

VILLAGE OF BROADVIEW

Broadview, Illinois

FINANCIAL STATEMENTS

As of and for the Year Ended April 30, 2018

VILLAGE OF BROADVIEW

TABLE OF CONTENTS As of and for the Year Ended April 30, 2018

	<u>Page(s)</u>
Independent Auditors' Report	1 - 2
Required Supplementary Information	
Management's Discussion and Analysis	3 - 14
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16 - 17
Fund Financial Statements	
Balance Sheet - Governmental Funds	18 - 19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	21 - 22
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	23
Statement of Net Position - Proprietary Fund	24 - 25
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund	26
Statement of Cash Flows - Proprietary Fund	27 - 28
Statement of Fiduciary Net Position	29
Statement of Changes in Fiduciary Net Position	30
Index to Notes to Financial Statements	31
Notes to Financial Statements	32 - 77
Required Supplementary Information	
General Fund	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	78 - 86
Special Revenue Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - 22nd and 17th Avenue TIF Redevelopment Fund - Major Special Revenue Fund	87
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Roosevelt Road TIF Fund - Major Special Revenue Fund	88

VILLAGE OF BROADVIEW

TABLE OF CONTENTS (cont.) As of and for the Year Ended April 30, 2018

Required Supplementary Information (cont.)

Historical Pension and OPEB Information

Illinois Municipal Retirement Fund - Schedule of Changes in the Village's Net Pension Liability and Related Ratios	89
Illinois Municipal Retirement Fund - Schedule of Employer Contributions	90
Police Pension Fund - Schedule of Changes in the Village's Net Pension Liability and Related Ratios	91
Police Pension Fund - Schedule of Employer Contributions	92
Firefighters' Pension Fund - Schedule of Changes in the Village's Net Pension Liability and Related Ratios	93
Firefighters' Pension Fund - Schedule of Employer Contributions	94
Retiree Health Insurance - Schedule of Changes in the Total OPEB Liability and Related Ratios	95
Notes to Required Supplementary Information	96

Supplementary Information

Combining Balance Sheet - Nonmajor Governmental Funds	97 - 98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	99 - 100
Schedules of Revenues, Expenditures and Changes in Fund Balances (Deficit) - Budget and Actual	
Garbage Fund - Nonmajor - Special Revenue Fund	101
Illinois Municipal Retirement Fund - Nonmajor - Special Revenue Fund	102
Motor Fuel Tax Fund - Nonmajor - Special Revenue Fund	103
CDBG Fund - Nonmajor - Special Revenue Fund	104
Emergency Telephone System Fund - Nonmajor - Special Revenue Fund	105
27th / 23rd TIF Redevelopment Fund - Nonmajor - Special Revenue Fund	106
17th Avenue North TIF Redevelopment Fund - Nonmajor - Special Revenue Fund	107
Debt Service Fund - Nonmajor	108
Capital Projects Fund - Nonmajor	109
Statement of Revenues, Expenses and Changes in Net Position - Budget and Actual	
Water and Sewerage Fund - Major - Enterprise Fund	110 - 111
Combining Statement of Fiduciary Net Position - Pension Trust Funds	112
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	113

INDEPENDENT AUDITORS' REPORT

To the President and Village Board
Village of Broadview, 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 Broadview, Illinois, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Village of Broadview's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

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 which represent 51 percent, 54 percent, and 35 percent respectively, of the assets/deferred outflows of resources, net position/fund balances, and revenues/additions of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Police Pension Fund, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Broadview's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Village of Broadview'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.

To the President and Village Board
Village of Broadview, Illinois

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Broadview, Illinois, as of April 30, 2018 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.

Emphasis of Matter

As discussed in Note I, the Village of Broadview adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective May 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Broadview's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
February 13, 2019

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

The discussion and analysis of Village of Broadview's (the "Village") financial performance provides an overall review of the Village's financial activities for the year ended April 30, 2018. The management of the Village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights - Government-wide Financial Statements

- > The Village of Broadview's net position decreased by \$1.4 million or 42% compared to the prior year. The Village ended the fiscal year with net position of (\$4.9 million).
- > During the year, expenses of \$24.8 exceeded revenues of \$23.4 million, resulting in a decrease in net position of \$1.4 million. Net position of business-type activities increased \$0.3 million or 2.8%, while net position of governmental activities decreased by \$1.7 million or 12.3%.
- > General revenues accounted for \$15.5 million in revenue or 77% of all governmental revenues. Program specific revenues in the form of charges for services and fees, and grants accounted for \$4.4 million or 23% of total governmental revenues.
- > The governmental activities had \$21.6 million in expenses related to government activities. However, only \$4.4 million of these expenses were offset by program specific charges and grants.
- > At the end of the current fiscal year, unassigned fund balance for the General Fund was in the position of \$4.2 million.
- > The Village's total long-term liabilities increased during the current year to \$45.7 million.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The basic financial statements are comprised of three components:

- > Government-wide financial statements,
- > Fund financial statements, and
- > Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business, and are reported using the accrual basis of accounting and economic resources measurement focus.

The statement of net position presents information on all of the Village's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the Village that are principally supported by taxes and intergovernmental revenues. Business-type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Village's governmental activities include functions like general government, public safety, highways, and streets and sanitation. The Village's business-type activities include water and sewerage services.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources; as well as, on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a Village's near-term financing requirements.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

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

The Village maintains three major individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, 22nd / 17th Avenue TIF Redevelopment, and Roosevelt Road TIF all of which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules elsewhere in this report. The Village adopts an annual budget for each of the major funds listed above. A budgetary comparison statement has been provided for each major fund to demonstrate compliance with this budget.

Proprietary funds

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village's proprietary fund presents the activities and balances in Water and Sewerage Fund, which is considered to be a major fund, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary funds reflect the private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation.

Fiduciary funds

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

Notes to basic financial statements

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

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's Illinois Municipal Retirement Fund Pension, Police Pension Fund, Firefighters' Pension Fund and Other Post-Employment Benefits; as well as, budget to actual comparisons of the funds. Supplementary schedules include combining and individual fund schedules of all non-major funds and Fiduciary Funds.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2018 (Unaudited)

Government-Wide Financial Analysis

Table 1
Condensed Statements of Net Position
(in millions of dollars)

	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2018</u>	<u>2017*</u>	<u>Change</u>	<u>2018</u>	<u>2017*</u>	<u>Change</u>	<u>2018</u>	<u>2017*</u>	<u>Change</u>
Assets and									
Current and other assets	\$ 20.7	\$ 24.7	(16.2)%	\$ 5.7	\$ 5.2	9.6%	\$ 26.4	\$ 29.9	3.8%
Capital assets	<u>15.5</u>	<u>12.7</u>	22.0%	<u>6.3</u>	<u>6.1</u>	3.3%	<u>21.8</u>	<u>18.8</u>	8.7%
Total assets	<u>36.2</u>	<u>37.4</u>	6.9%	<u>12.0</u>	<u>11.3</u>	1.8%	<u>48.2</u>	<u>48.7</u>	5.6%
Deferred Outflows of Resources									
Deferred outflows of resources	<u>2.4</u>	<u>4.9</u>	(14.0)%	<u>-</u>	<u>0.1</u>		<u>2.4</u>	<u>5.0</u>	-13.8%
Liabilities									
Long-term liabilities	45.6	44.1	3.4%	0.1	-		45.7	44.1	3.6%
Other liabilities	<u>2.2</u>	<u>1.9</u>	15.8%	<u>0.6</u>	<u>0.4</u>	50.0%	<u>2.8</u>	<u>2.3</u>	21.7%
Total liabilities	<u>47.8</u>	<u>46.0</u>	3.9%	<u>0.7</u>	<u>0.4</u>	75.0%	<u>48.5</u>	<u>46.4</u>	4.5%
Deferred Inflows of Resources									
Deferred inflows of resources	<u>6.9</u>	<u>8.3</u>	(16.9)%	<u>0.1</u>	<u>-</u>		<u>7.0</u>	<u>8.3</u>	(15.7)%
Net position									
Net investment in capital assets	13.7	10.4	31.7%	6.3	6.1	3.3%	20.0	16.5	21.2%
Restricted	6.1	8.0	(23.8)%	-	-		6.1	8.0	(23.8)%
Unrestricted	<u>(35.9)</u>	<u>(30.4)</u>	18.1%	<u>4.9</u>	<u>4.9</u>		<u>(31.0)</u>	<u>(25.5)</u>	21.6%
Total net position	\$ <u>(16.1)</u>	\$ <u>(12.0)</u>	34.2%	\$ <u>11.2</u>	\$ <u>11.0</u>	1.9%	\$ <u>(4.9)</u>	\$ <u>(1.0)</u>	390.0%

*Prior year information has not been updated for the Village's implementation of GASB Statement No. 75 in fiscal year 2018.

Normal Impacts

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

Net results of activities – which will impact (increase/decrease) current assets and unrestricted net position.

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

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

Spending borrowed proceeds on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net position net investment in capital assets.

Spending of non-borrowed current assets on new capital – which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal payment on debt – which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of capital assets through depreciation – which will reduce capital assets and net position net investment in capital assets.

Current Year Impacts

As noted earlier, net position and their changes over time serve as a useful indicator of a government's financial position. The Village's total cumulative net position for Governmental Activities resulted in a net \$1,769,745 decrease in net position from a negative \$14,373,844 to a negative \$16,143,589. The net position of Business-Type activities reflects a small increase of \$302,738.

The Village's total governmental activities assets saw a decrease of \$1,467,007, mostly due to a decrease in cash. Overall cash and investments has a decrease of \$2,866,778.

Capital assets increased \$2,858,275 mainly due to capital improvements related to road reconstruction offset by the current year's depreciation.

Total liabilities and the deferred inflows of resources increased mainly due to an increase in noncurrent liabilities.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2018 (Unaudited)

Table 2									
Condensed Statements of Activities									
(in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	<u>2018</u>	<u>2017*</u>	<u>Change</u>	<u>2018</u>	<u>2017*</u>	<u>Change</u>	<u>2018</u>	<u>2017*</u>	<u>Change</u>
Revenues									
<i>Program revenues</i>									
Charges for services	\$ 3.9	\$ 2.3	69.6%	\$ 3.5	\$ 3.4	2.9%	\$ 7.4	\$ 5.7	29.8%
Operating grants and contributions	0.3	0.4	(25.0)%	-	-		0.3	0.4	(25.0)%
Capital grants and contributions	0.2	0.1	100.0%	-	-		0.2	0.1	100.0%
<i>General revenues</i>									
Property taxes	9.0	9.6	(6.3)%	-	-		9.0	9.6	(6.3)%
Other taxes	5.0	0.8	525.0%	-	-		5.0	0.8	525.0%
Intergovernmental	1.3	1.4	(7.1)%	-	-		1.3	1.4	(7.1)%
Other general revenues	<u>0.2</u>	<u>0.6</u>	(66.7)%	<u>-</u>	<u>-</u>		<u>0.2</u>	<u>0.6</u>	(66.7)%
Total revenues	<u>19.9</u>	<u>15.2</u>	30.9%	<u>3.5</u>	<u>3.4</u>	2.9%	<u>23.4</u>	<u>18.6</u>	25.8%
Expenses									
General government	6.6	3.2	106.3%	-	-		6.6	3.2	106.3%
Public safety	12.6	12.7	(0.8)%	-	-		12.6	12.7	(0.8)%
Highways and streets	1.5	1.8	(16.7)%	-	-		1.5	1.8	(16.7)%
Sanitation	0.7	0.8	-12.5%	-	-		0.7	0.8	(12.5)%
Interest and fees	0.2	0.1	100.0%	-	-		0.2	0.1	100.0%
Water and sewerage	<u>-</u>	<u>-</u>		<u>3.2</u>	<u>3.2</u>		<u>3.2</u>	<u>3.2</u>	
Total expenses	<u>21.6</u>	<u>18.6</u>	16.1%	<u>3.2</u>	<u>3.2</u>		<u>24.8</u>	<u>21.8</u>	13.8%
Change in net position	(1.7)	0.8	(312.5)%	0.3	0.2	50.0%	(1.4)	1.0	(240.0)%
Net position, beginning of year	<u>(14.4)</u>	<u>(12.8)</u>	12.5%	<u>10.9</u>	<u>10.8</u>	0.9%	<u>(3.5)</u>	<u>(2.0)</u>	75.0%
Net position end of year	<u>\$ (16.1)</u>	<u>\$ (12.0)</u>	34.2%	<u>\$ 11.2</u>	<u>\$ 11.0</u>	1.8%	<u>\$ (4.9)</u>	<u>\$ (1.0)</u>	390%

*Prior year information has not been updated for the Village's implementation of GASB Statement No. 75 in fiscal year 2018.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

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

Increase/decrease in Village approved rates – while certain tax rates are set by statute, the Village has significant authority to impose and periodically increase/decrease rates (water, sales tax, etc.).

Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market impacts on investment income – the Village's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of new programs – within the functional expense categories (general government, public safety, public works, and community development), individual programs may be added or deleted to meet changing community needs.

Change in authorized personnel – changes in service demand may cause the Village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the Village.

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

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

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

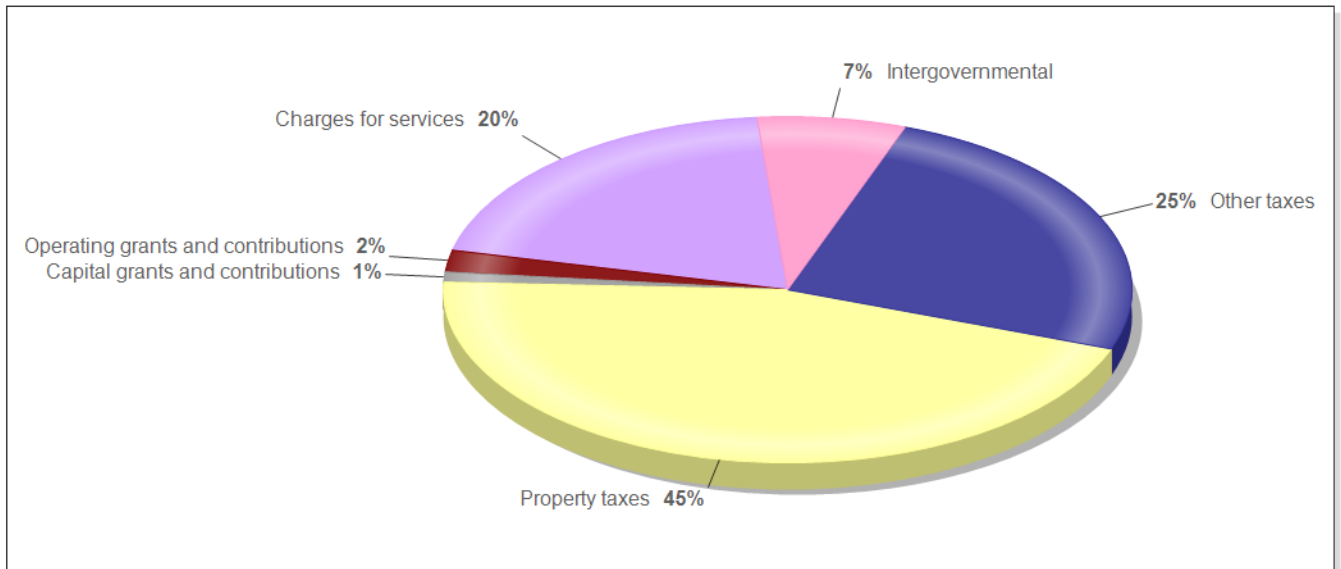
Current Year Impacts

The Governmental Activities revenues increased from the prior year of \$19,437,641 to \$19,874,439, a \$436,798 overall increase. A \$527,947 decrease in property tax receipts was due primarily to a decrease in incremental property taxes generated by the Village's TIFs. Additionally, public safety charges for services increased in revenue of \$1,266,305. Please refer to the table on page 9 for additional details of the revenue categories.

Governmental Activities expenditures increased by \$3.0 million in the current year as compared to that of the prior year, which was mainly attributable to various offsetting increases and decreases in the various expenditure categories.

Governmental Activities

Revenue Source - Governmental Activities



VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

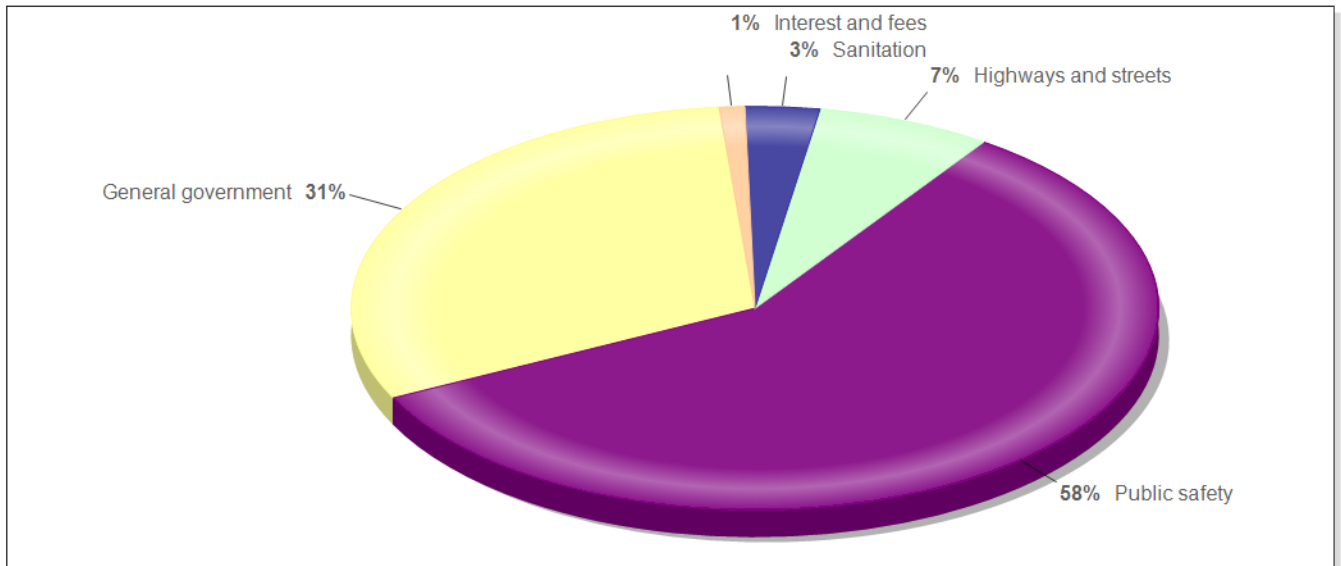
(Unaudited)

Governmental Activities Revenues

A graphic summary of the FY 2018 Governmental Activities revenues by category for the Village of Broadview is shown above. Property Taxes and Other Taxes accounted for a combined 70% of the Village's revenue sources used to fund governmental activities. Annual receipts from property taxes decreased \$.6 million, or approximately 6.3% from the prior year. The decrease was primarily due to a decrease in incremental property taxes generated by the Village's TIFs. Current year collections in Other and Intergovernmental Taxes, which include sales taxes, utility taxes, state/local use taxes and cable CATV taxes, also reflect a decrease over the prior year. Total revenues from governmental activities increased \$436,798, or 2.2% from the prior year.

Operating revenues of the Village's business type activities (not shown as part of graph) increased by 2.3% over the prior year due primarily to a slight variations in water consumption and resulting units of billable water sold to consumers. The sale of water (revenues) can be affected by climate, at times, with warmer and drier summers bringing higher demand.

Expenses by Function -Governmental Activities



The chart as shown above graphically depicts the major expense categories of the Village of Broadview. The public safety category that includes the Law Enforcement, Fire and Building Departments is substantially tax supported with program charges covering approximately 19.4% of their expenses. The Sanitation function, on the other hand, is contracted to private vendors and the residents and businesses of the community are billed monthly to cover the cost of collection and disposal. Sufficient revenues were received to cover the full cost of that function.

Operating expenses of the business type activities of the Village that includes the Water and Sewerage Department (not shown as part of graph) increased by \$18,923 or 0.6% from the prior year primarily related to increased water prices and system repairs and related purchases.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

Financial Analysis of the Village's Funds

As of the end of the current fiscal year, the Village of Broadview's governmental funds reported a combined (major & non major) ending fund balance of \$11,103,595, a decrease of \$4,858,357 over fiscal year 2017 from \$15,961,952. A significant portion of the net decrease was attributable to decreases within general government and public safety expenditures. The 22nd and 17th Avenue TIF Redevelopment Fund decreased its fund balance from \$3,477,861 to \$848,795 in 2018. That decrease is attributable to a distribution of \$3.5 million to the Cook County Treasurer.

Other Financing Sources and Uses

An operating transfer into the General Fund occurred in FY18 due to the Village reimbursing expenditures from one of its Tax Increment Redevelopment Funds to the Village's General Fund.

General Fund Budgetary Highlights

The Village's budget for the General Fund anticipated that revenues would exceed expenditures by \$546,787 and that the net impact after other financing sources (uses) would result in an overall net increase of \$448,446 to the fund balance. The actual result was a decrease of \$332,308 resulting in an ending fund balance of \$4,287,733.

Annual revenues were greater than the budgeted amount by \$157,812. Favorable budget variances experienced by the various revenue categories caused this decrease.

The General Fund total actual expenditures exceeded the budgeted expenditures by \$978,475. Unfavorable budget variances experienced by the various departments caused this increase.

For additional Details, please see the Budgetary Comparison Schedules for the General Fund in this report.

Capital Assets and Debt Administration

Capital assets

The Village of Broadview's investment in capital assets for its governmental and business type activities as of April 30, 2017 was \$21.8 million (net of accumulated depreciation of \$21.6 million). This investment in capital assets includes land, buildings and improvements, distribution systems, vehicles, furniture and equipment and infrastructure. During the current fiscal year, there was controlled activity in the purchasing of capital assets due to limited resources. More detailed information about capital assets can be found in Note III C. of the basic financial statements.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS April 30, 2018 (Unaudited)

Table 3 Capital Assets (net of depreciation) (in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2018	2017	Change	2018	2017	Change	2018	2017	Change
Land	\$ 1.6	\$ 1.6		\$ 0.1	\$ 0.1		\$ 1.7	\$ 1.7	
Const. in Process	0.2	0.4	-50.0%	-	-		0.2	0.4	-50.0%
Buildings	1.8	1.6	12.5%	-	-		1.8	1.6	12.5%
Vehicles	1.1	1.0	10.0%	-	-		1.1	1.0	10.0%
Equipment	0.2	0.3	(33.3)%	0.4	0.4		0.6	0.7	(14.3)%
Infrastructure	<u>10.6</u>	<u>7.8</u>	35.9%	<u>5.8</u>	<u>5.6</u>	3.6%	<u>16.4</u>	<u>13.4</u>	22.4%
Total	\$ 15.5	\$ 12.7	22.0%	\$ 6.3	\$ 6.1	3.3%	\$ 21.8	\$ 18.8	16.0%

Debt Administration

At year end, the Village had total outstanding long term debt of \$45.7 million, as compared to \$44.1 million of the previous year. More detailed information about debt administration can be found in Note III E. of the basic financial statements.

Table 4 Long-Term Debt (in millions of dollars)									
	<u>Governmental Activities</u>			<u>Business-Type Activities</u>			<u>Total</u>		
	2018	2017*	Change	2018	2017*	Change	2018	2017*	Change
Bonds	\$ 4.4	\$ 4.9		\$ -	\$ -		\$ 4.4	\$ 4.9	(10.2)%
Other	<u>41.2</u>	<u>39.2</u>		<u>0.1</u>	<u>-</u>		<u>41.3</u>	<u>39.2</u>	(3.0)%
Total	\$ 45.6	\$ 44.1	3.4%	\$ 0.1	\$ -		\$ 45.7	\$ 44.1	(3.7)%

*Prior year information has not been updated for the Village's implementation of GASB Statement No. 75 in fiscal year 2018.

VILLAGE OF BROADVIEW

MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2018

(Unaudited)

Factors Bearing on the Village's Future

The Village continued its diligent efforts to properly allocate spending, maintain high level of village services for resident and begin strategic planning to create sustainable plans to position the Village for long-term financial stability.

The Village's largest single sources of revenue are property taxes which generally are stable and predictable. Increases in the Village's annual levy are limited by the Property Tax Extension Limitation Law (PTELL). PTELL limits the increase in the property tax extensions (total taxes billed) for nonhome rule taxing districts to the lower of the National Consumer Price index or 5%, excluding any new growth. For 2018, the CPI is 1.9% (lower than the 5% maximum).

Economic Development

The Village utilizes a range of economic development programs and tools to promote economic development and business retention. In addition to TIF Districts, the Village pursues financing (e.g., grants) to improve the physical condition and appearance of the major business districts, offers incentives for businesses to replace and/or upgrade their commercial signage, sponsors events that foster development and local tourism, and undertakes outreach to the businesses and developers.

Long-term Financial Planning

The Village looks to conduct strategic planning sessions to identify key issues in an effort to maximize services provided to the Village's residents.

The Sessions are intended to link issues to outcomes by focusing on key goals in governance. They include:

1. Maintain Fiscal Responsibility with Sound Budget Practices
2. Improve and Maintain Infrastructure and Roads
3. Maintain and Communicate Good Government Practices and Services
4. Maintain Public Services Through Safe Practices and Proper Equipment
5. Attract, Retain and Expand Business

Requests for Information

This financial report is designed to provide the Village's citizens, taxpayers and creditors with a general overview of the Village's finances and to demonstrate the Village's Accountability and Transparency of funds under the Village's control. If you have questions about this report or need additional financial information, contact the Village's Finance Department:

Timothy Hicks, Finance Director
Village of Broadview
2350 South 25th Avenue
Broadview, Illinois 60155

VILLAGE OF BROADVIEW

STATEMENT OF NET POSITION As of April 30, 2018

	Governmental Activities	Business- Type Activities	Totals
ASSETS			
Cash and investments	\$ 9,956,870	\$ 5,263,853	\$ 15,220,723
Receivables (net)			
Property taxes	3,855,915	-	3,855,915
Intergovernmental	1,552,956	-	1,552,956
Accounts	79,958	270,706	350,664
Other	1,326,621	-	1,326,621
Restricted cash and investments	921,061	-	921,061
Prepaid items	59,577	-	59,577
Internal balances	(100,000)	100,000	-
Property held for resale	1,647,176	-	1,647,176
Net pension asset	1,436,081	108,212	1,544,293
Capital Assets			
Land	1,625,162	68,195	1,693,357
Construction in progress	194,853	-	194,853
Infrastructure	17,535,789	12,667,866	30,203,655
Buildings	4,287,553	16,885	4,304,438
Machinery and equipment	1,692,982	905,378	2,598,360
Vehicles	4,333,825	-	4,333,825
Less: accumulated depreciation	<u>(14,214,387)</u>	<u>(7,396,480)</u>	<u>(21,610,867)</u>
Total Assets	<u>36,191,992</u>	<u>12,004,615</u>	<u>48,196,607</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	<u>2,442,326</u>	<u>11,680</u>	<u>2,454,006</u>
Total Deferred Outflows of Resources	<u>2,442,326</u>	<u>11,680</u>	<u>2,454,006</u>
LIABILITIES			
Accounts payable	1,604,381	582,092	2,186,473
Accrued payroll	(38,398)	-	(38,398)
Other liabilities	361,151	-	361,151
Accrued interest payable	46,626	-	46,626
Due to agency fund	300,000	-	300,000
Noncurrent Liabilities			
Due within one year	1,580,000	-	1,580,000
Due in more than one year	43,994,563	155,449	44,150,012
Total Liabilities	<u>47,848,323</u>	<u>737,541</u>	<u>48,585,864</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for future periods	3,799,795	-	3,799,795
Deferred inflows of resources related to pensions	<u>3,129,789</u>	<u>92,848</u>	<u>3,222,637</u>
Total Deferred Inflows of Resources	<u>6,929,584</u>	<u>92,848</u>	<u>7,022,432</u>
NET POSITION			
Net investment in capital assets	13,737,227	6,261,844	19,999,071
Restricted for			
Highways and streets	1,340,360	-	1,340,360
Economic development	2,967,589	-	2,967,589
Debt service	443,603	-	443,603
Public safety	358,293	-	358,293
Capital projects	950,250	-	950,250
Unrestricted	<u>(35,940,911)</u>	<u>4,924,062</u>	<u>(31,016,849)</u>
TOTAL NET POSITION	<u>\$ (16,143,589)</u>	<u>\$ 11,185,906</u>	<u>\$ (4,957,683)</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF ACTIVITIES For the Year Ended April 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 6,647,607	\$ 532,134	\$ 6,200	\$ -
Public safety	12,646,981	2,330,583	102,080	-
Highways and streets	1,497,286	300,295	169,458	214,010
Sanitation	697,534	686,067	-	-
Interest and fiscal charges	154,776	-	-	-
Total Governmental Activities	21,644,184	3,849,079	277,738	214,010
Business-type activities				
Water and sewerage	3,149,118	3,478,107	-	-
Conservation and development	30,500	-	-	-
Total Business-type Activities	3,179,618	3,478,107	-	-
Total	\$ 24,823,802	\$ 7,327,186	\$ 277,738	\$ 214,010

General Revenues

- Property taxes
- Other taxes
 - Sales taxes
 - Local use taxes
 - Utility taxes
 - Other taxes
- Intergovernmental
 - State income tax
 - Personal property replacement tax
- Investment income
- Miscellaneous
- Total General Revenues

Change in net position

NET POSITION (Deficit) - Beginning of Year (as restated)

NET POSITION (Deficit) - END OF YEAR

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (6,109,273)	\$ -	\$ (6,109,273)
(10,214,318)	-	(10,214,318)
(813,523)	-	(813,523)
(11,467)	-	(11,467)
<u>(154,776)</u>	<u>-</u>	<u>(154,776)</u>
<u>(17,303,357)</u>	<u>-</u>	<u>(17,303,357)</u>
-	328,989	328,989
<u>-</u>	<u>(30,500)</u>	<u>(30,500)</u>
<u>-</u>	<u>298,489</u>	<u>298,489</u>
<u>(17,303,357)</u>	<u>298,489</u>	<u>(17,004,868)</u>
9,044,490		9,044,490
3,503,295	-	3,503,295
208,803	-	208,803
1,139,235	-	1,139,235
142,358	-	142,358
719,288	-	719,288
592,633	-	592,633
19,776	4,249	24,025
<u>163,734</u>	<u>-</u>	<u>163,734</u>
<u>15,533,612</u>	<u>4,249</u>	<u>15,537,861</u>
(1,769,745)	302,738	(1,467,007)
<u>(14,373,844)</u>	<u>10,883,168</u>	<u>(3,490,676)</u>
<u>\$ (16,143,589)</u>	<u>\$ 11,185,906</u>	<u>\$ (4,957,683)</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

BALANCE SHEET GOVERNMENTAL FUNDS As of April 30, 2018

	General	22nd and 17th Avenue TIF Redevelopment Fund	Roosevelt Road TIF	Nonmajor Governmental Funds	Totals
ASSETS					
Cash and investments	\$ 1,209,561	\$ -	\$ 3,881,852	\$ 4,865,457	\$ 9,956,870
Receivables (net)					
Property taxes	2,708,409	-	457,076	690,430	3,855,915
Intergovernmental	1,519,387	-	-	33,569	1,552,956
Accounts	-	-	-	79,958	79,958
Other	1,326,621	-	-	-	1,326,621
Restricted cash and investments	-	876,061	-	45,000	921,061
Due from other funds	1,637,291	-	-	-	1,637,291
Prepaid items	59,577	-	-	-	59,577
TOTAL ASSETS	<u>\$ 8,460,846</u>	<u>\$ 876,061</u>	<u>\$ 4,338,928</u>	<u>\$ 5,714,414</u>	<u>\$ 19,390,249</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

BALANCE SHEET
GOVERNMENTAL FUNDS
As of April 30, 2018

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	General	22nd and 17th Avenue TIF Redevelopment Fund	Roosevelt Road TIF	Nonmajor Governmental Funds	Totals
Liabilities					
Accounts payable	\$ 355,001	\$ 195	\$ 623,703	\$ 625,482	\$ 1,604,381
Accrued liabilities	(38,398)	-	-	-	(38,398)
Other liabilities	361,151	-	-	-	361,151
Due to other funds	-	27,071	369,921	1,240,299	1,637,291
Advance to agency fund	300,000	-	-	-	300,000
Advances from other funds	-	-	-	100,000	100,000
Total Liabilities	<u>977,754</u>	<u>27,266</u>	<u>993,624</u>	<u>1,965,781</u>	<u>3,964,425</u>
Deferred Inflows of Resources					
Property taxes levies for future periods	2,672,925	-	443,828	683,042	3,799,795
Unavailable other taxes receivable	<u>522,434</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>522,434</u>
Total Deferred Inflows of Resources	<u>3,195,359</u>	<u>-</u>	<u>443,828</u>	<u>683,042</u>	<u>4,322,229</u>
Fund Balances (Deficit)					
Nonspendable for prepaid items	59,577	-	-	-	59,577
Restricted for debt service purposes	-	848,795	-	530,229	1,379,024
Restricted for highways and streets	-	-	-	1,340,360	1,340,360
Restricted for economic development	66,113	-	2,901,476	-	2,967,589
Restricted for capital projects	-	-	-	950,250	950,250
Restricted for public safety	-	-	-	358,293	358,293
Assigned for debt service	-	-	-	260,426	260,426
Unassigned	<u>4,162,043</u>	<u>-</u>	<u>-</u>	<u>(373,967)</u>	<u>3,788,076</u>
Total Fund Balances	<u>4,287,733</u>	<u>848,795</u>	<u>2,901,476</u>	<u>3,065,591</u>	<u>11,103,595</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 8,460,846</u>	<u>\$ 876,061</u>	<u>\$ 4,338,928</u>	<u>\$ 5,714,414</u>	<u>\$ 19,390,249</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of April 30, 2018

Total Fund Balances - Governmental Funds	\$ 11,103,595
--	---------------

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

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note III C.	15,455,777
--	------------

Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	522,434
--	---------

The net pension asset does not relate to current financial resources and is not reported in the governmental funds.	1,436,081
---	-----------

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	2,442,326
---	-----------

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(3,129,789)
--	-------------

Property held for resale in the governmental funds are not current financial resources and therefore, are not reported in the fund financial statements.	1,647,176
--	-----------

Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds and loans payable	(4,284,115)
Accrued interest	(46,626)
Unamortized debt discount	(68,430)
Total OPEB liability	(3,540,384)
Net pension liability	<u>(37,681,634)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (16,143,589)</u>
--	-------------------------------

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

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

For the Year Ended April 30, 2018

	General	22nd and 17th Avenue TIF Redevelopment Fund	Roosevelt Road TIF	Nonmajor Governmental Funds
REVENUES				
Property taxes	\$ 5,900,887	\$ 1,486,390	\$ 377,650	\$ 1,279,563
Other taxes	4,869,293	-	-	-
Intergovernmental	1,425,032	-	-	383,468
Licenses and permits	828,697	-	-	-
Investment income	9,094	2,862	3,693	4,127
Charges for services	1,888,241	-	-	799,909
Fines, forfeitures and penalties	267,527	-	-	14,797
Miscellaneous	<u>107,480</u>	<u>-</u>	<u>4,857</u>	<u>46,350</u>
Total Revenues	<u>15,296,251</u>	<u>1,489,252</u>	<u>386,200</u>	<u>2,528,214</u>
EXPENDITURES				
Current				
General government	1,554,008	3,522,343	384,633	893,206
Public safety	12,669,619	-	-	15,538
Highways and streets	1,406,644	-	-	72,400
Sanitation	-	-	-	697,534
Employee benefits	-	-	-	295,569
Debt Service				
Debt service - principal	-	-	-	1,515,000
Debt service - interest and fees	1,155	-	-	124,628
Cost of issuance	-	-	-	52,345
Capital Outlay	<u>96,513</u>	<u>-</u>	<u>326,148</u>	<u>1,906,076</u>
Total Expenditures	<u>15,727,939</u>	<u>3,522,343</u>	<u>710,781</u>	<u>5,572,296</u>
Excess (deficiency) of revenues over expenditures	<u>(431,688)</u>	<u>(2,033,091)</u>	<u>(324,581)</u>	<u>(3,044,082)</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued and bond premium	279,180	-	-	695,820
Debt issued	-	-	85	-
Transfers in	595,975	-	-	775,775
Transfers (out)	<u>(775,775)</u>	<u>(595,975)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>99,380</u>	<u>(595,975)</u>	<u>85</u>	<u>1,471,595</u>
Net Change in Fund Balances	(332,308)	(2,629,066)	(324,496)	(1,572,487)
FUND BALANCES - Beginning of Year	<u>4,620,041</u>	<u>3,477,861</u>	<u>3,225,972</u>	<u>4,638,078</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,287,733</u>	<u>\$ 848,795</u>	<u>\$ 2,901,476</u>	<u>\$ 3,065,591</u>

See accompanying notes to financial statements.

Totals

\$ 9,044,490
4,869,293
1,808,500
828,697
19,776
2,688,150
282,324
158,687
19,699,917

6,354,190
12,685,157
1,479,044
697,534
295,569

1,515,000
125,783
52,345
2,328,737
25,533,359

(5,833,442)

975,000
85
1,371,750
(1,371,750)
975,085

(4,858,357)

15,961,952

\$ 11,103,595

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended April 30, 2018

Net change in fund balances - total governmental funds	\$	(4,858,357)
--	----	-------------

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

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		3,620,751
Depreciation is reported in the government-wide financial statements		(880,485)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.		179,379
---	--	---------

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Debt issued		(975,085)
Principal repaid		1,515,000

Some of the bonds issued in the current year are accretion bonds. Accretion of the bonds during the year increases the carrying value of the bonds and will be repaid using future year resources. The current year's accretion is charged to interest expense in the Statement of Activities.		(10,895)
--	--	----------

Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.		
Premiums		28,648

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Total OPEB liability		(146,425)
Accrued interest on debt		5,599
Net pension asset/liability		1,915,628
Deferred outflows of resources related to pensions		(2,554,258)
Deferred inflows of resources related to pensions		<u>390,755</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>(1,769,745)</u>
--	-----------	---------------------------

VILLAGE OF BROADVIEW

STATEMENT OF NET POSITION PROPRIETARY FUND As of April 30, 2018

	Business-type Activities - Enterprise Fund
	<u>Water and Sewerage</u>
ASSETS	
Current Assets	
Cash and investments	\$ 5,263,853
Receivables (net)	
Accounts	270,706
Advances to other funds	<u>100,000</u>
Total Current Assets	<u>5,634,559</u>
Noncurrent Assets	
Capital Assets	
Land	68,195
Buildings and improvements	16,885
Machinery, equipment and furnishings	905,378
Infrastructure	12,667,866
Less: Accumulated depreciation	(7,396,480)
Other Assets	
Net pension asset	<u>108,212</u>
Total Noncurrent Assets	<u>6,370,056</u>
Total Assets	<u>12,004,615</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	<u>11,680</u>
Total Deferred Outflows of Resources	<u>11,680</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF NET POSITION PROPRIETARY FUND As of April 30, 2018

	Business-type Activities - Enterprise Fund <u>Water and Sewerage</u>
LIABILITIES	
Current Liabilities	
Accounts payable	<u>582,092</u>
Total Current Liabilities	<u>582,092</u>
Noncurrent Liabilities	
Long-Term Debt	
Total OPEB liability	<u>155,449</u>
Total Liabilities	<u>737,541</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	<u>92,848</u>
Total Deferred Inflows of Resources	<u>92,848</u>
NET POSITION	
Net investment in capital assets	6,261,844
Unrestricted	<u>4,924,062</u>
TOTAL NET POSITION	<u>\$ 11,185,906</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND For the Year Ended April 30, 2018

	Business-type Activities - Enterprise Fund
	<u>Water and Sewerage</u>
OPERATING REVENUES	
Water sales	\$ 2,926,804
Sewer charges	365,780
Penalties	56,016
Miscellaneous	<u>129,507</u>
Total Operating Revenues	<u>3,478,107</u>
OPERATING EXPENSES	
Source of supply	2,493,388
Transmission and distribution	190,314
Customer accounting and collections	7,543
Personnel services	127,298
Contractual services	1,000
Depreciation	<u>360,075</u>
Total Operating Expenses	<u>3,179,618</u>
Operating Income	<u>298,489</u>
NONOPERATING REVENUES	
Interest income	<u>4,249</u>
Total Nonoperating Revenues	<u>4,249</u>
Change in Net Position	302,738
NET POSITION - Beginning of Year (as restated)	<u>10,883,168</u>
NET POSITION - END OF YEAR	<u>\$ 11,185,906</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2018

	<u>Water and Sewerage</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 3,401,641
Paid to suppliers for goods and services	(2,364,938)
Paid to employees for services	<u>(175,976)</u>
Net Cash Flows From Operating Activities	<u>860,727</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>4,249</u>
Net Cash Flows From Investing Activities	<u>4,249</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	<u>(478,084)</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(478,084)</u>
Net Change in Cash and Cash Equivalents	386,892
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>4,876,961</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 5,263,853</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended April 30, 2018

	<u>Water and Sewerage</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 298,489
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities	
Depreciation	360,075
Changes in assets and liabilities	
Accounts receivable	(76,466)
Deferred outflows related to pensions and OPEB	43,389
Net pension asset	(105,100)
Accounts payable	241,063
Net OPEB Liability	6,429
Deferred inflows related to pensions and OPEB	<u>92,848</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ <u>860,727</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
None	

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of April 30, 2018

	<u>Pension Trusts</u>	<u>Agency Fund</u>
ASSETS		
Cash	\$ 280,523	\$ 14,674
Investments		
Money markets	217,639	-
State and local obligations	2,877,332	-
U.S Government and agency securities	15,584,627	-
Mutual funds	28,447,764	-
Corporate notes	879,575	-
Receivables		
Assessment receivable	-	18,479
Accrued interest	135,644	-
Prepaid items	5,193	-
Due from primary government	29,814	300,000
Other assets	375	-
Total Assets	<u>48,458,486</u>	<u>333,153</u>
LIABILITIES		
Accounts payable	14,494	-
Special assessments	-	280,552
Special assessment bonds payable	-	52,601
Total Liabilities	<u>14,494</u>	<u>333,153</u>
NET POSITION		
Restricted for pensions	<u>\$ 48,443,992</u>	<u>\$ -</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended April 30, 2018

	<u>Pension Trusts</u>
ADDITIONS	
Contributions	
Employer	\$ 3,626,768
Plan members	458,810
Refunds	<u>11,905</u>
Total Contributions	<u>4,097,483</u>
Investment income	
Interest and dividends	2,107,751
Net appreciation in fair value of investments	<u>1,297,630</u>
Total Investment Income	3,405,381
Less Investment expenses	<u>119,044</u>
Net Investment Income	<u>3,286,337</u>
Total Additions	<u>7,383,820</u>
DEDUCTIONS	
Administration	129,753
Benefits	<u>4,414,063</u>
Total Deductions	<u>4,543,816</u>
 Change in Net Position	 2,840,004
NET POSITION - Beginning of Year	<u>45,603,988</u>
 NET POSITION - END OF YEAR	 <u>\$ 48,443,992</u>

See accompanying notes to financial statements.

VILLAGE OF BROADVIEW

INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE	Page
I Summary of Significant Accounting Policies	32
A. Reporting Entity	32
B. Government-Wide and Fund Financial Statements	33
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	37
D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity	38
1. Deposits and Investments	38
2. Receivables	41
3. Prepaid Items	42
4. Restricted Assets	42
5. Capital Assets	42
6. Other Assets	43
7. Deferred Outflows of Resources	43
8. Long-Term Obligations	44
9. Deferred Inflows of Resources	44
10. Equity Classifications	44
II Stewardship, Compliance, and Accountability	46
A. Excess Expenditures Over Appropriations	46
B. Deficit Balances	46
C. Limitations on the Village's Tax Levy	47
III Detailed Notes on All Funds	48
A. Deposits and Investments	48
B. Receivables	52
C. Capital Assets	53
D. Interfund Receivables/Payables, Advances and Transfers	55
E. Long-Term Obligations	56
F. IEPA Brownsfield Revolving Loan	58
G. Restatement of Net Position	59
IV Other Information	59
A. Employees' Retirement System	59
B. Risk Management	73
C. Commitments and Contingencies	73
D. Other Postemployment Benefits	74
E. Subsequent Events	76
F. Tax Increment Financing District	77
G. Effect of New Accounting Standards on Current-Period Financial Statements	77

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Broadview, Illinois (the "Village") was incorporated in 1914. The Village is a non home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The Village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, and general administrative services.

The accounting policies of the Village of Broadview, Illinois conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Pension Trust Funds

The Police Pension Employees Retirement System (PPERS) is established for the Village's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The Village and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements. Complete financial statements for the component unit may be obtained at the entity's administrative offices:

Police Pension Board
2350 South 25th Street
Broadview, Illinois

The Firefighters' Pension Employees Retirement System (FPERS) is established for the Village's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one pension beneficiary elected by the membership; and two fire employees elected by the membership constitute the pension board. The Village and the 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. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's firefighters because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements. Separately issued financial statements for the component unit may be obtained at the entity's administrative offices:

Firefighters' Pension Board
2400 South 25th Street
Broadview, Illinois

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In June 2015, the GASB issued statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. This standard was implemented May 1, 2017.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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. The Village does not allocate indirect expenses to functions in the statement of activities. 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 included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the Village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

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

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

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

The Village reports the following major governmental funds:

- General Fund - accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- 22nd and 17th Avenue TIF Redevelopment Fund - is used to account for incremental real estate and sales tax revenues received from Village Square Tax Increment Financing District that are to be used for the development of the Redevelopment Project Area at 22nd Street and 17th Avenue.
- Roosevelt Road TIF Fund - is used to account for incremental real estate tax revenues received from Roosevelt Road Tax Increment Financing District that are to be used for the development of the Redevelopment Project Area at Roosevelt Road.

The Village reports the following major enterprise fund:

- Water and Sewerage Fund - accounts for operations of the sewerage and collection systems, and the water distribution system.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The Village reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Garbage Motor Fuel Tax	Illinois Municipal Retirement Community Development Block Grant (CDBG) 27th / 23rd Street TIF Redevelopment
Emergency Telephone System 17th Avenue North TIF Redevelopment	

Debt Service Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

Debt Service

Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Capital Projects Fund

In addition, the Village reports the following fund types:

Pension Trust Funds - used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans.

Police Pension Fund
Firefighters' Pension Fund

Agency Fund - used to account for and report assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Special Assessment

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for state income taxes. State income taxes received within 120 days will be considered as available. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

The 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 Water and Sewerage Fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary 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.

All Financial Statements

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the Village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities, and corporate bonds meeting certain requirements. Pension funds with net assets in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The police pension fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The firefighters pension fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Certain deposits of the 22nd and 17th Avenue Tax Increment Financing District are classified as restricted assets because their use is restricted based on the Redevelopment Agreement for the Tax Increment Financing District.

The Village and pensions have adopted an investment policy. That policy follows the state statute for allowable investments.

Interest Rate Risk

The Village and pension's formal investment policy states the portfolio should provide a comparable rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to benchmarks with similar maturity, liquidity and credit quality as the portfolio. The Village set an investment bank's 1-3 year Governmental Bond Index as its initial benchmark. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than two years from the date of purchase. Reserve funds may be invested in securities exceeding two years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

The pensions' investment policies seek to ensure preservation of capital in the overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The Police Pension's investment policy limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities. The Firefighters' Pension's policy does not limit investment maturities except as part of statutory requirements, as a means of managing its exposure to fair value losses arising from increasing interest rates. Over a full business cycle (3-5 years) it is the goal of the Firefighters' Pension to get a return on investments that meets or exceeds the rate of 8%. The portfolio will be managed with an average duration ranging from one to ten years. However, all of the policies require the Village's and pensions' investment portfolios to be sufficiently liquid to enable the village and pensions to meet all operating requirements as they come due.

Credit Risk

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Village's and pension's investment policies authorize investments in any type of security allowed for in Illinois statutes regarding the investment of public funds. The Police Pension's investment policy prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Concentration of Credit Risk

The Village's and pensions' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity.

The Police Pension does not have a formal written policy with regards to concentration credit risk for investments. At April 30, 2018, the Police Pension Fund does not have any investments over 5% of net plan assets invested in various agency securities. Agency investments represent a large portion of the portfolio; however, the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

The Firefighter's investment policy has a preferred target that not less than 55 percent of its portfolio be in fixed income securities and up to 45 percent may be invested in qualified equity securities. At April 30, 2018, the Firefighters' Pension Fund has over 5% of net assets invested in various agency securities as indicated in the table in Note III A.

Custodial Credit Risk - Deposits

The Village's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 100% of the value of the deposit. The Police Pension Fund's investment policy requires pledging of collateral with a fair value of 100% of all bank balances in excess of federal depository insurance.

Custodial Credit Risk - Investments

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Village's investment policy requires all securities to be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts. The Firefighters' Pension's investment policy requires all investments to be registered in the name of the fund, however, it does not specifically address these risks.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. Investment in IMET's 1-3 year fund may be redeemed with 5 business days' notice.

See Note III. A. for further information.

2. Receivables

Property taxes for levy year 2017 attaches as an enforceable lien on January 1, 2017, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The 2018 tax levy, which attached as an enforceable lien on the property as of January 1, 2018, has not been recorded as a receivable as of April 30, 2018, as the tax has not yet been levied by the Village and will not be levied until December 2018, and therefore, the levy is not measurable at April 30, 2018.

Tax bills for levy year 2017 are prepared by Cook County and issued on or about February 1, 2018 and July 1, 2018, and are payable in two installments, on or about March 1, 2018 and August 1, 2018 or within 30 days of the tax bills being issued.

The county collects such taxes and remits them periodically. The 2017 property tax levy is recognized as a receivable and deferred inflows in fiscal 2018, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At April 30, 2018, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2017 levy.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

All trade and property tax receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days (\$36,404) comprise the trade accounts receivable allowance for uncollectibles. The property tax receivable allowance is equal to 1 percent (\$74,764) of outstanding property taxes at April 30, 2018.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,500 for general capital assets and \$1,500 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	50 Years
Land Improvements	20 Years
Machinery and Equipment	5-20 Years
Infrastructure	20-50 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

6. Other Assets

The Village's property held for resale includes land that is being held for sale for future development of the Village. The Village reevaluates the value of the property held for resale on an annual basis. Based on current market conditions, the Village determined that no adjustment to the value was necessary as of April 30, 2018.

7. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Long-Term Obligations

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

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

10. Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Fund Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the Village . This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. Fund balance may be assigned through the following; 1) Formal action of the Village Board 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER BUDGET

Funds	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
General	\$ 14,591,652	\$ 15,727,939	\$ 1,136,287
Garbage	658,311	697,534	39,223
Emergency Telephone System	-	15,538	15,538
17th Avenue North TIF			
Redevelopment	1,333	5,975	4,642
Debt Service	1,658,806	1,691,973	33,167

The Village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report.

B. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of April 30, 2018, the following individual funds held a deficit balance:

Fund	Amount	Reason
Garbage	\$ 16,702	Operating expenditures exceeded available revenues or financing
CDBG	113,783	Prior operating expenditures exceeded available revenues or financing
17th Avenue TIF Redevelopment	7,876	Current and prior operating expenditures exceeded available revenues or financing
Illinois Municipal Retirement	84,645	Current operating expenditures exceeded available revenues or financing
27th & 23rd TIF Redevelopment	150,961	Current operating expenditures exceeded available revenues or financing

The Community Development Block Grant deficit will be funded by future grant awards.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

C. LIMITATIONS ON THE VILLAGE'S TAX LEVY

Tax rate ceilings are established by Illinois state law under the Property Tax Extension Limitation Act (PTELA) and are subject to change only by the approval of the voters of the Village. The tax rate ceilings are applied at the fund level.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lessor of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the Village's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation. The CPI rates applicable to the 2017 and 2016 tax levies were 2.1% and 0.7%, respectively.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The Village's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Cash on hand	\$ 2,800	\$ -	N/A
Deposits with financial institutions	15,604,620	15,745,072	Custodial Credit Risk - Deposits
Other investments	<u>48,836,498</u>	<u>48,818,189</u>	Interest rate risk; Credit risk; Concentration of credit risk; Custodial credit risk - investments
 Total Deposits and Investments	 <u>\$ 64,443,918</u>	 <u>\$ 64,563,261</u>	
 Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 15,220,723		
Restricted cash and investments	921,061		
Per statement of net position - fiduciary funds			
Pension - Cash	280,523		
Pension - Money markets	217,639		
Pension - State and local obligations	2,877,332		
Pension - U.S. Government and agency securities	15,584,627		
Pension - Mutual funds	28,447,764		
Pension - Corporate notes	879,575		
Agency - Cash	<u>14,674</u>		
 Total Deposits and Investments	 <u>\$ 64,443,918</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

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

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

The Village used the market valuation method for recurring fair value measurements. As of April 30, 2018, the Village's investments were measured using valuation inputs as follows:

Firefighters' Pension Fund:

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
U.S. Government and Agency Securities	\$ -	\$ 5,596,868	\$ -	\$ 5,596,868
State and Local Obligations	-	1,123,640	-	1,123,640
Mutual Funds	12,662,870	-	-	12,662,870
Corporate Notes	-	879,575	-	879,575
Total	\$ 12,662,870	\$ 7,600,083	\$ -	\$ 20,262,953

Police Pension Fund:

Investment Type	April 30, 2018			
	Level 1	Level 2	Level 3	Total
U.S. Treasuries	\$ 1,491,750	\$ -	\$ -	\$ 1,491,750
U.S. Agencies	-	8,496,009	-	8,496,009
State and Local Obligations	-	1,753,692	-	1,753,692
Mutual Funds	15,784,894	-	-	15,784,894
Total	\$ 17,276,644	\$ 10,249,701	\$ -	\$ 27,526,345

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village.

As of April 30, 2018, \$29,587 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 29,587
Total	\$ 29,587

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of April 30, 2018, the Village's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Federal Farm Credit Bank	AA+	Aaa
Federal Home Loan Bank	AA+	Aaa
Corporate Notes	BBB+ to AA+	Aaa to A3
State and Local Obligations	AA+ to AA-	Aa2 to A1
Illinois Funds	AAAm	N/A
Illinois Metropolitan Investment Fund	N/A	Aaa

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At April 30, 2018, the Firefighters' Pension Fund investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Net Position
U.S. Government Agency	Federal Farm Credit Bank	9.72%
U.S. Government Agency	Federal Home Loan Bank	8.93%

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of April 30, 2018, the Village's investments were as follows:

Firefighters' Pension Fund:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	More than 10
Corporate Notes	\$ 879,575	\$ 213,185	\$ 425,712	\$ 240,678	\$ -
U.S. Treasury Notes	740,352	198,813	418,023	123,516	-
State and Local Obligations	1,123,640	20,249	372,121	731,270	-
Federal Farm Credit Bank	1,996,583	42,553	498,600	1,455,430	-
Federal Home Loan Bank	1,834,650	50,006	525,522	1,259,122	-
Federal Home Loan Mortgage Corporation	325,996	53	172,563	153,380	-
Federal National Mortgage Association Pool	282,372	58,823	147,301	48,820	27,428
Governmental National Mortgage Association	<u>416,915</u>	<u>1,439</u>	<u>24,111</u>	<u>-</u>	<u>391,365</u>
Totals	<u>\$ 7,600,083</u>	<u>\$ 585,121</u>	<u>\$ 2,583,953</u>	<u>\$ 4,012,216</u>	<u>\$ 418,793</u>

Police Pension Fund:

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1	1-5	6-10	More than 10
State and Local Obligations	\$ 1,753,692	\$ 202,677	\$ 793,503	\$ 657,338	\$ 100,174
U.S. Treasury Notes	1,491,750	399,063	949,781	142,906	-
U.S. Agencies	<u>8,496,009</u>	<u>231,979</u>	<u>1,850,947</u>	<u>6,268,917</u>	<u>144,166</u>
Totals	<u>\$ 11,741,451</u>	<u>\$ 833,719</u>	<u>\$ 3,594,231</u>	<u>\$ 7,069,161</u>	<u>\$ 244,340</u>

See Note I.D.1. for further information on deposit and investment policies.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables as of year end for the government's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Roosevelt Road TIF	Nonmajor Funds	Water and Sewerage	Totals
Receivables					
Property taxes	\$ 2,763,549	\$ 463,141	\$ 703,989	\$ -	\$ 3,930,679
Replacement taxes	251,300	-	-	-	251,300
Income taxes	122,334	-	-	-	122,334
Local use taxes	65,789	-	-	-	65,789
Sales taxes	1,079,964	-	-	-	1,079,964
Utility taxes	332,029	-	-	-	332,029
Fire protection	51,667	-	-	-	51,667
Ambulance billings	890,749	-	-	-	890,749
Motor fuel taxes	-	-	33,569	-	33,569
Other	180,920	-	-	-	180,920
Accounts	-	-	79,958	307,110	387,068
	5,738,301	463,141	817,516	307,110	7,326,068
Gross receivables					
Less: Allowance for uncollectibles	(183,884)	(6,065)	(13,559)	(36,404)	(239,912)
	\$ 5,554,417	\$ 457,076	\$ 803,957	\$ 270,706	\$ 7,086,156
Net Total Receivables					

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 3,799,795	\$ -
Sales taxes receivable	-	290,651
Local use tax receivable	-	16,377
Excise tax receivable	-	22,339
Utility tax receivable	-	138,086
State income tax receivable	-	54,981
	\$ 3,799,795	\$ 522,434
Total Unearned/Unavailable Revenue for Governmental Funds		

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2018, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,625,162	\$ -	\$ -	\$ 1,625,162
Construction in process	402,609	194,853	402,609	194,853
Total Capital Assets Not Being Depreciated	2,027,771	194,853	402,609	1,820,015
Capital assets being depreciated				
Buildings	4,070,000	217,553	-	4,287,553
Vehicles	4,012,760	321,065	-	4,333,825
Equipment	1,627,089	65,893	-	1,692,982
Infrastructure	14,311,793	3,223,996	-	17,535,789
Total Capital Assets Being Depreciated	24,021,642	3,828,507	-	27,850,149
Total Capital Assets	26,049,413	4,023,360	402,609	29,670,164
Less: Accumulated depreciation for				
Buildings	(2,436,500)	(76,951)	-	(2,513,451)
Vehicles	(3,052,132)	(199,459)	-	(3,251,591)
Equipment	(1,376,781)	(124,435)	-	(1,501,216)
Infrastructure	(6,468,489)	(479,640)	-	(6,948,129)
Total Accumulated Depreciation	(13,333,902)	(880,485)	-	(14,214,387)
Net Capital Assets Being Depreciated	10,687,740	2,948,022	-	13,635,762
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 12,715,511	\$ 3,142,875	\$ 402,609	\$ 15,455,777

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 102,128
Public safety	240,565
Highways and streets	537,792
Total Governmental Activities Depreciation Expense	\$ 880,485

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 68,195	\$ -	\$ -	\$ 68,195
Total Capital Assets Not Being depreciated	68,195	-	-	68,195
Capital assets being depreciated				
Buildings	16,885	-	-	16,885
Equipment	834,157	71,221	-	905,378
Infrastructure	12,261,003	406,863	-	12,667,866
Total Capital Assets Being Depreciated	13,112,045	478,084	-	13,590,129
Total Capital Assets	13,180,240	478,084	-	13,658,324
Less: Accumulated depreciation for				
Buildings	(16,885)	-	-	(16,885)
Equipment	(421,987)	(28,716)	-	(450,703)
Infrastructure	(6,597,533)	(331,359)	-	(6,928,892)
Total Accumulated Depreciation	(7,036,405)	(360,075)	-	(7,396,480)
Net Capital Assets Being Depreciated	6,075,640	118,009	-	6,193,649
Business-type Capital Assets, Net of Accumulated Depreciation	\$ 6,143,835	\$ 118,009	\$ -	\$ 6,261,844

Depreciation expense was charged to functions as follows:

Business-type Activities	
Water	\$ 360,075
Total Business-type Activities Depreciation Expense	\$ 360,075

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
General	Roosevelt Road TIF	\$ 369,921
	22nd and 17th Avenue TIF	
General	Redevelopment	27,071
General	Nonmajor	<u>1,240,299</u>
Total - Fund Financial Statements		1,637,291
Less: Fund eliminations		<u>(1,637,291)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u><u>\$ -</u></u>

All amounts are due within one year.

The principal purpose of these interfunds is because of shortfalls in respective funds thus creating short-term interfund loans.

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
Agency	General	\$ 300,000	\$ 300,000
Water	Nonmajor	<u>100,000</u>	100,000
Total - Fund Financial Statements		400,000	
Less: Fiduciary fund eliminations (Due to agency fund)		<u>(300,000)</u>	
Total - Interfund Advances - Government-Wide Statement of Net Position		<u><u>\$ 100,000</u></u>	

The principal purpose of these interfunds is because of a shortfall in respective funds thus creating long-term interfund loans.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Nonmajor	General	\$ 775,775	Budgeted operating transfers To reimburse the Village for TIF expenses.
General	22nd and 17th Avenue TIF Redevelopment	<u>595,975</u>	
Total - Fund Financial Statements		1,371,750	
Less: Fund eliminations		<u>(1,371,750)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ -</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended April 30, 2018, was as follows:

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds Payable					
General obligation debt	\$ 4,694,181	\$ 985,895	\$ 1,515,000	\$ 4,165,076	\$ 1,580,000
Unamortized premium	<u>97,078</u>	<u>-</u>	<u>28,648</u>	<u>68,430</u>	<u>-</u>
Sub-totals	<u>4,791,259</u>	<u>985,895</u>	<u>1,543,648</u>	<u>4,233,506</u>	<u>1,580,000</u>
Other Liabilities					
IEPA Brownfields revolving loan	118,954	85	-	119,039	-
Total OPEB Liability	3,393,959	238,698	92,273	3,540,384	-
Net pension liability	<u>38,202,487</u>	<u>3,105,915</u>	<u>3,626,768</u>	<u>37,681,634</u>	<u>-</u>
Total Other Liabilities	<u>41,715,400</u>	<u>3,344,698</u>	<u>3,719,041</u>	<u>41,341,057</u>	<u>-</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 46,506,659</u>	<u>\$ 4,330,593</u>	<u>\$ 5,262,689</u>	<u>\$ 45,574,563</u>	<u>\$ 1,580,000</u>

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Business-type Activities					
Other Liabilities					
Net OPEB Liability	\$ <u>149,020</u>	\$ <u>10,480</u>	\$ <u>4,051</u>	\$ <u>155,449</u>	\$ <u>-</u>
Total Other Liabilities	<u>149,020</u>	<u>10,480</u>	<u>4,051</u>	<u>155,449</u>	<u>-</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ <u>149,020</u></u>	<u>\$ <u>10,480</u></u>	<u>\$ <u>4,051</u></u>	<u>\$ <u>155,449</u></u>	<u>\$ <u>-</u></u>

The compensated absences, OPEB liabilities and net pension liabilities are paid out of the fund that has the associated salary.

The Village is subject to the Illinois Municipal Code, which limits the amount of certain indebtedness to 8.625% of the most recent available equalized assessed valuation of the Village. As of April 30, 2018, the statutory debt limit for the Village was \$21,596,517, providing a debt margin of \$17,606,517.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance April 30, 2018</u>
Alternative Revenue General Obligation Bond (Capital Appreciation Bonds)	2003A	06/01/2022	2.70%- 5.50%	\$ 1,690,000	\$ 175,076
Alternative Revenue General Obligation Bond	2015A	12/01/2022	3.00%	4,675,000	3,015,000
General Obligation Limited Tax Bond	2017	11/30/2017	2.00%	975,000	<u>975,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ <u>4,165,076</u></u>

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows (includes \$29,924 of accretion excluded in the above 2003A carrying amount):

Years	Governmental Activities General Obligation Debt	
	Principal	Interest
2019	\$ 1,580,000	\$ 109,138
2020	630,000	73,500
2021	645,000	55,800
2022	665,000	37,650
2023	<u>675,000</u>	<u>19,050</u>
Totals	<u>\$ 4,195,000</u>	<u>\$ 295,138</u>

F. IEPA BROWNSFIELD REVOLVING LOAN

In 2007, the Village entered into an agreement with the IEPA to receive a \$300,000 revolving loan to fund cleanup activities at the former Broadview Quick Wash site.

According to the agreement, the Village has two years to use the funds.

There are a number of provisions and covenants contained in the loan agreement. If the site is sold, leased, traded, or developed within 15 years of the agreement (until 2022), the Village must repay between 0% and 80% of the proceeds. Otherwise, the Village has no obligation to repay the loan. The Village is in compliance with all significant provisions and covenants. However, as a conservative measure, the Village has recorded a liability on its Statement of Net Position for 80% of the proceeds received. This obligation will be repaid from the Roosevelt Road TIF Fund.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. RESTATEMENT OF NET POSITION

Net position has been restated due to the implementation of GASB No. 75. The restatement is necessary to record the beginning of year total other postemployment liability.

	Governmental Activities	Business-Type Activities
Net position as of April 30, 2017 (as reported)	\$ (11,990,087)	\$ 11,032,188
Adjustment to record the total OPEB liability as of April 30, 2017	(3,393,959)	(149,020)
Adjustment to remove prior year net OPEB obligation	1,010,202	-
Net position as of April 30, 2017 (as restated)	\$ (14,373,844)	\$ 10,883,168
	Water and Sewerage	
Net position as of April 30, 2017 (as reported)	\$ 11,032,188	
Adjustment to record the total OPEB liability as of April 30, 2017	(149,020)	
Net position as of April 30, 2017 (as restated)	\$ 10,883,168	

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Illinois Municipal Retirement Fund

Plan description. All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings for the first 15 years of service credit, plus 2% for each year of service after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased ever year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount or 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan membership. At December 31, 2017, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	42
Inactive, non-retired members	22
Active members	<u>41</u>
Total	<u><u>105</u></u>

Contributions. As set by statute, Village employees participating in IMRF are required to contribute 4.50% 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 Village's actuarially determined contribution rate for calendar year 2017 was 6.21% of annual covered payroll for IMRF. 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 statute.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Summary of Significant Accounting Policies. For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions. The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2017 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.50%
Price Inflation	2.50%
Salary increases	3.39% to 14.50%, including inflation

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

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using an asset allocation study 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 long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00%	8.30%	6.85%
International equities	18.00%	8.45%	6.75%
Fixed income	28.00%	3.05%	3.00%
Real estate	9.00%	6.90%	5.75%
Alternatives	7.00%		
Private equity		12.45%	7.35%
Hedge funds		5.35%	5.25%
Commodities		4.25%	2.65%
Cash equivalents	1.00%	2.25%	2.25%

Discount rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the 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 investments of 7.50% was applied to all periods of projected benefits to determine the total pension liability.

Discount rate sensitivity. The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents net pension liability/(asset) of the Village calculated using the discount rate of 7.50% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 12,787,413	\$ 11,456,427	\$ 10,375,848
Plan fiduciary net pension	13,000,720	13,000,720	13,000,720
Net pension liability/(asset)	<u>\$ (213,307)</u>	<u>\$ (1,544,293)</u>	<u>\$ (2,624,872)</u>

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Changes in net pension liability/(asset). The changes in net pension liability/(asset) for the calendar year ended December 31, 2017 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2016	\$ 11,912,340	\$ 11,956,758	\$ (44,418)
Service cost	167,223	-	167,223
Interest on total pension liability	875,831	-	875,831
Differences between expected and actual experience of the total pension liability	(526,503)	-	(526,503)
Change of assumptions	(336,041)	-	(336,041)
Benefit payments, including refunds of employee contributions	(636,423)	(636,423)	-
Contributions - employer	-	100,062	(100,062)
Contributions - employee	-	72,509	(72,509)
Net investment income	-	2,158,178	(2,158,178)
Other (net transfer)	-	(650,364)	650,364
Balances at December 31, 2017	<u>\$ 11,456,427</u>	<u>\$ 13,000,720</u>	<u>\$ (1,544,293)</u>

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2018, the Village recognized pension expense of \$544,426. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 129,882	\$ 392,092
Assumption changes	-	250,253
Net difference between projected and actual earnings on pension plan investments	-	682,689
Contributions subsequent to the measurement date	<u>38,970</u>	<u>-</u>
Total	<u>\$ 168,852</u>	<u>\$ 1,325,034</u>

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending . The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$1,195,152) will be recognized in pension expense as follows:

Year Ending December 31,	
2018	\$ 227,759
2019	255,626
2020	451,127
2021	<u>260,640</u>
Total	<u>\$ 1,195,152</u>

Police Pension

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

As provided for in the Illinois Compiled Statutes, the Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police officer shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or onehalf the annual unadjusted percentage increase in the CPI, whichever is less.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Plan membership. At April 30, 2018, the Police Pension membership consisted of:

Table with 2 columns: Description and Count. Rows include Retirees and beneficiaries (33), Inactive, non-retired members (-), Active members (31), and Total (64).

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest.

Net Pension Liability/(Asset). The net pension liability/(asset) was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies. The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed as of April 30, 2018 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	3.50% - 27.25%
Cost-of-living adjustments	2.50%

Mortality rates were based on the outside actuary's 2016 Illinois Police Mortality Table.

Long-term expected real rate of return. The long-term expected rate of return on the Police Pension Plan's investments was determined using a building block method. The best estimate for future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target allocation within the Plan investment policy. Expectation inflation is added back in. Adjustment is made to reflect geometric returns. Best estimated or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of April 30, 2018 are as follows:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	45.00%	1.45%
Large Cap Domestic Equity	38.50%	6.65%
Small Cap Domestic Equity	11.00%	8.55%
International equities	5.50%	6.45%

Illinois Compiled Statutes (ILCS) limit the Plan's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Discount rate. The discount rate used to measure the total pension liability for the Police Pension Plan was 7.00%, 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 actuarially determined contribution rates and the member rate. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 7.00% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 48,260,922	\$ 42,488,095	\$ 37,759,970
Plan fiduciary net position	27,909,905	27,909,905	27,909,905
Net pension liability	\$ 20,351,017	\$ 14,578,190	\$ 9,850,065

Changes in net pension liability/(asset). The Village's changes in net pension liability/(asset) for the calendar year ended April 30, 2018 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2017	\$ 41,183,516	\$ 26,665,789	\$ 14,517,727
Service cost	612,021	-	612,021
Interest on total pension liability	2,807,907	-	2,807,907
Differences between expected and actual experience of the total pension liability	25,775	-	25,775
Benefit payments, including refunds of employee contributions	(2,141,124)	(2,141,124)	-
Contributions - employer	-	1,388,241	(1,388,241)
Contributions - employee	-	255,311	(255,311)
Net investment income	-	1,810,822	(1,810,822)
Administration	-	(69,134)	69,134
Balances at April 30, 2018	\$ 42,488,095	\$ 27,909,905	\$ 14,578,190

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Police Pension (cont.)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2018, the Village recognized pension expense of \$1,019,748. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 274,277	\$ 210,572
Assumption changes	-	1,161,584
Net difference between projected and actual earnings on pension plan investments	319,831	-
Total	\$ 594,108	\$ 1,372,156

The amounts reported as deferred outflows and inflows of resources related to pensions (\$778,048) will be recognized in pension expense as follows:

Year Ending April 30,	Amount
2019	\$ (367,232)
2020	(238,992)
2021	(139,854)
2022	(32,247)
2023	(143)
Thereafter	420
Total	\$ (778,048)

Firefighters' Pension

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

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan membership. At April 30, 2018, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	38
Inactive, non-retired members	3
Active members	<u>28</u>
Total	<u><u>69</u></u>

Contributions. Participants contribute a fixed percentage of their base salary to the plans. At April 30, 2018, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The Village's actuarially determined contribution rate for the fiscal year ending April 30, 2018 was 104.00% of annual covered payroll.

Net pension liability/(asset). The net pension liability/(asset) was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Summary of significant accounting policies. The financial statements of the Firefighters' Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation performed as of April 30, 2018 using the following actuarial methods and assumptions:

Actuarial cost method	Entry age normal
Asset valuation method	Market value
Actuarial assumptions	
Interest rate	6.75%
Inflation	2.50%
Projected salary increases	4.00% - 11.40%
Cost-of-living adjustments	2.50%

Mortality rates were based on the outside actuary's 2016 Illinois Mortality Table.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Long-term expected real rate of return. The long-term expected rate of return on the Firefighters' Pension Plan's investments was determined using a building block method. The best estimate for future real rates of return are developed for each of the major asset classes. Future real rates of return are weighted based on the target allocation within the Plan investment policy. Expectation inflation is added back in. Adjustment is made to reflect geometric returns. Best estimated or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of April 30, 2018 are as follows:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed income	40.00%	1.50%
Large cap domestic equity	42.00%	6.70%
Small cap domestic equity	12.00%	8.60%
International equities	6.00%	6.50%

Illinois Compiled Statutes (ILCS) limit the Plan's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

Discount rate. The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 6.75%, 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 actuarially determined contribution rates and the member rate. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 6.75% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 49,047,402	\$ 43,637,531	\$ 39,151,761
Plan fiduciary net position	<u>20,534,093</u>	<u>20,534,087</u>	<u>20,534,093</u>
Net pension liability	<u>\$ 28,513,309</u>	<u>\$ 23,103,444</u>	<u>\$ 18,617,668</u>

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

Changes in net pension liability/(asset). The Village's changes in net pension liability/(asset) for the calendar year ended April 30, 2018 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/Asset (a) - (b)
Balances at April 30, 2017	\$ 42,622,959	\$ 18,938,199	\$ 23,684,760
Service cost	546,950	-	546,950
Interest on total pension liability	2,800,332	-	2,800,332
Differences between expected and actual experience of the total pension liability	(59,771)	-	(59,771)
Benefit payments, including refunds of employee contributions	(2,272,939)	(2,272,939)	-
Contributions - employer	-	2,238,527	(2,238,527)
Contributions - employee	-	215,404	(215,404)
Net investment income	-	1,475,515	(1,475,515)
Administration	-	(60,619)	60,619
Balances at April 30, 2018	\$ 43,637,531	\$ 20,534,087	\$ 23,103,444

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended April 30, 2018, the Village recognized pension expense of \$2,441,678. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 92,089	\$ 323,622
Assumption changes	1,433,313	201,825
Net difference between projected and actual earnings on pension plan investments	165,644	-
Total	\$ 1,691,046	\$ 525,447

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Firefighters' Pension (cont.)

The amounts reported as deferred outflows and inflows of resources related to pensions (\$1,165,599) will be recognized in pension expense as follows:

<u>Year Ending April 30,</u>	<u>Amount</u>
2019	\$ 531,567
2020	531,566
2021	186,553
2022	(36,416)
2023	(44,648)
Thereafter	<u>(3,023)</u>
Total	<u>\$ 1,165,599</u>

B. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Public Entity Risk Pool

IMLRA

The Village participates in the Illinois Municipal League Risk Management Association (IMLRA). IMLRA is an organization of municipalities and special districts in Northeastern Illinois, which has formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

The Village has active construction projects as of April 30, 2018. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

D. OTHER POSTEMPLOYMENT BENEFITS

Plan description. The Village's single-employer defined benefit OPEB plan, the Retiree Health Insurance Plan, provides health insurance plan coverage to eligible retirees and their spouses. The plan is funded on a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

Contributions and benefits provided. The Village provides continued health insurance coverage at the active employee rate to all eligible employees in accordance with ILCS, which creates an OPEB for retirees, commonly referred to as an implicit rate subsidy. To be eligible for benefits, an employee must qualify for retirement under the Village's retirement plans. The Village pays \$267 per retiree who stays on the Village insurance for life and the amount is fixed for future years. The retiree pays the difference in coverage premiums. Retired employees are required to pay 100% of the premiums for such coverage. Additionally, the Village pays 100% of the insurance cost for disabled police and fire employees.

Plan membership. At April 30, 2018, membership consisted of:

Table with 2 columns: Description and Count. Rows include Retired plan members (8), Active employees not yet eligible (71), Active employees fully eligible (16), and Total (95).

Total OPEB Liability. At April 30, 2018, the Village's total OPEB liability of \$3,695,833 was measured as of April 30, 2018, and was determined by an actuarial valuation as of May 1, 2017.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Actuarial assumptions and other inputs. The total OPEB liability in the April 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.97%
Health care participation rate	30% participation with 50% electing spouse coverage
Healthcare cost trend rates	Initial rate of 7.70%, grading down to the ultimate trend rate of 5.00%
Retirees' share of benefit-related costs	100%

The discount rate was based on the 2018 Bond Buyer 20-Bond Index, as published by the Federal Reserve.

Mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale AA (for IMRF, Library, and disabled employees) and Scale BB (for Police and Fire employees). These rates are improved generationally using MP-2016 improvement rates.

The actuarial assumptions used in the April 30, 2018 valuation were based on the results of an actuarial experience study conducted by the independent actuary.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at April 30, 2017	\$ <u>3,542,979</u>
Changes for the year:	
Service cost	110,434
Interest	138,744
Benefit payments	<u>(96,324)</u>
Net changes	<u>152,854</u>
Balances at April 30, 2018	\$ <u><u>3,695,833</u></u>

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.97 percent) or 1-percentage-point higher (4.97 percent) than the current discount rate:

	1% Decrease (2.97%)	Discount Rate (3.97%)	1% Increase (4.97%)
Total OPEB liability	\$ 3,299,863	\$ 3,695,833	\$ 2,560,941

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.70 percent decreasing to 4.00 percent) or 1-percentage-point higher (8.70 percent decreasing to 6.00 percent) than the current healthcare cost trend rates:

	1% Decrease (6.70% Decreasing to 4.00%)	Healthcare Cost Trend Rates (7.70% Decreasing to 5.00%)	1% Increase (8.70% Decreasing to 6.00%)
Total OPEB liability	\$ 2,522,802	\$ 3,695,833	\$ 3,354,305

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended April 30, 2018, the Village recognized OPEB expense of \$249,178. At April 30, 2018, the Village had no deferred outflows or inflows of resources related to OPEB

E. SUBSEQUENT EVENTS

On August 28, 2018, the Village issued general obligation bonds (alternative revenue source), Series 2018 in the amount of \$10,845,000 with an interest rate of 5.00%. The maturity date is December 1, 2038. This amount will be used to construct capital improvements, acquire equipment and pay capitalized interest.

On November 19, 2018, the Village issued general obligation limited tax bonds, Series 2018 in the amount of \$740,000 with an interest rate of 2.80%. The maturity date is November 15, 2019. This amount will be used to pay debt service on the Village's outstanding bonds, fund certain capital projects and pay certain costs of the issuance.

Subsequent to April 30, 2018, the investment markets have experienced significant volatility. It is highly likely that the values of the Firefighters' Pension Fund's investments have changed by material amounts since year end.

VILLAGE OF BROADVIEW

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended April 30, 2018

NOTE IV - OTHER INFORMATION (cont.)

F. TAX INCREMENT FINANCING DISTRICT

The Village of Broadview has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market oriented commercial uses of the properties that will enhance their value and improve their contributions to the Village and its surrounding areas. As part of the redevelopment plans, the Village has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Construction and development in the RPA's were the responsibility of developers and are substantially complete. To entice development of the areas, the Village created tax increment financing (TIF) districts to finance public improvements made within the RPA's.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 83, *Certain Asset Retirement Obligations*
- > Statement No. 84, *Fiduciary Activities*
- > Statement No. 85, *Omnibus 2017*
- > Statement No. 86, *Certain Debt Extinguishment Issues*
- > Statement No. 87, *Leases*
- > Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- > Statement No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period*
- > Statement No. 90, *Majority Equity Interests*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
PROPERTY TAXES			
Property taxes	\$ 4,802,231	\$ 5,900,887	\$ 1,098,656
Total Property taxes	<u>4,802,231</u>	<u>5,900,887</u>	<u>1,098,656</u>
OTHER TAXES			
Sales	3,573,500	3,514,020	(59,480)
Local use	150,000	207,683	57,683
Utility taxes	1,120,000	964,062	(155,938)
Cablevision	91,000	93,014	2,014
Telecommunication taxes	39,500	41,170	1,670
Other	15,000	49,344	34,344
Total Other taxes	<u>4,989,000</u>	<u>4,869,293</u>	<u>(119,707)</u>
INTERGOVERNMENTAL			
State income tax	794,375	664,307	(130,068)
Personal property replacement tax	564,000	592,633	28,633
Federal grants	137,000	102,080	(34,920)
State grants	-	66,012	66,012
Other	200,000	-	(200,000)
Total Intergovernmental	<u>1,695,375</u>	<u>1,425,032</u>	<u>(270,343)</u>
LICENSES, PERMITS AND FEES			
Vehicle license fees	100,000	112,555	12,555
Liquor and malt beverage licenses	35,200	35,200	-
Business and occupational licenses	109,500	107,951	(1,549)
Building permits	190,000	385,261	195,261
Electrical permits	20,000	40,980	20,980
Plumbing permits	30,000	35,713	5,713
Occupancy permits	60,000	87,207	27,207
Other permits	30,700	23,250	(7,450)
Zoning permits and fees	250	305	55
Other regulatory permits and fees	1,400	80	(1,320)
Dog and cat licenses	3,900	195	(3,705)
Total Licenses, permits and fees	<u>580,950</u>	<u>828,697</u>	<u>247,747</u>
INVESTMENT INCOME			
Investment income	8,790	9,094	304
Total Investment income	<u>8,790</u>	<u>9,094</u>	<u>304</u>

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
CHARGES FOR SERVICES			
Hospital billings	\$ 600,000	\$ 818,056	\$ 218,056
Ambulance fees	475,900	780,317	304,417
Towing and storage	150,000	165,515	15,515
Occupancy inspection	12,200	11,483	(717)
Law enforcement fees	25,000	90,645	65,645
Building transfer fees	33,000	22,225	(10,775)
Total Charges for services	<u>1,296,100</u>	<u>1,888,241</u>	<u>592,141</u>
FINES AND FORFEITURES			
Traffic fines	275,000	225,636	(49,364)
Compliance and immobilization	60,000	39,526	(20,474)
Building code violations	35,000	2,365	(32,635)
Total Fines and forfeitures	<u>370,000</u>	<u>267,527</u>	<u>(102,473)</u>
OTHER			
Rentals	1,900	6,200	4,300
Reimbursement of Village costs	150,000	80,422	(69,578)
Miscellaneous	1,226,093	3,983	(1,222,110)
Other miscellaneous	18,000	16,875	(1,125)
Total Other	<u>1,395,993</u>	<u>107,480</u>	<u>(1,288,513)</u>
Total Revenues	<u>15,138,439</u>	<u>15,296,251</u>	<u>157,812</u>
EXPENDITURES			
EXECUTIVE			
Personnel services			
President	55,000	52,050	2,950
Administrative assistant	43,000	39,866	3,134
Trustees	25,200	23,758	1,442
Liquor commissioner	3,000	3,000	-
Office manager	-	32,796	(32,796)
Contractual services			
Legal and professional services	389,951	609,947	(219,996)
Dues and publications	10,500	15,186	(4,686)
Telephone	3,000	8,505	(5,505)
Seminars and conferences	11,000	6,057	4,943
Printing newsletters and notices	48,000	13,462	34,538
Local civic events	15,000	9,652	5,348
Employee health care benefits	19,667	19,164	503
Retiree health care benefits	811	3,821	(3,010)
Workers' compensation insurance	1,077	986	91
Liability insurance	95,816	127,432	(31,616)
Travel	-	1,234	(1,234)

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Supplies and materials			
Gas and oil	\$ 720	\$ -	\$ 720
Office supplies	2,000	22,796	(20,796)
Miscellaneous	2,000	585	1,415
Contingency	8,500	3,815	4,685
Total Executive	<u>734,242</u>	<u>994,112</u>	<u>(259,870)</u>
FINANCE			
Personnel services			
Treasurer	5,500	6,816	(1,316)
Collector	26,400	-	26,400
Budget officer	10,764	9,448	1,316
Finance director	125,000	55,243	69,757
Administrative clerk	47,664	56,569	(8,905)
Contractual services			
Employee health care benefits	18,276	14,977	3,299
Retiree health care benefits	-	1,802	(1,802)
Liability insurance	7,211	9,582	(2,371)
Workers' compensation insurance	1,013	927	86
Schools, seminars and meetings	1,000	740	260
Maintenance, office equipment	-	419	(419)
Audit services - finance	63,000	69,725	(6,725)
Printing and binding	5,000	5,305	(305)
Legal and professional services	57,421	47,807	9,614
Postage	2,500	7,683	(5,183)
Telephone	7,500	12,886	(5,386)
Travel	-	211	(211)
Dues and publications	3,600	2,009	1,591
Library - IL replacement tax payments	70,000	46,898	23,102
Supplies and materials			
Office supplies	4,500	12,289	(7,789)
Capital Outlay			
Computer hardware/software/webpage	23,100	375	22,725
Office equipment	10,000	25,315	(15,315)
Total Finance	<u>489,449</u>	<u>387,026</u>	<u>102,423</u>
VILLAGE CLERK			
Personnel services			
Village clerk	12,000	11,390	610
Deputy clerk	15,600	11,450	4,150

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Contractual services			
Legal and professional services	\$ 23,320	\$ 4,297	\$ 19,023
Telephone	220	1,087	(867)
Dues and publications	4,275	505	3,770
Seminars and conferences	2,500	375	2,125
Employee healthcare plan	385	31	354
General liability insurance	6,940	9,222	(2,282)
Supplement to municipal contract	2,500	500	2,000
Worker's comp insurance	1,013	927	86
Supplies and materials			
Election and office supplies	600	2,432	(1,832)
Total Village Clerk	<u>69,353</u>	<u>42,216</u>	<u>27,137</u>
BOARDS AND COMMISSIONS			
Personnel services			
Zoning and planning commission	-	5,699	(5,699)
Contractual services			
Tests and administration	7,000	9,608	(2,608)
Dues and publications	1,500	-	1,500
Printing and binding	150	-	150
Legal services	-	14,245	(14,245)
Total Boards and commissions	<u>8,650</u>	<u>29,552</u>	<u>(20,902)</u>
MUNICIPALS BUILDINGS AND GROUNDS			
Contractual services			
Custodial services	32,051	36,204	(4,153)
Liability insurance	-	2,165	(2,165)
Workers' compensation insurance	1,918	1,755	163
R & M, buildings	55,000	29,974	25,026
Maintenance, grounds	30,000	28,839	1,161
Employee health care plan	17,545	19,228	(1,683)
Supplies and materials			
Fuel for heating	9,000	3,004	5,996
Janitorial services	3,000	5,623	(2,623)
Total Municipals buildings and grounds	<u>148,514</u>	<u>126,792</u>	<u>21,722</u>
DEBT SERVICE			
Debt service - interest and fees	-	1,155	(1,155)
Total Debt Service	<u>-</u>	<u>1,155</u>	<u>(1,155)</u>

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
POLICE DEPARTMENT			
Personnel services			
Chief	\$ 118,000	\$ 107,227	\$ 10,773
Deputy chief	107,493	107,493	-
Lieutenants	198,640	133,063	65,577
Sergeants	463,402	463,922	(520)
Patrolmen	1,635,239	1,702,949	(67,710)
Telecommunication officers	296,345	291,733	4,612
Administrative clerk	58,300	58,300	-
Matron	300	-	300
Holiday pay	125,530	101,451	24,079
Crossing guards	24,153	11,264	12,889
Overtime	200,000	238,691	(38,691)
Officer's compensatory	7,771	-	7,771
Contribution to pension	1,022,068	1,373,334	(351,266)
Supervisor	83,200	86,181	(2,981)
Contractual services			
R & M, radio equipment	53,000	52,423	577
R & M, computer	3,000	2,235	765
R & M, office equipment	3,000	490	2,510
R & M, other equipment	38,000	42,519	(4,519)
Professional/legal service	70,792	12,290	58,502
Telephone	47,500	59,976	(12,476)
Lead service	15,000	17,775	(2,775)
Social worker program	2,000	-	2,000
Liability insurance	57,082	80,161	(23,079)
Vehicle insurance	4,219	-	4,219
Employee health care benefit plan	705,800	875,751	(169,951)
Retirees health care benefits	13,708	81,384	(67,676)
Workers' compensation insurance	185,059	172,570	12,489
Dues and publications	2,500	1,766	734
Training school expenditures	16,000	16,704	(704)
Seminars/conferences	6,000	5,337	663
Radio and motor equipment installation	5,000	4,460	540
Towing and storage	80,000	60,485	19,515
Other	29,000	161,537	(132,537)
Travel	4,000	2,825	1,175
Supplies and materials			
Uniforms	50,000	47,008	2,992
Medical exam - vaccination	250	-	250
Tools and supplies	23,750	18,985	4,765
Crime prevention and relations	12,500	8,477	4,023
Gas and oil	55,960	54,882	1,078
Board of prisoners	2,500	1,370	1,130
R & M - buildings	15,000	5,070	9,930
Photography supplies	250	-	250

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Capital outlay			
Office equipment - Public safety	\$ 61,500	\$ 42,615	\$ 18,885
Equipment	<u>80,500</u>	<u>79,604</u>	<u>896</u>
Total Police department	<u>5,983,311</u>	<u>6,584,307</u>	<u>(600,996)</u>
BUILDING CONTROL AND INSPECTION			
Personnel services			
Building commissioner	93,600	88,840	4,760
Building inspector	88,220	124,189	(35,969)
Exterior house inspectors	7,200	-	7,200
Administrative clerk	59,283	41,462	17,821
Contractual services			
Telephone	1,750	1,888	(138)
Liability insurance	9,064	22,046	(12,982)
Workers' compensation insurance	6,994	6,399	595
Vehicle insurance	329	-	329
Dues and publications	5,500	-	5,500
Legal services	35,545	34,400	1,145
Repairs and maintenance	12,500	393	12,107
Employee health care plan	69,768	77,556	(7,788)
Seminars and conferences	2,000	4,016	(2,016)
Buildings Control and inspection	500	-	500
Supplies and materials			
Gas and oil	6,500	5,479	1,021
Office supplies and printing	<u>24,300</u>	<u>16,291</u>	<u>8,009</u>
Total Building control and inspection	<u>423,053</u>	<u>422,959</u>	<u>94</u>
FIRE DEPARTMENT			
Personnel services			
Chief	116,462	117,806	(1,344)
Deputy chief	106,944	112,052	(5,108)
Captains	294,611	315,550	(20,939)
Lieutenants	180,356	158,652	21,704
Firefighters	1,310,646	1,321,119	(10,473)
Paramedics	90,960	24,286	66,674
Training officer	3,000	-	3,000
Overtime	110,000	82,485	27,515
Mechanic	2,000	-	2,000
EMS coordinator	1,000	-	1,000
Contribution - pension fund	1,513,923	2,238,526	(724,603)
Holiday pay	95,000	54,818	40,182
Inspector	188,382	151,701	36,681
Education incentive	3,000	-	3,000
Clerical	43,000	36,928	6,072

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
Contractual services			
Employee health care benefit plan	\$ 533,711	\$ 549,464	\$ (15,753)
Retiree health care plan	50,781	1,435	49,346
Liability insurance	43,294	57,536	(14,242)
Workers' compensation insurance	217,425	198,945	18,480
Wellness medical exam - vaccinations	10,000	8,484	1,516
Maintenance - fire equipment	2,600	4,203	(1,603)
Maintenance - building and grounds	32,000	5,530	26,470
Maintenance - radio equipment	3,480	3,268	212
Maintenance - fuel tanks and pumps	12,500	138	12,362
Maintenance - breathing equipment	17,300	11,403	5,897
Maintenance - paramedic equipment	4,400	1,922	2,478
Maintenance - computers and office equipment	2,320	296	2,024
Legal services	12,602	10,676	1,926
Telephone	24,000	31,534	(7,534)
Assessment division 20	11,000	10,831	169
Dues and publications	3,500	1,881	1,619
Training school	47,160	33,519	13,641
Gas for heating	6,000	4,044	1,956
Other	74,861	12,178	62,683
Supplies and materials			
Gas and oil	18,000	16,370	1,630
Uniforms	49,300	36,667	12,633
Fire prevention	4,282	521	3,761
Photography	1,800	212	1,588
Tools and supplies	73,707	47,169	26,538
R & M - motor equipment	48,500	41,939	6,561
Postage	-	880	(880)
Contingency	58,475	-	58,475
Capital outlay			
Machinery equipment - Public safety	16,875	4,615	12,260
Capital outlay	<u>48,000</u>	<u>17,614</u>	<u>30,386</u>
Total Fire department	<u>5,487,157</u>	<u>5,727,197</u>	<u>(240,040)</u>
HIGHWAYS AND STREETS			
Personnel services			
Director of public works	49,400	46,888	2,512
Mechanic	79,341	74,473	4,868
Employee wages	215,611	295,382	(79,771)
Administrative clerk	67,614	65,101	2,513

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Contractual services			
Legal and other professional services	\$ 50,957	\$ 30,915	\$ 20,042
Uniform rental	15,000	16,271	(1,271)
Employee health care benefit plan	147,923	141,225	6,698
Retiree health care plan	3,499	13,423	(9,924)
Liability insurance	38,167	55,372	(17,205)
Workers' compensation insurance	28,525	26,103	2,422
Telephone	14,500	14,821	(321)
Maintenance, streets	50,000	39,954	10,046
Maintenance, street and traffic lights	72,000	182,633	(110,633)
Maintenance, radio system	500	-	500
Light and power, street lighting	68,000	54,151	13,849
Maintenance, building and grounds	17,000	90,232	(73,232)
Tree trimming	10,000	25,887	(15,887)
Tree replacement	3,000	11,366	(8,366)
Rental of barricades	100	-	100
Schools, seminars and meetings	1,000	1,620	(620)
Maintenance, office equipment	5,000	41,231	(36,231)
Dumping fees	-	285	(285)
Other contractual services	3,200	1,957	1,243
Dues & publications	-	340	(340)
Streets	7,500	24,446	(16,946)
Supplies and materials			
Gas and oil	22,500	25,204	(2,704)
Tools and supplies	78,200	49,891	28,309
Maintenance, motor equipment	55,000	59,653	(4,653)
Maintenance, parkways	15,000	-	15,000
Equipment, streets	94,500	10,789	83,711
Vehicle insurance	4,536	-	4,536
Medical exam - vaccinations	1,000	849	151
Other	9,350	6,182	3,168
Capital outlay			
Street construction - public works	<u>20,000</u>	<u>5,979</u>	<u>14,021</u>
Total Highways and streets	<u>1,247,923</u>	<u>1,412,623</u>	<u>(164,700)</u>
Total Expenditures	<u>14,591,652</u>	<u>15,727,939</u>	<u>(1,136,287)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>546,787</u>	<u>(431,688)</u>	<u>(978,475)</u>

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL - cont.
For the Year Ended April 30, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ -	\$ 595,975	\$ 595,975
Transfers out	(419,846)	(775,775)	(355,929)
Bonds issued and bond premium	<u>321,525</u>	<u>279,180</u>	<u>(42,345)</u>
Total Other Financing Sources (Uses)	<u>(98,321)</u>	<u>99,380</u>	<u>197,701</u>
Net Change in Fund Balance	<u>\$ 448,466</u>	(332,308)	<u>\$ (780,774)</u>
FUND BALANCE - Beginning of Year		<u>4,620,041</u>	
FUND BALANCE - END OF YEAR		<u>\$ 4,287,733</u>	

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 22ND AND 17TH AVENUE TIF REDEVELOPMENT FUND -
 SPECIAL REVENUE FUND
 For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 1,500,000	\$ 1,486,390	\$ (13,610)
Investment income	<u>1,800</u>	<u>2,862</u>	<u>1,062</u>
Total Revenues	<u>1,501,800</u>	<u>1,489,252</u>	<u>(12,548)</u>
EXPENDITURES			
GENERAL GOVERNMENT			
General Government			
Auditing fee	3,250	-	3,250
Legal and professional services	7,423	4,837	2,586
Distribution to other governments	-	3,517,506	(3,517,506)
Contingency	<u>4,282,565</u>	<u>-</u>	<u>4,282,565</u>
Total general government	<u>4,293,238</u>	<u>3,522,343</u>	<u>770,895</u>
Total Expenditures	<u>4,293,238</u>	<u>3,522,343</u>	<u>770,895</u>
Excess of revenues over expenditures	<u>(2,791,438)</u>	<u>(2,033,091)</u>	<u>758,347</u>
OTHER FINANCING USES			
Transfers out	<u>-</u>	<u>(595,975)</u>	<u>(595,975)</u>
Total Other Financing Uses	<u>-</u>	<u>(595,975)</u>	<u>(595,975)</u>
Net Change in Fund Balance	<u>\$ (2,791,438)</u>	<u>(2,629,066)</u>	<u>\$ 162,372</u>
FUND BALANCE - Beginning of Year		<u>3,477,861</u>	
FUND BALANCE - END OF YEAR		<u>\$ 848,795</u>	

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - ROOSEVELT ROAD TIF - SPECIAL REVENUE FUND
For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 60,000	\$ 377,650	\$ 317,650
Investment income	-	3,693	3,693
Reimbursement of Village expenses	-	4,857	4,857
Total Revenues	<u>60,000</u>	<u>386,200</u>	<u>326,200</u>
EXPENDITURES			
General government			
Legal and professional services	19,745	30,274	(10,529)
Other contractual	-	333,000	(333,000)
Gas and oil	2,000	1,701	299
Contingency	118,954	-	118,954
Other	18,500	19,658	(1,158)
Grant expenditures	755,000	-	755,000
Auditing fee	3,250	-	3,250
Building improvements	100,000	-	100,000
Repair and maintenance	<u>170,000</u>	<u>-</u>	<u>170,000</u>
Total general government	<u>1,187,449</u>	<u>384,633</u>	<u>802,816</u>
Street construction - public works	<u>475,559</u>	<u>326,148</u>	<u>149,411</u>
Total capital outlay	<u>475,559</u>	<u>326,148</u>	<u>149,411</u>
Total Expenditures	<u>1,663,008</u>	<u>710,781</u>	<u>952,227</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,603,008)</u>	<u>(324,581)</u>	<u>1,278,427</u>
OTHER FINANCING SOURCES (USES)			
Debt issued	-	85	85
Total Other Financing Sources (Uses)	<u>-</u>	<u>85</u>	<u>85</u>
Net Change in Fund Balance	<u>\$ (1,603,008)</u>	<u>(324,496)</u>	<u>\$ 1,278,512</u>
FUND BALANCE - Beginning of Year		<u>3,225,972</u>	
FUND BALANCE - END OF YEAR		<u>\$ 2,901,476</u>	

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION ASSET AND RELATED RATIOS Three Most Recent Fiscal Years

	2018	2017	2016
Total pension liability			
Service cost	\$ 167,223	\$ 182,649	\$ 167,889
Interest	875,831	829,973	799,529
Differences between expected and actual experience	(526,503)	248,170	71,366
Changes of assumptions	(336,041)	-	-
Benefit payments, including refunds of member contributions	(636,423)	(646,877)	(633,600)
Net change in total pension liability	(455,913)	613,915	405,184
Total pension liability - beginning	11,912,340	11,298,425	10,893,241
Total pension liability - ending (a)	\$ 11,456,427	\$ 11,912,340	\$ 11,298,425
Plan fiduciary net position			
Employer contributions	\$ 100,062	\$ 105,641	\$ 127,051
Employee contributions	72,509	153,938	83,179
Net investment income	2,158,178	792,412	57,986
Benefit payments, including refunds of member contributions	(636,423)	(646,877)	(633,600)
Other (net transfer)	(650,364)	56,883	51,255
Net change in plan fiduciary net position	1,043,962	461,997	(314,129)
Plan fiduciary net position - beginning	11,956,758	11,494,761	11,808,890
Plan fiduciary net position - ending (b)	\$ 13,000,720	\$ 11,956,758	\$ 11,494,761
Employer's net pension liability (asset) - ending (a) - (b)	\$ (1,544,293)	\$ (44,418)	\$ (196,336)
Plan fiduciary net position as a percentage of the total pension liability	113.48%	100.37%	101.74%
Covered-employee payroll	\$ 1,611,295	\$ 1,569,711	\$ 1,562,744
Employer's net pension liability as a percentage of covered-employee payroll	-95.84%	-2.83%	-12.56%

Notes to Schedule:

The Village implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

VILLAGE OF BROADVIEW

ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF EMPLOYER CONTRIBUTIONS Three Most Recent Fiscal Years

	2018	2017	2016
Actuarially determined contribution	\$ 100,061	\$ 105,642	\$ 127,051
Contributions in relation to the actuarially determined contribution	<u>(100,062)</u>	<u>(105,641)</u>	<u>(127,051)</u>
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>
Covered-employee payroll	\$ 1,611,295	\$ 1,569,711	\$ 1,562,744
Contributions as a percentage of covered-employee payroll	6.21%	6.73%	8.13%

Notes to Schedule:

The Village implemented GASB Statement No. 68 in fiscal year 2016. Information prior to fiscal year 2016 is not available.

Valuation date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 4 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.75% - approximate
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

VILLAGE OF BROADVIEW

POLICE PENSION FUND

SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS Last Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
Service cost	\$ 612,021	\$ 571,983	\$ 464,324	\$ 605,624
Interest	2,807,907	2,740,118	2,826,722	2,357,222
Differences between expected and actual experience	25,775	376,011	(569,504)	-
Changes of assumptions	-	(642,346)	(1,973,902)	-
Benefit payments, including refunds of member contributions	<u>(2,141,124)</u>	<u>(2,013,599)</u>	<u>(1,956,069)</u>	<u>(1,911,378)</u>
Net change in total pension liability	<u>1,304,579</u>	<u>1,032,167</u>	<u>(1,208,429)</u>	<u>1,051,468</u>
Total pension liability - beginning	<u>41,183,516</u>	<u>40,151,349</u>	<u>41,359,778</u>	<u>40,308,310</u>
Total pension liability - ending (a)	<u><u>\$ 42,488,095</u></u>	<u><u>\$ 41,183,516</u></u>	<u><u>\$ 40,151,349</u></u>	<u><u>\$ 41,359,778</u></u>
Plan fiduciary net position				
Employer contributions	\$ 1,388,241	\$ 940,127	\$ 1,141,046	\$ 1,128,622
Employee contributions	255,311	398,863	255,331	274,634
Net investment income	1,810,822	2,271,141	229,155	1,870,570
Benefit payments, including refunds of member contributions	(2,141,124)	(2,013,599)	(1,956,069)	(1,911,378)
Administration	(69,134)	(52,903)	(54,207)	(51,250)
Other	-	-	2,173	82,448
Net change in plan fiduciary net position	<u>1,244,116</u>	<u>1,543,629</u>	<u>(382,571)</u>	<u>1,393,646</u>
Plan fiduciary net position - beginning	<u>26,665,789</u>	<u>25,122,160</u>	<u>25,504,731</u>	<u>24,111,085</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 27,909,905</u></u>	<u><u>\$ 26,665,789</u></u>	<u><u>\$ 25,122,160</u></u>	<u><u>\$ 25,504,731</u></u>
Village's net pension liability - ending (a) - (b)	<u><u>\$ 14,578,190</u></u>	<u><u>\$ 14,517,727</u></u>	<u><u>\$ 15,029,189</u></u>	<u><u>\$ 15,855,047</u></u>
Plan fiduciary net position as a percentage of the total pension liability	65.69%	64.75%	62.57%	61.67%
Covered-employee payroll	\$ 2,765,874	\$ 2,672,342	\$ 2,496,284	\$ 2,267,768
Village's net pension liability as a percentage of covered-employee payroll	527.07%	543.26%	602.06%	699.15%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

VILLAGE OF BROADVIEW

POLICE PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,112,192	\$ 909,221	\$ 920,848	\$ 870,614
Contributions in relation to the actuarially determined contribution	1,388,241	940,127	1,141,046	1,128,622
Contribution deficiency (excess)	<u>\$ (276,049)</u>	<u>\$ (30,906)</u>	<u>\$ (220,198)</u>	<u>\$ (258,008)</u>
Covered-employee payroll	\$ 2,765,874	\$ 2,672,342	\$ 2,496,284	\$ 2,267,768
Contributions as a percentage of covered-employee payroll	50.19%	35.18%	45.71%	49.77%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date: Actuarially determined contributions are calculated as of April 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Straight Line
Remaining amortization period	23 years
Asset valuation method	Market Value
Inflation	2.50%
Salary increases	3.50% - 27.25%
Investment rate of return	7.00%
Retirement age	Outside actuary's 2016 Illinois Police Retirement Rates, Capped at age 62
Mortality	Outside actuary's 2016 Illinois Police Mortality Rates

VILLAGE OF BROADVIEW

FIREFIGHTERS' PENSION FUND

SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS Last Four Fiscal Years

	2018	2017	2016	2015
Total pension liability				
Service cost	\$ 546,950	\$ 512,365	\$ 538,436	\$ 479,284
Interest	2,800,332	2,776,854	2,520,905	2,466,321
Differences between expected and actual experience	(59,771)	(399,843)	176,839	-
Changes of assumptions	-	(295,263)	2,752,314	-
Benefit payments, including refunds of member contributions	(2,272,939)	(2,219,450)	(2,173,864)	(2,100,060)
Net change in total pension liability	1,014,572	374,663	3,814,630	845,545
Total pension liability - beginning	42,622,959	42,248,296	38,433,666	37,588,121
Total pension liability - ending (a)	\$ 43,637,531	\$ 42,622,959	\$ 42,248,296	\$ 38,433,666
Plan fiduciary net position				
Employer contributions	\$ 2,238,527	\$ 1,301,423	\$ 1,387,145	\$ 1,356,663
Employee contributions	203,499	198,999	189,071	176,999
Contributions- Other	11,905	-	-	-
Net investment income	1,475,515	1,799,573	(462,145)	598,324
Benefit payments, including refunds of member contributions	(2,272,939)	(2,219,450)	(2,173,863)	(2,100,060)
Administration	(60,619)	(57,944)	(67,272)	(50,328)
Other	-	-	-	7
Net change in plan fiduciary net position	1,595,888	1,022,601	(1,127,064)	(18,395)
Plan fiduciary net position - beginning	18,938,199	17,915,598	19,042,662	19,061,057
Plan fiduciary net position - ending (b)	\$ 20,534,087	\$ 18,938,199	\$ 17,915,598	\$ 19,042,662
Village's net pension liability - ending (a) - (b)	\$ 23,103,444	\$ 23,684,760	\$ 24,332,698	\$ 19,391,004
Plan fiduciary net position as a percentage of the total pension liability	47.06%	44.43%	42.41%	49.55%
Covered-employee payroll	\$ 2,152,293	\$ 2,115,487	\$ 2,052,994	\$ 1,861,763
Village's net pension liability as a percentage of covered-employee payroll	1073.43%	1119.59%	1185.23%	1041.54%

Notes to Schedule:

The Pension implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

VILLAGE OF BROADVIEW

FIREFIGHTERS' PENSION FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,775,728	\$ 1,571,337	\$ 1,167,673	\$ 1,067,151
Contributions in relation to the actuarially determined contribution	<u>2,238,527</u>	<u>1,301,423</u>	<u>1,387,145</u>	<u>1,356,664</u>
Contribution deficiency (excess)	<u>\$ (462,799)</u>	<u>\$ 269,914</u>	<u>\$ (219,472)</u>	<u>\$ (289,513)</u>
Covered-employee payroll	\$ 2,152,293	\$ 2,317,041	\$ 2,052,994	\$ 1,861,763
Contributions as a percentage of covered-employee payroll	104.01%	56.17%	67.57%	72.87%

Notes to Schedule:

The Plan implemented GASB Statement No. 67 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation date: Actuarially determined contributions are calculated as of April 30 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Straight Line
Remaining amortization period	6.32 Years Actuarial Experience; 5.00 Years Asset Experience
Asset valuation method	Market Value
Inflation	2.50%
Salary increases	4.00% - 11.40%
Investment rate of return	6.75%
Retirement age	Outside actuary's 2016 Illinois Firefighters', capped at age
Mortality	Outside actuary's 2016 Illinois Firefighters' Mortality Rates

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF BROADVIEW

RETIREE HEALTH INSURANCE PLAN SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS Most Recent Fiscal Year

	<u>2018</u>
Total OPEB liability	
Service cost	\$ 110,434
Interest	138,744
Benefit payments, including refunds of member contributions	<u>(96,324)</u>
Net change in total OPEB liability	152,854
Total OPEB liability - beginning	<u>3,542,979</u>
Total OPEB liability - ending	<u>\$ 3,695,833</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered payroll	\$ 4,249,188
Village's total OPEB liability as a percentage of covered payroll	86.98%

Notes to Schedule:

The Village implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

A Schedule of Contributions is not presented as the plan is a pay-as-you-go and, as such, no actuarially determined contribution is determined.

VILLAGE OF BROADVIEW

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION April 30, 2018

BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year end.

Prior to April 30, the Village finance director submits to the Village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

The Village is authorized to change budgeted amounts within any fund; however, revision must be approved by two-thirds of the members of the Village Board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function, and department. The Village finance director is authorized to transfer budget amounts between department within any fund; however, the Village Board must approve revisions that alter the total expenditures of any fund.

EXCESS EXPENDITURES OVER BUDGET

Excess expenditures over appropriations are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund	\$ 14,591,652	\$ 15,727,939	\$ 1,136,287

SUPPLEMENTARY INFORMATION

VILLAGE OF BROADVIEW

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of April 30, 2018

	Garbage	Illinois Municipal Retirement	Motor Fuel Tax	CDBG
ASSETS				
Cash and investments	\$ 253,291	\$ 87,959	\$ 1,392,790	\$ 374,010
Receivables (net)				
Property taxes	-	106,669	-	-
Intergovernmental	-	-	33,569	-
Accounts	79,958	-	-	-
Restricted cash and investments	-	-	-	-
TOTAL ASSETS	\$ 333,249	\$ 194,628	\$ 1,426,359	\$ 374,010
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 14,427	\$ -	\$ -	\$ -
Due to other funds	235,524	173,719	85,999	487,793
Advances from other funds	100,000	-	-	-
Total Liabilities	349,951	173,719	85,999	487,793
Deferred Inflows of Resources				
Property taxes levies for future periods	-	105,554	-	-
Total Deferred Inflows of Resources	-	105,554	-	-
Fund Balances (Deficit)				
Restricted for highways and streets	-	-	1,340,360	-
Restricted for capital projects	-	-	-	-
Restricted for public safety	-	-	-	-
Restricted for debt service purposes	-	-	-	-
Assigned for debt service	-	-	-	-
Unassigned	(16,702)	(84,645)	-	(113,783)
Total Fund Balances (deficit)	(16,702)	(84,645)	1,340,360	(113,783)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 333,249	\$ 194,628	\$ 1,426,359	\$ 374,010

<u>Emergency Telephone System</u>	<u>17th Avenue North TIF Redevelopment</u>	<u>27th/23rd TIF Redevelopment</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 358,293	\$ 13,050	\$ 338,937	\$ 744,382	\$ 1,302,745	\$ 4,865,457
-	-	41,052	542,709	-	690,430
-	-	-	-	-	33,569
-	-	-	-	-	79,958
-	-	-	-	45,000	45,000
<u>\$ 358,293</u>	<u>\$ 13,050</u>	<u>\$ 379,989</u>	<u>\$ 1,287,091</u>	<u>\$ 1,347,745</u>	<u>\$ 5,714,414</u>
\$ -	\$ 5,000	\$ 248,560	\$ -	\$ 357,495	\$ 625,482
-	15,926	241,338	-	-	1,240,299
-	-	-	-	-	100,000
-	<u>20,926</u>	<u>489,898</u>	-	<u>357,495</u>	<u>1,965,781</u>
-	-	<u>41,052</u>	<u>536,436</u>	-	<u>683,042</u>
-	-	<u>41,052</u>	<u>536,436</u>	-	<u>683,042</u>
-	-	-	-	-	1,340,360
-	-	-	-	950,250	950,250
358,293	-	-	-	-	358,293
-	-	-	490,229	40,000	530,229
-	-	-	260,426	-	260,426
-	<u>(7,876)</u>	<u>(150,961)</u>	-	-	<u>(373,967)</u>
<u>358,293</u>	<u>(7,876)</u>	<u>(150,961)</u>	<u>750,655</u>	<u>990,250</u>	<u>3,065,591</u>
<u>\$ 358,293</u>	<u>\$ 13,050</u>	<u>\$ 379,989</u>	<u>\$ 1,287,091</u>	<u>\$ 1,347,745</u>	<u>\$ 5,714,414</u>

VILLAGE OF BROADVIEW

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended April 30, 2018

	Garbage	Illinois Municipal Retirement	Motor Fuel Tax	CDBG	Emergency Telephone System
REVENUES					
Property taxes	\$ -	\$ 176,121	\$ -	\$ -	\$ -
Intergovernmental	-	-	169,458	214,010	-
Investment income	-	1	1,669	-	1,766
Charges for services	671,270	-	-	-	128,639
Fines, forfeitures and penalties	14,797	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>686,067</u>	<u>176,122</u>	<u>171,127</u>	<u>214,010</u>	<u>130,405</u>
EXPENDITURES					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	15,538
Highways and streets	-	-	72,400	-	-
Sanitation	697,534	-	-	-	-
Employee benefits	-	295,569	-	-	-
Debt Service					
Debt service - principal	-	-	-	-	-
Debt service - interest and fees	-	-	-	-	-
Cost of issuance	-	-	-	-	-
Capital Outlay	-	-	400,532	309,684	-
Total Expenditures	<u>697,534</u>	<u>295,569</u>	<u>472,932</u>	<u>309,684</u>	<u>15,538</u>
Excess (deficiency) of revenues over expenditures	<u>(11,467)</u>	<u>(119,447)</u>	<u>(301,805)</u>	<u>(95,674)</u>	<u>114,867</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued	-	-	-	-	-
Transfers in	-	207,250	-	160,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>207,250</u>	<u>-</u>	<u>160,000</u>	<u>-</u>
Net Change in Fund Balances	(11,467)	87,803	(301,805)	64,326	114,867
FUND BALANCES (DEFICIT)					
- Beginning of Year	<u>(5,235)</u>	<u>(172,448)</u>	<u>1,642,165</u>	<u>(178,109)</u>	<u>243,426</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ (16,702)</u>	<u>\$ (84,645)</u>	<u>\$ 1,340,360</u>	<u>\$ (113,783)</u>	<u>\$ 358,293</u>

<u>17th Avenue North TIF Redevelopment</u>	<u>27th/23rd TIF Redevelopment</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 113,512	\$ 989,930	\$ -	\$ 1,279,563
-	-	-	-	383,468
13	673	-	5	4,127
-	-	-	-	799,909
-	-	-	-	14,797
-	-	-	46,350	46,350
<u>13</u>	<u>114,185</u>	<u>989,930</u>	<u>46,355</u>	<u>2,528,214</u>
975	402,450	-	489,781	893,206
-	-	-	-	15,538
-	-	-	-	72,400
-	-	-	-	697,534
-	-	-	-	295,569
-	-	1,515,000	-	1,515,000
-	-	124,628	-	124,628
-	-	52,345	-	52,345
<u>5,000</u>	<u>-</u>	<u>-</u>	<u>1,190,860</u>	<u>1,906,076</u>
<u>5,975</u>	<u>402,450</u>	<u>1,691,973</u>	<u>1,680,641</u>	<u>5,572,296</u>
<u>(5,962)</u>	<u>(288,265)</u>	<u>(702,043)</u>	<u>(1,634,286)</u>	<u>(3,044,082)</u>
-	-	695,820	-	695,820
-	-	87,000	321,525	775,775
-	-	782,820	321,525	1,471,595
(5,962)	(288,265)	80,777	(1,312,761)	(1,572,487)
<u>(1,914)</u>	<u>137,304</u>	<u>669,878</u>	<u>2,303,011</u>	<u>4,638,078</u>
<u>\$ (7,876)</u>	<u>\$ (150,961)</u>	<u>\$ 750,655</u>	<u>\$ 990,250</u>	<u>\$ 3,065,591</u>

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - GARBAGE FUND - NONMAJOR - SPECIAL REVENUE FUND
 For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Rubbish billings	\$ 650,000	\$ 650,730	\$ 730
Trash and compost tags	20,000	20,540	540
Fines, forfeitures and penalties	15,000	14,797	(203)
Investment income	20	-	(20)
Total Revenues	685,020	686,067	1,047
EXPENDITURES			
Sanitation			
Rubbish and garbage removal	500,000	521,754	(21,754)
Legal and Professional Services	311	-	311
Trash and compost tags	14,000	5,276	8,724
Dumping fees	144,000	170,504	(26,504)
Total sanitation	658,311	697,534	(39,223)
Total	658,311	697,534	(39,223)
Total Expenditures	658,311	697,534	(39,223)
Net Change in Fund Balance	\$ 26,709	(11,467)	\$ (38,176)
FUND BALANCE (DEFICIT) - Beginning of Year		(5,235)	
FUND BALANCE (DEFICIT) - END OF YEAR		\$ (16,702)	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL - ILLINOIS MUNICIPAL RETIREMENT FUND - NONMAJOR -
 SPECIAL REVENUE FUND
 For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 151,175	\$ 176,121	\$ 24,946
Investment income	<u>-</u>	<u>1</u>	<u>1</u>
Total Revenues	<u>151,175</u>	<u>176,122</u>	<u>24,947</u>
EXPENDITURES			
Employee Benefits			
Social security tax	101,444	98,645	2,799
IMRF contributions	107,872	82,888	24,984
Medicare	100,746	90,666	10,080
Unemployment contribution	<u>5,060</u>	<u>23,370</u>	<u>(18,310)</u>
Total employee benefits	<u>315,122</u>	<u>295,569</u>	<u>19,553</u>
Total Expenditures	<u>315,122</u>	<u>295,569</u>	<u>19,553</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(163,947)</u>	<u>(119,447)</u>	<u>44,500</u>
OTHER FINANCING SOURCES			
Transfers in	<u>207,250</u>	<u>207,250</u>	<u>-</u>
Total Other Financing Sources	<u>207,250</u>	<u>207,250</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 43,303</u>	87,803	<u>\$ 44,500</u>
FUND BALANCE (DEFICIT) - Beginning of Year		<u>(172,448)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR		<u>\$ (84,645)</u>	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND - NONMAJOR - SPECIAL
 REVENUE FUND
 For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Motor fuel tax	\$ 200,000	\$ 169,458	\$ (30,542)
Investment income	-	1,669	1,669
Total Revenues	200,000	171,127	(28,873)
EXPENDITURES			
Highways and streets			
Legal and other professional services	-	72,400	(72,400)
Total highways and streets	-	72,400	(72,400)
Capital Outlay - Highways and streets	473,300	400,532	72,768
Total capital outlay	473,300	400,532	72,768
Total Expenditures	473,300	472,932	368
Net Change in Fund Balance	\$ (273,300)	(301,805)	\$ (28,505)
FUND BALANCE - Beginning of Year		1,642,165	
FUND BALANCE - END OF YEAR		\$ 1,340,360	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CDBG FUND - NONMAJOR - SPECIAL REVENUE FUND For the Year Ended April 30, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
State grants	\$ 200,000	\$ 214,010	\$ 14,010
Total Revenues	<u>200,000</u>	<u>214,010</u>	<u>14,010</u>
EXPENDITURES			
Capital Outlay			
Street construction - public safety	<u>360,000</u>	<u>309,684</u>	<u>50,316</u>
Total capital outlay	<u>360,000</u>	<u>309,684</u>	<u>50,316</u>
Total Expenditures	<u>360,000</u>	<u>309,684</u>	<u>50,316</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(160,000)</u>	<u>(95,674)</u>	<u>64,326</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>160,000</u>	<u>160,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>160,000</u>	<u>160,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>64,326</u>	<u>\$ 64,326</u>
FUND BALANCE (DEFICIT) - Beginning of Year		<u>(178,109)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR		<u>\$ (113,783)</u>	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - EMERGENCY TELEPHONE SYSTEM FUND - NONMAJOR -
 SPECIAL REVENUE FUND
 For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Surcharge emergency 911	\$ -	\$ 128,639	\$ 128,639
Investment income	-	1,766	1,766
Total Revenues	-	130,405	130,405
EXPENDITURES			
Public Safety			
Uniforms	-	3,353	(3,353)
Equipment	-	1,483	(1,483)
Dues and publications	-	479	(479)
Contingency	-	2,757	(2,757)
Training school	-	7,462	(7,462)
Bank service charge	-	4	(4)
Total public safety	-	15,538	(15,538)
Total Expenditures	-	15,538	(15,538)
Net Change in Fund Balance	\$ -	114,867	\$ 114,867
FUND BALANCE - Beginning of Year		243,426	
FUND BALANCE - END OF YEAR		\$ 358,293	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - 27TH/23RD TIF REDEVELOPMENT FUND - NONMAJOR -
 SPECIAL REVENUE FUND
 For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 117,000	\$ 113,512	\$ (3,488)
Investment income	600	673	73
Total Revenues	117,600	114,185	(3,415)
EXPENDITURES			
General government			
Legal and professional services	989	67,746	(66,757)
Auditing fee	3,250	-	3,250
TIF / Capital Projects Development	623,300	334,704	288,596
Total general government	627,539	402,450	225,089
Total Expenditures	627,539	402,450	225,089
Net Change in Fund Balance	\$ (509,939)	(288,265)	\$ 221,674
FUND BALANCE - Beginning of Year		137,304	
FUND BALANCE (DEFICIT) - END OF YEAR		\$ (150,961)	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - 17TH AVENUE NORTH TIF REDEVELOPMENT FUND -
NONMAJOR - SPECIAL REVENUE FUND
For the Year Ended April 30, 2018

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Investment income	\$ -	\$ 13	\$ 13
Total Revenues	<u>-</u>	<u>13</u>	<u>13</u>
EXPENDITURES			
General government			
Legal and professional services	1,333	975	358
TIF/Capital Projects Development	-	<u>5,000</u>	<u>(5,000)</u>
Total general government	<u>1,333</u>	<u>5,975</u>	<u>(4,642)</u>
Total Expenditures	<u>1,333</u>	<u>5,975</u>	<u>(4,642)</u>
Net Change in Fund Balance	<u>\$ (1,333)</u>	(5,962)	<u>\$ (4,629)</u>
FUND BALANCE (DEFICIT) - Beginning of Year		<u>(1,914)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR		<u>\$ (7,876)</u>	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND - NONMAJOR For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Property taxes	\$ 968,603	\$ 989,930	\$ 21,327
Total Revenues	968,603	989,930	21,327
EXPENDITURES			
Debt service			
Debt service - principal	1,495,162	1,515,000	(19,838)
Debt service - interest and fees	143,644	124,628	19,016
Cost of issuance	20,000	52,345	(32,345)
Total debt service	1,658,806	1,691,973	(33,167)
Total Expenditures	1,658,806	1,691,973	(33,167)
Excess (deficiency) of revenues over (under) expenditures	(690,203)	(702,043)	(11,840)
OTHER FINANCING SOURCES			
Bonds issued and bond premiums	603,475	695,820	92,345
Transfers in	87,000	87,000	-
Total Other Financing Sources	690,475	782,820	92,345
Net Change in Fund Balance	\$ 272	80,777	\$ 80,505
FUND BALANCE - Beginning of Year		669,878	
FUND BALANCE - END OF YEAR		\$ 750,655	

VILLAGE OF BROADVIEW

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND - NONMAJOR For the Year Ended April 30, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Investment income	\$ -	\$ 5	\$ 5
Rentals	-	46,350	46,350
Total Revenues	<u>-</u>	<u>46,355</u>	<u>46,355</u>
EXPENDITURES			
General government			
Legal and professional services	350,000	394,281	(44,281)
Property tax payments	-	95,500	(95,500)
Capital outlay	1,127,400	781,337	346,063
Capital Outlay - Streets	<u>650,000</u>	<u>409,523</u>	<u>240,477</u>
Total general government	<u>2,127,400</u>	<u>1,680,641</u>	<u>446,759</u>
Total Expenditures	<u>2,127,400</u>	<u>1,680,641</u>	<u>446,759</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,127,400)</u>	<u>(1,634,286)</u>	<u>493,114</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>321,525</u>	<u>321,525</u>	-
Total Other Financing Sources (Uses)	<u>321,525</u>	<u>321,525</u>	-
Net Change in Fund Balance	<u>\$ (1,805,875)</u>	(1,312,761)	<u>\$ 493,114</u>
FUND BALANCE - Beginning of Year		<u>2,303,011</u>	
FUND BALANCE - END OF YEAR		<u>\$ 990,250</u>	

VILLAGE OF BROADVIEW

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL WATER AND SEWERAGE FUND For the Year Ended April 30, 2018

	<u>Original And Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OPERATING REVENUES			
Charges for services			
Water sales	\$ 2,800,000	\$ 2,926,804	\$ 126,804
Sewer charges	350,000	365,780	15,780
Penalties	60,000	56,016	(3,984)
Miscellaneous	<u>150,500</u>	<u>129,507</u>	<u>(20,993)</u>
Total Operating Revenues	<u>3,360,500</u>	<u>3,478,107</u>	<u>117,607</u>
OPERATING EXPENSES			
Water department			
Source of supply			
Salaries and wages	123,710	86,244	(37,466)
Illinois Municipal Retirement Fund and Social Security	-	56,450	56,450
Professional services	201,611	116,714	(84,897)
Cost of water purchased	2,100,000	2,226,193	126,193
Machinery and equipment	<u>6,500</u>	<u>7,787</u>	<u>1,287</u>
Total source of supply	<u>2,431,821</u>	<u>2,493,388</u>	<u>61,567</u>
Transmission and distribution			
R&M, mains	867,500	106,836	(760,664)
R&M, meters	20,500	11,976	(8,524)
R&M, vehicles	1,500	-	(1,500)
Purchase of water meters and hydrants	26,000	-	(26,000)
Machinery and equipment	2,500	409	(2,091)
Emergency water main	250,000	1,945	(248,055)
Gas and oil - water	18,000	16,789	(1,211)
Rentals - equipment	3,000	630	(2,370)
Small tools and supplies	4,000	1,011	(2,989)
Risk management	<u>41,315</u>	<u>50,718</u>	<u>9,403</u>
Total transmission and distribution	<u>1,234,315</u>	<u>190,314</u>	<u>(1,044,001)</u>
Customer accounting and collections			
Postage	<u>13,500</u>	<u>7,543</u>	<u>(5,957)</u>
Total customer accounting and collections	<u>13,500</u>	<u>7,543</u>	<u>(5,957)</u>
Total water department	<u>3,679,636</u>	<u>2,691,245</u>	<u>(988,391)</u>

VILLAGE OF BROADVIEW

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL WATER AND SEWERAGE FUND For the Year Ended April 30, 2018

	Original And Final Budget	Actual	Variance with Final Budget
Sewer department			
Personnel services			
Other employees	<u>105,244</u>	<u>127,298</u>	<u>22,054</u>
Total personnel services	<u>105,244</u>	<u>127,298</u>	<u>22,054</u>
Contractual services			
Sewer system maintenance	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total contractual services	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Capital services			
Depreciation	<u>-</u>	<u>360,075</u>	<u>360,075</u>
Total capital services	<u>-</u>	<u>360,075</u>	<u>360,075</u>
Total sewer department	<u>106,244</u>	<u>488,373</u>	<u>382,129</u>
Total Operating Expenses	<u>3,785,880</u>	<u>3,179,618</u>	<u>606,262</u>
Operating Income	<u>(425,380)</u>	<u>298,489</u>	<u>723,869</u>
NON-OPERATING REVENUES			
Interest income	<u>1,205</u>	<u>4,249</u>	<u>3,044</u>
Total Non-Operating Revenues	<u>1,205</u>	<u>4,249</u>	<u>3,044</u>
Change in net position	<u>\$ (424,175)</u>	302,738	<u>\$ 726,913</u>
NET POSITION - Beginning of Year (as restated)		<u>10,883,168</u>	
NET POSITION - END OF YEAR		<u>\$ 11,185,906</u>	

VILLAGE OF BROADVIEW

COMBINING STATEMENT OF FIDUCIARY NET POSITION PENSION TRUST FUNDS As of April 30, 2018

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
ASSETS			
Cash	\$ 280,273	\$ 250	\$ 280,523
Investments			
Money markets	-	217,639	217,639
State and local obligations	1,753,692	1,123,640	2,877,332
U.S Government and agency securities	9,987,759	5,596,868	15,584,627
Mutual funds	15,784,894	12,662,870	28,447,764
Corporate notes	-	879,575	879,575
Receivables			
Accrued interest	81,836	53,808	135,644
Prepaid items	5,193	-	5,193
Other assets	-	375	375
Due from primary government	<u>29,814</u>	<u>-</u>	<u>29,814</u>
Total Assets	<u>27,923,461</u>	<u>20,535,025</u>	<u>48,458,486</u>
LIABILITIES			
Accounts payable	<u>13,556</u>	<u>938</u>	<u>14,494</u>
Total Liabilities	<u>13,556</u>	<u>938</u>	<u>14,494</u>
NET POSITION			
Restricted for pensions	<u>\$ 27,909,905</u>	<u>\$ 20,534,087</u>	<u>\$ 48,443,992</u>

VILLAGE OF BROADVIEW

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PENSION TRUST FUNDS For the Year Ended April 30, 2018

	<u>Police Pension</u>	<u>Firefighters' Pension</u>	<u>Total</u>
ADDITIONS			
Contributions			
Employer	\$ 1,388,241	\$ 2,238,527	\$ 3,626,768
Plan members	255,311	203,499	458,810
Refunds	-	11,905	11,905
Total Contributions	<u>1,643,552</u>	<u>2,453,931</u>	<u>4,097,483</u>
Investment income			
Interest and dividends	1,177,049	930,702	2,107,751
Net appreciation in fair value of investments	<u>703,116</u>	<u>594,514</u>	<u>1,297,630</u>
Total Investment Income	1,880,165	1,525,216	3,405,381
Less Investment expenses	<u>(69,343)</u>	<u>(49,701)</u>	<u>(119,044)</u>
Net Investment Income	<u>1,810,822</u>	<u>1,475,515</u>	<u>3,286,337</u>
Total Additions	<u>3,454,374</u>	<u>3,929,446</u>	<u>7,383,820</u>
DEDUCTIONS			
Administration	69,134	60,619	129,753
Benefits	<u>2,141,124</u>	<u>2,272,939</u>	<u>4,414,063</u>
Total Deductions	<u>2,210,258</u>	<u>2,333,558</u>	<u>4,543,816</u>
Change in Net Position	1,244,116	1,595,888	2,840,004
NET POSITION - Beginning of Year	<u>26,665,789</u>	<u>18,938,199</u>	<u>45,603,988</u>
NET POSITION - END OF YEAR	<u>\$ 27,909,905</u>	<u>\$ 20,534,087</u>	<u>\$ 48,443,992</u>