



ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2018

VILLAGE OF CALUMET PARK

Annual Financial Report

For the Year Ended April 30, 2018

Administrative Offices

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Calumet Park, Illinois 60827

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Omara Fonseca – Village Clerk
Mary Ryan – Village Services Director
Burton Odelson – Village Attorney

Trustees

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Robert L. Turner
Dorothy P. Wiggins
Cynthia M. Potts
Daniel O. White
Carl Hampton Sr.

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**Village of Calumet Park, Illinois
Annual Financial Report
For the Year Ended April 30, 2018**

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of Trustees
Village of Calumet Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Calumet Park, Illinois, as of and for the year ended April 30, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion on Governmental and Business-type Activities and Water and Sewer Fund

Management has not recorded a liability for certain other post-employment benefit costs and obligations and, accordingly, has not recorded an expense for the current period change in that liability. Accounting principles generally accepted in the United State of America require the cost of providing other post-employment benefits to be accrued as a liability and expense as employees earn the right to the benefits, which would increase the liabilities, reduce the net position, and change the expenses of governmental and business-type activities and proprietary funds. The amount by which this departure would affect the liabilities, net position and expenses of the governmental and business-type activities, and the Water and Sewer Fund is not reasonably determinable.

Basis for Qualified Opinion on the Aggregate Discretely Presented Component Unit

Management was unable to provide sufficient appropriate evidence to support certain expenditures of the discretely presented component unit. Accordingly, we were unable to test the accuracy, completeness or proper classification of those expenditures. The amount by which this departure would affect expenditures of the discretely presented component unit is not reasonably determinable.

Qualified Opinions

In our opinion, except for the effects of the matters described in the “Basis for Qualified Opinion on Governmental and Business-type Activities and Water and Sewer Fund” and the “Basis for Qualified Opinion in the Aggregate Discretely Presented Component Unit” paragraphs, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities, the Business-type Activities, the Water and Sewer Fund and the Aggregate Discretely Presented Component Unit of the Village of Calumet Park, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, except the Water and Sewer Fund, and the aggregate remaining fund information of the Village of Calumet Park, Illinois, as of April 30, 2018, and, the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the TIF 2 Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The Village of Calumet Park, Illinois’ Debt Service Fund and Capital Projects Fund which were reported as nonmajor governmental funds in the prior year are now reported as major funds in the current year. Our opinion is 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 management’s discussion and analysis, multiyear schedule of employer contributions, multiyear schedules of changes in the employer’s net pension liability and related ratios and multiyear schedule of investment returns on pages MD&A-1 through MD&A-11 and 72–83 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Calumet Park, Illinois’ basic financial statements. The schedule of expenditures-budget and actual-general fund, the combining and individual fund financial statements and schedules, the schedules of revenues, expenditures and changes in fund balance – budget and actual for the non-major governmental funds and the proprietary funds, the schedule of changes in assets and liabilities for the agency fund (collectively hereinafter referred to as supplemental section), the schedule of long-term debt obligations, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental section and the general property tax data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on the supplemental section of the qualified opinion on the basic financial statements as explained in the “Basis for Qualified Opinion on Governmental and Business-type Activities and Water and Sewer Fund” paragraph, the supplemental section

and schedule of long-term debt obligations are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

JW & Associates, P.C.

Hillside, Illinois

January 9, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Calumet Park, Illinois
Management's Discussion and Analysis
April 30, 2018

The Village of Calumet Park offers readers of the Village's financial statements this narrative overview and analysis of the financial activity of the Village of Calumet Park for the fiscal year ended April 30, 2018.

Financial Highlights

The assets of the Village of Calumet Park exceeded its liabilities at the close of the most recent fiscal year by \$1,522,008 (*net position*). Of this amount, \$8,476,963 represents the net investment in capital assets, and \$4,503,990 is restricted for other purposes. The Village's unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors, was at a deficit of \$11,458,945. Included within this deficit are amounts that will be needed to make future principal and interest payments on tax increment bond issues, which will be funded through future property taxes and incremental tax revenue, received from the Village's Tax Increment Financing Districts. The liability for the debt is included in the statement of net position, but only the portion of the future tax receipts already levied has been included.

- The government's total net position increased by \$765,703 as a result of current year activities, which consisted of an increase in governmental activities net position of \$759,275 and an increase in business-type activities net position of \$6,428.
- As of the close of the current fiscal year, the Village of Calumet Park's governmental funds reported combined ending fund balances of \$10,289,470, an increase of \$2,397,148 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,477,242, a decrease of \$240,493 from the prior year.
- The Village of Calumet Park's total outstanding general obligation bonds increased by \$1,785,000 during the current fiscal year, consisting of a new debt issuance of \$3,365,000 and principal repayments of \$1,580,000.

Overview of the Financial Statements

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

Overview of the Financial Statements (cont'd)

Government-wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the Village of Calumet Park's finances, in a manner like a private sector business.

The statement of net position presents information on all the Village of Calumet Park's assets and liabilities, 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 of Calumet Park is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the Village of Calumet Park that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all, or a significant portion of, their costs through user fees and charges (business-type activities). The governmental activities of the Village of Calumet Park include general government, public safety, public works, building, legal, culture and recreation, and interest on long-term debt. The business-type activities of the Village of Calumet Park include water, sewer and refuse activity.

The government-wide financial statements include not only the Village of Calumet Park itself (known as the primary government), but also the Village's component units. The Village of Calumet Park Police Pension Plan is a blended component unit reported as a fiduciary fund. The Village of Calumet Park Public Library is a legally separate component unit (discretely presented) for which the Village of Calumet Park is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 4 through 7 of this report.

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

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Overview of the Financial Statements (cont'd)

Governmental Funds (cont'd)

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.

The Village of Calumet Park maintains fifteen 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 Fund, the TIF 2 (Special Revenue) Fund, the Debt Service Fund, and the Capital Projects Fund, which collectively comprise the major funds. Data from the other eleven governmental funds (911 Fund, DCEO Grant Fund, Motor Fuel Tax Fund, Police Evidence Fund, TIF 3 Fund, TIF 4 Fund, TIF 5 Fund, Tobacco Enforcement Fund, CDBG Fund, Illinois State Police Grant Fund, and 911 Center Construction Fund) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplemental section in this report.

The Village of Calumet Park adopts an annual appropriated budget for all funds but the DCEO Grant Fund and the Illinois State Police Grant Fund, both nonmajor Special Revenue Funds. A budgetary comparison statement has been provided for the General Fund and the major special revenue fund within the basic financial statements to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 8 through 18 of this report.

Proprietary Funds – The Village of Calumet Park maintains one type of proprietary fund, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Calumet Park uses three separate enterprise funds to account for its water and sewer, refuse and regional communications center operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information on the Water and Sewer Fund, the Refuse Fund, and the Regional Communication Center Fund are the only proprietary funds of the Village of Calumet Park, and which are all considered major funds. The basic proprietary fund financial statements can be found on pages 19 through 24 of this report.

The Village of Calumet Park adopts an annual appropriated budget for its Enterprise Funds. A budgetary comparison schedule has been provided for the funds in the supplemental section.

Overview of the Financial Statements (cont'd)

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the Village of Calumet Park's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Village's fiduciary funds consist of a Pension Trust Fund and an Agency Fund.

The basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 through 71 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village of Calumet Park's history of making contributions to its pension plans, as well as multiyear schedules of the net pension liability and related ratios for all its plans, and the schedule of investment returns for the police pension plan. Required supplementary information can be found on pages 72 through 83 of this report.

A General Fund detailed schedule of expenditures – budget and actual, the combining statements referred to earlier in connection with nonmajor governmental funds, detailed schedule of revenues, expenses and changes in fund net position – budget and actual for the nonmajor governmental funds, Debt Service Fund, Capital Projects Fund, and the Enterprise Fund, a schedule of changes in assets and liabilities for the Agency Fund, and detail schedules of long-term liabilities are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 84 through 118 of this report. Some general property tax data is included in the statistical section of this report on page 119.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Calumet Park, assets exceeded liabilities by \$1,522,008 at the close of the most recent fiscal year.

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

Government-wide Financial Analysis (cont'd)

An additional portion of the Village of Calumet Park's net position represents resources that are subject to external restrictions, established by law, grant agreement or contractual obligation, on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

**Village of Calumet Park
Condensed Statement of Net Position
For the Years Ended April 30,
(in millions)**

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 15.7	\$ 11.7	\$ (2.1)	\$ (2.4)	\$ 13.6	\$ 9.3
Capital assets	12.6	12.0	1.6	1.7	14.2	13.7
Total assets	28.3	23.7	(0.5)	(0.7)	27.8	23.0
Total deferred outflows of resources	.3	.6	.1	.1	.4	.7
Total assets and deferred outflows	28.6	24.3	(0.4)	(0.6)	28.2	23.7
Long-term liabilities	23.4	22.0	.2	.2	23.6	22.2
Other liabilities	1.0	.3	.3	.2	1.3	.5
Total liabilities	24.4	22.3	.5	0.4	24.9	22.7
Total deferred outflows of resources	1.7	.3	.1	-	1.8	.3
Net position:						
Net investment in capital assets	6.9	6.4	1.6	1.7	8.5	8.1
Restricted	4.5	5.8	-	-	4.5	5.8
Unrestricted	(8.9)	(10.5)	(2.6)	(2.7)	(11.5)	(13.2)
Total net position	\$ 2.5	\$ 1.7	\$ (1.0)	\$ (1.0)	\$ 1.5	\$.7

Governmental Activities – Governmental activities increased the Village of Calumet Park's net position by \$759,275 (increase of \$12,601 in the prior year). General revenues increased by approximately \$250,000 due primarily to increases in intergovernmental and local taxes, as most other taxes and other income remained relatively stable. Expenses increased by slightly more than \$20,000, with most major functions showing no significant change from the prior year.

Business-type Activities – Business-type activities increased the Village of Calumet Park's net position by \$6,428 (decreased \$678,887 in the prior year). The current year increase is in despite of a loss in the recently created Regional Communication Center Fund of approximately \$450,000 (\$570,000 approximate loss in the prior year). The Village expects to see revenue increases in this fund as they begin to serve nearby communities in the next year.

Government-wide Financial Analysis (cont'd)

Detail on current year activity follows.

**Village of Calumet Park
Changes in Net Position
For the Fiscal Year Ended April 30, 2018
(in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	Amount	% of Totals	Amount	% of Totals	Amount	% of Totals
Program revenues:						
Charges for service	\$ 1.2	11.0 %	\$ 3.5	98.5 %	\$ 4.7	31.7 %
Operating/capital grants	.8	6.7	-	-	.8	5.1
General revenue:						
Property taxes	5.8	46.3	-	-	5.8	35.3
Other taxes	3.5	30.5	-	-	3.5	23.3
Other revenues	.6	5.5	-	1.5	.6	4.6
Total revenues	11.9		3.5		15.4	
Expenses:						
Governmental activities:						
General government	1.9	17.1	-	-	1.9	13.0
Public safety	5.8	51.7	-	-	5.8	39.5
Public works	1.8	16.6	-	-	1.8	12.6
Building	.3	2.6	-	-	.3	2.0
Legal	.2	2.2	-	-	.2	1.7
Culture and recreation	.6	5.3	-	-	.6	4.0
Interest	.5	4.5	-	-	.5	3.4
Business-type:						
Water and Sewer	-	-	1.8	51.7	1.8	12.3
Refuse	-	-	.6	16.3	.6	3.9
Regional Comm.	-	-	1.1	32.0	1.1	7.6
Total expenses	11.1		3.5		14.6	
Transfers	-		-		-	
Changes in net position	\$.8		\$ -		\$.8	

Revenues:

- Property taxes decreased 10.0% despite an increase in the 2017 levy of 4.9% over the 2016 levy, due to the timing of tax collections and incremental revenues in the TIF Districts.
- Intergovernmental revenue and other taxes increased by \$97,344 or 1.7% as increases in income and use tax helped to offset a decline in sales tax due to the closing of a major retailer during the current year.
- Utility revenues (water, sewer and refuse) all increased in the current year as the Village enacted an annual increase in the billing rates to pass along increased charges from the City of Chicago.
- Revenues from the Regional Communications Center increased as Village had a full year of revenue from another municipality that it serves in the current year.

Government-wide Financial Analysis (cont'd)

For the most part, changes in expenses were related to increases in salaries and wages mandated by labor agreements and the change in the recognition of pension expense under GASB Statement No. 68; and reflected the strict adherence to budget and the changes in the demand for services.

A condensed statement of activities for the year ended April 30, 2017, is shown for comparative purposes.

**Village of Calumet Park
Changes in Net Position
For the Fiscal Year Ended April 30, 2017
(in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	Amount	% of Totals	Amount	% of Totals	Amount	% of Totals
Program revenues:						
Charges for service	\$ 1.3	12.1 %	\$ 3.1	99.6 %	\$ 4.4	30.9 %
Operating/capital grants	.1	1.3	-	-	.1	1.0
General revenue:						
Property taxes	5.8	52.2	-	-	5.8	41.0
Other taxes	3.2	28.8	-	-	3.2	22.6
Other revenues	.7	5.6	-	.4	.7	4.5
Total revenues	11.1		3.1		14.2	
Expenses:						
Governmental activities:						
General government	2.0	17.9	-	-	2.0	13.3
Public safety	5.7	50.7	-	-	5.7	37.4
Public works	1.8	16.3	-	-	1.8	13.4
Building	.3	2.6	-	-	.3	1.9
Legal	.2	2.2	-	-	.2	1.7
Culture and recreation	.6	5.8	-	-	.6	4.3
Interest	.5	4.5	-	-	.5	3.0
Business-type:						
Water and Sewer	-	-	2.1	55.1	2.1	13.8
Refuse	-	-	.6	14.9	.6	3.7
Regional Comm.	-	-	1.1	30.0	1.1	7.5
Total expenses	11.1		3.8		14.9	
Transfers	-		-		-	
Changes in net position	\$ -		\$ (.7)		\$ (.7)	

Financial Analysis of the Government's Funds

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

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

Financial Analysis of the Government's Funds (cont'd)

Proprietary Funds – The Village of Calumet Park's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the Water and Sewer Fund at the end of the year was \$552,181 (\$216,299 in the prior year). The operating income for the Water and Sewer Fund in the current year was \$281,642 (loss of \$102,184 in the prior year).

Other factors concerning the finances of the Water and Sewer Fund have already been addressed in the discussion of the Village of Calumet Park's business-type activities. The Village's Refuse Fund accounts for the charges and expense related to garbage pickup. The Refuse Fund had operating income of \$121,392 in the current year (operating loss of \$11,633 in the prior year).

The Village's 911 Center began operations in the fiscal 2016. The Center provided emergency response services to the residents of Calumet Park and neighboring communities in the current year. Subsequent to year end, the Village entered into an agreement to provide services to an additional community. During the current year, the Center had an operating loss of \$450,903 (operating loss of \$577,774 in the prior year), which was funded primarily by advances from the General Fund. The Regional Communications Fund charged the General Fund \$280,000 for services to the Village, with additional advances recognized as an interfund liability.

General Fund Budgetary Highlights

The Village did not amend the originally adopted budget during the current fiscal year. During the year, actual revenues came in over budget, as the Village recognized administrative fees totaling approximately \$180,000 charged to the TIF District and collections under the Local Debt Recovery program of approximately \$190,000, neither of which was budgeted, as revenue in the General Fund. Expenses came in over budget, primarily in general government due to the recognition of the full cost of assets acquired under capital leases for which capital lease obligation proceeds (other financing source) totaling \$840,431 were also recorded, and the fire department due to increased personnel costs and unbudgeted costs incurred in connection with a capital lease. The net effect of these variances to budget was overall results exceeding budget by \$584,233.

General Fund Budgetary Highlights (cont'd)

	General Fund (in millions)		
	Original Budget	Final Budget	Actual
Revenues:			
Property taxes	\$ 3.1	\$ 3.1	\$ 3.3
Intergovernmental and other taxes	3.3	3.3	3.6
Other	1.4	1.4	1.8
Total	7.8	7.8	8.7
Expenditures:			
Current:			
Administration	1.5	1.5	2.5
Building	.3	.3	.3
Police	2.8	2.8	2.6
Fire	1.5	1.5	1.8
Streets and alleys	1.4	1.4	1.4
Recreation	.5	.5	.6
Pension	.7	.7	.6
Debt service	-	-	.2
Total	8.7	8.7	9.9
Revenues under expenditures	(.9)	(.9)	(1.2)
Capital lease obligations issued	-	-	.9
Change in fund balance	\$ (.9)	\$ (.9)	\$ (.3)

Capital Asset and Debt Administration

Capital Assets – The Village of Calumet Park’s investment in capital assets for its governmental and business-type activities as of April 30, 2018 and 2017, was \$14,191,762 and \$13,770,440, respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, infrastructure, equipment and vehicles. The Village, as a phase three government under GASB 34, has elected to capitalize infrastructure assets (i.e., streets, sidewalks and curbs, land beneath the streets, and bridges) on the statement of net position on a prospective basis. The total change in the Village of Calumet Park’s investment in capital assets between the current fiscal year and the prior year’s annual report was an increase of 3.1% (4.6% increase for governmental activities and a 7.9% decrease for business-type activities).

Capital Asset and Debt Administration (cont'd)

The following table presents capital assets at April 30, 2018 and 2017, at net book value.

Village of Calumet Park Capital Assets at Year End Net of Depreciation (in millions)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land	\$ 1.2	\$ 1.2	\$ -	\$ -	\$ 1.2	\$ 1.2
Buildings and improvements	4.4	4.6	1.3	1.4	5.7	6.0
Infrastructure	3.8	3.8	-	-	3.8	3.8
Equipment	2.8	2.0	.3	.3	3.1	2.3
Vehicles	.4	.4	-	-	.4	.4
Total	\$ 12.6	\$ 12.0	\$ 1.6	\$ 1.7	\$ 14.2	\$ 13.7

Additional information on the Village of Calumet Park's capital assets can be found in Note IV.C. on pages 43 through 45 of this report.

Long-term Debt – At the end of fiscal year 2018, the Village of Calumet Park had total bonded debt outstanding of \$11,535,000 (\$9,750,000 at April 30, 2017). Of this amount, \$8,550,000 represents general obligation bonds, and \$2,985,000 represents general obligation tax increment bonds (\$5,520,541 and \$4,230,000, respectively, at April 30, 2017). All this bonded debt is backed by the full faith and credit of the government.

Village of Calumet Park Outstanding General Obligation Debt (000's)						
	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
General obligation bonds	\$ 8.5	\$ 5.5	\$ -	\$ -	\$ 8.5	\$ 5.5
General obligation tax increment bonds	3.0	4.2	-	-	3.0	4.2
	\$ 11.5	\$ 9.7	\$ -	\$ -	\$ 11.5	\$ 9.7

The Village of Calumet Park's total debt increased by \$1,785,000 during the current fiscal year (decrease of \$1,490,000 in the prior fiscal year). The Village of Calumet Park is a home rule community and, therefore, is not limited in the amount of general obligation debt it may issue by any State statute.

Additional information on the Village of Calumet Park's long-term debt can be found in Note IV.E. on pages 46 through 50 of this report.

Summary and Future Considerations

The Village intends to continue to closely monitor expenditures, and allocate resources to areas that best meet the needs of its citizenry. The Village will continue to actively seek out grants and all other available revenue sources. The Village intends to continue to participate in the Community Development Block Grant Program to obtain additional resources to help maintain the infrastructure of the Village.

Request for Information

This financial report is designed to provide a general overview of the Village of Calumet Park's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Village Services Director, 12409 South Throop Street, Calumet Park, Illinois 60827.

BASIC FINANCIAL STATEMENTS

Village of Calumet Park, Illinois
Statement of Net Position
April 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Public Library
Assets				
Cash and cash equivalents	\$ 7,219,212	\$ 12,346	\$ 7,231,558	\$ 10,238
Investment in real estate	260,000	-	260,000	-
Receivables	5,474,648	469,398	5,944,046	105,271
Due from Fiduciary Funds	2,700	820	3,520	-
Internal balances	2,639,141	(2,639,141)	-	-
Prepaid items	87,739	-	87,739	-
Net pension asset	-	81,444	81,444	-
Capital assets not being depreciated - land	1,245,417	-	1,245,417	-
Capital assets, net of accumulated depreciation:				
Buildings and improvements	4,419,337	1,315,392	5,734,729	16,021
Infrastructure	3,762,718	-	3,762,718	-
Equipment	2,780,252	263,082	3,043,334	-
Vehicles	405,564	-	405,564	-
Total assets	28,296,728	(496,659)	27,800,069	131,530
Deferred Outflows of Resources				
Pension-related - actuarial	232,375	77,763	310,138	-
Pension-related - contributions	94,094	15,786	109,880	-
Total deferred outflows of resources	326,469	93,549	420,018	-
Total assets and deferred outflows of resources	28,623,197	(403,110)	28,220,087	131,530

See accompanying notes and independent auditor's report.

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Public Library
Liabilities				
Accounts payable and other accrued expenses	\$ 320,960	\$ 329,682	\$ 650,642	\$ 1,530
Accrued interest expense	183,272	-	183,272	-
Due to other governments	-	-	-	-
Due to Fiduciary Fund	3,710	-	3,710	-
Unearned revenue	45,000	-	45,000	-
Tax anticipation warrants payable	500,000	-	500,000	-
Noncurrent liabilities:				
Due within one year	2,130,651	-	2,130,651	-
Due in more than one year	21,237,346	135,696	21,373,042	-
Total liabilities	24,420,939	465,378	24,886,317	1,530
Deferred Inflows of Resources				
Pension-related - actuarial	1,689,032	122,730	1,811,762	-
Total liabilities and deferred inflows of resources	26,109,971	588,108	26,698,079	1,530
Net Position				
Net investment in capital assets	6,898,489	1,578,474	8,476,963	16,021
Restricted by state statute	3,286,593	-	3,286,593	-
Restricted for grant purpose	355,479	-	355,479	-
Restricted for debt service	861,918	-	861,918	-
Unrestricted	(8,889,253)	(2,569,692)	(11,458,945)	113,979
Total net position (deficit)	\$ 2,513,226	\$ (991,218)	\$ 1,522,008	\$ 130,000

Village of Calumet Park, Illinois
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
Primary government:				
Governmental activities:				
General government	\$ 1,906,181	\$ 496,477	\$ -	\$ -
Public safety	5,783,753	550,125	1,575	425,888
Public works	1,851,588	-	-	337,502
Building	294,825	85,127	-	-
Legal	251,124	-	-	-
Culture and recreation	587,521	113,933	-	-
Interest on long-term debt	504,027	-	-	-
Total governmental activities	11,179,019	1,245,662	1,575	763,390
Business-type activities:				
Water	1,557,914	1,525,458	-	-
Sewer	254,510	568,608	-	-
Refuse	572,100	693,492	-	-
Regional Communication Center	1,120,662	669,759	-	-
Total business-type activities	3,505,186	3,457,317	-	-
Total primary government	\$ 14,684,205	\$ 4,702,979	\$ 1,575	\$ 763,390
Component unit - Public Library	\$ 257,669	\$ 3,382	\$ 6,083	\$ -

General revenues:
Property taxes
Intergovernmental
Local taxes
Local government debt recovery
Real estate transfer stamps
Franchise fees
Unrestricted investment earnings
Miscellaneous

Total general revenues

Changes in net position (deficit)

Net position (deficit), beginning of the year

Net position (deficit), end of the year

See accompanying notes and independent auditor's report.

Net (Expense) Revenue and Changes in Net Position (Deficit)			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Public Library
\$ (1,409,704)	\$ -	\$ (1,409,704)	\$ -
(4,806,165)	-	(4,806,165)	-
(1,514,086)	-	(1,514,086)	-
(209,698)	-	(209,698)	-
(251,124)	-	(251,124)	-
(473,588)	-	(473,588)	-
(504,027)	-	(504,027)	-
<u>(9,168,392)</u>	<u>-</u>	<u>(9,168,392)</u>	<u>-</u>
-	(32,456)	(32,456)	-
-	314,098	314,098	-
-	121,392	121,392	-
-	(450,903)	(450,903)	-
<u>-</u>	<u>(47,869)</u>	<u>(47,869)</u>	<u>-</u>
<u>(9,168,392)</u>	<u>(47,869)</u>	<u>(9,216,261)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>(248,204)</u>
5,840,252	-	5,840,252	154,591
2,586,253	-	2,586,253	-
872,456	-	872,456	-
191,389	-	191,389	-
58,065	-	58,065	-
103,559	-	103,559	-
19,120	683	19,803	506
256,573	53,614	310,187	-
<u>9,927,667</u>	<u>54,297</u>	<u>9,981,964</u>	<u>155,097</u>
759,275	6,428	765,703	(93,107)
<u>1,753,951</u>	<u>\$ (997,646)</u>	<u>756,305</u>	<u>223,107</u>
<u>\$ 2,513,226</u>	<u>\$ (991,218)</u>	<u>\$ 1,522,008</u>	<u>\$ 130,000</u>

Village of Calumet Park, Illinois
Balance Sheet - Governmental Funds
April 30, 2018

	General
Assets	
Cash and cash equivalents	1,006,140
Investment in real estate	-
Accounts receivable	189,186
Property taxes receivable	2,994,268
Due from other funds	3,239,990
Due from other governments	477,159
Prepaid items	87,739
Total assets	\$ 7,994,482
Liabilities	
Accounts payable	\$ 223,860
Accrued interest	5,648
Due to other funds	1,795,230
Unearned revenue - other	45,000
Tax anticipation warrant payable	500,000
Total liabilities	2,569,738
Deferred Inflows of Resources	
Property taxes	2,859,763
Fund Balances	
Nonspendable	87,739
Spendable:	
Restricted by state statute	-
Restricted for grant purposes	-
Restricted for debt service	-
Restricted for capital outlay	-
Assigned for police activities	-
Unassigned	2,477,242
Total fund balances	2,564,981
Total liabilities, deferred inflows and fund balances	\$ 7,994,482

See accompanying notes and independent auditor's report.

<u>TIF 2</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,387,072	\$ 1,347,677	\$ 3,006,447	\$ 471,876	\$ 7,219,212
-	-	260,000	-	260,000
-	-	-	-	189,186
1,103,186	390,079	-	302,834	4,790,367
1,394,333	4,259	65,745	1,005,593	5,709,920
-	-	-	17,936	495,095
-	-	-	-	87,739
<u>\$ 3,884,591</u>	<u>\$ 1,742,015</u>	<u>\$ 3,332,192</u>	<u>\$ 1,798,239</u>	<u>\$ 18,751,519</u>
\$ 44,022	\$ 535	\$ 15,443	\$ 37,100	\$ 320,960
-	-	-	-	5,648
120,025	500,432	116,046	540,056	3,071,789
-	-	-	-	45,000
-	-	-	-	500,000
<u>164,047</u>	<u>500,967</u>	<u>131,489</u>	<u>577,156</u>	<u>3,943,397</u>
976,925	379,130	-	302,834	4,518,652
-	-	-	-	87,739
2,743,619	-	-	542,974	3,286,593
-	-	-	355,479	355,479
-	861,918	-	-	861,918
-	-	3,200,703	97,301	3,298,004
-	-	-	26,447	26,447
-	-	-	(103,952)	2,373,290
<u>2,743,619</u>	<u>861,918</u>	<u>3,200,703</u>	<u>918,249</u>	<u>10,289,470</u>
<u>\$ 3,884,591</u>	<u>\$ 1,742,015</u>	<u>\$ 3,332,192</u>	<u>\$ 1,798,239</u>	<u>\$ 18,751,519</u>

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Village of Calumet Park, Illinois
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2018

Total fund balance - governmental funds (page 9)	\$ 10,289,470
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	12,613,288
Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position.	4,518,652
Bond premiums are amortized over the life of the issue for governmental activities, but recognized as revenue in the period received in the governmental funds.	(416,328)
Bond discounts are amortized over the life of the issue for governmental activities, but recognized as expense in the period incurred in the governmental funds.	386
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds. These liabilities consist of:	
General obligation bonds payable	(11,535,000)
Capital lease obligation	(1,226,732)
Interest payable	(177,624)
Compensated absences payable	(597,972)
Net pension liability	(9,592,351)
Difference in pension-related items on deferred outflows	326,469
Difference in pension-related items on deferred inflows	(1,689,032)
Net position of governmental activities (page 5)	\$ 2,513,226

See accompanying notes and independent auditor's report.

Village of Calumet Park, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds
For the Year Ended April 30, 2018

	<u>General</u>	<u>TIF 2</u>
Revenues:		
Property taxes	\$ 3,350,551	\$ 894,260
Other taxes	872,456	-
Licenses and permits	353,933	-
Intergovernmental	2,386,202	-
Local government debt recovery program	191,389	-
Grant revenue	119,985	-
Fines and forfeitures	271,680	-
Service charges and fees	667,060	-
Recreation program fees	113,933	-
TIF administration fees	180,341	-
Interest income	1,039	12,835
Other	225,071	-
	<u>8,733,640</u>	<u>907,095</u>
Total revenues	8,733,640	907,095
Expenditures:		
Current:		
Administration	2,546,020	145,503
Building	278,944	-
Police	2,576,744	-
Fire	1,773,862	-
Street and alley	1,361,293	-
Recreation	562,402	-
Police pension	595,324	-
Debt service:		
Principal	220,397	1,165,000
Interest	9,026	128,394
Bond issuance costs	-	-
Fees	-	3,285
Capital outlay	-	-
Miscellaneous	-	-
	<u>9,924,012</u>	<u>1,442,182</u>
Total expenditures	9,924,012	1,442,182
Revenues over (under) expenditures		
before other financing sources (uses)	<u>(1,190,372)</u>	<u>(535,087)</u>

(cont'd)

Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 574,600	\$ -	\$ 173,888	\$ 4,993,299
-	-	-	872,456
-	-	-	353,933
-	-	200,051	2,586,253
-	-	-	191,389
-	-	644,980	764,965
-	-	-	271,680
-	-	-	667,060
-	-	-	113,933
-	-	-	180,341
21	4,528	697	19,120
-	-	9,337	234,408
<u>574,621</u>	<u>4,528</u>	<u>1,028,953</u>	<u>11,248,837</u>
-	39,270	139,847	2,870,640
-	-	-	278,944
-	-	15,729	2,592,473
-	-	-	1,773,862
-	-	195,699	1,556,992
-	-	-	562,402
-	-	-	595,324
335,000	-	135,406	1,855,803
276,888	-	23,363	437,671
-	91,165	-	91,165
3,565	13,200	-	20,050
-	79,735	782,619	862,354
-	-	7	7
<u>615,453</u>	<u>223,370</u>	<u>1,292,670</u>	<u>13,497,687</u>
<u>(40,832)</u>	<u>(218,842)</u>	<u>(263,717)</u>	<u>(2,248,850)</u>

Village of Calumet Park, Illinois
Statement of Revenues, Expenditures and Changes
in Fund Balances - Governmental Funds (cont'd)
For the Year Ended April 30, 2018

	General	TIF 2
Other financing sources (uses):		
Bonds issued	\$ -	\$ -
Bond premium	-	-
Capital lease obligation issued	840,431	-
Total other financing sources (uses)	840,431	-
Net changes in fund balances	(349,941)	(535,087)
Fund balances, beginning of the year,	2,914,922	3,278,706
Fund balances, end of the year	\$ 2,564,981	\$ 2,743,619

See accompanying notes and independent auditor's report.

Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 403,800	\$ 2,961,200	\$ -	\$ 3,365,000
-	143,987	-	143,987
-	-	296,580	1,137,011
403,800	3,105,187	296,580	4,645,998
362,968	2,886,345	32,863	2,397,148
498,950	314,358	885,386	7,892,322
\$ 861,918	\$ 3,200,703	\$ 918,249	\$ 10,289,470

Village of Calumet Park, Illinois
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

Amounts reported for governmental activities in the statement of activities (pages 6 and 7) are different because:

Net changes in fund balances - total governmental funds (page 14)	\$ 2,397,148
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>	556,366
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	846,953
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	(2,591,046)
<p>The net effect of changes in the net pension liability is reported as an expense in the statement of activities.</p>	(391,372)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:</p>	
Increase in compensated absences payable	(55,539)
Decrease in interest payable	<u>(3,235)</u>
Changes in net position of governmental activities (page 7)	<u>\$ 759,275</u>

See accompanying notes and independent auditor's report.

Village of Calumet Park, Illinois
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property taxes	\$ 3,137,327	\$ 3,137,327	\$ 3,350,551	\$ 213,224
Other taxes	778,000	778,000	872,456	94,456
Licenses and permits	337,770	337,770	353,933	16,163
Intergovernmental	2,252,000	2,252,000	2,386,202	134,202
Local government debt recovery	-	-	191,389	191,389
Grant revenue	59,129	59,129	119,985	60,856
Fines and forfeitures	369,398	369,398	271,680	(97,718)
Service charges and fees	660,740	660,740	667,060	6,320
Recreation program fees	98,432	98,432	113,933	15,501
TIF administration fees	-	-	180,341	180,341
Interest income	1,426	1,426	1,039	(387)
Other	145,224	145,224	225,071	79,847
Total revenues	7,839,446	7,839,446	8,733,640	894,194
Expenditures:				
Current:				
Administration	1,471,350	1,471,350	2,546,020	(1,074,670)
Building	296,074	296,074	278,944	17,130
Police	2,908,269	2,908,269	2,576,744	331,525
Fire	1,511,045	1,511,045	1,773,862	(262,817)
Street and alley	1,364,703	1,364,703	1,361,293	3,410
Recreation	527,381	527,381	562,402	(35,021)
Police pension	694,798	694,798	595,324	99,474
Debt service:				
Principal	-	-	220,397	(220,397)
Interest	-	-	9,026	(9,026)
Total expenditures	8,773,620	8,773,620	9,924,012	(1,150,392)
Revenues under expenditures before other financing sources (uses)	(934,174)	(934,174)	(1,190,372)	(256,198)

(cont'd)

Village of Calumet Park, Illinois
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (cont'd)
For the Year Ended April 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other financing sources (uses):				
Capital lease obligation issued	\$ -	\$ -	\$ 840,431	\$ 840,431
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>840,431</u>	<u>840,431</u>
Net changes in fund balance	<u>\$ (934,174)</u>	<u>\$ (934,174)</u>	<u>(349,941)</u>	<u>\$ 584,233</u>
Fund balance, beginning of the year			<u>2,914,922</u>	
Fund balance, end of the year			<u>\$ 2,564,981</u>	

See accompanying notes and independent auditor's report.

**Village of Calumet Park, Illinois
TIF 2 Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:				
Property taxes	\$ 5,054,153	\$ 5,054,153	\$ 894,260	\$(4,159,893)
Interest income	200	200	12,835	12,635
Total revenues	<u>5,054,353</u>	<u>5,054,353</u>	<u>907,095</u>	<u>(4,147,258)</u>
Expenditures:				
Current - administration	83,500	83,500	145,503	(62,003)
Debt service:				
Principal	1,165,000	1,165,000	1,165,000	-
Interest	128,394	128,394	128,394	-
Fees	15,000	15,000	3,285	11,715
Capital outlay	33,000	33,000	-	33,000
Total expenditures	<u>1,424,894</u>	<u>1,424,894</u>	<u>1,442,182</u>	<u>(17,288)</u>
Net changes in fund balance	<u>\$ 3,629,459</u>	<u>\$ 3,629,459</u>	<u>(535,087)</u>	<u>\$ (4,164,546)</u>
Fund balance, beginning of the year			<u>3,278,706</u>	
Fund balance, end of the year			<u>\$ 2,743,619</u>	

See accompanying notes and independent auditor's report.

Village of Calumet Park, Illinois
Proprietary Funds - Enterprise Fund
Statement of Net Position (Deficit)
For the Year Ended April 30, 2018

	Water and Sewer	Refuse
Current assets:		
Cash and cash equivalents	\$ -	\$ 12,346
Accounts receivable:		
Customers	314,074	131,574
Due from other funds	148,923	-
Total current assets	462,997	143,920
Capital assets:		
Buildings and improvements	2,799,363	-
Equipment	896,512	-
Less accumulated depreciation	(2,117,401)	-
Total capital assets	1,578,474	-
Net pension asset	-	-
Total assets	2,041,471	143,920
Deferred outflows of resources:		
Pension-related - actuarial	67,751	-
Pension-related - contributions	15,786	-
Total deferred outflows of resources	83,537	-
Total assets and deferred outflows of resources	2,125,008	143,920
Liabilities:		
Accounts payable	136,293	44,828
Other liabilities	28,002	-
Due to other funds	1,161,845	426,814
Net pension liability	135,696	-
Total liabilities	1,461,836	471,642
Deferred inflows of resources:		
Pension-related - actuarial	110,991	-
Total liabilities and deferred inflows of resources	1,572,827	471,642
Net position (deficit):		
Net investment in capital assets	1,578,474	-
Unrestricted	(1,026,293)	(327,722)
Total net position (deficit)	\$ 552,181	\$ (327,722)

See accompanying notes and independent auditor's report.

Regional Communication Center	Total
\$ -	\$ 12,346
23,750	469,398
38	148,961
<u>23,788</u>	<u>630,705</u>
-	2,799,363
-	896,512
-	<u>(2,117,401)</u>
-	<u>1,578,474</u>
81,444	<u>81,444</u>
105,232	<u>2,290,623</u>
10,012	77,763
-	<u>15,786</u>
10,012	<u>93,549</u>
115,244	<u>2,384,172</u>
102,610	283,731
17,949	45,951
1,198,623	2,787,282
-	<u>135,696</u>
1,319,182	<u>3,252,660</u>
11,739	<u>122,730</u>
1,330,921	<u>3,375,390</u>
-	1,578,474
(1,215,677)	<u>(2,569,692)</u>
<u>\$ (1,215,677)</u>	<u>\$ (991,218)</u>

**Village of Calumet Park, Illinois
Proprietary Funds - Enterprise Fund
Statement of Revenues, Expenses and
Changes in Fund Net Position (Deficit)
For the Year Ended April 30, 2018**

	Water and Sewer	Refuse
Operating revenues:		
Water charges	\$ 1,525,458	\$ -
Sewer charges	568,608	-
Refuse charges	-	693,492
Dispatch charges	-	-
Total operating revenues	2,094,066	693,492
Operating expenses:		
Salaries and wages	166,000	-
Insurance and benefits	126,703	-
Contractual services	1,329,448	572,100
Supplies and materials	55,197	-
Capital outlay	-	-
Miscellaneous	32	-
Depreciation	135,044	-
Total operating expenses	1,812,424	572,100
Operating income (loss)	281,642	121,392
Nonoperating income:		
Interest	626	-
Miscellaneous	53,614	-
Total nonoperating income	54,240	-
Changes in net position (deficit)	335,882	121,392
Net position (deficit), beginning of the year	216,299	(449,114)
Net position (deficit), end of the year	\$ 552,181	\$ (327,722)

See accompanying notes and independent auditor's report.

Regional Communication Center	Total
\$ -	\$ 1,525,458
-	568,608
-	693,492
669,759	669,759
669,759	3,457,317
115,721	281,721
(18,424)	108,279
1,000,305	2,901,853
20,954	76,151
1,460	1,460
646	678
-	135,044
1,120,662	3,505,186
(450,903)	(47,869)
57	683
-	53,614
57	54,297
(450,846)	6,428
(764,831)	(997,646)
\$ (1,215,677)	\$ (991,218)

Village of Calumet Park, Illinois
Proprietary Funds - Enterprise Fund
Statement of Cash Flows
For the Year Ended April 30, 2018

	Water and Sewer	Refuse
Cash flows from operating activities:		
Cash received from customers	\$2,022,261	\$ 614,093
Cash received from other sources	53,614	-
Cash payments to vendors for goods and services	(1,430,366)	(571,262)
Cash payments to employees	(184,995)	-
Net cash from operating activities	460,514	42,831
Cash flows from noncapital financing activities:		
Advances from other funds	(461,140)	(175,715)
Cash flows from investing activities - interest income	626	-
Net decrease in cash	-	(132,884)
Cash and cash equivalents, beginning of the year	-	145,230
Cash and cash equivalents, end of the year	\$ -	\$ 12,346
Reconciliation of operating income (loss) to cash from operating activities:		
Operating income (loss)	\$ 281,642	\$ 121,392
Adjustments to reconcile operating income (loss) to net cash from operating activities:		
Depreciation	135,044	-
Nonoperating income - miscellaneous	53,614	-
Decrease in accounts receivable	(71,805)	(79,399)
Increase in net pension asset	-	-
Increase in accounts payable	59,822	838
Decrease in other liabilities	(18,995)	-
Decrease in pension-related deferred outflows	24,348	-
Increase in pension-related deferred inflows	109,057	-
Decrease in net pension liability	(112,213)	-
Net cash from operations	\$ 460,514	\$ 42,831

See accompanying notes and independent auditor's report.

Regional Communication Center	Total
\$ 669,759	\$ 3,306,113
-	53,614
(944,524)	(2,946,152)
(127,020)	(312,015)
(401,785)	101,560
401,728	(235,127)
57	683
-	(132,884)
-	145,230
\$ -	\$ 12,346
\$ (450,903)	\$ (47,869)
-	135,044
-	53,614
-	(151,204)
(55,472)	(55,472)
95,076	155,736
(11,299)	(30,294)
9,111	33,459
11,702	120,759
-	(112,213)
\$ (401,785)	\$ 101,560

Village of Calumet Park, Illinois
Fiduciary Funds
Statement of Net Position
April 30, 2018

	<u>Total</u>	<u>Pension Trust Fund</u>	<u>Agency Fund</u>
Assets		<u>Police Pension Fund</u>	<u>Performance Bond Fund</u>
Assets:			
Cash and cash equivalents	\$ 803,706	\$ 680,292	\$ 123,414
Investments	7,575,323	7,575,323	-
Interest receivable	13,079	13,079	-
Due from municipality	11,855	11,855	-
Due from other funds	3,710	-	3,710
Total assets	\$ 8,407,673	\$ 8,280,549	\$ 127,124
Liabilities and Net Position			
Liabilities:			
Accounts payable	\$ 3,163	\$ 3,163	\$ -
Due to other funds	3,520	-	3,520
Deposits held	123,604	-	123,604
Total liabilities	130,287	3,163	127,124
Net position restricted for pension benefits	8,277,386	8,277,386	-
Total liabilities and net position	\$ 8,407,673	\$ 8,280,549	\$ 127,124

See accompanying notes and independent auditor's report.

**Village of Calumet Park, Illinois
 Fiduciary Funds - Pension Trust Fund
 Statement of Changes in Net Position
 For the Year Ended April 30, 2018**

Additions:	
Contributions:	
Employer	\$ 595,324
Employee	131,911
	<hr/>
Total contributions	727,235
	<hr/>
Other income:	
Investment income	348,197
Less investment expenses	(5,795)
Valuation income	274,981
	<hr/>
Total other income	617,383
	<hr/>
Total additions	1,344,618
	<hr/>
Deductions:	
Benefits and refunds	847,958
Administrative	28,509
	<hr/>
Total deductions	876,467
	<hr/>
Changes in net position	468,151
	<hr/>
Beginning of the year	7,809,235
	<hr/>
End of the year	\$ 8,277,386
	<hr/>

See accompanying notes and independent auditor's report.

Village of Calumet Park Notes to the Financial Statements

I. Summary of Significant Accounting Policies

A. The Reporting Entity

The Village of Calumet Park, Cook County, Illinois, is duly organized and existing under the provisions of the laws of the state of Illinois. The Village is governed by an elected Board of six trustees and a mayor, and provides the following services: public safety (fire and police), streets, sanitation, water and sewer, public improvements, planning, recreation, zoning, and general administrative.

These financial statements present all the departments, commissions, and fund types of the Village (primary government) and a component unit based on financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will and fiscal dependency. The Calumet Park Public Library may not issue debt without the Village's approval, and its property tax levy request is subject to the Village's approval. Thus, the Library meets the definition of a component unit. However, it is considered legally separate from the Village, and is thus presented as a discretely presented component unit in a separate column in the combined financial statements. Complete financial statements may be obtained from the Library's administrative office at 1500 West 127th Street, Calumet Park, Illinois.

The Village's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the PPERS.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all nonfiduciary activities of the Village and its component unit. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

B. Government-wide and Fund Financial Statements (cont'd)

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.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, and expenditures related to compensated absences payable and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, interest, licenses and charges for services are susceptible to accrual. Replacement income tax, state income tax, and sales tax collected and held by the state at year end on behalf of the Village are also recognized as revenue. Other receipts become measurable and available when cash is received by the Village, and are recognized as revenue at that time.

The Village reports the following major governmental funds:

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

TIF 2 Fund – The TIF 2 Fund is a Special Revenue Fund used to account for the accumulation of incremental tax revenues from one of the Village's TIF Districts, and related expenditures incurred in connection with this TIF.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. **Summary of Significant Accounting Policies (cont'd)**

C. **Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)**

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of property tax revenues used for the payment of principal and interest and related fees on general obligation debt.

Capital Projects Fund – The Capital Projects Fund is used to account for the accumulation of resources from debt proceeds and other sources used for the payment of major capital outlay.

The Village reports the following major proprietary (enterprise) funds:

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

Refuse Fund – Accounts for the separate fee charged to users for refuse services. All activities necessary to provide such services are accounted for in this Fund including, but not limited to, administration, operations, maintenance, finance, and billing and collection.

Regional Communication Center Fund – Accounts for the separate fee charged to users for 911 services. All activities necessary to provide such services are accounted for in this Fund including, but not limited to, administration, operations, maintenance, finance, and billing and collection.

Additionally, the Village reports the following fund types:

Pension Trust Fund – The Pension Trust Fund accounts for the activities of the Police Pension Fund, which accumulates resources for pension benefit payments to qualified public safety employees.

Agency Fund – The Agency Fund (Performance Bond Fund) is custodial in nature, and does not involve measurement of operations.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods, in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (cont'd)

assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the accounting period. Actual results could differ from those estimates.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Village's enterprise fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents, including amounts in the Illinois Funds Investment Pool.

The Village's investment in the Illinois Funds meets the criteria contained in GASB Statement No. 79, Certain Investment Pools and Pool Participants. This allows the Illinois Funds and those local governments investing in it to measure its investment at amortized cost. The criteria contained in GASB Statement No. 79 address (1) how the pool interacts with participants, (2) requirements for portfolio maturity, quality, diversification and liquidity, and (3) calculation and requirements of a shadow price.

Investments – Investments are reported at fair value. Fair value is based on quoted market prices. Non-negotiable certificates of deposit and other short-term investments are reported at cost, which approximates fair value. The Village and the Police Pension Fund 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.

Following is a description of the valuation methodologies used for investments measured at fair value, as well as the general classification of such investments pursuant to the valuation hierarchy.

Actively traded mutual funds are valued using quoted market prices. Accordingly, these assets are categorized in Level 1 of the fair value hierarchy.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

1. Deposits and Investments (cont'd)

Investments (cont'd)

Corporate and municipal bonds, and government securities are valued using pricing models based on standard inputs. These standard inputs typically include benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data, including market research publications. Certificates of deposit were priced from sources deemed reliable or using a matrix formula. Accordingly, these types of investments are categorized in Level 2 of the fair value hierarchy.

Under Illinois law, the Village (and Library) is restricted to investing funds in specific types of investment instruments. The following generally represents the types of instruments allowable by state law:

- Securities issued or granted by the United States of America or its agencies.
- Interest bearing savings accounts, certificates of deposit, and time deposits for banks and savings and loans insured up to \$250,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500,000,000 rated in the highest classification by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds Investment Pool.
- Repurchase agreements that meet instrument transaction requirements of Illinois law.

In addition, Pension Trust Funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies.
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds, and real estate, limited to 10% of the fund's investments.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

1. Deposits and Investments (cont'd)

Investments (cont'd)

- Interest-bearing bonds of the state of Illinois, and bonds or tax anticipation warrants of any county, township, or municipal corporation of the state of Illinois.
- Mutual funds which meet the following requirements: (1) managed by an investment company as defined under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953, (2) mutual fund has been in operation for 5 years, (3) mutual fund has assets of \$250 million or more, (4) mutual fund is comprised of stocks, bonds, or money market instruments, and (5) limited to 35% of net present assets.
- Common and preferred stocks which meet the following requirements: (1) investments must be made through an investment advisor, (2) stocks of U.S. corporations that have been in existence for five years, (3) corporations not in arrears in payment of dividends in last five years, (4) market value of stock in any one corporation does not exceed 5% of cash and invested assets of pension fund, (5) stock in any one corporation does not exceed 5% of total outstanding stock in the corporation, (6) stock listed on national securities exchange or quoted in NASDAQNMS, and (7) limited to 35% of net present assets.

The investment policies of the Police Pension Fund place no further limits on investments beyond those authorized by state statute.

2. Investment in Real Estate

The Village acquired property with the intent of future development and is carrying the property at cost, which approximates fair value.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

3. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (the current portion of interfund loans) or "advances to/from other funds" (the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The Village's property taxes are required to be levied by ordinance. A certified copy of the levy ordinance must be filed with the county clerk not later than the last Tuesday in December of each year. Taxes are due and collectible one-half on February 1 and one-half on August 1 of the following year. Property taxes attach as an enforceable lien on property as of January 1.

Property taxes are based on the assessed valuation of the Village's real property as equalized by the state of Illinois. The equalized assessed valuation of real property totaled \$71,073,249 for the calendar year 2017.

Property tax receivables are shown net of allowances for doubtful amounts. The property tax receivable allowance, the determination of which is based upon collection histories and the current economic environment, is equal to 3 percent of the outstanding property taxes at year end.

4. Capital Assets

Capital assets, which include buildings and improvements, infrastructure, equipment and vehicles, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Village defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at cost or at an estimated historical cost. Contributed capital assets are recorded at their acquisition value on the date received.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

4. Capital Assets (cont'd)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property and equipment of the primary government, as well as the component units, is depreciated using the straight-line method. The following estimated useful lives are used to compute depreciation on a straight-line basis:

Buildings and improvements	15 – 40 years
Infrastructure	20 years
Equipment	5 – 15 years
Vehicles	8 years

5. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused sick pay benefits, which are payable to an employee with ten or more years of service upon leaving the employment of the Village. The amount received is limited as follows, provided the employee has given proper notice of separation:

Police officers – 75 days
Public works employees – 40 days
Nonunion employees – 75 days

All vacation earned for a calendar year must be used within the same calendar year. Vacation and sick pay is accrued when earned, in the government-wide and proprietary funds financial statements. Vacation and sick pay that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it, which is typically the General Fund. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

6. Tax Anticipation Warrants

The Village issued \$500,000 in short-term tax anticipation warrants during the current fiscal year to help meet cash flow needs between property tax collection dates. There were no repayments on the warrants in the current year, and the outstanding balance at April 30, 2018, is \$500,000.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

7. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund. Bond premiums and discounts are deferred and amortized over the life of the bonds using a straight-line method that approximates the interest method. Bond issuance costs are reported as expenses/expenditures at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) so will not be recognized as an inflow of resources (revenue) until then.

9. Net Position/Fund Balance Classifications

Equity in the government-wide and proprietary fund statements 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 bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

9. Net Position/Fund Balance Classifications (cont'd)

- b. Restricted net position – consists of net position with constraints placed on its 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 position that does 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.

In the governmental fund financial statements, governmental funds report fund balance as either nonspendable or spendable. Nonspendable fund balance is reported for amounts that are either not in spendable form or legally or contractually required to be maintained intact.

Spendable fund balance is further classified as restricted, committed, assigned, or unassigned, based on the relative strength of the constraints that control how specific amounts can be spent. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities. The fund balances of the Special Tax Increment Allocation Funds and the Motor Fuel Tax Fund are restricted for use in accordance with the Illinois Tax Increment Allocation Redevelopment Act and the Motor Fuel Tax Law, respectively. The fund balances of the DCEO Grant, Tobacco Enforcement, CDBG, and Illinois State Police Grant Funds are restricted for the purpose of the grants which generated the revenue of the fund. Debt Service Fund balances resulting from property taxes levied for the payment of debt service are considered restricted. The fund balance in the Capital Projects and 911 Center Construction Funds is considered restricted for capital outlay in accordance with the terms of the Series 2010B and 2018 bond issues, and the Series 2014B bond issue, respectively.

Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village’s highest level of decision-making authority. Commitments are made through the adoption of an ordinance. Committed amounts cannot be used for any other purpose unless the Village removes or changes the specified action. There was no committed fund balance at April 30, 2018.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

I. Summary of Significant Accounting Policies (cont'd)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (cont'd)

9. Net Position/Fund Balance Classifications (cont'd)

Assigned fund balance includes amounts that are constrained by the Village's intent to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the Village's Board itself; b) a body or official to which the Board has delegated the authority to assign amounts to be used for specific purposes. The Village's Board has not delegated the authority to any other body or official to assign amounts for a specific purpose within the general fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned by the Board in accordance with the established fund purpose and approved budget and appropriation ordinance. The fund balance in the 911 Fund and Police Evidence Fund is considered assigned for police activities in accordance with the fund's purpose.

In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is spent first followed by assigned and then unassigned fund balances.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of Certain Differences – Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes the reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that: "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$	1,800,699
Depreciation		<u>(1,244,333)</u>
Net increase to net changes in fund balances – total governmental funds to arrive at change in net position of governmental activities	\$	<u>556,366</u>

Village of Calumet Park
Notes to the Financial Statements (cont'd)

III. Reconciliation of Government-wide and Fund Financial Statements (cont'd)

A. Explanation of Certain Differences – Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and Statement of Activities (cont'd)

Another element of the reconciliation states: “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” This amount represents the recognition of property taxes on the full accrual basis, net of the effect of full accrual recognition in the prior year.

Another element of the reconciliation states: “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this (\$2,591,046) difference are as follows:

Principal repayments – general obligation debt	\$ 1,580,000
Principal repayments – capital lease obligation	448,764
Proceeds on debt issued in current year	(3,365,000)
Proceeds on capital lease obligation in current year	(1,137,011)
Discount on debt issued:	
Amortization of prior year discounts on debt issued	(140)
Premium on debt issued:	
Premium recognized on debt issued in current year	(143,987)
Amortization of prior year premiums on debt issued	<u>26,328</u>
Net adjustment to increase net changes in fund balance – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (2,591,046)</u>

Village of Calumet Park
Notes to the Financial Statements (cont'd)

III. Stewardship, Compliance and Accountability

A. Budgetary Information

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

- A proposed operating budget is submitted to the Board of Trustees for the fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- Budget hearings are conducted.
- The budget is legally enacted through passage of an ordinance.
- The Board of Trustees may amend the budget.
- The Village does not use the encumbrance method of accounting. Budgetary funds are controlled by an integrated budgetary accounting system in accordance with the various legal requirements which govern the Village.
- Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, all Special Revenue Funds except for the DCEO Fund, the Capital Projects Fund, the Enterprise Funds, and the discretely presented component unit. Debt Service Funds have initially been covenanted by the Board on a multi-year basis.
- Expenditures exceeded budget in the General Fund by \$1,150,392. A significant portion of this excess (\$840,431) is due to the recognition of the full expense for amounts payable under terms of capital leases entered into during the year that were not in the budget and are offset by an other financing source for capital lease obligations issued of \$840,431. Expenditures also exceeded budget in the following funds:

Fund Name	Excess
TIF 2	\$ 17,288
TIF 3	424,129
911	3,000
Police Pension	59,468

- The legal level of control (level at which expenditures may not exceed budget/appropriations) is at the fund level. Budget/appropriations lapse at fiscal year end. There were no supplemental appropriations during the year.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

III. Stewardship, Compliance and Accountability (cont'd)

B. Deficit Fund Equity

The TIF 5 Fund (nonmajor Special Revenue Fund) has deficit fund balances of \$103,952. Funding of the deficit in the TIF 5 Fund is expected to come from transfers from the General Fund.

The Refuse Fund and Regional Communication Center Fund (Enterprise Funds) have deficit net positions of \$327,722 and \$1,495,677, respectively. Funding of the deficit in the Refuse Fund is expected from future operating surpluses, as the Village has committed to scheduled rate increases to eliminate deficits, or transfers from the General Fund. Funding of the deficit in the Regional Communication Center Fund is expected to come from member assessments as more neighboring municipalities enter into contracts with the Center for 911 services.

IV. Detailed Notes On All Funds

A. Deposits and Investments

Deposits – At year end, the carrying amount of the Village's deposits was \$1,756,739, and the bank balance was \$1,985,144. The Village's primary government also had deposits in money market funds treated as cash equivalents with a carrying value of \$6,275,954 and a bank balance of \$6,275,954. Cash on hand was \$2,571.

Carrying amount of deposits	\$ 1,756,739
Carrying amount of money market funds	6,275,954
Petty cash	2,571
	\$ 8,035,264
Cash and cash equivalents per financial statements:	
Governmental activities	\$ 7,219,212
Business-type activities	12,346
Fiduciary activities	803,706
	\$ 8,035,264

The carrying amount of the discretely presented component unit (Calumet Park Public Library) was \$1,176. The component unit also has funds invested with the Illinois Funds with a carrying amount and bank balance of \$9,062, which is being treated as a cash equivalent.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

A. Deposits and Investments (cont'd)

Investments – As of April 30, 2018, the Police Pension Fund had the following investments:

Type of Investment	Fair Value	Less Than 1 Year	1 – 5 Years	6 - 10 Years
Mutual funds	\$ 4,173,418	\$ 4,173,418	\$ -	\$ -
Certificates of deposit	3,214,149	2,114,137	1,100,012	-
U.S. Treasury notes	187,756	-	187,756	-
Total investments	\$ 7,575,323	\$ 6,287,555	\$ 1,287,768	\$ -

The Police Pension Fund had the following recurring fair value measurements at April 30, 2018:

Type of Investment	Fair Value	Level1	Level 2	Level 3
Pension Fund				
Mutual funds	\$ 4,173,418	\$ 4,173,418	\$ -	\$ -
Certificates of deposit	3,214,149	-	3,214,149	-
U.S. Treasury notes	187,756	-	187,756	-
Total investments	\$ 7,575,323	\$ 4,173,418	\$ 3,401,905	\$ -

Interest Rate Risk – This is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village’s investment policy does not specifically address interest rate risk. However, the Village structures its investment portfolio so that securities mature to meet cash requirements for ongoing operations and special projects, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in shorter term securities, money market mutual funds, or similar investment pools.

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolios to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy indicates the average maturity/duration of the portfolio will be managed based on the existing interest rate environment, and under most circumstances will be maintained at approximately 5 years and will range from 2-8 years.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

A. Deposits and Investments (cont'd)

Credit Risk – Generally, credit risk is the risk that an issuer of a debt-type instrument will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The component unit's investment in Illinois Funds is rated AAA by Standard and Poor's.

Custodial Credit Risk – For deposits, this is the risk that, in the event of a bank failure, a government will not be able to recover its deposits. The Village's bank account balances are fully insured or collateralized by approved securities pledged to the Village. For investments, this is the risk that in the event of the failure of the counterparty, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Village's investments in money market and mutual funds (cash equivalents) are not exposed to custodial credit risk, because their existence is not evidenced by securities that exist in physical or book entry form. The component unit has balances in the Illinois Funds. These balances are pooled along with other participants' monies and invested in U.S. Treasury bills and notes backed by the full faith and credit of the U.S. Treasury.

The pension fund's investments are either certificates of deposit which are fully insured by the Federal Deposit Insurance Corporation, mutual funds that are not exposed to custodial credit risk, because their existence is not evidenced by securities that exist in physical or book entry form, or U.S. Treasury notes which are backed by the full faith and credit of the U.S. Treasury.

B. Accounts Receivable

On the statement of net position, receivables of governmental activities consist of property taxes (\$4,790,367), intergovernmental revenues (\$495,095), and customer and other accounts (\$189,186). Receivables of business-type activities consist of billed and unbilled utilities receivable. Accounts receivable in the General Fund represent amounts due from various intergovernmental sources for various taxes and other fines and user charges. All amounts recorded as a receivable at April 30, 2018, are expected to be collected subsequent to year end. Accounts receivable in the Enterprise Funds represent amounts due for water, sewer, refuse and 911 services.

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available 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.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

C. Capital Assets

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

	Balances May 1, 2017	Additions	Retirements	Balances April 30, 2018
Governmental Activities				
Capital assets not being depreciated - land	\$ 1,245,417	\$ -	\$ -	\$ 1,245,417
Capital assets being depreciated:				
Buildings and improvements	6,384,302	-	-	6,384,302
Infrastructure	5,935,386	251,198	-	6,186,584
Equipment	4,266,412	1,341,718	-	5,608,130
Vehicles	4,000,757	207,783	-	4,208,540
	<u>20,586,857</u>	<u>1,800,699</u>	<u>-</u>	<u>22,387,556</u>
Less accumulated depreciation for:				
Buildings and improvements	1,805,328	159,637	-	1,964,965
Infrastructure	2,114,537	309,329	-	2,423,866
Equipment	2,251,642	576,236	-	2,827,878
Vehicles	3,603,845	199,131	-	3,802,976
	<u>9,775,352</u>	<u>1,244,333</u>	<u>-</u>	<u>11,019,685</u>
Total capital assets being depreciated, net	<u>10,811,505</u>	<u>556,366</u>	<u>-</u>	<u>11,367,871</u>
Governmental activities, capital assets, net	<u>\$ 12,056,922</u>	<u>\$ 556,366</u>	<u>\$ -</u>	<u>\$ 12,613,288</u>

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

C. Capital Assets (cont'd)

	Balances May 1, 2017	Additions	Retirements	Balances April 30, 2018
Business-type Activities				
Capital assets being depreciated:				
Buildings and improvements	\$ 2,799,363	\$ -	\$ -	\$ 2,799,363
Equipment	896,512	-	-	896,512
	3,695,875	-	-	3,695,875
Less accumulated depreciation for:				
Buildings and improvements	1,391,233	92,738	-	1,483,971
Equipment	591,124	42,306	-	633,430
	1,982,357	135,044	-	2,117,401
Business-type activities, capital assets, net	\$ 1,713,518	\$ (135,044)	\$ -	\$ 1,578,474

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

General government	\$ 327,000
Public safety	843,357
Public works	40,897
Culture and recreation	33,079
Total depreciation – governmental activities	\$ 1,244,333

Capital asset activity for the component unit for the year ended April 30, 2018, is as follows:

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

C. Capital Assets (cont'd)

	<u>Balances</u> <u>May 1, 2017</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balances</u> <u>April 30, 2018</u>
Capital assets being depreciated – building improvements and equipment	\$ 59,272	\$ -	\$ -	\$ 59,272
Less accumulated depreciation for building improvements and equipment	<u>41,248</u>	<u>2,003</u>	<u>-</u>	<u>43,251</u>
Total capital assets being depreciated, net	<u>\$ 18,024</u>	<u>\$ (2,003)</u>	<u>\$ -</u>	<u>\$ 16,021</u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of April 30, 2018, is as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General Fund:		
TIF 2	\$ 47,056	\$ 735,663
Debt Service	334,701	804
Capital Projects	53,928	-
Nonmajor Governmental	16,861	989,554
Water and Sewer	1,161,807	65,499
Refuse	426,814	-
Regional Communications Center	1,198,623	-
Fiduciary (Agency) Fund	200	3,710
TIF 2 Fund:		
General	735,663	47,056
Debt Service	162,831	-
Capital Projects	-	59,430
Nonmajor Governmental Funds	495,839	13,539
Debt Service Fund:		
General	804	334,701
TIF 2	-	162,831
Capital Projects	-	2,900
Nonmajor Governmental Funds	3,455	-
Capital Projects Fund:		
General	-	53,928
TIF 2	59,430	-
Debt Service	2,900	-
Nonmajor Governmental Funds	3,415	-
Water and Sewer	-	62,118

(cont'd)

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

D. Interfund Receivables and Payables and Transfers (cont'd)

Fund	Due From	Due To
Nonmajor Governmental Funds:		
General	\$ 989,554	\$ 16,861
TIF 2	13,539	495,839
Debt Service	-	3,455
Capital Projects	-	3,415
Water and Sewer	-	20,486
Fiduciary (Agency) Fund	2,500	-
Water and Sewer Fund:		
General	65,499	1,161,807
Capital Projects	62,118	-
Nonmajor Governmental Funds	20,486	-
Regional Communication Center	-	38
Fiduciary (Agency) Fund	820	-
Refuse Fund:		
General	-	426,814
Regional Communication Center Fund:		
General	-	1,198,623
Water and Sewer	38	-
Fiduciary (Agency) Fund:		
General	3,710	200
Nonmajor Governmental Funds	-	2,500
Water and Sewer	-	820
	<u>\$ 5,862,591</u>	<u>\$ 5,862,591</u>

The outstanding balances between funds result mainly from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

E. Long-term Debt

General Obligation Bonds – The Village issues general obligation bonds to finance the purchase of major capital items, and the acquisition or construction of major capital facilities. General obligation bonds issued for general government activities are being repaid from tax levy revenues in the Debt Service Fund. The Village has also issued general obligation tax increment bonds that are being repaid from tax increments in the various Special Revenue Funds' TIF Projects Funds.

The Village had the following general obligation bond issues outstanding during the year ended April 30, 2018:

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

E. Long-term Debt (cont'd)

General Obligation Bonds (cont'd)

The 2010A General Obligation Tax Increment Refunding Bonds Series, with an original principal balance of \$4,690,000, requires annual principal payments ranging from \$330,000 to \$790,000 commencing December 1, 2011 through December 1, 2019, and semiannual interest payments on June 1 and December 1 at rates ranging from 2.00% to 3.80%. The balance outstanding at April 30, 2017, was \$2,065,000 and principal and interest paid in the current year was \$620,000 and \$74,060, respectively.

The 2010B General Obligation Bonds Series, with an original principal balance of \$2,500,000, requires annual principal payments ranging from \$170,000 to \$345,000 commencing December 1, 2012 through December 1, 2020, and semiannual interest payments on June 1 and December 1 at rates ranging from 2.00% to 4.00%. The balance outstanding at April 30, 2017, was \$1,145,000 and principal and interest paid in the current year was \$305,000 and \$41,350, respectively.

The 2014A General Obligation Tax Increment Bonds Series, with an original principal balance of \$1,440,000, requires annual principal payments ranging from \$195,000 to \$295,000 commencing December 1, 2014 through December 1, 2019 and semiannual interest payments on June 1 and December 1 at rates ranging from 4.00% to 5.00%. The balance outstanding at April 30, 2017, was \$805,000 and principal and interest paid in the current year was \$235,000 and \$37,900, respectively.

The 2014B General Obligation Bonds Series, with an original principal balance of \$4,375,000, requires annual principal payments ranging from \$30,000 to \$405,000 commencing December 1, 2017 through December 1, 2034, and semiannual interest payments on June 1 and December 1 at rates ranging from 4.00% to 5.75%. The balance outstanding at April 30, 2017, was \$4,375,000 and principal and interest paid in the current year was \$30,000 and \$235,537, respectively.

The 2015A General Obligation Tax Increment Refunding Bonds Series, with an original principal balance of \$1,235,000, requires annual principal payments ranging from \$100,000 to \$310,000 commencing December 1, 2015 through December 1, 2019, and semiannual interest payments on June 1 and December 1 at 1.98%. The balance outstanding at April 30, 2017, was \$830,000 and principal and interest paid in the current year was \$310,000 and \$16,434, respectively.

The 2015B General Obligation Tax Increment Refunding Bonds Series, with an original principal balance of \$670,000, requires annual principal payments ranging from \$60,000 to \$95,000 commencing December 1, 2015 through December 1, 2022, and semiannual interest payments on June 1 and December 1 at 2.50%. The balance outstanding at April 30, 2017, was \$530,000 and principal and interest paid in the current year was \$80,000 and \$13,250, respectively.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

E. Long-term Debt (cont'd)

General Obligation Bonds (cont'd)

In the current year, the Village issued \$3,365,000 2018 General Obligation Tax Bonds Series, which requires annual principal payments ranging from \$205,000 to \$325,000 commencing December 1, 2021 through December 1, 2033, and semiannual interest payments on June 1 and December 1, commencing June 1, 2018, at 4.00%. There were no payments of principal or interest in the current year.

A summary of the general obligation bonds outstanding at April 30, 2018, follows:

	<u>Outstanding</u>
2010A General Obligation Tax Increment Refunding Bonds Series	\$ 1,445,000
2010B General Obligation Bond Series	840,000
2014A General Obligation Tax Increment Bonds Series	570,000
2014B General Obligation Bonds Series	4,345,000
2015A General Obligation Tax Increment Refunding Bonds Series	520,000
2015B General Obligation Tax Increment Refunding Bonds Series	450,000
2018 General Obligation Bond Series	3,365,000
Total general obligation bonds	\$ 11,535,000

General obligation bonds are backed by the full faith and credit of the Village and are subject to an annual property tax levy for the payment of principal and interest. In addition, tax increment bonds provide for a pledge of all incremental property taxes upon property located in the Tax Incremental Financing District.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. **Detailed Notes On All Funds** (cont'd)

E. **Long-term Debt** (cont'd)

Debt Service Requirements to Maturity – General Obligation Bonds

The debt service requirements to maturity for all general obligation bonds are as follows:

Year Ending April 30,	Total	Principal	Interest
2019	\$ 2,150,827	\$ 1,675,000	\$ 475,827
2020	2,205,525	1,760,000	445,525
2021	839,738	460,000	379,738
2022	865,812	505,000	360,812
2023	854,988	515,000	339,988
2024 - 2028	3,825,375	2,445,000	1,380,375
2029 - 2033	3,814,538	3,060,000	754,538
2034 - 2035	1,196,712	1,115,000	81,712
	<u>\$ 15,753,515</u>	<u>\$ 11,535,000</u>	<u>\$ 4,218,515</u>

Capital Lease Obligations – The Village had the following capital lease obligations outstanding during the year ended April 30, 2018:

The Village entered into a capital lease obligation to fund the cost of certain equipment. The original principal of the lease was \$865,977 and is to be repaid in five annual installments of \$193,049 commencing December 20, 2015, including interest at 3.73%.

The Village entered into the following capital leases in a prior year:

The Village entered into a capital lease obligation to fund the cost of certain 911 Center equipment. The remaining principal on the lease at April 30, 2017, was \$296,580 and is to be repaid in five remaining annual installments of \$65,520 annually on November 1 through 2021, including interest at 3.41%.

The Village entered into a capital lease obligation to fund the cost of certain 911 Center hardware and software. The remaining principal on the lease at April 30, 2017, was \$703,671 and is to be repaid in four remaining annual installments of principal only of \$175,918 annually on September 1 through 2020.

The Village entered into a capital lease obligation to fund the cost of an ambulance. The original principal of the lease was \$136,760 and is to be repaid in three annual installments of \$47,857 commencing September 1, 2017, including interest at 2.47%.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

IV. Detailed Notes On All Funds (cont'd)

E. Long-term Debt (cont'd)

The debt service requirements to maturity for the capital lease obligations are as follows:

Year Ending April 30,	Total	Principal	Interest
2019	\$ 482,344	\$ 458,207	\$ 24,137
2020	482,344	467,978	14,366
2021	241,438	237,188	4,250
2022	65,520	63,359	2,161
	<u>\$ 1,271,646</u>	<u>\$ 1,226,732</u>	<u>\$ 44,914</u>

Changes in Long-term Debt – The following is a summary of debt transactions for the year ended April 30, 2018:

	May 1, 2017	Additions	Retirements	April 30, 2018
Governmental Activities:				
General obligation bonds	\$ 9,750,000	\$ 3,365,000	\$ 1,580,000	\$ 11,535,000
Bond discount	(526)	-	(140)	(386)
Bond premium	298,669	143,987	26,328	416,328
Capital lease obligation	538,485	1,137,011	448,764	1,226,732
Net pension liability	10,867,988	-	1,275,637	9,592,351
Compensated absences payable	542,437	55,535	-	597,972
	<u>\$ 21,997,053</u>	<u>\$ 4,701,533</u>	<u>\$ 3,330,589</u>	<u>\$ 23,367,997</u>
	May 1, 2017	Additions	Retirements	April 30, 2018
Business-type Activities:				
Net pension liability	\$ 221,937	\$ -	\$ 167,685	\$ 54,252

The net pension liability reported in the business-type activities consists of an IMRF net pension liability of \$135,696 and a SLEP net pension asset of \$81,444. See Note V.C. for further details.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. Other Information

A. Risk Management

The Village is exposed to various risks related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. Property damage losses, workers' compensation, general liability and employee health claims are insured with a commercial insurance company. Settled claims from these risks have not exceeded commercial insurance coverage for the past two years. There has been no significant reduction in insurance coverage.

B. Tax Increment Redevelopment Project

The Village established Tax Increment Financing District II in September 2000, and Tax Increment Financing Districts III, IV, V and VI in December 2004, December 2004, April 2005, and September 2016, respectively.

The base Equalized Assessed Valuation (EAV), as well as the incremental change Equalized Assessed Valuation for these Districts, is as follows:

	<u>Base EAV</u>	<u>2017 EAV</u>
District II	\$ 1,219,493	\$ 9,057,851
District III	9,302,564	7,830,841
District IV	1,510,819	1,460,573
District V	-	-
District VI	41,164	50,781

C. Pension and Retirement Plan Commitments

The Village participates in three contributory retirement plans. The Illinois Municipal Retirement Fund (a state-wide plan) covers substantially all full-time employees, except law enforcement officers under either the Regular plan or the Sheriff's Law Enforcement Personnel (SLEP) plan. Law enforcement officers are covered under the Police Pension Fund (a single-employer plan administered by a separate Police Pension Board of Trustees). Below is the aggregate information related to all pension plans in total reported by the Village as of and for the year ended April 30, 2018:

Total pension liability	\$ 26,490,631
Plan fiduciary net position	<u>16,844,028</u>
Village's net pension liability	<u>\$ 9,646,603</u>
Deferred outflows of resources	\$ 420,018
Deferred inflows of resources	1,811,762
Pension expense	1,295,241

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Illinois Municipal Retirement Fund

General Information About the Pension Plan

Plan Description – The Village's defined benefit pension plan for Regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained online at www.imrf.org.

At December 31, 2017, the IMRF Plan membership consisted of:

Retirees and beneficiaries	57
Inactive, non-retired members	30
Active members	44
Total	131

Benefits Provided – IMRF provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1), who retire at or after age 60 with 8 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to 15 years, and 2 percent of each year thereafter. Employees with at least 8 years of service may retire at or after age 55 and receive a reduced benefit. For participating members hired on or after January 1, 2011 (Tier 2), who retire at or after age 67 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, with a maximum salary cap of \$112,408 at January 1, 2017, and \$113,645 at January 1, 2018. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 62, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 62 and receive a reduced benefit. IMRF also provides death and disability benefits.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Illinois Municipal Retirement Fund (cont'd)

General Information About the Pension Plan (cont'd)

Contributions – As set by statute, Regular plan members are required to contribute 4.5 percent of their annual covered salary. The statutes require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar years 2018 and 2017 was 16.87% and 16.50%, respectively. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute. The Village's contribution to the plan totaled \$315,208 in the fiscal year ended April 30, 2018, which was equal to its annual required contribution.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Valuation and Assumptions – The actuarial assumptions used in the December 31, 2017, valuation were based on an actuarial experience study for the period January 11, 2014 – December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Asset valuation method	Market value of assets
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.50%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2017, was 25 years.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Illinois Municipal Retirement Fund (cont'd)

Net Pension Liability (cont'd)

Mortality Rates – For non-disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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 scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Long-term Expected Rate of Return – The long-term expected rate of return is the expected rate of return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	37%	6.85%
International equities	18%	6.75%
Fixed income	28%	3.00%
Real estate	9%	5.75%
Alternatives:	7%	
Private equity		7.35%
Hedge funds		5.05%
Commodities		2.65%
Cash equivalents	1%	2.25%

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Illinois Municipal Retirement Fund (cont'd)

Net Pension Liability (cont'd)

Single Discount Rate – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31% (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality); and the resulting single discount rate used to measure the total pension liability is 7.50%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees for the next 100 years.

Allocation – The IMRF net pension liability has been allocated proportionately between governmental activities and business-type activities as follows:

Governmental activities	\$ 218,787
Business-type activities	<u>135,696</u>
Total net pension liability	<u>\$ 354,483</u>

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Illinois Municipal Retirement Fund (cont'd)

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance 12/31/16	\$ 9,055,991	\$ 7,529,457	\$ 1,526,534
Changes for the year:			
Service cost	167,572	-	167,572
Interest	664,315	-	664,315
Differences between expected and actual experience	(437,089)	-	(437,089)
Changes in assumptions	(282,870)	-	(282,870)
Contributions - employer	-	283,087	(283,087)
Contributions - employee	-	77,206	(77,206)
Net investment income	-	1,417,911	(1,417,911)
Benefit payments, including refunds of employee contributions	(564,500)	(564,500)	-
Other changes	-	(494,225)	494,225
Net changes	(452,572)	719,479	1,172,051
Balances at 12/31/17	\$ 8,603,419	\$ 8,248,936	\$ 354,483

Discount Rate Sensitivity – The following presents the net pension liability of the Village, calculated using the discount rate of 7.50%, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability	\$ 1,325,872	\$ 354,483	\$ (459,013)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued IMRF financial report.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Illinois Municipal Retirement Fund (cont'd)

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 \$504,444 in the government-wide financial statements. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
	_____	_____	_____
Differences between expected and actual experience	\$ 53,431	\$ 269,436	\$ (216,005)
Changes in assumptions	-	178,051	(178,051)
Net difference between projected and actual earnings in pension plan investments	-	456,819	(456,819)
	_____	_____	_____
Subtotal	53,431	904,306	(850,875)
Contributions made subsequent to the measurement date	109,880	-	109,880
	_____	_____	_____
Total	\$ 163,311	\$ 904,306	\$ (740,995)
	_____	_____	_____

Village contributions subsequent to the measurement date (\$109,880) will be recognized as a reduction of the net pension liability in the year ended April 30, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending April 30,

2019	\$ (273,288)
2020	(234,184)
2021	(167,526)
2022	(175,877)

	\$ (850,875)

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Sheriff's Law Enforcement Personnel

General Information About the Pension Plan

Plan Description – The Village's defined benefit pension plan for Sheriff's Law Enforcement Personnel (SLEP) employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Village's plan is affiliated with IMRF, an agent-multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. Benefit provisions are established by state statute and can only be changed by the General Assembly of the State of Illinois. The IMRF issues a publicly available financial report that may be obtained on-line at www.imrf.org.

At December 31, 2017, the SLEP Plan membership consisted of:

Retirees and beneficiaries	1
Inactive, non-retired members	-
Active members	-
	-
Total	1

Benefits Provided – SLEP provides two tiers of pension benefits. Participating members hired before January 1, 2011 (Tier 1), who retire at or after age 50 with 20 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service up to a maximum of 80 percent. Employees with at least 8 years of service may retire at or after age 55 and receive a reduced benefit. Under Tier 1, the pension is increased by 3 percent of the original amount on January 1 every year after retirement. For participating members hired on or after January 1, 2011 (Tier 2), who retire at or after age 55 with 10 years of service, are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50 percent of their final rate (average of the highest 96 consecutive months' earnings during the last 10 years) of earnings, for each year of credited service, up to a maximum of 75 percent, with a maximum salary cap of \$112,408 at January 1, 2017, and \$113,645 at January 1, 2018. The maximum salary cap increases each year thereafter. The monthly pension of a member hired on or after January 1, 2011, shall be increased annually on January 1, following the later of the first anniversary date of retirement or the attainment of age 60, by the lesser of 3% or ½ of the consumer price index. Employees with at least 10 years of credited service may retire at or after age 50 and receive a reduced benefit. SLEP also provides death and disability benefits.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Sheriff's Law Enforcement Personnel (cont'd)

General Information About the Pension Plan (cont'd)

Contributions – As set by statute, Regular plan members are required to contribute 4.5 percent of their annual covered salary. The statutes require the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2017 was 12.22%. The Village had no active employees in the plan in 2018. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the SLEP 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. The Village's contribution to the plan totaled \$8,043 in the fiscal year ended April 30, 2018, which was equal to its annual required contribution.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Valuation and Assumptions – The actuarial assumptions used in the December 31, 2017, valuation were based on an actuarial experience study for the period January 11, 2014 through December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Asset valuation method	Market value of assets
Price inflation	2.50%
Salary increases	3.39% to 14.25%
Investment rate of return	7.50%
Post-retirement benefit increase:	
Tier 1	3.0%-simple
Tier 2	lesser of 3.0%-simple or ½ increase in CPI

The actuarial value of IMRF assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with 20% corridor between the actuarial and market value of assets. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2017, was 25 years.

**Village of Calumet Park
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Sheriff's Law Enforcement Personnel (cont'd)

Net Pension Liability (cont'd)

Mortality Rates – For non-disabled lives, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). 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 scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that was applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Long-term Expected Rate of Return – The long-term expected rate of return is the expected rate of return to be earned over the entire trust portfolio based on the asset allocation of the portfolio, using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	37%	6.85%
International equities	18%	6.75%
Fixed income	28%	3.00%
Real estate	9%	5.75%
Alternatives:	7%	
Private equity		7.35%
Hedge funds		5.05%
Commodities		2.65%
Cash equivalents	1%	2.25%

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Sheriff's Law Enforcement Personnel (cont'd)

Net Pension Liability (cont'd)

Single Discount Rate – Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31% (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality); and the resulting single discount rate used to measure the total pension liability is 7.50%.

Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments projected during the next 52 years, covering all current projections.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Sheriff's Law Enforcement Personnel (cont'd)

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balance 12/31/16	\$ 311,315	\$ 337,287	\$ (25,972)
Changes for the year:			
Service cost	8,652	-	8,652
Interest	20,573	-	20,573
Differences between expected and actual experience	(11,906)	-	(11,906)
Changes in assumptions	(9,709)	-	-
Contributions - employer	-	11,950	(11,950)
Contributions - employee	-	7,335	(7,335)
Net investment income	-	37,818	(37,818)
Benefit payments, including refunds of employee contributions	(82,663)	(82,663)	-
Other changes	-	5,979	(5,979)
Net changes	(75,053)	(19,581)	(55,472)
Balances at 12/31/17	\$ 236,262	\$ 317,706	\$ (81,444)

Discount Rate Sensitivity – The following presents the net pension liability of the Village, calculated using the discount rate of 7.50%, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Net pension liability (asset)	\$ (64,300)	\$ (81,444)	\$ (96,629)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued SLEP financial report.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Sheriff's Law Enforcement Personnel (cont'd)

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 income of \$22,709 in the government-wide financial statements. At April 30, 2017, the Village reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ -
Changes in assumptions	-	-	-
Net difference between projected and actual earnings in pension plan investments	-	1,727	(1,727)
Total	\$ -	\$ 1,727	\$ (1,727)

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

Year Ending April 30.

2019	\$ 2,269
2020	1,524
2021	(2,586)
2022	(2,934)
	\$ (1,727)

**Village of Calumet Park
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension

General Information About the Pension Plan

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 contributions levels are governed by Illinois Compiled Statutes and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village’s President, one member is elected by pension beneficiaries, and two members are elected by active police employees.

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

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

Inactive plan members or beneficiaries currently receiving benefits	15
Inactive members entitled to benefits but not yet receiving them	4
Current employees	<u>17</u>
Total	<u>36</u>

Benefits Provided – The Police Pension Plan provides retirement and termination benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of credited service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary, with the minimum benefit being \$1,000 per month. 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 benefit of 2.5% of final salary for each year of service. Surviving spouses receive 100% of final salary for fatalities resulting from an act of duty, or otherwise the greater of 50% of final salary or the employee’s retirement benefit. Employees disabled in the line of duty receive 65% of final salary.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension (cont'd)

General Information About the Pension Plan (cont'd)

Benefits Provided (cont'd)

The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, is increased annually, following the first anniversary date of retirement and paid upon reaching the age of at least 55 years, by 3% of the originally granted pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3% of the amount of the pension payable at the time of the increase.

For employees hired after January 1, 2011, the normal retirement age is attainment of age 55 and completion of 10 years of service; early retirement age is attainment of age 50, completion of 10 years of service and the early retirement factor is 6% per year. The employee's accrued benefit is based on their final 8-year average. Cost of living adjustments are simple increases, not compounded, and are the lesser of 3% or 50% of CPI beginning the later of the anniversary date or age 60. Surviving spouses receive 66.67% of the employee's benefit at the time of death.

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. The Village is required to contribute the remaining amounts necessary to finance the costs of benefits earned by Plan members as actuarially determined by an enrolled actuary. By the year 2041, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded. Actuarial valuations are performed annually. For the year ended April 30, 2018, the Village's contribution was 46.62% of covered payroll.

**Village of Calumet Park
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension (cont'd)

General Information About the Pension Plan (cont'd)

Investment Policy – The pension plan’s investment policy was established in accordance with provisions of the Illinois Compiled Statutes (ILCS) for pension plans, and may be amended by the Pension Board of Trustees. It is the policy of the Pension Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The primary policies of the fund, in order of priority are safety, liquidity and return on investment. The following was the Board’s adopted asset allocation policy as of April 30, 2018:

	Target Allocation	Long-term Expected Real Rate of Return
Large Cap (Domestic)	65%	7.85%
Mid-Cap (Domestic)	10%	8.00%
Small Cap (World)	10%	8.00%
International/Global	15%	7.80%

Under normal market conditions, the structure of the portfolio will be within these limits. However, the portfolio manager may diverge from the above guidelines due to abnormal market conditions.

The ILCS limit the Police Pension Fund’s investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Police Pension Fund’s investments was determined using an asset allocation study conducted by the Police Pension Fund’s investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return excluding inflation for each major asset class included in the Fund’s target asset allocation as of April 30, 2018, are listed in the table above.

**Village of Calumet Park
Notes to the Financial Statements (cont'd)**

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension (cont'd)

General Information About the Pension Plan (cont'd)

Investment Concentrations – There are no assets legally reserved for purposes other than the payment of plan member benefits. There are no long-term contracts for contributions.

Investment Rate of Return – For the year ended April 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.43%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The Police Pension Plan's net pension liability was measured as of April 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Valuation and Assumptions – The actuarial assumptions used in the April 30, 2018, valuation were based on an actuarial experience study conducted by the Illinois Department of Insurance dated October 5, 2017. The valuation was done using the entry age normal actuarial cost method and the market value asset valuation method. The total pension liability in the April 30, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.50%
Salary increases	Service based
Discount rate	6.50%
Investment rate of return	6.50%

The mortality rate used to determine the total pension liability was the RP-2000 Combined Healthy Mortality with a blue-collar adjustment, projected to the valuation date using Scale BB. 10% of active deaths are assumed to be in the line of duty.

The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at April 30, 2018, was 22 years.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension (cont'd)

Net Pension Liability (cont'd)

Discount Rate – The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For purposes of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.967% (based on the weekly rate closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by The Bond Buyer); and the resulting single discount rate is 6.50%.

Changes in Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances at 4/30/17	\$ 17,398,597	\$ 7,809,234	\$ 9,589,363
Changes for the year:			
Service cost	445,466	-	445,466
Interest	1,132,305	-	1,132,305
Differences between expected and actual experience	(198,154)	-	(198,154)
Changes in assumptions	(279,305)	-	(279,305)
Contributions – employer	-	595,324	(595,324)
Contributions – employee	-	131,911	(131,911)
Net investment income	-	617,384	(617,384)
Benefit payments, including refunds of employee contributions	(847,959)	(848,959)	-
Administrative expenses	-	(28,508)	28,508
Net changes	252,353	468,152	(215,799)
Balances at 4/30/18	\$ 17,650,950	\$ 8,277,386	\$ 9,373,564

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension (cont'd)

Discount Rate Sensitivity – The following presents the net pension liability of the Village, calculated using the discount rate of 6.50%, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
Net pension liability	\$ 11,597,997	\$ 9,373,564	\$ 7,522,080

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 \$786,531 in the government-wide financial statements. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 207,852	\$ (207,852)
Changes in assumptions	-	223,444	(223,444)
Net difference between projected and actual earnings in pension plan investments	-	217,726	(217,726)
Total	\$ -	\$ 649,022	\$ (649,022)

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. **Other Information** (cont'd)

C. **Pension and Retirement Plan Commitments** (cont'd)

Police Pension (cont'd)

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

Year Ending April 30.

2019	\$	(185,089)
2020		(185,089)
2021		(160,425)
2022		(118,419)
		<hr/>
	\$	(649,022)
		<hr/>

D. **Contingent Liabilities**

The Village is a defendant in a lawsuit, the outcome of which cannot be determined at this time. The Village expects the liability, if any, to be fully covered by insurance.

E. **New Governmental Accounting Standards**

The Governmental Accounting Standards Board (GASB) recently issued the following statements:

Statement No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other Than Pensions, establishes new accounting and financial reporting standards for local governments who offer OPEB Plans administered through a trust, and is effective for the fiscal year ending April 30, 2019.

GASB Statement No. 83, Certain Asset Retirement Obligations, addresses the accounting and financial reporting requirements for legally enforceable liabilities associated with the retirement of a tangible capital asset, and is effective for the fiscal year ending April 30, 2020.

GASB Statement No. 84, Fiduciary Activities, addresses the accounting and financial reporting requirements for activities meeting the criteria of fiduciary activities as defined in the Statement, and is effective for the fiscal year ending April 30, 2020.

Village of Calumet Park
Notes to the Financial Statements (cont'd)

V. Other Information (cont'd)

E. New Governmental Accounting Standards (cont'd)

GASB Statement No. 85, Omnibus 2017, addresses the accounting and financial reporting requirements of miscellaneous topics for which there is inconsistency in present practice, and is effective for the fiscal year ending April 30, 2020.

GASB Statement No. 86, Certain Debt Extinguishment Issues, addresses the inconsistency in accounting and financial reporting requirements for in-substance defeasance of debt, and is effective for the fiscal year ending April 30, 2019.

GASB Statement No. 87, Leases, addresses the accounting and financial reporting requirements for leases by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows and outflows of resources based on the payment provisions of the contracts, and is effective for the fiscal year ending April 30, 2021.

GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements, requires additional essential information related to debt be disclosed in the notes to the financial statements. Statement No. 88 is effective for the fiscal year ending April 30, 2020.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period, requires interest cost incurred before the end of a construction period be recognized as an expense in business-type activity or enterprise fund financial statements. Statement No. 89 is effective for the fiscal year ending April 30, 2021.

GASB Statement No. 90, Majority Equity Interests, addresses the accounting and financial reporting for governments that hold a majority equity interest in a legally separate organization. Statement No. 90 is effective for the fiscal year ending April 30, 2020.

Management has not yet completed its assessment of these statements and a determination as to their impact on the overall financial statement presentation has not been made.

F. Subsequent Event

Subsequent to year end, the Village issued the General Obligation Taxable Note Series 2018 with original principal of \$500,000.

REQUIRED SUPPLEMENTARY INFORMATION

**Village of Calumet Park, Illinois
 Illinois Municipal Retirement Fund
 Required Supplementary Information -
 Multiyear Schedule of Employer Contributions
 For the Fiscal Year Ended April 30,**

	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 315,208	\$ 256,464
Contributions in relation to actuarially determined contribution	<u>315,208</u>	<u>256,464</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	<u>\$ 1,895,744</u>	<u>\$ 1,518,410</u>
Contributions as a percentage of employee covered payroll	<u>16.63%</u>	<u>16.89%</u>

Note to Required Supplementary Information:

Actuarial Cost Method - Aggregate Entry Age Normal
 Amortization Method - Level % of Pay (Closed)
 Remaining Amortization Period - 26 Years
 Asset Valuation Method - 5-Year Smoothed Market; 20% Corridor
 Inflation - 3.50%
 Salary Increases - 3.75% to 14.50% Including Inflation
 Investment Rate of Return - 7.5%
 Retirement Age - Experienced-based table of rates that are specific to the type of eligibility condition.

Last updated for valuation pursuant to an experience study of the period 2011-2013.

Mortality - For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with specific adjustments to match current IMRF experience.

Note - The Village adopted GASB 68 in fiscal year 2016 and will build ten-year history prospectively.

See independent auditor's report.

<hr/>	
	2016
\$	231,567
	<hr/> 231,567
\$	<hr/> -
\$	<hr/> 1,430,758
	<hr/> 16.18%

Village of Calumet Park, Illinois
Sheriff's Law Enforcement Personnel Fund
Required Supplementary Information -
Multiyear Schedule of Employer Contributions
For the Fiscal Year Ended April 30,

	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 8,043	\$ 12,138
Contributions in relation to actuarially determined contribution	<u>8,043</u>	<u>12,138</u>
Contribution (excess) deficiency	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	<u>\$ 65,819</u>	<u>\$ 95,927</u>
Contributions as a percentage of employee covered payroll	<u>12.22%</u>	<u>12.65%</u>

Note to Required Supplementary Information:

Actuarial Cost Method - Aggregate Entry Age Normal
Amortization Method - Level % of Pay (Closed)
Remaining Amortization Period - 21 Years
Asset Valuation Method - 5-Year Smoothed Market; 20% Corridor
Inflation - 3.50%
Salary Increases - 3.75% to 14.50% Including Inflation
Investment Rate of Return - 7.5%
Retirement Age - Experienced-based table of rates that are specific to the type of eligibility condition.

Last updated for valuation pursuant to an experience study of the period 2011-2013.

Mortality - For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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 2012). 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 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with specific adjustments to match current IMRF experience.

Note - The Village adopted GASB 68 in fiscal year 2016 and will build ten-year history prospectively.

See independent auditor's report.

	2016
\$	12,087
	12,087
\$	-
\$	94,697
	12.76%

**Village of Calumet Park, Illinois
Police Pension Fund
Required Supplementary Information -
Multiyear Schedule of Employer Contributions
April 30,**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 814,075	\$ 737,389	\$ 674,561	\$ 657,319
Contributions in relation to actuarially determined contribution	595,324	637,049	544,051	531,920
Contribution deficiency (excess)	\$ 218,751	\$ 100,340	\$ 130,510	\$ 125,399
Covered-employee payroll	\$ 1,276,902	\$ 1,360,182	\$ 1,215,255	\$ 1,334,148
Contributions as a percentage of covered-employee payroll	46.62%	46.84%	44.77%	39.87%

N/A - Information not available.

The information presented was determined as part of the actuarial valuations as of May 1, one year prior. Additional information as of the latest actuarial valuation is as follows: The actuarial cost method was entry age normal; the amortization method was level percentage of pay, closed basis, the interest rate assumption was 6.50%, and the amortization period was 23 years.

See independent auditor's report.

2014	2013	2012	2011	2010	2009
\$ 594,261	\$ 563,821	N/A	\$ 519,785	\$ 534,379	\$ 731,016
535,696	509,478	754,120	682,164	-	731,016
\$ 58,565	\$ 54,343	N/A	\$ (162,379)	\$ 534,379	\$ -
\$ 1,244,896	\$ 1,211,377	\$ 1,151,468	\$ 1,307,580	\$ 1,111,276	\$ 1,359,079
43.03%	42.06%	65.49%	52.17%	0.00%	53.79%

Village of Calumet Park, Illinois
Illinois Municipal Retirement Fund
Required Supplementary Information - Multiyear Schedule of
Changes in the Employer's Net Pension Liability and Related Ratios
Last Ten Calendar Years

	<u>2017</u>	<u>2016</u>
Total pension liability:		
Service cost	\$ 167,572	\$ 154,490
Interest	664,315	624,325
Changes in benefit terms	-	-
Differences between expected and actual experience	(437,089)	292,227
Changes in assumptions	(282,870)	(20,131)
Benefit payments, including refunds of member contributions	<u>(564,500)</u>	<u>(528,532)</u>
Net change in total pension liability	(452,572)	522,379
Total pension liability, beginning of year	<u>9,055,991</u>	8,533,612
Total pension liability, end of year	<u>\$ 8,603,419</u>	<u>\$ 9,055,991</u>
Plan fiduciary net position:		
Contributions - employer	\$ 283,087	\$ 255,413
Contributions - member	77,206	67,332
Net investment income	1,417,911	490,707
Benefit payments, including refunds of member contributions	(564,500)	(528,532)
Administrative expense	<u>(494,225)</u>	<u>83,828</u>
Net change in plan fiduciary net position	719,479	368,748
Plan fiduciary net position, beginning of year	<u>7,529,457</u>	7,160,709
Plan fiduciary net position, end of year	<u>\$ 8,248,936</u>	<u>\$ 7,529,457</u>
Employer's net pension liability	<u>\$ 354,483</u>	<u>\$ 1,526,534</u>
Plan fiduciary net position as a percentage of the total pension liability	95.88%	83.14%
Covered employee payroll	<u>\$ 1,715,678</u>	<u>\$ 1,496,266</u>
Employer's net pension liability as a percentage of covered-employee payroll	20.66%	102.02%

Note - The Village adopted GASB 68 in the prior year and will build ten-year history prospectively.

See independent auditor's report.

2015	2014
\$ 146,487	\$ 155,129
592,325	535,877
-	-
207,632	195,052
9,330	333,385
(514,253)	(389,627)
441,521	829,816
8,092,091	7,262,275
<u>\$ 8,533,612</u>	<u>\$ 8,092,091</u>
\$ 241,285	\$ 260,935
63,812	60,809
35,980	418,305
(514,253)	(389,627)
33,209	58,849
(139,967)	409,271
7,300,676	6,891,405
<u>\$ 7,160,709</u>	<u>\$ 7,300,676</u>
<u>\$ 1,372,903</u>	<u>\$ 791,415</u>
83.91%	90.22%
<u>\$ 1,422,597</u>	<u>\$ 1,268,646</u>
96.51%	62.38%

Village of Calumet Park, Illinois
Sheriff's Law Enforcement Personnel Fund
Required Supplementary Information - Multiyear Schedule of
Changes in the Employer's Net Pension Liability and Related Ratios
Last Ten Calendar Years

	<u>2017</u>	<u>2016</u>
Total pension liability:		
Service cost	\$ 8,652	\$ 14,830
Interest	20,573	21,215
Changes in benefit terms	-	-
Differences between expected and actual experience	(11,906)	(184)
Changes in assumptions	(9,709)	-
Benefit payments, including refunds of member contributions	<u>(82,663)</u>	<u>-</u>
Net change in total pension liability	(75,053)	35,861
Total pension liability, beginning of year	<u>311,315</u>	<u>275,454</u>
Total pension liability, end of year	<u>\$ 236,262</u>	<u>\$ 311,315</u>
Plan fiduciary net position:		
Contributions - employer	\$ 11,950	\$ 12,188
Contributions - member	7,335	7,102
Net investment income	37,818	21,272
Benefit payments, including refunds of member contributions	(82,663)	-
Administrative expense	<u>5,979</u>	<u>(841)</u>
Net change in plan fiduciary net position	(19,581)	39,721
Plan fiduciary net position, beginning of year	<u>337,287</u>	<u>297,566</u>
Plan fiduciary net position, end of year	<u>\$ 317,706</u>	<u>\$ 337,287</u>
Employer's net pension liability (asset)	<u>\$ (81,444)</u>	<u>\$ (25,972)</u>
Plan fiduciary net position as a percentage of the total pension liability	134.47%	108.34%
Covered employee payroll	<u>\$ 97,795</u>	<u>\$ 94,697</u>
Employer's net pension liability as a percentage of covered-employee payroll	-83.28%	-27.43%

Note - The Village adopted GASB 68 in the prior year and will build ten-year history prospectively.

See independent auditor's report.

	2015		2014
\$	15,283	\$	14,710
	19,737		16,942
	-		-
	(15,084)		(4,613)
	-		9,938
	-		-
	19,936		36,977
	255,518		218,541
\$	275,454	\$	255,518
\$	12,243	\$	12,491
	6,981		7,168
	1,512		16,318
	-		-
	(15,916)		(916)
	4,820		35,061
	292,746		257,685
\$	297,566	\$	292,746
\$	(22,112)	\$	(37,228)
	108.03%		114.57%
\$	92,950	\$	95,568
	-23.79%		-38.95%

Village of Calumet Park, Illinois
Police Pension Fund
Required Supplementary Information - Multiyear Schedule of
Changes in the Employer's Net Pension Liability and Related Ratios
April 30,

	<u>2018</u>	<u>2017</u>
Total pension liability:		
Service cost	\$ 445,466	\$ 394,891
Interest	1,132,305	1,096,072
Changes in benefit terms	-	-
Differences between expected and actual experience	(198,154)	(98,654)
Changes in assumptions	(279,305)	-
Benefit payments, including refunds of member contributions	<u>(847,959)</u>	<u>(922,938)</u>
Net change in total pension liability	252,353	469,371
Total pension liability, beginning of year	<u>17,398,597</u>	16,929,226
Total pension liability, end of year	<u>\$ 17,650,950</u>	<u>\$ 17,398,597</u>
Plan fiduciary net position:		
Contributions - employer	\$ 595,324	\$ 637,049
Contributions - member	131,911	123,824
Net investment income	617,384	679,667
Benefit payments, including refunds of member contributions	(847,959)	(922,938)
Administrative expense	<u>(28,508)</u>	<u>(29,108)</u>
Net change in plan fiduciary net position	468,152	488,494
Plan fiduciary net position, beginning of year	<u>7,809,234</u>	7,320,740
Plan fiduciary net position, end of year	<u>\$ 8,277,386</u>	<u>\$ 7,809,234</u>
Employer's net pension liability (asset)	<u>\$ 9,373,564</u>	<u>\$ 9,589,363</u>
Plan fiduciary net position as a percentage of the total pension liability	46.89%	44.88%
Covered employee payroll	<u>\$ 1,276,902</u>	<u>\$ 1,360,182</u>
Employer's net pension liability as a percentage of covered-employee payroll	734.09%	705.01%

Note - The Village adopted GASB 68 in the prior year and will build ten-year history prospectively.

**Village of Calumet Park, Illinois
Police Pension Fund
Required Supplementary Information
Multiyear Schedule of Investment Returns
April 30,**

Annual money-weighted rate of return, net of investment expense:

Fiscal year ended April 30, 2018	3.43%
Fiscal year ended April 30, 2017	N/A*

* Not Available

Note - The Village adopted GASB 68 in the prior year and will build ten-year history prospectively.

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SUPPLEMENTAL SECTION

Village of Calumet Park, Illinois
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Administration:				
Salaries and wages	\$ 462,846	\$ 462,846	\$ 401,500	\$ 61,346
Insurance and benefits	165,509	165,509	261,551	(96,042)
Contractual services	774,410	774,410	1,020,187	(245,777)
Supplies and materials	32,250	32,250	757,349	(725,099)
Capital outlay	7,835	7,835	26,462	(18,627)
Miscellaneous	28,500	28,500	78,971	(50,471)
Total administration	1,471,350	1,471,350	2,546,020	(1,074,670)
Building:				
Salaries and wages	97,482	97,482	77,151	20,331
Insurance and benefits	37,292	37,292	31,062	6,230
Contractual services	158,800	158,800	168,172	(9,372)
Supplies and materials	1,000	1,000	1,967	(967)
Miscellaneous	1,500	1,500	592	908
Total building	296,074	296,074	278,944	17,130
Police:				
Salaries and wages	2,107,746	2,107,746	1,838,854	268,892
Insurance and benefits	576,349	576,349	507,819	68,530
Contractual services	192,000	192,000	181,912	10,088
Supplies and materials	18,500	18,500	32,882	(14,382)
Capital outlay	2,674	2,674	3,129	(455)
Miscellaneous	11,000	11,000	12,148	(1,148)
Total police	2,908,269	2,908,269	2,576,744	331,525

(cont'd)

Village of Calumet Park, Illinois
General Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Fire:				
Salaries and wages	\$ 846,689	\$ 846,689	\$ 877,864	\$ (31,175)
Insurance and benefits	215,282	215,282	307,449	(92,167)
Contractual services	397,200	397,200	564,142	(166,942)
Supplies and materials	16,200	16,200	15,501	699
Capital outlay	2,674	2,674	3,129	(455)
Miscellaneous	33,000	33,000	5,777	27,223
Total fire	1,511,045	1,511,045	1,773,862	(262,817)
Street and alley:				
Salaries and wages	461,208	461,208	492,279	(31,071)
Insurance and benefits	265,594	265,594	283,313	(17,719)
Contractual services	488,450	488,450	441,559	46,891
Supplies and materials	142,000	142,000	138,257	3,743
Capital outlay	3,451	3,451	-	3,451
Miscellaneous	4,000	4,000	5,885	(1,885)
Total street and alley	1,364,703	1,364,703	1,361,293	3,410
Recreation:				
Salaries and wages	319,556	319,556	311,362	8,194
Insurance and benefits	81,540	81,540	88,432	(6,892)
Contractual services	81,285	81,285	86,111	(4,826)
Supplies and materials	29,000	29,000	31,025	(2,025)
Capital outlay	-	-	-	-
Miscellaneous	16,000	16,000	45,472	(29,472)
Total recreation	527,381	527,381	562,402	(35,021)
Police pension expense	694,798	694,798	595,324	99,474
Debt service:				
Principal	-	-	220,397	(220,397)
Interest	-	-	9,026	(9,026)
Total debt service	-	-	229,423	(229,423)
Total expenditures	\$ 8,773,620	\$ 8,773,620	\$ 9,924,012	\$ (1,150,392)

See independent auditor's report.

Village of Calumet Park, Illinois
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property taxes	\$ 380,000	\$ 380,000	\$ 574,600	\$ 194,600
Interest income	200	200	21	(179)
Total revenues	<u>380,200</u>	<u>380,200</u>	<u>574,621</u>	<u>194,421</u>
Expenditures:				
Debt service:				
Principal	335,000	335,000	335,000	-
Interest	276,888	276,888	276,888	-
Trustee fees	10,000	10,000	3,565	6,435
Total expenditures	<u>621,888</u>	<u>621,888</u>	<u>615,453</u>	<u>6,435</u>
Revenues under expenditures before other financing sources	(241,688)	(241,688)	(40,832)	200,856
Other financing sources - bonds issued	-	-	403,800	403,800
Net changes in fund balance	<u>\$ (241,688)</u>	<u>\$ (241,688)</u>	<u>362,968</u>	<u>\$ 604,656</u>
Fund balance, beginning of the year			<u>498,950</u>	
Fund balance, end of the year			<u>\$ 861,918</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Interest income	\$ 300	\$ 300	\$ 4,528	\$ 4,228
Miscellaneous	87,000	87,000	-	(87,000)
	<u>87,300</u>	<u>87,300</u>	<u>4,528</u>	<u>(82,772)</u>
Expenditures:				
Current - administration	-	-	39,270	(39,270)
Debt service:				
Bond issuance costs	-	-	91,165	(91,165)
Trustee fees	-	-	13,200	(13,200)
Capital outlay	519,500	519,500	79,735	439,765
	<u>519,500</u>	<u>519,500</u>	<u>223,370</u>	<u>296,130</u>
Revenues under expenditures before other financing sources	<u>(519,200)</u>	<u>(519,200)</u>	<u>(218,842)</u>	<u>(291,902)</u>
Other financing sources:				
Bonds issued	-	-	2,961,200	2,961,200
Bond premium	-	-	143,987	143,987
	<u>-</u>	<u>-</u>	<u>3,105,187</u>	<u>3,105,187</u>
Net changes in fund balances	<u>\$ (519,200)</u>	<u>\$ (519,200)</u>	<u>2,886,345</u>	<u>\$ 2,813,285</u>
Fund balance, beginning of the year			<u>314,358</u>	
Fund balance, end of the year			<u>\$ 3,200,703</u>	

See independent auditor's report.

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NONMAJOR GOVERNMENTAL FUNDS

Village of Calumet Park, Illinois
Combining Balance Sheet - Nonmajor Governmental Funds
April 30, 2018

	911 Fund	DCEO Grant Fund
Assets		
Cash and cash equivalents	\$ 21,149	\$ -
Property taxes receivable	-	-
Due from other funds	34,240	169,146
Due from other governments	-	-
	\$ 55,389	\$ 169,146
Liabilities		
Accounts payable	\$ 30,512	\$ -
Due to other funds	5,456	3,415
	35,968	3,415
Deferred Inflows of Resources		
Property taxes	-	-
Fund Balances (Deficit)		
Restricted by state statute	-	-
Restricted for grant purposes	-	165,731
Restricted for capital outlay	-	-
Assigned for police activities	19,421	-
Unassigned	-	-
	19,421	165,731
Total liabilities, deferred inflows and municipal equity	\$ 55,389	\$ 169,146

(cont'd)

Special Revenue Funds

Motor Fuel Tax Fund	Police Evidence Fund	TIF 3 Fund	TIF 4 Fund	TIF 5 Fund	Tobacco Enforcement Fund
\$ 80,786	\$ 8,268	\$ 1,477	\$ 49,747	\$ 23,400	\$ 4,400
-	-	225,203	77,631	-	-
-	-	303,648	408,309	90,250	-
17,936	-	-	-	-	-
\$ 98,722	\$ 8,268	\$ 530,328	\$ 535,687	\$ 113,650	\$ 4,400
\$ 931	\$ -	\$ 5,657	\$ -	\$ -	\$ -
34,104	1,242	278,237	-	217,602	-
35,035	1,242	283,894	-	217,602	-
-	-	225,203	77,631	-	-
63,687	-	21,231	458,056	-	-
-	-	-	-	-	4,400
-	-	-	-	-	-
-	7,026	-	-	-	-
-	-	-	-	(103,952)	-
63,687	7,026	21,231	458,056	(103,952)	4,400
\$ 98,722	\$ 8,268	\$ 530,328	\$ 535,687	\$ 113,650	\$ 4,400

Village of Calumet Park, Illinois
Combining Balance Sheet - Nonmajor Governmental Funds (cont'd)
April 30, 2018

	Special Revenue Funds	
	CDBG Fund	Illinois State Police Grant Fund
Assets		
Cash and cash equivalents	\$ 7	\$ 185,341
Property taxes receivable	-	-
Due from other funds	-	-
Due from other governments	-	-
	-	-
Total assets	\$ 7	\$ 185,341
Liabilities		
Accounts payable	\$ -	\$ -
Due to other funds	-	-
	-	-
Total liabilities	-	-
Deferred Inflows of Resources		
Property taxes	-	-
	-	-
Fund Balances (Deficit)		
Restricted by state statute	-	-
Restricted for grant purposes	7	185,341
Restricted for capital outlay	-	-
Assigned for police activities	-	-
Unassigned	-	-
	-	-
Total fund balances (deficit)	7	185,341
Total liabilities, deferred inflows and municipal equity	\$ 7	\$ 185,341

See independent auditor's report.

<u>Total Special Revenue Funds</u>	<u>Capital Projects 911 Center Construction</u>	<u>Total</u>
\$ 374,575	\$ 97,301	\$ 471,876
302,834	-	302,834
1,005,593	-	1,005,593
17,936	-	17,936
<u>\$ 1,700,938</u>	<u>\$ 97,301</u>	<u>\$ 1,798,239</u>
\$ 37,100	\$ -	37,100
540,056	-	540,056
<u>577,156</u>	<u>-</u>	<u>577,156</u>
<u>302,834</u>	<u>-</u>	<u>302,834</u>
542,974	-	542,974
355,479	-	355,479
-	97,301	97,301
26,447	-	26,447
<u>(103,952)</u>	<u>-</u>	<u>(103,952)</u>
<u>820,948</u>	<u>97,301</u>	<u>918,249</u>
<u>\$ 1,700,938</u>	<u>\$ 97,301</u>	<u>\$ 1,798,239</u>

Village of Calumet Park, Illinois
Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances (Deficits) - Nonmajor Governmental Funds
For the Year Ended April 30, 2018

	911 Fund	DCEO Grant Fund
Revenues:		
Property taxes	\$ -	\$ -
Intergovernmental	-	-
Grant income	-	-
Interest income	18	-
Other	9,338	(1)
Total revenues	9,356	(1)
Expenditures:		
Current:		
Administration	-	-
Police	3,000	-
Street and alley	-	-
Debt service:		
Principal	-	-
Interest	-	-
Capital outlay	-	-
Miscellaneous	-	7
Total expenditures	3,000	7
Revenues over (under) expenditures before other financing sources	6,356	(8)
Other financing sources - capital lease obligations issued	-	-
Net changes in fund balances (deficit)	6,356	(8)
Fund balances (deficit), beginning of the year,	13,065	165,739
Fund balances (deficit), end of the year	\$ 19,421	\$ 165,731

(cont'd)

Special Revenue Funds

Motor Fuel Tax Fund	Police Evidence Fund	TIF 3 Fund	TIF 4 Fund	TIF 5 Fund	Tobacco Enforcement Fund
\$ -	\$ -	\$ 53,478	\$ 27,160	\$ 93,250	\$ -
200,051	-	-	-	-	-
-	-	-	-	-	-
116	207	85	84	65	4
-	-	-	-	-	-
<u>200,167</u>	<u>207</u>	<u>53,563</u>	<u>27,244</u>	<u>93,315</u>	<u>4</u>
-	-	134,416	2,950	2,481	-
-	-	-	-	-	-
195,699	-	-	-	-	-
-	-	55,406	-	80,000	-
-	-	10,113	-	13,250	-
-	-	322,194	-	-	-
-	-	-	-	-	-
<u>195,699</u>	<u>-</u>	<u>522,129</u>	<u>2,950</u>	<u>95,731</u>	<u>-</u>
4,468	207	(468,566)	24,294	(2,416)	4
-	-	296,580	-	-	-
4,468	207	(171,986)	24,294	(2,416)	4
<u>59,219</u>	<u>6,819</u>	<u>193,217</u>	<u>433,762</u>	<u>(101,536)</u>	<u>4,396</u>
<u>\$ 63,687</u>	<u>\$ 7,026</u>	<u>\$ 21,231</u>	<u>\$ 458,056</u>	<u>\$ (103,952)</u>	<u>\$ 4,400</u>

Village of Calumet Park, Illinois
Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances (Deficit) - Nonmajor Governmental Funds (cont'd)
For the Year Ended April 30, 2018

	CDBG Fund	Illinois State Police Grant Fund
Revenues:		
Property taxes	\$ -	\$ -
Intergovernmental	-	-
Grant income	219,092	425,888
Interest income	-	107
Other	-	-
Total revenues	219,092	425,995
Expenditures:		
Current:		
Administration	-	-
Police	-	12,729
Street and alley	-	-
Debt service:		
Principal	-	-
Interest	-	-
Capital outlay	219,085	227,925
Miscellaneous	-	-
Total expenditures	219,085	240,654
Revenues over (under) expenditures before other financing sources	7	185,341
Other financing sources - capital lease obligations issued	-	-
Net changes in fund balances (deficit)	7	185,341
Fund balances (deficit), beginning of the year,	-	-
Fund balances (deficit), end of the year	\$ 7	\$ 185,341

See independent auditor's report.

Total Special Revenue Funds	911 Center Construction	Total
\$ 173,888	\$ -	\$ 173,888
200,051	-	200,051
644,980	-	644,980
686	11	697
9,337	-	9,337
1,028,942	11	1,028,953
139,847	-	139,847
15,729	-	15,729
195,699	-	195,699
135,406	-	135,406
23,363	-	23,363
769,204	13,415	782,619
7	-	7
1,279,255	13,415	1,292,670
(250,313)	(13,404)	(263,717)
296,580	-	296,580
46,267	(13,404)	32,863
774,681	110,705	885,386
\$ 820,948	\$ 97,301	\$ 918,249

Village of Calumet Park, Illinois
911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Interest income	\$ 25	\$ 25	\$ 18	\$ (7)
Other	25,000	25,000	9,338	(15,662)
Total revenues	25,025	25,025	9,356	(15,669)
Expenditures - current - police	-	-	3,000	(3,000)
Net changes in fund balance	\$ 25,025	\$ 25,025	6,356	\$ (18,669)
Fund balance, beginning of the year			13,065	
Fund balance, end of the year			\$ 19,421	

See independent auditor's report.

Village of Calumet Park, Illinois
Motor Fuel Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Intergovernmental	\$ 235,860	\$ 235,860	\$ 200,051	\$ (35,809)
Interest income	200	200	116	(84)
Total revenues	<u>236,060</u>	<u>236,060</u>	<u>200,167</u>	<u>(35,893)</u>
Expenditures:				
Current - street and alley:				
Contractual services	284,398	284,398	132,429	151,969
Supplies and materials	45,000	45,000	63,270	(18,270)
Total expenditures	<u>329,398</u>	<u>329,398</u>	<u>195,699</u>	<u>133,699</u>
Net changes in fund balance	<u>\$ (93,338)</u>	<u>\$ (93,338)</u>	<u>4,468</u>	<u>\$ 97,806</u>
Fund balance, beginning of the year			<u>59,219</u>	
Fund balance, end of the year			<u>\$ 63,687</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
Police Evidence Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues - interest income	\$ 25	\$ 25	\$ 207	\$ 182
Expenditures - miscellaneous	22,260	22,260	-	22,260
Total expenditures	22,260	22,260	-	22,260
Net changes in fund balance	\$ (22,235)	\$ (22,235)	207	\$ 22,442
Fund balance, beginning of the year			6,819	
Fund balance, end of the year			\$ 7,026	

See independent auditor's report.

Village of Calumet Park, Illinois
TIF 3 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property taxes	\$ 150,000	\$ 150,000	\$ 53,478	\$ (96,522)
Interest income	2,000	2,000	85	(1,915)
Total revenues	<u>152,000</u>	<u>152,000</u>	<u>53,563</u>	<u>(98,437)</u>
Expenditures:				
Current - administration	13,000	13,000	134,416	(121,416)
Debt service:				
Principal	-	-	55,406	(55,406)
Interest	-	-	10,113	(10,113)
Capital outlay	75,000	75,000	322,194	(247,194)
Miscellaneous	10,000	10,000	-	10,000
Total expenditures	<u>98,000</u>	<u>98,000</u>	<u>522,129</u>	<u>(424,129)</u>
Revenues over (under) expenditures before other financing sources	<u>\$ 54,000</u>	<u>\$ 54,000</u>	<u>(468,566)</u>	<u>\$ (522,566)</u>
Other financing sources - capital lease obligation issued	-	-	296,580	296,580
Net changes in fund balance	<u>\$ 54,000</u>	<u>\$ 54,000</u>	<u>(171,986)</u>	<u>\$ (225,986)</u>
Fund balance, beginning of the year			<u>193,217</u>	
Fund balance, end of the year			<u>\$ 21,231</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
TIF 4 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Property taxes	\$ 50,000	\$ 50,000	\$ 27,160	\$ (22,840)
Interest income	700	700	84	(616)
Total revenues	<u>50,700</u>	<u>50,700</u>	<u>27,244</u>	<u>(23,456)</u>
Expenditures:				
Current - administration	10,000	10,000	2,950	7,050
Capital outlay	20,000	20,000	-	20,000
Miscellaneous	10,000	10,000	-	10,000
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>2,950</u>	<u>37,050</u>
Net changes in fund balance	<u>\$ 10,700</u>	<u>\$ 10,700</u>	<u>24,294</u>	<u>\$ 13,594</u>
Fund balance, beginning of the year			<u>433,762</u>	
Fund balance, end of the year			<u>\$ 458,056</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
TIF 5 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Deficit - Budget and Actual
For the Year Ended April 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Property taxes	\$ 90,000	\$ 90,000	\$ 93,250	\$ 3,250
Interest income	25	25	65	40
Total revenues	<u>90,025</u>	<u>90,025</u>	<u>93,315</u>	<u>3,290</u>
Expenditures:				
Current - administration	-	-	2,481	(2,481)
Debt service:				
Principal	80,000	80,000	80,000	-
Interest	18,875	18,875	13,250	5,625
Fees	5,000	5,000	-	5,000
Total expenditures	<u>103,875</u>	<u>103,875</u>	<u>95,731</u>	<u>8,144</u>
Net changes in fund deficit	<u>\$ (13,850)</u>	<u>\$ (13,850)</u>	<u>(2,416)</u>	<u>\$ 11,434</u>
Fund deficit, beginning of the year			<u>(101,536)</u>	
Fund deficit, end of the year			<u>\$ (103,952)</u>	

See independent auditor's report.

**Village of Calumet Park, Illinois
Tobacco Enforcement Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues - interest income	\$ -	\$ -	\$ 4	\$ 4
Expenditures - miscellaneous	4,300	4,300	-	4,300
Total expenditures	4,300	4,300	-	4,300
Net changes in fund balance	\$ (4,300)	\$ (4,300)	4	\$ 4,304
Fund balance, beginning of the year			4,396	
Fund balance, end of the year			\$ 4,400	

See independent auditor's report.

**Village of Calumet Park, Illinois
CDBG Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues - grant income	\$ 270,000	\$ 270,000	\$ 219,092	\$ (50,908)
Expenditures - capital outlay	270,000	270,000	219,085	50,915
Total expenditures	270,000	270,000	219,085	50,915
Net changes in fund balance	\$ -	\$ -	7	\$ 7
Fund balance, beginning of the year			-	
Fund balance, end of the year			\$ 7	

See independent auditor's report.

Village of Calumet Park, Illinois
911 Center Construction Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Interest income	\$ 1,000	\$ 1,000	\$ 11	\$ (989)
Other	10,000	10,000	-	(10,000)
Total revenues	<u>11,000</u>	<u>11,000</u>	<u>11</u>	<u>(10,989)</u>
Expenditures:				
Capital outlay	125,000	125,000	13,415	111,585
Miscellaneous	1,000	1,000	-	1,000
Total expenditures	<u>126,000</u>	<u>126,000</u>	<u>13,415</u>	<u>112,585</u>
Net changes in fund balance	<u>\$ (125,000)</u>	<u>\$ (125,000)</u>	<u>(13,404)</u>	<u>\$ 111,596</u>
Fund balance, beginning of the year			<u>110,705</u>	
Fund balance, end of the year			<u>\$ 97,301</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
Water and Sewer Fund - Water Sub Fund
Schedule of Revenues, Expenses and Changes in
Fund Net Deficit - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating revenue - water charges	\$ 1,345,000	\$ 1,345,000	\$ 1,525,458	\$ 180,458
Operating expenses:				
Salaries and wages	209,648	209,648	166,000	43,648
Insurance and benefits	104,545	104,545	126,703	(22,158)
Contractual services	1,312,500	1,312,500	1,074,938	237,562
Supplies and materials	107,000	107,000	55,197	51,803
Miscellaneous	500	500	32	468
Operating expenses before depreciation	1,734,193	1,734,193	1,422,870	311,323
Depreciation	-	-	135,044	(135,044)
Total operating expenses	1,734,193	1,734,193	1,557,914	176,279
Operating loss	(389,193)	(389,193)	(32,456)	356,737
Nonoperating income:				
Interest	200	200	626	426
Miscellaneous	40,000	40,000	53,614	13,614
Total nonoperating income	40,200	40,200	54,240	14,040
Changes in net deficit	\$ (348,993)	\$ (348,993)	21,784	\$ 370,777
Net deficit, beginning of the year			(896,840)	
Net deficit, end of the year			\$ (875,056)	

See independent auditor's report.

Village of Calumet Park, Illinois
Water and Sewer Fund - Sewer Sub Fund
Schedule of Revenues, Expenses and Changes in
Fund Net Position - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating revenue - sewer charges	\$ 516,000	\$ 516,000	\$ 568,608	\$ 52,608
Operating expenses:				
Contractual services	304,000	304,000	254,510	49,490
Supplies and materials	1,000	1,000	-	1,000
Total operating expenses	<u>305,000</u>	<u>305,000</u>	<u>254,510</u>	<u>50,490</u>
Changes in net position	<u>\$ 211,000</u>	<u>\$ 211,000</u>	<u>314,098</u>	<u>\$ 103,098</u>
Net position, beginning of the year			<u>1,113,139</u>	
Net position, end of the year			<u>\$ 1,427,237</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
Refuse Fund
Schedule of Revenues, Expenses and Changes in
Fund Net Deficit - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating revenue - refuse charges	\$ 568,000	\$ 568,000	\$ 693,492	\$ 125,492
Operating expenses - contractual services	610,200	610,200	572,100	38,100
Changes in net deficit	\$ (42,200)	\$ (42,200)	121,392	\$ 163,592
Net deficit, beginning of the year			(449,114)	
Net deficit, end of the year			\$ (327,722)	

See independent auditor's report.

Village of Calumet Park, Illinois
Regional Communications Center Fund
Schedule of Revenues, Expenses and Changes in
Fund Net Deficit - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating revenue - dispatch charges	\$ 930,000	\$ 930,000	\$ 669,759	\$ (260,241)
Operating expenses:				
Salaries and wages	98,808	98,808	115,721	(16,913)
Insurance and benefits	27,350	27,350	(18,424)	45,774
Contractual services	1,072,080	1,072,080	1,000,305	71,775
Supplies and materials	34,000	34,000	20,954	13,046
Capital outlay	-	-	1,460	(1,460)
Miscellaneous	6,000	6,000	646	5,354
Total operating expenses	1,238,238	1,238,238	1,120,662	117,576
Operating loss	(308,238)	(308,238)	(450,903)	(142,665)
Nonoperating income:				
Interest	25	25	57	32
Miscellaneous	25,000	25,000	-	(25,000)
Total nonoperating income	25,025	25,025	57	(24,968)
Changes in net deficit	\$ (283,213)	\$ (283,213)	(450,846)	\$ (167,633)
Net deficit, beginning of the year			(764,831)	
Net deficit, end of the year			<u>\$ (1,215,677)</u>	

See independent auditor's report.

Village of Calumet Park, Illinois
Fiduciary Funds - Pension Trust Fund
Statement of Changes in Net Position - Budget and Actual
For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Additions:				
Contributions:				
Employer	\$ 603,636	603,636	\$ 595,324	\$ (8,312)
Employee	133,753	133,753	131,911	(1,842)
Total contributions	737,389	737,389	727,235	(10,154)
Other income:				
Investment income	100,000	100,000	348,197	248,197
Less investment expenses	-	-	(5,795)	(5,795)
Valuation income	-	-	274,981	274,981
Total other income	100,000	100,000	617,383	517,383
Total additions	837,389	837,389	1,344,618	507,229
Deductions:				
Benefits and refunds	800,000	800,000	847,958	(47,958)
Administrative	16,999	16,999	28,509	(11,510)
Total deductions	816,999	816,999	876,467	(59,468)
Changes in net position	\$ 20,390	\$ 20,390	468,151	\$ 566,697
Net position, beginning of the year			7,809,235	
Net position, end of the year			\$ 8,277,386	

See accompanying notes and independent auditor's report.

Village of Calumet Park, Illinois
Agency Fund - Performance Bond Fund
Schedule of Changes in Assets and Liabilities
For the Year Ended April 30, 2018

	Balance May 1, 2017	Additions	Deductions	Balance April 30, 2018
Assets				
Cash	\$ 115,836	\$ 111,028	\$ 103,450	\$ 123,414
Due from other funds	4,810	-	1,100	3,710
Total assets	\$ 120,646	\$ 111,028	\$ 104,550	\$ 127,124
Liabilities				
Due to other funds	\$ 4,620	\$ -	\$ 1,100	\$ 3,520
Deposits held	116,026	111,028	103,450	123,604
Total liabilities	\$ 120,646	\$ 111,028	\$ 104,550	\$ 127,124

See independent auditor's report.

OTHER FINANCIAL SCHEDULES

**Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations
April 30, 2018**

General Obligation Tax Increment Refunding Bonds Series 2010A

Bond issue dated	December 15, 2010
Original issue	\$4,690,000.00
Interest rates	3.00 - 3.80%
Final payment dated	December 1, 2019
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/18	\$ -	\$ 26,800.00	\$ 26,800.00
12/01/18	655,000.00	26,800.00	681,800.00
06/01/19	-	15,010.00	15,010.00
12/01/19	790,000.00	15,010.00	805,010.00
Total	\$ 1,445,000.00	\$ 83,620.00	\$ 1,528,620.00

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2010B

Bond issue dated	December 15, 2010
Original issue	\$2,500,000.00
Interest rates	2.50 - 4.00%
Final payment dated	December 1, 2020
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/18	\$ -	\$ 15,642.50	\$ 15,642.50
12/01/18	325,000.00	15,642.50	340,642.50
06/01/19	-	9,955.00	9,955.00
12/01/19	345,000.00	9,955.00	354,955.00
06/01/20	-	3,400.00	3,400.00
12/01/20	170,000.00	3,400.00	173,400.00
Total	\$ 840,000.00	\$ 57,995.00	\$ 897,995.00

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2014A

Bond issue dated	February 13, 2014
Original issue	\$1,440,000.00
Interest rates	4.00 - 5.00%
Final payment dated	December 1, 2019
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/2018	\$ -	\$ 14,250.00	\$ 14,250.00
12/01/2018	275,000.00	14,250.00	289,250.00
06/01/2019	-	7,375.00	7,375.00
12/01/2019	295,000.00	7,375.00	302,375.00
Total	\$ 570,000.00	\$ 43,250.00	\$ 613,250.00

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2014B

Bond issue dated	February 13, 2014
Original issue	\$4,375,000.00
Interest rates	4.00 - 5.75%
Final payment dated	December 1, 2034
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/2018	\$ -	\$ 117,168.75	\$ 117,168.75
12/01/2018	30,000.00	117,168.75	147,168.75
06/01/2019	-	116,418.75	116,418.75
12/01/2019	30,000.00	116,418.75	146,418.75
06/01/2020	-	115,668.75	115,668.75
12/01/2020	195,000.00	115,668.75	310,668.75
06/01/2021	-	110,793.75	110,793.75
12/01/2021	205,000.00	110,793.75	315,793.75
06/01/2022	-	105,668.75	105,668.75
12/01/2022	215,000.00	105,668.75	320,668.75
06/01/2023	-	100,293.75	100,293.75
12/01/2023	225,000.00	100,293.75	325,293.75
06/01/2024	-	94,668.75	94,668.75
12/01/2024	240,000.00	94,668.75	334,668.75
06/01/2025	-	88,668.75	88,668.75
12/01/2025	250,000.00	88,668.75	338,668.75
06/01/2026	-	82,106.25	82,106.25
12/01/2026	265,000.00	82,106.25	347,106.25
06/01/2027	-	75,150.00	75,150.00
12/01/2027	280,000.00	75,150.00	355,150.00
06/01/2028	-	67,800.00	67,800.00
12/01/2028	290,000.00	67,800.00	357,800.00
06/01/2029	-	60,187.50	60,187.50
12/01/2029	305,000.00	60,187.50	365,187.50
06/01/2030	-	52,181.25	52,181.25
12/01/2030	325,000.00	52,181.25	377,181.25

(cont'd)

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2014B (cont'd)

<u>Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
06/01/2031	\$ -	\$ 42,837.50	\$ 42,837.50
12/01/2031	340,000.00	42,837.50	382,837.50
06/01/2032	-	33,062.50	33,062.50
12/01/2032	360,000.00	33,062.50	393,062.50
06/01/2033	-	22,712.50	22,712.50
12/01/2033	385,000.00	22,712.50	407,712.50
06/01/2034	-	11,643.75	11,643.75
12/01/2034	405,000.00	11,643.75	416,643.75
Total	<u>\$ 4,345,000.00</u>	<u>\$ 2,594,062.50</u>	<u>\$ 6,939,062.50</u>

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2015A

Bond issue dated	November 1 2015
Original issue	\$1,235,000.00
Interest rates	1.98%
Final payment dated	December 1, 2019
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/2018	\$ -	\$ 5,148.00	\$ 5,148.00
12/01/2018	310,000.00	5,148.00	315,148.00
06/01/2019	-	2,079.00	2,079.00
12/01/2019	210,000.00	2,079.00	212,079.00
Total	\$ 520,000.00	\$ 14,454.00	\$ 534,454.00

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2015B

Bond issue dated	November 1 2015
Original issue	\$ 670,000.00
Interest rates	2.50%
Final payment dated	December 1, 2022
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/2018	\$ -	\$ 5,625.00	\$ 5,625.00
12/01/2018	80,000.00	5,625.00	85,625.00
06/01/2019	-	4,625.00	4,625.00
12/01/2019	90,000.00	4,625.00	94,625.00
06/01/2020	-	3,500.00	3,500.00
12/01/2020	95,000.00	3,500.00	98,500.00
06/01/2021	-	2,312.50	2,312.50
12/01/2021	95,000.00	2,312.50	97,312.50
06/01/2022	-	1,125.00	1,125.00
12/01/2022	90,000.00	1,125.00	91,125.00
Total	\$ 450,000.00	\$ 34,375.00	\$ 484,375.00

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2018

General Obligation Bonds Series 2018

Bond issue dated	February 14, 2018
Original issue	\$3,365,000.00
Interest rates	4.00%
Final payment dated	December 1, 2033
Interest payment dates	June 1 and December 1

Due	Principal	Interest	Total
06/01/2018	\$ -	\$ 39,258.00	\$ 39,258.00
12/01/2018	-	67,300.00	67,300.00
06/01/2019	-	67,300.00	67,300.00
12/01/2019	-	67,300.00	67,300.00
06/01/2020	-	67,300.00	67,300.00
12/01/2020	-	67,300.00	67,300.00
06/01/2021	-	67,300.00	67,300.00
12/01/2021	205,000.00	67,300.00	272,300.00
06/01/2022	-	63,200.00	63,200.00
12/01/2022	210,000.00	63,200.00	273,200.00
06/01/2023	-	59,000.00	59,000.00
12/01/2023	220,000.00	59,000.00	279,000.00
06/01/2024	-	54,600.00	54,600.00
12/01/2024	230,000.00	54,600.00	284,600.00
06/01/2025	-	50,000.00	50,000.00
12/01/2025	235,000.00	50,000.00	285,000.00
06/01/2026	-	45,300.00	45,300.00
12/01/2026	245,000.00	45,300.00	290,300.00
06/01/2027	-	40,400.00	40,400.00
12/01/2027	255,000.00	40,400.00	295,400.00
06/01/2028	-	35,300.00	35,300.00
12/01/2028	265,000.00	35,300.00	300,300.00
06/01/2029	-	30,000.00	30,000.00
12/01/2029	275,000.00	30,000.00	305,000.00
06/01/2030	-	24,500.00	24,500.00
12/01/2030	290,000.00	24,500.00	314,500.00
06/01/2031	-	18,700.00	18,700.00
12/01/2031	300,000.00	18,700.00	318,700.00
06/01/2032	-	12,700.00	12,700.00
12/01/2032	310,000.00	12,700.00	322,700.00
06/01/2033	-	6,500.00	6,500.00
12/01/2033	325,000.00	6,500.00	331,500.00
Total	\$ 3,365,000.00	\$ 1,390,758.00	\$ 4,755,758.00

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STATISTICAL SECTION

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Village of Calumet Park, Illinois
General Property Tax Data
April 30, 2018

	Levy Year				
	2017	2016	2015	2014	2013
Assessed valuation	\$ 71,073,249	\$ 67,287,610	\$ 65,660,912	\$ 67,001,734	\$ 70,876,284
Rate					
General Fund	5.1696	4.6534	4.4784	5.0057	3.7655
Debt Service	0.9605	0.9548	0.9655	0.7673	0.8636
Police Pension	1.2599	1.0626	1.0582	0.9135	0.5433
Library	0.2766	0.2735	0.2803	0.2747	0.2597
Gross Levy					
General Fund	\$ 3,674,220	\$ 3,131,167	\$ 2,940,578	\$ 3,353,898	\$ 2,668,853
Debt Service	682,686	642,482	633,969	514,124	385,074
Police Pension	895,483	694,798	694,798	612,089	612,089
Library	196,570	184,061	184,061	184,061	184,061
Total liabilities	\$ 5,448,959	\$ 4,652,508	\$ 4,453,406	\$ 4,664,172	\$ 3,850,077

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