:

Annual required contribution	\$	9,636
Interest on net pension obligation		4,764
Adjustment to annual required contribution		<u>3,313</u>
Annual pension cost		17,713
Contributions made		<u>10,118</u>
Increase in net pension obligation		7,595
Net pension obligation as of May 1, 2014		<u>85,459</u>
Net pension obligation as of April 30, 2015	\$	<u><u>93,054</u></u>

The Village's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2015 was \$0.

For the year ended April 30, 2015, the Village's annual pension cost was \$17,713. Actual contributions made by the Village were \$10,118. The annual pension cost was determined based on the actuarial valuation as of May 1, 2015.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

2. Firefighters' Pension Plan (Continued)

d. Net Pension Obligation (Continued)

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed, and the amortization period was 26 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 5.0 percent, compounded annually which includes a 2.5 percent inflation factor, a projected salary increase assumption range of 0.0 percent, which includes a 2.5 percent inflation factor, and cost-of-living adjustments of either 2.0 percent simple or 3.0 percent compounded annually.

Three-Year Trend Information

Period Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
4/30/15	\$ 17,713	57.1%	\$ 93,054
4/30/14	23,777	52.4%	85,459
4/30/13	23,777	17.2%	74,135

Funded Status

As of April 30, 2015, the Firefighters' Pension Plan was 9.6 percent funded. The actuarial accrued liability for benefits was \$1,255,411 and the actuarial value of assets was \$121,012, resulting in an underfunded actuarial accrued liability (UAAL) of \$1,134,399. The covered payroll (annual payroll of active employees covered by the plan) was \$0 and the ratio of the UAAL to the covered payroll was not available.

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan

a. Plan Description

Plan Administration - The Police Pension Fund Board of Trustees administers the Police Pension Plan, a single-employer defined pension plan that provides pensions for the qualified police employees of the Village of Sauk Village, Illinois. The defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (Chapter 40ILCS 5 I Article 3) and may be amended only by the Illinois legislature.

The Police Pension Plan issues its own financial report and required supplementary information. That report may be obtained by writing to the Village of Sauk Village, 21801 Torrence Avenue, Sauk Village, Illinois 60411.

The Police Pension Fund Board of Trustees consists of five members. Two members of the Board shall be appointed by the mayor; one member of the Board shall be elected by and from among the beneficiaries of the fund, if any; and two members of the Board shall be elected from the regular police force by the full time members thereof, provided that neither of the members so elected need be residents of the Village.

Plan Membership - At April 30, 2015, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	13
Inactive plan members entitled to but not receiving benefits	2
Active plan members	19
 Total plan membership	 34

Benefits Provided - The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired as a police officer prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan (Continued)

a. Plan Description (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officer's salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years of service may retire at or after age 50 and receive a reduced benefit (i.e., 1/2 percent for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Contributions - Employees are required by Illinois Compiled Statutes (ILCS) to contribute 9.91 percent 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 amount necessary to finance the Police Pension Plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90 percent of the past service cost for the Police Pension Plan. For the year ended April 30, 2015, the Village's contribution was 12.79 percent of covered payroll.

b. Summary of Significant Accounting Policies and Plan Asset Matters

Reporting Entity

The Police Pension Fund is a pension trust fund of the Village of Sauk Village, Illinois. The decision to include the Police Pension Fund in the Village's reporting entity was made based upon the significance of the operational or financial relationship with the Village.

Basis of Presentation

Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's Police Department.

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan (Continued)

b. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

Measurement Focus and Basis of Accounting

The Police Pension Fund is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Member contributions are recognized in the year in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount which reasonably estimates fair value.

Receivables

Police Pension Fund receivables consist of all revenues earned at year-end and not yet received. The major receivable balance for the Police Pension Fund is accrued interest from cash and investments.

Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds of the Village for goods provided or services rendered. These receivables that relate to the Police Pension Fund are classified as "Due from Village" on the fiduciary funds statement of net position.

c. Net Pension Liability

The components of the net pension liability of the Village as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$	14,042,688
Plan fiduciary net position		5,658,895
Village's net pension liability (disclosure only)		8,383,793
Plan fiduciary net position as a percentage of the total pension liability		40.30%

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan (Continued)

c. Net Pension Liability (Continued)

Actuarial assumptions - The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015 using the following actuarial methods and assumptions, applied to all period included in the measurement:

Actuarial cost method	Entry age
Inflation	2.50%
Salary increases	5.00%
Investment rate of return, net of administrative expenses	6.75%
Asset valuation method	5-year average market value

Mortality rates for active employees and pensioners were based on the RP-2000 CHBCA Mortality Table.

The actuarial assumptions used in the April 30, 2015 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Police Pension Plan's target asset allocation as of April 30, 2015 (see the discussion of the Police Pension Plan's investment policy) are summarized in the following table:

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan (Continued)

c. Net Pension Liability (Continued)

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed income, government	1.0 %
Domestic equities	6.5
International developed	6.0
Corporate investment grade	1.8
Real estate	8.0

Discount Rate - The discount rate used to measure the total pension liability was 6.75 percent. 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 Police Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the Village, calculated using the discount rate of 6.75 percent, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1.0 percentage-point lower (5.75 percent) or 1.0 percentage-point higher (7.75 percent) than the current rate:

	<u>1% Decrease (5.75%)</u>	<u>Current Discount (6.75%)</u>	<u>1% Increase (7.75%)</u>
Net pension liability (disclosure only)	\$ 10,485,529	\$ 8,383,793	\$ 6,673,267

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan (Continued)

d. Net Pension Obligation

The Village's estimated net pension obligation as of April 30, 2015, and its estimated annual pension cost for the year then ended, for the Police Pension Fund, are as follows:

Annual required contribution	\$ 447,444
Interest on net pension obligation	111,177
Adjustment to annual required contribution	<u>(41,869)</u>
Annual pension cost	516,752
Contributions made	<u>186,532</u>
Increase in net pension obligation	330,220
Net pension obligation as of May 1, 2014	<u>2,223,534</u>
Net pension obligation as of April 30, 2015	<u>\$ 2,553,754</u>

The Village's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2015 was \$1,458,307.

For the year ended April 30, 2015, the Village's estimated annual pension cost was \$516,752. Actual contributions made by the Village were \$186,532. The annual pension cost for the year ended April 30, 2015 was estimated based on the annual pension cost for the year ended April 30, 2014, included in the separate financial statements of the Police Pension Fund.

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age (level percentage of pay); the amortization method was level percent of pay, closed, and the amortization period was 22 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0 percent, which includes a 3.0 percent inflation factor, and a projected salary increase assumption range of 5.5 percent, which also includes a 3.0 percent inflation factor.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE O - DEFINED BENEFIT PENSION PLANS (Continued)

3. Police Pension Plan (Continued)

d. Net Pension Obligation (Continued)

Three-Year Trend Information

<u>Period Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
4/30/15	\$ 516,752	36.1%	\$ 2,553,754 *
4/30/14	537,018	35.6%	2,223,534 *
4/30/13	511,737	29.4%	1,877,762 *

*Estimated

Funded Status

As of May 1, 2011 (the most recent actuarial valuation performed in accordance with GASB Statement No. 50), the Police Pension Plan was 54.4 percent funded. The actuarial accrued liability for benefits was \$9,884,581 and the actuarial value of assets was \$5,377,178, resulting in an underfunded actuarial accrued liability (UAAL) of \$4,507,403. The covered payroll (annual payroll of active employees covered by the plan) was \$1,473,410 and the ratio of the UAAL to the covered payroll was 305.9 percent.

Village of Sauk Village, Illinois
 NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE P - OTHER POSTEMPLOYMENT BENEFITS

1. Plan Description

The Village Board provides postretirement health insurance benefits, as per the requirements of a local ordinance, for all employees who retire from the Village on or after attaining age 55 (age 50 for police officers) with at least 10 years of service, until the retiree reaches the age of 65. As of November 1, 2012, the most recent actuarial valuation date, nine retirees had met those eligibility requirements.

For regular employees who began full-time employment prior to May 14, 1991, and police officers who began full-time employment prior to October 15, 1999, the Village pays the following percentage of the monthly premium, based on the number of years of service, until the retiree becomes eligible for Medicare:

Length of Service	Premiums Paid by Village
10 to 15 years	50%
15 to 20 years	75%
20 years or more	100%

For regular employees who began full-time employment on or after May 14, 1991, and police officers who began full-time employment on or after October 15, 1999, the Village pays the following percentage of the monthly premium, based on the number of years of service, until the retiree becomes eligible for Medicare:

Length of Service	Premiums Paid by Village
10 to 20 years	0%
20 to 25 years	50%
25 to 30 years	75%
30 years or more	100%

2. Funding Policy

The contribution requirements of the plan members and the Village are established and may be amended by the Village Board and are detailed in the "Plan Document". The required contribution is based on projected pay-as-you-go financing requirements. For the year ended April 30, 2015, the Village contributed \$124,654 to the Plan. Plan members receiving benefits were not required to make any contributions during the same period.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE P - OTHER POSTEMPLOYMENT BENEFITS (Continued)

3. Annual OPEB Cost and Net OPEB Obligation

The Village's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Village's estimated annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Village's estimated net OPEB obligation to the retiree health plan:

Annual required contribution		\$	238,980
Interest on net OPEB obligation			32,628
Adjustment to annual required contribution			-
Annual OPEB cost			271,608
Contributions made			124,654
Increase in net OPEB obligation			146,954
Net OPEB obligation, May 1, 2014			652,567
Net OPEB obligation, April 30, 2015		\$	799,521

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended April 30, 2015 and the two preceding fiscal years were as follows:

		Annual OPEB Cost	Percentage Annual OPEB Cost Contributed		Net OPEB Obligation
Period Ended	\$	Cost	%	\$	Obligation
4/30/2015	\$	271,608	45.9%	\$	799,521
4/30/2014		264,611	47.1%		652,567
4/30/2013		122,743	50.8%		512,610

4. Funding Status and Funding Progress

As of November 1, 2012 (the most recent actuarial valuation date), the Plan was 0 percent funded. The actuarial accrued liability for benefits was \$2,445,957, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$2,445,957.

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE P - OTHER POSTEMPLOYMENT BENEFITS (Continued)

4. Funding Status and Funding Progress (Continued)

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.

5. 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 methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Contribution rates:	
Village	N/A
Plan members	0.00%
Actuarial valuation date	November 1, 2012
Actuarial cost method	Entry age normal
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	5.00%
Projected salary increases	5.00%
Healthcare inflation rate	8.00% initial 6.00% ultimate

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE P - OTHER POSTEMPLOYMENT BENEFITS (Continued)

5. Methods and Assumptions (Continued)

Mortality, Turnover, Disability, Retirement Ages	Same rate utilized for IMRF, Police and Firefighter Pension Funds
Percentage of active employees assumed to elect benefit	100%
Employer provided benefit	Explicit: 100% of single premium to age 65 Implicit: 40% of premium to age 65

*Includes inflation at 3.00%

NOTE Q - COMMITMENTS AND CONTINGENCIES

1. Water Treatment System

The Village has a contract for the construction of certain improvements to its water treatment facilities. The Village's commitment under this contract was approximately \$27,000 as of April 30, 2015.

2. Grants

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

Village of Sauk Village, Illinois
NOTES TO FINANCIAL STATEMENTS
April 30, 2015

NOTE R - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 2, 2016, the date that these financial statements were available to be issued. Management has determined that no events or transactions, other than the following, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

1. Dispatch Agreement

In July 2015, the Village entered into an intergovernmental agreement with the Village of Calumet Park, Illinois (Cal Park), for the provision of dispatching services to the Village, from 7/1/15 through 6/30/18. The agreement will automatically renew for successive one year periods, unless the Village gives written notice of its intent to terminate the agreement no later than 180 days before the expiration of the term. In consideration for the services, the Village agreed to pay Cal Park a monthly sum of \$23,750 from 10/1/15 through 6/30/18, subject to annual increases.

2. Capital Lease

Subsequent to April 30, 2015, the Village entered into a capital lease agreement with a financial services company related to the lease of certain computer equipment. The lease requires annual payments of \$27,673 commencing October 2015, through October 2017.

3. Fire Truck Loan

In October 2015, the Village entered into a \$350,000 loan agreement with the Illinois Finance Authority for the purchase of a fire truck. The loan will be payable in 20 annual installments of \$17,500 commencing in November 2016, and will not bear interest.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Village of Sauk Village, Illinois
 Illinois Municipal Retirement Fund
 SCHEDULES OF FUNDING PROGRESS
April 30, 2015

Regular Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$ 1,812,746	\$ 2,855,843	\$ 1,043,097	63.47 %	\$ 1,421,712	73.37 %
12/31/13	1,634,780	2,649,136	1,014,356	61.71	1,328,725	76.34
12/31/12	1,310,732	2,586,143	1,275,411	50.68	1,318,986	96.70

On a market value basis, the actuarial value of assets as of December 31, 2014 was \$2,561,666. On a market basis, the funded ratio would be 89.70%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the Village. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

SLEP Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Overfunded AAL (OAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	OAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$ 118,454	\$ 123,451	\$ 4,997	95.95 %	-	N/A %
12/31/13	109,621	107,680	(1,941)	101.80	-	N/A
12/31/12	102,737	97,257	(5,480)	105.63	-	N/A

On a market value basis, the actuarial value of assets as of December 31, 2014 was \$130,016. On a market basis, the funded ratio would be 105.32%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with the Village. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

Village of Sauk Village, Illinois
 Firefighters' Pension Fund
 SCHEDULE OF FUNDING PROGRESS
April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/15	\$ 121,012	\$ 1,255,411	\$ 1,134,399	9.64%	\$ -	N/A %
4/30/14	170,977	321,181	150,204	53.23%	-	N/A
4/30/13	156,232	480,147	323,915	32.54%	60,570	534.78

Source: Actuarial valuations and the required supplementary information presented in the separate Firefighters' Pension Fund financial statements as of and for the year ended April 30, 2015.

N/A - Not available.

Village of Sauk Village, Illinois

Firefighters' Pension Fund
SCHEDULE OF CONTRIBUTIONS
April 30, 2015

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Excess (Deficiency)</u>	<u>Covered Valuation Payroll</u>	<u>Actual Contribution as a % of Covered Valuation Payroll</u>
2015	\$ 33,416	\$ 10,118	\$ (23,298)	-	N/A %

Notes to the Schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, closed
Remaining amortization period	26 years
Asset valuation method	5-year smoothed market
Inflation	2.5%
Salary increases	0.0%
Investment rate of return	5.0%
Retirement age	See notes to the financial statements
Mortality	RP 2000 Mortality CHBCA

Note: The Firefighters' Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Sauk Village, Illinois

Firefighters' Pension Fund

SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

April 30, 2015

	<u>2015</u>
Total pension liability	
Service cost	\$ -
Interest on the total pension liability	14,875
Benefit changes	-
Difference between expected and actual experience of the total pension liability	912,783
Assumption changes	53,953
Benefit payments and refunds	<u>(47,381)</u>
Net change in total pension liability	934,230
Total pension liability, beginning	<u>321,181</u>
Total pension liability, ending	<u><u>\$ 1,255,411</u></u>
Plan fiduciary net position	
Contributions, employer	\$ 10,118
Contributions, employee	-
Net investment income	3,357
Benefit payments, including refunds of employee contributions	(47,381)
Other (net transfer)	<u>(16,059)</u>
Net change in plan fiduciary net position	(49,965)
Plan fiduciary net position, beginning	<u>170,977</u>
Plan fiduciary net position, ending	<u><u>\$ 121,012</u></u>
Net pension liability	<u><u>\$ 1,134,399</u></u>
Plan fiduciary net position as a percentage of the total pension liability	9.64 %
Covered Valuation Payroll	\$ -
Net pension liability as a percentage of covered valuation payroll	N/A %

Note: The Firefighters' Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Sauk Village, Illinois
Firefighters' Pension Fund
SCHEDULE OF INVESTMENT RETURNS
April 30, 2015

<u>Fiscal Year</u>	<u>Annual Money- Weighted Rate of Return, Net of Investment Expense</u>
2015	1.58%

Note: The Firefighters' Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Sauk Village, Illinois
 Police Pension Fund
 SCHEDULE OF FUNDING PROGRESS
April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b) - (a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/15	\$ 5,658,895	\$ 14,042,688	\$ 8,383,793	40.30%	\$ 1,458,307	574.90 %
4/30/14	5,804,727	12,946,589	7,141,862	44.84%	1,762,796	405.14
4/30/13	N/A	N/A	N/A	N/A	N/A	N/A

Source: Actuarial valuation for the year ended April 30, 2015.

N/A - Information for the year ended April 30, 2013 is not available.

Village of Sauk Village, Illinois

Police Pension Fund

SCHEDULE OF CONTRIBUTIONS

April 30, 2015

<u>Calendar Year</u> <u>Ending</u> <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Excess</u> <u>(Deficiency)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a % of Covered</u> <u>Valuation Payroll</u>
2015	\$ 645,657	\$ 186,532	\$ (459,125)	\$ 1,458,307	12.79 %

Notes to the Schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, closed
Remaining amortization period	26 years
Asset valuation method	Market value
Inflation	2.5%
Salary increases	5.0%
Investment rate of return	6.75%, net of administrative expenses

Note: The Police Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Sauk Village, Illinois

Police Pension Fund

SCHEDULES OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

April 30, 2015

	<u>2015</u>
Total pension liability	
Service cost	\$ 484,011
Interest on the total pension liability	850,727
Benefit changes	-
Difference between expected and actual experience of the total pension liability	447,822
Assumption changes	-
Benefit payments and refunds	<u>(686,461)</u>
Net change in total pension liability	1,096,099
Total pension liability, beginning	<u>12,946,589</u>
Total pension liability, ending	<u><u>\$ 14,042,688</u></u>
Plan fiduciary net position	
Contributions, employer	\$ 186,532
Contributions, employee	154,297
Net investment income	235,980
Benefit payments, including refunds of employee contributions	(686,461)
Other (net transfer)	<u>(36,180)</u>
Net change in plan fiduciary net position	(145,832)
Plan fiduciary net position, beginning	<u>5,804,727</u>
Plan fiduciary net position, ending	<u><u>\$ 5,658,895</u></u>
Net pension liability	<u><u>\$ 8,383,793</u></u>
Plan fiduciary net position as a percentage of the total pension liability	40.30 %
Covered Valuation Payroll	\$ 1,458,307
Net pension liability as a percentage of covered valuation payroll	574.90 %

Note: The Police Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Sauk Village, Illinois
Police Pension Fund
SCHEDULE OF INVESTMENT RETURNS
April 30, 2015

<u>Fiscal Year</u>	<u>Annual Money- Weighted Rate of Return, Net of Investment Expense</u>
2015	4.66%

Note: The Police Pension Fund implemented GASB 67 beginning with its fiscal year ended April 30, 2015; therefore, 10 years of information is not available.

Village of Sauk Village, Illinois
 Other Postemployment Benefits
 SCHEDULE OF FUNDING PROGRESS
April 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/31/12	\$ N/A	\$ 2,445,957	\$ 2,445,957	0.0 %	\$ N/A	N/A %
10/31/11 *	N/A	2,823,887	2,823,887	0.0	N/A	N/A
10/31/10	N/A	2,823,887	2,823,887	0.0	N/A	N/A

N/A - Not Available

* Estimated

Actuarial valuations are required to be performed triennially. No valuation was performed as of October 31, 2011; Accordingly, funding progress information as of that date has been estimated.

The information presented above is the most recent available.

Village of Sauk Village, Illinois

General Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 2,715,210	\$ 2,413,706	\$ (301,504)
Licenses and permits	242,000	208,697	(33,303)
Charges for services	688,000	659,989	(28,011)
Intergovernmental	1,886,917	1,628,519	(258,398)
Fines and forfeitures	325,350	275,034	(50,316)
Interest	50	18	(32)
Contributions and donations	7,000	4,803	(2,197)
Miscellaneous	107,127	282,729	175,602
Total revenues	5,971,654	5,473,495	(498,159)
Expenditures			
Current			
General government	1,806,032	1,664,710	(141,322)
Public safety	3,610,644	3,662,898	52,254
Public works	656,183	303,361	(352,822)
Debt service			
Principal	-	37,809	37,809
Interest	-	14,602	14,602
Total expenditures	6,072,859	5,683,380	(389,479)
Deficiency of revenues over expenditures	(101,205)	(209,885)	(108,680)
Other financing sources (uses)			
Proceeds from debt issuance	-	146,144	146,144
Transfers in	791,205	899,540	108,335
Transfers out	(690,000)	(690,000)	-
Total other financing sources (uses)	101,205	355,684	254,479
Net change in fund balance	\$ -	145,799	\$ 145,799
Fund deficit			
Beginning of year		(2,021,595)	
End of year		\$ (1,875,796)	

Village of Sauk Village, Illinois
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
April 30, 2015

NOTE A - BUDGETARY DATA

The Village prepares its appropriation ordinance in accordance with generally accepted accounting principles. Appropriations were adopted for the General Fund, Debt Service Fund, LogistiCenter at Sauk Village Fund, Waterworks Fund, Sewerage Fund, Fire Protection Fund, Motor Fuel Tax Fund, Emergency Telephone System Fund, Police Seizure Fund, Working Cash Fund, Utility Tax Fund, Community Development Block Grant Fund, Railroad Noise Mitigation Fund, and the SurreyBrook Plaza Fund. Annual appropriations lapse at year-end. The Village did not prepare an appropriation for fiscal year 2015 for the Sauk Pointe Industrial Park Fund, Municipal Building Fund or the Sauk Plaza Redevelopment Plan Fund.

1. Within ninety days of the start of the fiscal period, the annual appropriation ordinance is presented for adoption by the Village Board. This ordinance appropriates such sums of money as are deemed necessary to defray all necessary expenses and liabilities of the Village. The ordinance also specifies the objects and purposes for which these appropriations are made and the amount appropriated for each.
2. Prior to the adoption of the appropriation ordinance, the Village makes the proposed ordinance conveniently available to public inspection and holds at least one public hearing subsequent to published notice.
3. Subsequent to the public hearing and before final action is taken on the appropriation ordinance, the Village Board may revise, alter, increase, or decrease the items contained therein.
4. Final action to adopt the appropriation, for the year ended April 30, 2015, was taken by the Village Board on July 24, 2014.
5. The Board may subsequently transfer appropriated amounts to other appropriations, but may not increase overall appropriation of an individual fund without the passage of a supplemental appropriation.
6. The legal level of budgetary control is at the fund level.

NOTE B - EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following funds had an excess of expenditures over appropriations for the year ended April 30, 2015:

<u>Fund</u>	<u>Variance</u>
Fire Protection	\$ 62,347
Emergency Telephone System	676
Police Seizure	9,582
Utility Tax	1,794
Sewerage	22,597

OTHER SUPPLEMENTARY INFORMATION

Village of Sauk Village, Illinois
 General Fund
 SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL
 For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 2,715,210	\$ 2,413,706	\$ (301,504)
Licenses and permits			
Business licenses	80,000	59,338	(20,662)
Liquor licenses	8,000	10,600	2,600
Vending machine licenses	500	2,605	2,105
Vehicle licenses	118,000	98,481	(19,519)
Animal licenses	1,500	1,610	110
Building permits	15,000	12,468	(2,532)
Other permits and licenses	2,000	2,570	570
Building occupation and inspection	17,000	21,025	4,025
Total licenses and permits	242,000	208,697	(33,303)
Charges for services			
Utility tax	535,000	528,247	(6,753)
Cable TV franchise fees	87,000	85,740	(1,260)
Police reports	6,000	2,380	(3,620)
Garbage collection fee	25,000	22,512	(2,488)
Rental income	22,000	12,988	(9,012)
Other	13,000	8,122	(4,878)
Total charges for services	688,000	659,989	(28,011)

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues (Continued)			
Intergovernmental			
Replacement taxes	\$ 24,000	\$ 32,710	\$ 8,710
State income taxes	992,817	1,028,902	36,085
Municipal sales taxes	336,000	481,452	145,452
Welch Park donations	-	8,980	8,980
Other state grants	198,000	66,218	(131,782)
Youth access to tobacco	1,100	1,100	-
Other	335,000	9,157	(325,843)
	<u>1,886,917</u>	<u>1,628,519</u>	<u>(258,398)</u>
Fines and forfeitures			
Police fines	100,000	101,214	1,214
Administrative court	5,000	1,725	(3,275)
Tow release fines	220,000	170,625	(49,375)
Other fees	350	1,470	1,120
	<u>325,350</u>	<u>275,034</u>	<u>(50,316)</u>
Total fines and forfeitures			
	<u>325,350</u>	<u>275,034</u>	<u>(50,316)</u>
Interest	50	18	(32)
Contributions and donations	7,000	4,803	(2,197)
Miscellaneous	107,127	282,729	175,602
Total revenues	<u>\$ 5,971,654</u>	<u>\$ 5,473,495</u>	<u>\$ (498,159)</u>

(Concluded)

Village of Sauk Village, Illinois
 General Fund
 SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL
 For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures			
General government			
Finance and administration			
Regular employee wages	\$ 125,219	\$ 105,043	\$ (20,176)
Fringe benefits	59,158	65,851	6,693
Office supplies	7,500	6,422	(1,078)
Vehicle expense	3,000	6,891	3,891
Uniforms and clothing	500	352	(148)
Computer software supplies	5,000	6,455	1,455
Other materials and supplies	23,000	27,219	4,219
Telephone	7,000	12,042	5,042
Postage	5,000	2,698	(2,302)
Insurance	595,000	557,476	(37,524)
Printing	4,000	3,702	(298)
Equipment repair and maintenance	4,000	3,448	(552)
Publications and memberships	500	205	(295)
Professional services	605,000	517,183	(87,817)
Computer contractual services	10,000	15,830	5,830
Public information	1,000	233	(767)
Other contractual services	53,000	104,169	51,169
Refunds	100,000	17,780	(82,220)
Total finance and administration	<u>1,607,877</u>	<u>1,452,999</u>	<u>(154,878)</u>

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures (Continued)			
General government (Continued)			
Elected officials			
Public official wages	\$ 88,000	\$ 86,037	\$ (1,963)
Fringe benefits	6,732	6,531	(201)
Telephone	1,500	152	(1,348)
Printing	4,000	1,860	(2,140)
Publications and memberships	10,000	19,796	9,796
Public information	500	857	357
Beautification/improvement commission	300	592	292
Fire and police commission	8,000	7,229	(771)
Public relations committee	300	1,194	894
Intergovernmental relations committee	300	-	(300)
Neighborhood watch committee	300	(11)	(311)
Police alliance committee	150	-	(150)
Community outreach partnership	150	-	(150)
Senior citizens committee	-	1,333	1,333
Other contractual services	500	876	376
	<u>120,732</u>	<u>126,446</u>	<u>5,714</u>
Total elected officials			
Community development			
Regular employee wages	54,082	61,290	7,208
Fringe benefits	23,341	23,975	634
	<u>77,423</u>	<u>85,265</u>	<u>7,842</u>
Total community development			
	<u>1,806,032</u>	<u>1,664,710</u>	<u>(141,322)</u>
Total general government			

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

Expenditures (Continued)	Original and Final Budget	Actual	Variance Over / (Under)
Public safety			
Police department			
Employee wages	\$ 1,601,182	\$ 1,591,697	\$ (9,485)
Part-time wages	6,000	6,860	860
Overtime	160,000	270,275	110,275
Fringe benefits	544,474	479,152	(65,322)
Pension contributions	194,313	186,529	(7,784)
Office supplies	3,000	5,079	2,079
Vehicle expense	73,560	81,754	8,194
Uniforms and clothing	55,000	26,277	(28,723)
Facility maintenance supplies	500	111	(389)
Operating supplies	10,000	9,912	(88)
Computer software supplies	7,000	3,279	(3,721)
Tools and equipment	2,000	5,966	3,966
Telephone	33,000	44,220	11,220
Postage	6,000	6,058	58
K-9	6,000	1,652	(4,348)
Printing	2,500	901	(1,599)
Equipment repair and maintenance	15,000	24,162	9,162
Vehicle repair and maintenance	-	38,025	38,025
Facility maintenance	1,000	66	(934)
Organization business expense	1,500	2,506	1,006
Special operations	1,000	-	(1,000)
Professional development	5,000	3,387	(1,613)
Academy training	6,000	300	(5,700)
Publications and memberships	3,000	3,660	660
Professional services	7,000	49,149	42,149
Computer contractual services	1,000	12,976	11,976
Intergovernmental services	-	60	60
Public information	-	1,132	1,132
Other rents and leases	20,000	14,063	(5,937)
Other contractual services	110,000	133,616	23,616
Refunds	3,000	-	(3,000)
Vehicles	94,000	(1)	(94,001)
Total police department	<u>2,972,029</u>	<u>3,002,823</u>	<u>30,794</u>

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (Continued)			
Public safety (Continued)			
Emergency Service and Disaster Agency			
Part-time wages	\$ 31,400	\$ 33,030	\$ 1,630
Fringe benefits	2,402	2,482	80
Office supplies	350	-	(350)
Vehicle expense	5,000	10,237	5,237
Uniforms and clothing	1,000	612	(388)
Facility maintenance supplies	300	2	(298)
Operating supplies	900	641	(259)
Computer software supplies	100	-	(100)
Tools and equipment	200	20	(180)
Other materials and supplies	200	-	(200)
Telephone	2,000	6,809	4,809
Equipment repair and maintenance	4,200	3,170	(1,030)
Vehicle repair and maintenance	4,400	4,403	3
Organization business expense	200	60	(140)
Professional development	1,700	1,309	(391)
Publications and memberships	100	-	(100)
Professional services	100	-	(100)
Computer contractual services	100	169	69
Total Emergency Service and Disaster Agency	54,652	62,944	8,292
Dispatch			
Regular wages	311,265	340,039	28,774
Overtime	24,000	45,835	21,835
Fringe benefits	191,398	150,500	(40,898)
Office supplies	700	733	33
Uniforms and clothing	7,100	3,150	(3,950)
Operating supplies	500	-	(500)
Computer software supplies	1,000	-	(1,000)
Telephone	12,000	14,066	2,066
Equipment repair and maintenance	35,000	35,235	235
Computer contractual services	1,000	79	(921)
Other contractual services	-	7,494	7,494
Total dispatch	583,963	597,131	13,168
Total public safety	3,610,644	3,662,898	52,254
			(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Expenditures (Continued)			
Public works			
Public grounds and buildings			
Vehicle expense	\$ 25,500	\$ 15,756	\$ (9,744)
Facility maintenance supplies	7,000	11,582	4,582
Operating supplies	600	323	(277)
Computer software supplies	500	-	(500)
Tools and equipment	1,500	-	(1,500)
Construction supplies	5,000	400	(4,600)
Telephone	1,000	565	(435)
Utilities	13,000	11,949	(1,051)
Equipment repair and maintenance	6,500	1,880	(4,620)
Vehicle repair and maintenance	1,500	263	(1,237)
Facility maintenance	30,000	38,856	8,856
Other rents and leases	500	-	(500)
Other contractual services	2,200	2,547	347
Construction	<u>175,000</u>	<u>-</u>	<u>(175,000)</u>
Total public grounds and buildings	<u>269,800</u>	<u>84,121</u>	<u>(185,679)</u>
Streets			
Vehicle expense	37,000	9,883	(27,117)
Equipment repair and maintenance	-	69	69
Vehicle repair and maintenance	-	491	491
Capital outlay - street lighting improvements	<u>-</u>	<u>184,320</u>	<u>184,320</u>
Total streets	<u>37,000</u>	<u>194,763</u>	<u>157,763</u>

(Continued)

Village of Sauk Village, Illinois

General Fund

SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (Continued)			
Public works (Continued)			
Parks and playgrounds			
Part-time wages	\$ 5,000	\$ 8,976	\$ 3,976
Fringe benefits	383	677	294
Operating supplies	-	4,215	4,215
Other materials and supplies	600	2,069	1,469
Telephone	400	354	(46)
Utilities	2,000	1,123	(877)
Other contractual services	6,000	7,063	1,063
Construction	335,000	-	(335,000)
	<u>349,383</u>	<u>24,477</u>	<u>(324,906)</u>
Total parks and playgrounds			
	<u>349,383</u>	<u>24,477</u>	<u>(324,906)</u>
Total public works	<u>656,183</u>	<u>303,361</u>	<u>(352,822)</u>
Debt service			
Principal	-	37,809	37,809
Interest	-	14,602	14,602
	<u>-</u>	<u>52,411</u>	<u>52,411</u>
Total debt service			
	<u>-</u>	<u>52,411</u>	<u>52,411</u>
Total expenditures	<u>\$ 6,072,859</u>	<u>\$ 5,683,380</u>	<u>\$ (389,479)</u>

(Concluded)

Village of Sauk Village, Illinois

Debt Service Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Interest	\$ -	\$ 526	\$ 526
Total revenues	<u>-</u>	<u>526</u>	<u>526</u>
Expenditures			
Debt service			
Principal	2,685,000	2,685,000	-
Interest	<u>1,463,413</u>	<u>1,443,789</u>	<u>(19,624)</u>
Total expenditures	<u>4,148,413</u>	<u>4,128,789</u>	<u>(19,624)</u>
Deficiency of revenues over expenditures	<u>(4,148,413)</u>	<u>(4,128,263)</u>	<u>20,150</u>
Other financing sources			
Transfers in	<u>1,488,664</u>	<u>4,779,927</u>	<u>3,291,263</u>
Total other financing sources	<u>1,488,664</u>	<u>4,779,927</u>	<u>3,291,263</u>
Net change in fund balance	\$ <u><u>(2,659,749)</u></u>	651,664	\$ <u><u>3,311,413</u></u>
Fund balance			
Beginning of year		<u>8,928,239</u>	
End of year		\$ <u><u>9,579,903</u></u>	

Village of Sauk Village, Illinois

LogistiCenter at Sauk Village Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 830,374	\$ 2,907,059	\$ 2,076,685
Interest	-	14	14
Total revenues	<u>830,374</u>	<u>2,907,073</u>	<u>2,076,699</u>
Expenditures			
Current			
General government	<u>260,000</u>	<u>10,500</u>	<u>(249,500)</u>
Total expenditures	<u>260,000</u>	<u>10,500</u>	<u>(249,500)</u>
Excess of revenues over expenditures	<u>570,374</u>	<u>2,896,573</u>	<u>2,326,199</u>
Other financing uses			
Transfers out	<u>(570,374)</u>	<u>(3,337,019)</u>	<u>(2,766,645)</u>
Total other financing uses	<u>(570,374)</u>	<u>(3,337,019)</u>	<u>(2,766,645)</u>
Net change in fund balance	\$ <u>-</u>	(440,446)	\$ <u>(440,446)</u>
Fund balance			
Beginning of period		<u>1,442,736</u>	
End of period		\$ <u><u>1,002,290</u></u>	

Village of Sauk Village, Illinois

Nonmajor Governmental Funds
COMBINING BALANCE SHEET
April 30, 2015

	Special Revenue Funds			
	Fire Protection	Motor Fuel Tax	Emergency Telephone System	Police Seizure
ASSETS				
Cash and cash equivalents	\$ 773,727	\$ 26,518	\$ -	\$ 12,963
Receivables				
Property taxes	277,503	-	-	-
Intergovernmental	-	24,435	-	-
Other	-	-	-	-
Deposit with paying agent	-	-	-	-
Advances to other funds	-	-	34,733	-
	-	-	34,733	-
Total assets	\$ 1,051,230	\$ 50,953	\$ 34,733	\$ 12,963
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 31,517	\$ 40,929	\$ 2,900	\$ -
Accrued payroll	3,086	-	-	-
Advances from other funds	265,833	20,706	-	-
	300,436	61,635	2,900	-
Deferred inflows				
Property taxes levied for a future period	272,298	-	-	-
	272,298	-	-	-
Fund balance (deficit)				
Nonspendable				
Advances to other funds	-	-	34,733	-
Deposits with paying agent	-	-	-	-
Restricted				
Special revenue	478,496	-	-	12,963
Capital projects	-	-	-	-
Unassigned	-	(10,682)	(2,900)	-
	478,496	(10,682)	31,833	12,963
Total fund balance (deficit)	478,496	(10,682)	31,833	12,963
Total liabilities, deferred inflows, and fund balances (deficit)	\$ 1,051,230	\$ 50,953	\$ 34,733	\$ 12,963

Special Revenue Funds			Capital Projects Funds		
Working Cash	Railroad Noise Mitigation	Total Special Revenue	Utility Tax	Community Development Block Grant	Sauk Plaza Redevelopment Plan
\$ 10,245	\$ -	\$ 823,453	\$ -	\$ 225,000	\$ 31,419
793	-	278,296	-	-	-
-	-	24,435	-	-	-
-	-	-	21,559	-	-
37,247	-	37,247	-	-	-
530,596	-	565,329	630,102	-	-
<u>\$ 578,881</u>	<u>\$ -</u>	<u>\$ 1,728,760</u>	<u>\$ 651,661</u>	<u>\$ 225,000</u>	<u>\$ 31,419</u>
\$ -	\$ -	\$ 75,346	\$ -	\$ -	\$ -
-	-	3,086	-	-	-
-	4,055	290,594	-	-	-
-	4,055	369,026	-	-	-
-	-	272,298	-	-	-
530,596	-	565,329	630,102	-	-
37,247	-	37,247	-	-	-
11,038	-	502,497	-	-	-
-	-	-	21,559	225,000	31,419
-	(4,055)	(17,637)	-	-	-
<u>578,881</u>	<u>(4,055)</u>	<u>1,087,436</u>	<u>651,661</u>	<u>225,000</u>	<u>31,419</u>
<u>\$ 578,881</u>	<u>\$ -</u>	<u>\$ 1,728,760</u>	<u>\$ 651,661</u>	<u>\$ 225,000</u>	<u>\$ 31,419</u>

(Continued)

Village of Sauk Village, Illinois
 Nonmajor Governmental Funds
 COMBINING BALANCE SHEET (Continued)
April 30, 2015

	<u>Capital Projects Funds</u>			Total Nonmajor Governmental Funds
	<u>SurreyBrook Plaza</u>	<u>Municipal Building</u>	<u>Total Capital Projects</u>	
ASSETS				
Cash and cash equivalents	\$ -	\$ -	\$ 256,419	\$ 1,079,872
Receivables				
Property taxes	-	-	-	278,296
Intergovernmental	-	-	-	24,435
Other	-	-	21,559	21,559
Deposit with paying agent	-	-	-	37,247
Advances to other funds	454,036	-	1,084,138	1,649,467
Total assets	<u>\$ 454,036</u>	<u>\$ -</u>	<u>\$ 1,362,116</u>	<u>\$ 3,090,876</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 8,659	\$ -	\$ 8,659	\$ 84,005
Accrued payroll	-	-	-	3,086
Advances from other funds	-	13,043	13,043	303,637
Total liabilities	<u>8,659</u>	<u>13,043</u>	<u>21,702</u>	<u>390,728</u>
Deferred inflows				
Property taxes levied for a future period	-	-	-	272,298
Fund balance (deficit)				
Nonspendable				
Advances to other funds	454,036	-	1,084,138	1,649,467
Deposits with paying agent	-	-	-	37,247
Restricted				
Special revenue	-	-	-	502,497
Capital projects	-	-	277,978	277,978
Unassigned	(8,659)	(13,043)	(21,702)	(39,339)
Total fund balance (deficit)	<u>445,377</u>	<u>(13,043)</u>	<u>1,340,414</u>	<u>2,427,850</u>
Total liabilities, deferred inflows, and fund balances (deficit)	<u>\$ 454,036</u>	<u>\$ -</u>	<u>\$ 1,362,116</u>	<u>\$ 3,090,876</u>

(Concluded)

Village of Sauk Village, Illinois

Nonmajor Governmental Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)

For the Year Ended April 30, 2015

	Special Revenue Funds			
	Fire Protection	Motor Fuel Tax	Emergency Telephone System	Police Seizure
Revenues				
Property taxes	\$ 455,944	\$ -	\$ -	\$ -
Charges for services	16,894	-	60,216	-
Utility taxes	-	-	-	-
Intergovernmental	5,069	491,956	-	-
Interest	-	47	-	-
Miscellaneous	415	-	-	7,439
Total revenues	478,322	492,003	60,216	7,439
Expenditures				
Current				
General government	-	-	-	-
Public safety	490,080	-	37,176	9,582
Public works	-	437,720	-	-
Debt service				
Principal	68,085	-	-	-
Interest	6,822	-	-	-
Capital outlay	6,113	1,078	-	-
Total expenditures	571,100	438,798	37,176	9,582
Excess (deficiency) of revenues over expenditures	(92,778)	53,205	23,040	(2,143)
Other financing sources (uses)				
Transfers in	-	-	35,903	-
Transfers out	(41,122)	(45,000)	(26,807)	-
Total other financing sources (uses)	(41,122)	(45,000)	9,096	-
Net change in fund balance	(133,900)	8,205	32,136	(2,143)
Fund balance (deficit)				
Beginning of year	612,396	(18,887)	(303)	15,106
End of year	\$ 478,496	\$ (10,682)	\$ 31,833	\$ 12,963

Special Revenue Funds			Capital Projects Funds		
Working Cash	Railroad Noise Mitigation	Total Special Revenue	Utility Tax	Community Development Block Grant	Sauk Plaza Redevelopment Plan
\$ 68,612	\$ -	\$ 524,556	\$ -	\$ -	\$ -
-	-	77,110	-	-	-
-	-	-	216,040	-	-
-	-	497,025	-	-	-
3	-	50	-	-	-
-	-	7,854	6,677	-	-
<u>68,615</u>	<u>-</u>	<u>1,106,595</u>	<u>222,717</u>	<u>-</u>	<u>-</u>
-	-	-	3,294	-	-
-	-	536,838	-	-	-
-	-	437,720	-	-	-
-	-	68,085	-	-	-
-	-	6,822	-	-	-
-	-	7,191	-	-	-
<u>-</u>	<u>-</u>	<u>1,056,656</u>	<u>3,294</u>	<u>-</u>	<u>-</u>
<u>68,615</u>	<u>-</u>	<u>49,939</u>	<u>219,423</u>	<u>-</u>	<u>-</u>
-	-	35,903	-	-	-
<u>(72,430)</u>	<u>-</u>	<u>(185,359)</u>	<u>(235,903)</u>	<u>-</u>	<u>-</u>
<u>(72,430)</u>	<u>-</u>	<u>(149,456)</u>	<u>(235,903)</u>	<u>-</u>	<u>-</u>
<u>(3,815)</u>	<u>-</u>	<u>(99,517)</u>	<u>(16,480)</u>	<u>-</u>	<u>-</u>
<u>582,696</u>	<u>(4,055)</u>	<u>1,186,953</u>	<u>668,141</u>	<u>225,000</u>	<u>31,419</u>
<u>\$ 578,881</u>	<u>\$ (4,055)</u>	<u>\$ 1,087,436</u>	<u>\$ 651,661</u>	<u>\$ 225,000</u>	<u>\$ 31,419</u>

(Continued)

Village of Sauk Village, Illinois

Nonmajor Governmental Funds

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) (Continued)

For the Year Ended April 30, 2015

	Capital Projects Funds			Total Nonmajor Governmental Funds
	SurreyBrook Plaza	Municipal Building	Total Capital Projects	
Revenues				
Property taxes	\$ 82,164	\$ -	\$ 82,164	\$ 606,720
Charges for services	-	-	-	77,110
Utility taxes	-	-	216,040	216,040
Intergovernmental	-	-	-	497,025
Interest	44	-	44	94
Miscellaneous	-	-	6,677	14,531
Total revenues	82,208	-	304,925	1,411,520
Expenditures				
Current				
General government	60,890	-	64,184	64,184
Public safety	-	-	-	536,838
Public works	-	-	-	437,720
Debt service				
Principal	-	-	-	68,085
Interest	-	-	-	6,822
Capital outlay	-	-	-	7,191
Total expenditures	60,890	-	64,184	1,120,840
Excess (deficiency) of revenues over expenditures	21,318	-	240,741	290,680
Other financing sources (uses)				
Transfers in	-	-	-	35,903
Transfers out	(6,000)	-	(241,903)	(427,262)
Total other financing sources (uses)	(6,000)	-	(241,903)	(391,359)
Net change in fund balance	15,318	-	(1,162)	(100,679)
Fund balance (deficit)				
Beginning of year	430,059	(13,043)	1,341,576	2,528,529
End of year	\$ 445,377	\$ (13,043)	\$ 1,340,414	\$ 2,427,850

(Concluded)

Village of Sauk Village, Illinois

Fire Protection Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 545,998	\$ 455,944	\$ (90,054)
Charges for services	19,500	16,894	(2,606)
Intergovernmental	25,000	5,069	(19,931)
Miscellaneous	500	415	(85)
Total revenues	590,998	478,322	(112,676)
Expenditures			
Current			
Public safety			
Regular wages	70,267	85,473	15,206
Part-time wages	100,000	147,365	47,365
Fringe benefits	13,025	21,223	8,198
Pension contributions	10,475	10,037	(438)
Office supplies	2,000	15,832	13,832
Vehicle expense	21,000	14,737	(6,263)
Uniforms and clothing	27,000	25,286	(1,714)
Facility maintenance supplies	2,000	1,718	(282)
Operating supplies	1,500	659	(841)
Computer software supplies	1,000	655	(345)
Tools and equipment	16,500	21,336	4,836
Other materials and supplies	1,000	944	(56)
Telephone	2,000	5,126	3,126
Utilities	2,500	4,139	1,639
Postage	300	100	(200)
Printing	500	3,299	2,799
Equipment repair and maintenance	10,000	10,685	685
Vehicle repair and maintenance	12,000	22,096	10,096
Facility maintenance	1,000	517	(483)
Organization business expense	200	473	273
Professional development	8,000	2,391	(5,609)
Publications and memberships	1,500	1,502	2
Professional services	2,543	3,015	472

(Continued)

Village of Sauk Village, Illinois

Fire Protection Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures (continued)			
Current (continued)			
Public safety (continued)			
Computer contractual services	\$ 1,500	\$ 2,925	\$ 1,425
Intergovernmental services	3,000	3,000	-
Public information	2,500	2,109	(391)
Vehicles	-	7,491	7,491
Trust fees	3,000	3,000	-
Other contractual services	70,000	72,947	2,947
Reserve for future expenditure	29,443	-	(29,443)
Total public safety	<u>415,753</u>	<u>490,080</u>	<u>74,327</u>
Debt service			
Principal	71,415	68,085	(3,330)
Interest	3,585	6,822	3,237
Total debt service	<u>75,000</u>	<u>74,907</u>	<u>(93)</u>
Capital outlay	<u>18,000</u>	<u>6,113</u>	<u>(11,887)</u>
Total expenditures	<u>508,753</u>	<u>571,100</u>	<u>62,347</u>
Excess (deficiency) of revenues over expenditures	82,245	(92,778)	(175,023)
Other financing uses			
Transfer out	<u>(82,245)</u>	<u>(41,122)</u>	<u>41,123</u>
Net change in fund balance	<u>\$ -</u>	(133,900)	<u>\$ (133,900)</u>
Fund balance			
Beginning of year		<u>612,396</u>	
End of year		<u>\$ 478,496</u>	

(Concluded)

Village of Sauk Village, Illinois

Motor Fuel Tax Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL

For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues			
Intergovernmental	\$ 288,125	\$ 491,956	\$ 203,831
Interest	20	47	27
Total revenues	<u>288,145</u>	<u>492,003</u>	<u>203,858</u>
Expenditures			
Current			
Public works			
Operating supplies	35,400	56,434	21,034
Construction supplies	45,000	29,429	(15,571)
Utilities	32,000	26,745	(5,255)
Equipment repair and maintenance	8,000	7,293	(707)
Professional services	60,000	60,842	842
Contractual services	7,500	4,972	(2,528)
Construction	255,225	252,005	(3,220)
Reserve for future expenditure	20	-	(20)
Total public works	<u>443,145</u>	<u>437,720</u>	<u>(5,425)</u>
Capital outlay	<u>-</u>	<u>1,078</u>	<u>1,078</u>
Total expenditures	<u>443,145</u>	<u>438,798</u>	<u>(4,347)</u>
(Deficiency) excess of revenues over expenditures	<u>(155,000)</u>	<u>53,205</u>	<u>208,205</u>
Other financing sources (uses)			
Transfer in	200,000	-	(200,000)
Transfer out	(45,000)	(45,000)	-
Total other financing sources (uses)	<u>155,000</u>	<u>(45,000)</u>	<u>(200,000)</u>
Net change in fund balance	<u>\$ -</u>	<u>8,205</u>	<u>\$ 8,205</u>
Fund balance (deficit)			
Beginning of year		<u>(18,887)</u>	
End of year		<u>\$ (10,682)</u>	

Village of Sauk Village, Illinois

Emergency Telephone System Fund

SCHEDULE OF DETAILED REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Charges for services			
911 surcharge	\$ 80,000	\$ 60,216	\$ (19,784)
Total revenues	<u>80,000</u>	<u>60,216</u>	<u>(19,784)</u>
Expenditures			
Current			
Public safety			
Equipment repair and maintenance	35,000	35,668	668
Trust fees	<u>1,500</u>	<u>1,508</u>	<u>8</u>
Total expenditures	<u>36,500</u>	<u>37,176</u>	<u>676</u>
Excess of revenues over expenditures	<u>43,500</u>	<u>23,040</u>	<u>(20,460)</u>
Other financing sources (uses)			
Transfer in	-	35,903	35,903
Transfer (out)	<u>(43,500)</u>	<u>(26,807)</u>	<u>16,693</u>
Total other financing sources (uses)	<u>(43,500)</u>	<u>9,096</u>	<u>52,596</u>
Net change in fund balance	\$ <u>-</u>	32,136	\$ <u>32,136</u>
Fund balance (deficit)			
Beginning of year		<u>(303)</u>	
End of year		\$ <u>31,833</u>	

Village of Sauk Village, Illinois

Police Seizure Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Miscellaneous	\$ <u>50,000</u>	\$ <u>7,439</u>	\$ <u>(42,561)</u>
Total revenues	<u>50,000</u>	<u>7,439</u>	<u>(42,561)</u>
Expenditures			
Current			
Public safety			
Contingency	-	1,766	1,766
Major tools and equipment	-	7,783	7,783
Other contractual	<u>-</u>	<u>33</u>	<u>33</u>
Total expenditures	<u>-</u>	<u>9,582</u>	<u>9,582</u>
Net change in fund balance	\$ <u><u>50,000</u></u>	(2,143)	\$ <u><u>(52,143)</u></u>
Fund balance			
Beginning of year		<u>15,106</u>	
End of year		\$ <u><u>12,963</u></u>	

Village of Sauk Village, Illinois

Working Cash Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 85,500	\$ 68,612	\$ (16,888)
Interest	<u>-</u>	<u>3</u>	<u>3</u>
Total revenues	<u>85,500</u>	<u>68,615</u>	<u>(16,885)</u>
Other financing uses			
Transfer out	<u>(72,430)</u>	<u>(72,430)</u>	<u>-</u>
Total other financing uses	<u>(72,430)</u>	<u>(72,430)</u>	<u>-</u>
Net change in fund balance	\$ <u><u>13,070</u></u>	(3,815)	\$ <u><u>(16,885)</u></u>
Fund balance			
Beginning of year		<u>582,696</u>	
End of year		\$ <u><u>578,881</u></u>	

Village of Sauk Village, Illinois
 Railroad Noise Mitigation Fund
 SCHEDULE OF DETAILED EXPENDITURES AND CHANGES IN
 FUND DEFICIT - BUDGET AND ACTUAL
For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Expenditures			
Current			
Public works			
Professional services	\$ <u>240,000</u>	\$ <u>-</u>	\$ <u>(240,000)</u>
Total public works	<u>240,000</u>	<u>-</u>	<u>(240,000)</u>
Change in fund balance	\$ <u><u>(240,000)</u></u>	-	\$ <u><u>240,000</u></u>
Fund deficit			
Beginning of year		<u>(4,055)</u>	
End of year		\$ <u><u>(4,055)</u></u>	

Village of Sauk Village, Illinois

Utility Tax Fund

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

For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Revenues			
Utility taxes	\$ 251,000	\$ 216,040	\$ (34,960)
Refunds and reimbursements	<u>-</u>	<u>6,677</u>	<u>6,677</u>
Total revenues	<u>251,000</u>	<u>222,717</u>	<u>(28,283)</u>
Expenditures			
Current			
General government			
Amalgamated trust fees	1,500	1,500	-
Refunds	-	513	513
Contingency	<u>-</u>	<u>1,281</u>	<u>1,281</u>
Total general government	<u>1,500</u>	<u>3,294</u>	<u>1,794</u>
Total expenditures	<u>1,500</u>	<u>3,294</u>	<u>1,794</u>
Excess of revenues over expenditures	<u>249,500</u>	<u>219,423</u>	<u>(30,077)</u>
Other financing uses			
Transfer out	<u>(249,308)</u>	<u>(235,903)</u>	<u>13,405</u>
Net change in fund balance	<u>\$ 192</u>	<u>(16,480)</u>	<u>\$ (16,672)</u>
Fund balance			
Beginning of year		<u>668,141</u>	
End of year		<u>\$ 651,661</u>	

Village of Sauk Village, Illinois
Community Development Block Grant Fund
SCHEDULE OF DETAILED REVENUES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Intergovernmental	\$ 200,000	\$ -	\$ (200,000)
Other financing uses			
Transfer out	(200,000)	-	200,000
Net change in fund balance	\$ -	-	\$ -
Fund balance			
Beginning of year		225,000	
End of year		\$ 225,000	

Village of Sauk Village, Illinois

SurreyBrook Plaza Fund

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

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Revenues			
Property taxes	\$ 130,500	\$ 82,164	\$ (48,336)
Interest	50	44	(6)
Total revenues	<u>130,550</u>	<u>82,208</u>	<u>(48,342)</u>
Expenditures			
General government			
Professional services	<u>75,000</u>	<u>60,890</u>	<u>(14,110)</u>
Total expenditures	<u>75,000</u>	<u>60,890</u>	<u>(14,110)</u>
Other financing uses			
Transfer out	<u>(5,000)</u>	<u>(6,000)</u>	<u>(1,000)</u>
Net change in fund balance	<u>\$ 50,550</u>	15,318	<u>\$ (35,232)</u>
Fund balance			
Beginning of year		<u>430,059</u>	
End of year		<u>\$ 445,377</u>	

Village of Sauk Village, Illinois

Waterworks Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Operating revenues			
Charges for services	\$ 1,556,900	\$ 1,683,129	\$ 126,229
Meter sales	5,000	22,600	17,600
Miscellaneous	<u>1,500</u>	<u>(6,494)</u>	<u>(7,994)</u>
Total revenues	<u>\$ 1,563,400</u>	<u>\$ 1,699,235</u>	<u>\$ 135,835</u>

Village of Sauk Village, Illinois

Waterworks Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL

For the Year Ended April 30, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over / (Under)</u>
Operating expenses			
Salaries			
Regular wages	\$ 419,538	\$ 491,021	\$ 71,483
Overtime	15,000	50,548	35,548
Total salaries	<u>434,538</u>	<u>541,569</u>	<u>107,031</u>
Fringe benefits	<u>236,096</u>	<u>223,542</u>	<u>(12,554)</u>
Supplies, fees and services			
Office supplies	500	606	106
Vehicle expense	20,000	17,855	(2,145)
Uniforms and clothing	5,000	188	(4,812)
Facility maintenance supplies	1,500	1,119	(381)
Operating supplies	45,000	46,688	1,688
Computer software supplies	300	-	(300)
Tools and equipment	5,000	4,040	(960)
Construction supplies	50,000	53,874	3,874
Telephone	9,000	14,100	5,100
Utilities	70,000	90,590	20,590
Postage	7,000	4,919	(2,081)
Printing	2,000	445	(1,555)
Professional development	2,000	4,371	2,371
Publications and memberships	400	135	(265)
Professional services	-	(5,865)	(5,865)
Computer contractual services	3,000	1,589	(1,411)
Intergovernmental services	2,500	5,875	3,375
Public information	2,000	472	(1,528)
Other rents and leases	3,000	350	(2,650)
Other contractual services	4,000,000	107,006	(3,892,994)
Refunds	-	56,321	56,321
Major tools and work equipment	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Total supplies, fees and services	<u>4,238,200</u>	<u>404,678</u>	<u>(3,833,522)</u>

(Continued)

Village of Sauk Village, Illinois

Waterworks Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Operating expenses (continued)			
Repairs and maintenance			
Equipment repair and maintenance	\$ 18,000	\$ 8,958	\$ (9,042)
Vehicle repair and maintenance	11,000	8,999	(2,001)
Facility repair and maintenance	<u>3,000</u>	<u>1,995</u>	<u>(1,005)</u>
Total repairs and maintenance	<u>32,000</u>	<u>19,952</u>	<u>(12,048)</u>
Total operating expenses before depreciation	<u>4,940,834</u>	<u>1,189,741</u>	<u>(3,751,093)</u>
Depreciation	<u>-</u>	<u>241,031</u>	<u>241,031</u>
Total operating expenses	<u>\$ 4,940,834</u>	<u>\$ 1,430,772</u>	<u>\$ (3,510,062)</u>

(Concluded)

Village of Sauk Village, Illinois

Sewerage Fund

SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Operating revenues			
Charges for services	\$ <u>575,654</u>	\$ <u>718,886</u>	\$ <u>143,232</u>
Total revenues	\$ <u><u>575,654</u></u>	\$ <u><u>718,886</u></u>	\$ <u><u>143,232</u></u>

Village of Sauk Village, Illinois

Sewerage Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Operating expenses			
Salaries			
Regular wages	\$ 316,911	\$ 294,404	\$ (22,507)
Overtime	30,000	15,494	(14,506)
Total salaries	346,911	309,898	(37,013)
Fringe benefits	184,031	186,788	2,757
Supplies, fees and services			
Office supplies	500	107	(393)
Vehicle expense	6,000	5,869	(131)
Uniforms and clothing	4,000	1,381	(2,619)
Operating supplies	1,000	560	(440)
Computer software supplies	500	-	(500)
Tools and equipment	2,000	1,443	(557)
Construction supplies	2,000	8,097	6,097
Telephone	1,500	5,087	3,587
Postage	2,500	2,109	(391)
Printing	500	445	(55)
Professional development	500	-	(500)
Publications and memberships	500	-	(500)
Professional services	500	5,481	4,981
Computer contractual services	3,000	1,477	(1,523)
Intergovernmental services	500	-	(500)
Other rents and leases	3,000	-	(3,000)
Other contractual services	2,500	17,935	15,435
Refunds	-	11,191	11,191
Total supplies, fees and services	31,000	61,182	30,182

(Continued)

Village of Sauk Village, Illinois

Sewerage Fund

SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL (Continued)

For the Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance Over / (Under)
Operating expenses (continued)			
Repairs and maintenance			
Equipment repair and maintenance	\$ 5,000	\$ 8,179	\$ 3,179
Vehicle repair and maintenance	<u>5,000</u>	<u>4,901</u>	<u>(99)</u>
Total repairs and maintenance	<u>10,000</u>	<u>13,080</u>	<u>3,080</u>
Total operating expenses before depreciation	<u>571,942</u>	<u>570,948</u>	<u>(994)</u>
Depreciation	<u>-</u>	<u>23,591</u>	<u>23,591</u>
Total operating expenses	<u>\$ 571,942</u>	<u>\$ 594,539</u>	<u>\$ 22,597</u>

(Concluded)

Village of Sauk Village, Illinois
Pension Trust Funds
COMBINING STATEMENT OF NET POSITION
April 30, 2015

	<u>Police Pension Fund</u>	<u>Firefighters' Pension Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 1,025,009	\$ 5,766	\$ 1,030,775
Investments	4,602,850	114,542	4,717,392
Accrued interest	15,354	-	15,354
Due from Village	<u>15,682</u>	<u>704</u>	<u>16,386</u>
	<u>5,658,895</u>	<u>121,012</u>	<u>5,779,907</u>
NET POSITION			
Held in trust for pension benefits	<u>\$ 5,658,895</u>	<u>\$ 121,012</u>	<u>\$ 5,779,907</u>

Village of Sauk Village, Illinois
Pension Trust Funds
COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION
For the Year Ended April 30, 2015

	Police Pension Fund	Firefighters' Pension Fund	Total
Additions			
Contributions			
Employer	\$ 186,532	\$ 10,118	\$ 196,650
Members and other	154,622	-	154,622
Total contributions	341,154	10,118	351,272
Investment income	256,959	4,037	260,996
Less investment expenses	(20,979)	(680)	(21,659)
Net investment income	235,980	3,357	239,337
Total additions	577,134	13,475	590,609
Deductions			
Benefits	473,574	47,381	520,955
Refunds of contributions	212,887	-	212,887
Administrative expense	36,505	16,059	52,564
Total deductions	722,966	63,440	786,406
Change in net position	(145,832)	(49,965)	(195,797)
Net position held in trust for pension benefits			
Beginning of year	5,804,727	170,977	5,975,704
End of year	\$ 5,658,895	\$ 121,012	\$ 5,779,907

Village of Sauk Village, Illinois
 Agency Fund - Sauk Village Housing Commission
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 For the Year Ended April 30, 2015

	<u>Balance</u>			<u>Balance</u>
	<u>May 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>April 30, 2015</u>
Assets				
Cash	\$ <u> -</u>	\$ <u> 33,955</u>	\$ <u> 31,296</u>	\$ <u> 2,659</u>
Liabilities				
Due to Sauk Village Housing Commission	\$ <u> -</u>	\$ <u> 33,955</u>	\$ <u> 31,296</u>	\$ <u> 2,659</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
General Obligation Tax Increment Refunding Bonds Series 2002A
April 30, 2015

Dated:	June 15, 2002
Original Issue:	\$9,755,000
Due:	June 1, 2022
Interest Payment Dates:	June 1 and December 1
Interest Rates:	5.00% - 5.10%

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 685,000	\$ 361,798	\$ 1,046,798
2017	715,000	326,862	1,041,862
2018	755,000	290,756	1,045,756
2019	900,000	252,250	1,152,250
2020	945,000	207,250	1,152,250
2021	1,000,000	160,000	1,160,000
2022	1,055,000	110,000	1,165,000
2023	1,145,000	28,625	1,173,625
	<u>\$ 7,200,000</u>	<u>\$ 1,737,541</u>	<u>\$ 8,937,541</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Capital Appreciation Bonds (Tax Increment Alternate Revenue Source) Series 2002B
April 30, 2015

Dated: June 27, 2002
 Original Issue: \$4,999,356
 Due: June 1, 2022
 Interest Rates: 5.35% - 5.95%

<u>Year Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 877,449	\$ 47,551	\$ 925,000
2017	884,599	100,401	985,000
2018	899,512	160,488	1,060,000
2019	908,311	226,689	1,135,000
2020	918,965	301,035	1,220,000
2021	930,510	384,490	1,315,000
2022	935,325	469,675	1,405,000
2023	940,652	519,348	1,460,000
	<u>\$ 7,295,323</u>	<u>\$ 2,209,677</u>	<u>\$ 9,505,000</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Capital Appreciation (Alternate Revenue) Bonds Series 2007A
April 30, 2015

Dated: June 6, 2007
 Original Issue: \$5,201,610
 Due: December 1, 2018
 Interest Rates: 4.15% - 4.30%

<u>Year Ending April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 657,430	\$ 27,570	\$ 685,000
2017	634,957	55,043	690,000
2018	608,212	81,788	690,000
2019	<u>577,804</u>	<u>107,196</u>	<u>685,000</u>
	<u>\$ 2,478,403</u>	<u>\$ 271,597</u>	<u>\$ 2,750,000</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation (Alternate Revenue) Bonds Series 2007B
April 30, 2015

Dated: June 6, 2007
 Original Issue: \$1,405,000
 Due: December 1, 2027
 Interest Payment Dates: June 1 and December 1
 Interest Rates: 3.95% - 5.00%

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 50,000	\$ 51,838	\$ 101,838
2017	55,000	49,862	104,862
2018	60,000	47,690	107,690
2019	65,000	45,290	110,290
2020	75,000	42,690	117,690
2021	80,000	39,690	119,690
2022	85,000	36,370	121,370
2023	95,000	32,842	127,842
2024	100,000	28,900	128,900
2025	110,000	24,750	134,750
2026	120,000	19,250	139,250
2027	125,000	13,250	138,250
2028	140,000	7,000	147,000
	<u>\$ 1,160,000</u>	<u>\$ 439,422</u>	<u>\$ 1,599,422</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation (Alternate Revenue) Bonds Series 2007C
April 30, 2015

Dated:	June 6, 2007
Original Issue:	\$810,000
Due:	December 1, 2027
Interest Payment Dates:	June 1 and December 1
Interest Rates:	3.90% - 5.00%

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 30,000	\$ 31,270	\$ 61,270
2017	30,000	30,100	60,100
2018	35,000	28,900	63,900
2019	40,000	27,500	67,500
2020	40,000	25,900	65,900
2021	45,000	24,300	69,300
2022	50,000	22,500	72,500
2023	55,000	20,000	75,000
2024	60,000	17,250	77,250
2025	65,000	14,250	79,250
2026	65,000	11,000	76,000
2027	75,000	7,750	82,750
2028	80,000	4,000	84,000
	<u>\$ 670,000</u>	<u>\$ 264,720</u>	<u>\$ 934,720</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
General Obligation Bonds (Alternate Revenue Source) Series 2008
April 30, 2015

Dated: December 23, 2008
Original Issue: \$9,500,000
Due: December 1, 2028
Interest Payment Dates: June 1 and December 1
Interest Rates: 5.40% - 7.25%

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 175,000	\$ 557,172	\$ 732,172
2017	230,000	544,486	774,486
2018	215,000	527,810	742,810
2019	160,000	512,222	672,222
2020	210,000	500,622	710,622
2021	185,000	485,398	670,398
2022	150,000	475,408	625,408
2023	220,000	467,008	687,008
2024	1,295,000	454,358	1,749,358
2025	1,470,000	378,600	1,848,600
2026	1,355,000	290,400	1,645,400
2027	1,075,000	207,746	1,282,746
2028	1,110,000	141,632	1,251,632
2029	1,165,000	72,812	1,237,812
	<u>\$ 9,015,000</u>	<u>\$ 5,615,674</u>	<u>\$ 14,630,674</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Tax Increment Bonds (Alternate Revenue Source) Series 2009
April 30, 2015

Dated: April 28, 2009
 Original Issue: \$8,000,000
 Due: April 1, 2029
 Interest Payment Dates: June 1 and December 1 through
 2028, then April 1, 2029
 Interest Rates: 4.30% - 7.50%

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 275,000	360,540	635,540
2017	200,000	339,914	539,914
2018	155,000	324,914	479,914
2019	180,000	313,290	493,290
2020	105,000	299,790	404,790
2021	60,000	291,914	351,914
2022	165,000	289,334	454,334
2023	65,000	282,240	347,240
2024	815,000	279,444	1,094,444
2025	885,000	244,400	1,129,400
2026	675,000	205,460	880,460
2027	635,000	175,084	810,084
2028	1,105,000	145,874	1,250,874
2029	2,000,000	110,088	2,110,088
	<u>\$ 7,320,000</u>	<u>\$ 3,662,286</u>	<u>\$ 10,982,286</u>

Village of Sauk Village, Illinois
SCHEDULE OF ANNUAL DEBT SERVICE REQUIREMENTS
 General Obligation Working Cash Bonds Series 2010
April 30, 2015

Dated: February 1, 2010
 Original Issue: \$574,000
 Due: February 1, 2020
 Interest Payment Dates: February 1 and August 1
 Interest Rates: 4.50% - 5.00%

<u>Year Ending</u> <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 55,000	\$ 15,176	\$ 70,176
2017	60,000	12,700	72,700
2018	65,000	10,000	75,000
2019	65,000	6,750	71,750
2020	70,000	3,500	73,500
	<u>\$ 315,000</u>	<u>\$ 48,126</u>	<u>\$ 363,126</u>

Village of Sauk Village, Illinois

LEGAL DEBT MARGIN

April 30, 2015

2014 Equalized Assessed Valuation (EAV)	\$ <u>68,411,057</u>	
Voted and Unvoted Debt Limit - 8.625% of EAV		\$ 5,900,454
Total Debt Outstanding	39,643,915	
Less Exempted Debt	<u>35,138,726</u>	
Net Subject to 8.625% Limit		<u>4,505,189</u>
Total Legal Voted and Unvoted Debt Margin		\$ <u><u>1,395,265</u></u>