



ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED APRIL 30, 2020

VILLAGE OF CALUMET PARK

Annual Financial Report

For the Year Ended April 30, 2020

Administrative Offices

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Calumet Park, Illinois 60827

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Ronald Denson – Mayor
Omara Fonseca – Village Clerk
Teri Raney – Village Administrator
Burton Odelson – Village Attorney

Trustees

Robert L. Turner
Dorothy P. Wiggins
Cynthia M. Potts
Carl Hampton Sr.
Earl Duffin
Norman V. Edwards

**Village of Calumet Park, Illinois
Annual Financial Report
For the Year Ended April 30, 2020**

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INDEPENDENT AUDITOR'S REPORT



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 discretely presented component unit, 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, 2020, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Calumet Park, Illinois, as of April 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, TIF #2 Fund, and TIF #3 Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As explained in Note 1, Section C. the TIF 3 fund was reported as a major governmental fund in the current year. It was reported as a nonmajor governmental fund in the prior year. Our opinion is not modified with respect to this matter.

As discussed in Note V., Section G. to the financial statements, the Village of Calumet Park, Illinois implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which resulted in an adjustment to beginning net position. Additionally, beginning net position of the business-type activities and the Regional Communications Center fund was restated to recognize revenue that had been previously reported as unearned revenue. 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 schedules of employer contributions related to pensions, multiyear schedules of changes in the employer's net pension liability and related ratios related to pensions, multiyear schedules of changes in the employer's net OPEB liability and related ratios, and multiyear schedule of investment returns-police pension fund on pages MDA1-11 and 79-92 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 supplemental section, the other financial schedules, 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 is 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, the supplemental section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

MW & Associates, P.C.

Hillside, Illinois
September 20, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Village of Calumet Park, Illinois
Management's Discussion and Analysis
April 30, 2020

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, 2020.

Financial Highlights

The liabilities of the Village of Calumet Park exceeded its assets at the close of the most recent fiscal year by \$9,207,041 (*net deficit*). Of this amount, \$7,075,742 represents the net investment in capital assets, and \$2,518,319 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 \$18,801,102. 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 decreased by \$2,469,181 from current year activities, which consisted of a decrease in governmental activities net position of \$2,798,795 and an increase in business-type activities net position of \$329,614.
- The Village adopted Governmental Accounting Standards Board (GASB) Statement No. 75 and recognized an adjustment to reduce beginning net position in both governmental and business-type activities by \$7,099,701 and \$642,688, respectively. The liability for its postretirement healthcare plan was \$9,214,483 and \$61,124 in governmental and business-type activities, respectively, at April 30, 2020.
- As of the close of the current fiscal year, the Village of Calumet Park's governmental funds reported combined ending fund balances of \$6,831,175, a decrease of \$2,111,167 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,604,335, a decrease of \$310,178 from the prior year.
- The Village of Calumet Park's total outstanding general obligation bonds decreased by \$1,760,000 of principal payments during the current fiscal year.

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, and the Regional Communications Center.

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 twenty-one 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 and TIF 3 (Special Revenue) Funds, the Debt Service Fund, and the Capital Projects Fund, which collectively comprise the major funds. Data from the other sixteen governmental funds (911 Fund, DCEO Grant Fund, Motor Fuel Tax Fund, Police Evidence Fund, TIF 4 Fund, TIF 5 Fund, TIF 6 Fund, Tobacco Enforcement Fund, CDBG Fund, Illinois State Police Grant Fund, Invest in Cook County Grant Fund, Grant Projects Fund, Foreign Fire Insurance Tax Fund, Asset Seizure Fund, Overhead Sewer 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 except the 911 Fund, DCEO Grant Fund, TIF 6 Fund, Foreign Fire Insurance Fund, and Asset Seizure Fund, all nonmajor Special Revenue Funds. A budgetary comparison statement has been provided for the General Fund and the major special revenue funds within the basic financial statements to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 8 through 19 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 20 through 25 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 26 and 27 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 28 through 78 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 pension plans and its other postretirement employee benefit plan, and the schedule of investment returns for the police pension plan. Required supplementary information can be found on pages 79 through 92 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 93 through 126 of this report. Some general property tax data is included in the statistical section of this report on page 127.

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, liabilities exceeded assets by \$9,207,041 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 | |
|---|-------------------------|---------------|--------------------------|-----------------|-----------------|---------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Current and other assets | \$ 11.5 | \$ 13.6 | \$ (1.2) | \$ (1.7) | \$ 10.3 | \$ 11.9 |
| Capital assets | 12.0 | 12.0 | 1.4 | 1.4 | 13.4 | 13.4 |
| Total assets | 23.5 | 25.6 | .2 | (0.3) | 23.7 | 25.3 |
| Total deferred outflows of resources | 1.2 | 1.2 | .1 | .2 | 1.3 | 1.4 |
| Total assets and deferred outflows | 24.7 | 26.8 | .3 | (0.1) | 25.0 | 26.7 |
| Long-term liabilities | 30.8 | 23.2 | .8 | .2 | 31.6 | 23.4 |
| Other liabilities | 1.5 | 1.3 | .3 | .7 | 1.8 | 2.0 |
| Total liabilities | 32.3 | 24.5 | 1.1 | .9 | 33.4 | 25.4 |
| Total deferred inflows of resources | 0.7 | 0.7 | .1 | .1 | 0.8 | 0.8 |
| Net position: | | | | | | |
| Net investment in capital assets | 5.7 | 5.6 | 1.4 | 1.4 | 7.1 | 7.0 |
| Restricted | 2.5 | 3.1 | - | - | 2.5 | 3.1 |
| Unrestricted | (16.5) | (7.1) | (2.3) | (2.5) | (18.8) | (9.6) |
| Total net position | \$ (8.3) | \$ 1.6 | \$ (0.9) | \$ (1.1) | \$ (9.2) | \$ 0.5 |

Governmental Activities – Governmental activities decreased the Village of Calumet Park's net position by \$2,798,795 (decrease of \$922,287 in the prior year). General and program revenues remained relatively stable while expenses increased by approximately \$2.1 million due primarily to the recognition of OPEB expenses of \$2.1 million in accordance with GASB Statement 75.

Business-type Activities – Business-type activities increased the Village of Calumet Park's net position by \$329,614 (decreased \$90,856 in the prior year). The current year increase is due to a positive bottom line in the recently created Regional Communication Center Fund of \$91,680 (\$500,000 approximate loss in the prior year). In addition, a prior period adjustment was made to the Regional Communications Center Fund, reducing the previously reported net deficit by \$348,163, for surcharge revenue booked as a liability in error in the prior 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, 2020
(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 | 12.2 % | \$ 4.5 | 100.0 % | \$ 5.8 | 38.2 % |
| Operating/capital grants | .4 | 3.8 | - | - | .4 | 2.7 |
| General revenue: | | | | | | |
| Property taxes | 5.0 | 47.0 | - | - | 5.0 | 33.0 |
| Other taxes | 3.3 | 31.2 | - | - | 3.3 | 21.9 |
| Other revenues | .7 | 5.8 | - | - | .7 | 4.2 |
| Total revenues | 10.7 | | 4.5 | | 15.2 | |
| Expenses: | | | | | | |
| Governmental activities: | | | | | | |
| General government | 1.9 | 14.1 | - | - | 1.9 | 10.8 |
| Public safety | 7.2 | 53.3 | - | - | 7.2 | 40.7 |
| Public works | 2.3 | 17.1 | - | - | 2.3 | 13.0 |
| Building | .5 | 4.0 | - | - | .5 | 3.1 |
| Legal | .2 | 1.5 | - | - | .2 | 1.1 |
| Culture and recreation | .9 | 6.6 | - | - | .9 | 5.0 |
| Interest | .5 | 3.4 | - | - | .5 | 2.6 |
| Business-type: | | | | | | |
| Water and Sewer | - | - | 2.1 | 50.9 | 2.1 | 12.1 |
| Refuse | - | - | .6 | 14.0 | .6 | 3.3 |
| Regional Comm. | - | - | 1.5 | 35.1 | 1.5 | 8.3 |
| Total expenses | 13.5 | | 4.2 | | 17.7 | |
| Transfers | - | | - | | - | |
| Changes in net position | \$ (2.8) | | \$ 0.3 | | \$ (2.5) | |

Revenues:

- Property taxes increased 7.3% due in part to an increase in the 2019 levy of 4.9% over the 2018 levy.
- Intergovernmental revenue and other taxes decreased by \$307,868 or 8.4% due primarily to decreases in income tax, sales and home rule sales taxes, and hotel/motel taxes in the current year.
- Utility revenues (water, sewer and refuse) all showed small increases 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 the 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 and OPEB expense under GASB Statement No. 68 and 75, respectively; and reflected the strict adherence to budget and the changes in the demand for services. The Village privatized the fire department in the prior year, and incurred additional costs related to severance payments made in the current year. In addition, certain labor agreements were finalized in the current year and retroactive payments were made to individuals covered by these agreements.

A condensed statement of activities for the year ended April 30, 2019, is shown for comparative purposes.

**Village of Calumet Park
Changes in Net Position
For the Fiscal Year Ended April 30, 2019
(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 | 12.9 % | \$ 3.6 | 100.0 % | \$ 4.9 | 34.4 |
| Operating/capital grants | .3 | 2.8 | - | - | .3 | 2.1 |
| General revenue: | | | | | | |
| Property taxes | 4.7 | 43.6 | - | - | 4.7 | 32.7 |
| Other taxes | 3.6 | 33.7 | - | - | 3.6 | 25.3 |
| Other revenues | .8 | 7.0 | - | - | .8 | 5.5 |
| Total revenues | 10.7 | | 3.6 | | 14.3 | |
| Expenses: | | | | | | |
| Governmental activities: | | | | | | |
| General government | 1.9 | 16.9 | - | - | 1.9 | 12.8 |
| Public safety | 6.4 | 55.1 | - | - | 6.4 | 41.8 |
| Public works | 1.6 | 13.9 | - | - | 1.6 | 10.6 |
| Building | .2 | 1.4 | - | - | .2 | 1.1 |
| Legal | .3 | 2.3 | - | - | .3 | 1.8 |
| Culture and recreation | .7 | 5.8 | - | - | .7 | 4.4 |
| Interest | .5 | 4.6 | - | - | .5 | 3.4 |
| Business-type: | | | | | | |
| Water and Sewer | - | - | 1.8 | 48.8 | 1.8 | 11.7 |
| Refuse | - | - | .6 | 17.0 | .6 | 4.1 |
| Regional Comm. | - | - | 1.3 | 34.2 | 1.3 | 8.3 |
| Total expenses | 11.6 | | 3.7 | | 15.3 | |
| Transfers | - | | - | | - | |
| Changes in net position | \$ (0.9) | | \$ (0.1) | | \$ (1.0) | |

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, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

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 \$683,986 (\$981,414 in the prior year). The operating income for the Water and Sewer Fund in the current year was \$174,894 (income of \$404,650 in the prior year). A prior period adjustment was made to the beginning net position with the adoption of GASB Statement No. 75, reducing net position by \$495,187.

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 \$40,176 in the current year (operating loss of \$14,567 in the prior year).

The Village's 911 Center began operations in fiscal 2016. The Center provided emergency response services to the residents of Calumet Park and neighboring communities in the current year. During the current year, the Center had operating income of \$91,526 (operating loss of \$505,622 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. A prior period adjustment was made to the beginning net position to recognize surcharges received in the prior year on behalf of member communities, improving net position by \$348,163.

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 by \$307,157, as the Village recognized actual property taxes and service charges and fee revenues in excess of budget of \$604,530 and \$99,146, respectively. Expenses came in over budget by \$1,100,073. A significant variance was found in administration – contractual services for additional legal and accounting services, and higher liability insurance premiums than anticipated. Another significant portion of this excess, \$204,525, was in the police department salaries and wages, due to additional officers and additional overtime required in the current year. Capital outlay in the fire department included the addition of an ambulance acquired by capital lease. The expense is offset by an other financing source for the capital lease proceeds of \$228,478.

General Fund Budgetary Highlights (cont'd)

| | General Fund (in millions) | | |
|-----------------------------------|----------------------------|--------------|----------------|
| | Original Budget | Final Budget | Actual |
| Revenues: | | | |
| Property taxes | \$ 3.6 | \$ 3.6 | \$ 4.3 |
| Intergovernmental and other taxes | 3.3 | 3.3 | 3.0 |
| Other | 1.9 | 1.9 | 1.9 |
| Total | 8.8 | 8.8 | 9.2 |
| Expenditures: | | | |
| Current: | | | |
| Administration | 1.4 | 1.4 | 1.7 |
| Building | .3 | .3 | .2 |
| Police | 2.7 | 2.7 | 3.0 |
| Fire | 1.3 | 1.3 | 1.7 |
| Streets and alleys | 1.3 | 1.3 | 1.5 |
| Recreation | .7 | .7 | .7 |
| Pension | .8 | .8 | .8 |
| Debt service | .1 | .1 | .1 |
| Total | 8.6 | 8.6 | 9.7 |
| Revenues over expenditures | .2 | .2 | (.5) |
| Capital lease obligation proceeds | - | - | .2 |
| Change in fund balance | \$.2 | \$.2 | \$ (.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, 2020 and 2019, was \$13,459,846 and \$13,429,283, 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 0.2% (0.4% increase for governmental activities and an 1.7% decrease for business-type activities).

Capital Asset and Debt Administration (cont'd)

The following table presents capital assets at April 30, 2020, and 2019, at net book value.

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|-------------------------------|----------------------------|----------------|-----------------------------|---------------|-----------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Land | \$ 1.5 | \$ 1.2 | \$ - | \$ - | \$ 1.5 | \$ 1.2 |
| Buildings and improvements | 4.2 | 4.3 | 1.1 | 1.2 | 5.3 | 5.5 |
| Infrastructure | 3.4 | 3.5 | - | - | 3.4 | 3.5 |
| Equipment | 2.3 | 2.6 | .3 | .2 | 2.6 | 2.8 |
| Vehicles | .6 | .4 | - | - | .6 | .4 |
| Total | \$ 12.0 | \$ 12.0 | \$ 1.4 | \$ 1.4 | \$ 13.4 | \$ 13.4 |

Additional information on the Village of Calumet Park's capital assets can be found in Note IV.C. on pages 45 through 47 of this report.

Long-term Debt – At the end of fiscal year 2019, the Village of Calumet Park had total bonded debt outstanding of \$8,100,000 (\$9,860,000 at April 30, 2019). Of this amount, \$7,820,000 represents general obligation bonds, and \$280,000 represents general obligation tax increment bonds (\$8,565,000 and \$1,295,000, respectively, at April 30, 2018). All this bonded debt is backed by the full faith and credit of the government.

| | Governmental Activities | | Business-type Activities | | Total | |
|--|----------------------------|---------------|-----------------------------|-------------|---------------|---------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| General obligation bonds | \$ 7.8 | \$ 8.2 | \$ - | \$ - | \$ 7.8 | \$ 8.2 |
| General obligation tax increment bonds | .3 | 1.7 | - | - | .3 | 1.7 |
| | \$ 8.1 | \$ 9.9 | \$ - | \$ - | \$ 8.1 | \$ 9.9 |

The Village of Calumet Park's total debt decreased by \$1,760,000 during the current fiscal year (increase of \$1,675,000 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 49 through 53 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 Finance Director, 12409 South Throop Street, Calumet Park, Illinois 60827.

BASIC FINANCIAL STATEMENTS

Village of Calumet Park, Illinois
Statement of Net Position
April 30, 2020

| | Primary Government | | | Component Unit |
|--|-------------------------|--------------------------|-------------------|----------------|
| | Governmental Activities | Business-type Activities | Total | Public Library |
| Assets | | | | |
| Cash and cash equivalents | \$ 4,899,560 | \$ 610,768 | \$ 5,510,328 | \$ 84,494 |
| Investment in real estate | 260,000 | - | 260,000 | - |
| Receivables | 3,706,002 | 577,580 | 4,283,582 | 100,598 |
| Due from Fiduciary Funds | 5,200 | 820 | 6,020 | - |
| Internal balances | 2,474,148 | (2,474,148) | - | - |
| Prepaid items | 78,910 | - | 78,910 | - |
| Net pension asset | - | 81,201 | 81,201 | - |
| Capital assets not being depreciated - land | 1,496,445 | - | 1,496,445 | - |
| Capital assets, net of accumulated depreciation: | | | | |
| Buildings and improvements | 4,206,882 | 1,129,919 | 5,336,801 | 12,015 |
| Infrastructure | 3,437,629 | - | 3,437,629 | - |
| Equipment | 2,316,193 | 288,905 | 2,605,098 | - |
| Vehicles | 583,873 | - | 583,873 | - |
| Total assets (deficit) | 23,464,842 | 215,045 | 23,679,887 | 197,107 |
| Deferred Outflows of Resources | | | | |
| Pension-related - actuarial | 1,169,824 | 38,598 | 1,208,422 | - |
| Pension-related - contributions | 81,931 | 15,677 | 97,608 | - |
| Total deferred outflows of resources | 1,251,755 | 54,275 | 1,306,030 | - |
| Total assets (deficit) and deferred outflows of resources | 24,716,597 | 269,320 | 24,985,917 | 197,107 |

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 | \$ 430,148 | \$ 302,343 | \$ 732,491 | \$ 215 |
| Accrued interest expense | 161,943 | - | 161,943 | - |
| Due to Fiduciary Fund | 81,440 | - | 81,440 | - |
| Unearned revenue | 15,160 | - | 15,160 | - |
| Short-term taxable note | 800,000 | - | 800,000 | - |
| Noncurrent liabilities: | | | | |
| Due within one year | 957,526 | - | 957,526 | - |
| Due in more than one year | 29,820,664 | 785,013 | 30,605,677 | - |
| Total liabilities | 32,266,881 | 1,087,356 | 33,354,237 | 215 |
| Deferred Inflows of Resources | | | | |
| Pension-related - actuarial | 757,273 | 81,448 | 838,721 | - |
| Total liabilities and deferred inflows of resources | 33,024,154 | 1,168,804 | 34,192,958 | 215 |
| Net Position | | | | |
| Net investment in capital assets | 5,656,918 | 1,418,824 | 7,075,742 | 12,015 |
| Restricted by state statute | 1,686,286 | - | 1,686,286 | - |
| Restricted for grant purpose | 276,644 | - | 276,644 | - |
| Restricted for debt service | 555,389 | - | 555,389 | - |
| Unrestricted | (16,482,794) | (2,318,308) | (18,801,102) | 184,877 |
| Total net position (deficit) | \$ (8,307,557) | \$ (899,484) | \$ (9,207,041) | \$ 196,892 |

Village of Calumet Park, Illinois
Statement of Activities
For the Year Ended April 30, 2020

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government: | | | | |
| Governmental activities: | | | | |
| General government | \$ 1,908,936 | \$ 683,302 | \$ - | \$ - |
| Public safety | 7,209,164 | 442,645 | 58,485 | - |
| Public works | 2,305,604 | - | 4,515 | 341,323 |
| Building | 541,007 | 95,572 | - | - |
| Legal | 202,565 | - | - | - |
| Culture and recreation | 885,485 | 83,727 | - | - |
| Interest on long-term debt | 458,228 | - | - | - |
| Total governmental activities | 13,510,989 | 1,305,246 | 63,000 | 341,323 |
| Business-type activities: | | | | |
| Water | 1,850,360 | 1,694,998 | - | - |
| Sewer | 292,496 | 622,752 | - | - |
| Refuse | 588,658 | 628,834 | - | - |
| Regional Communication Center | 1,476,182 | 1,567,708 | - | - |
| Total business-type activities | 4,207,696 | 4,514,292 | - | - |
| Total primary government | \$ 17,718,685 | \$ 5,819,538 | \$ 63,000 | \$ 341,323 |
| Component unit - Public Library | \$ 166,620 | \$ 5,383 | \$ 9,794 | \$ - |

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, as previously reported
Prior period adjustment

Net position (deficit), beginning of the year, as restated

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 |
| \$ (1,225,634) | \$ - | \$ (1,225,634) | \$ - |
| (6,708,034) | - | (6,708,034) | - |
| (1,959,766) | - | (1,959,766) | - |
| (445,435) | - | (445,435) | - |
| (202,565) | - | (202,565) | - |
| (801,758) | - | (801,758) | - |
| (458,228) | - | (458,228) | - |
| <u>(11,801,420)</u> | <u>-</u> | <u>(11,801,420)</u> | <u>-</u> |
| - | (155,362) | (155,362) | - |
| - | 330,256 | 330,256 | - |
| - | 40,176 | 40,176 | - |
| - | 91,526 | 91,526 | - |
| <u>-</u> | <u>306,596</u> | <u>306,596</u> | <u>-</u> |
| <u>(11,801,420)</u> | <u>306,596</u> | <u>(11,494,824)</u> | <u>-</u> |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>(151,443)</u> |
| 5,038,326 | - | 5,038,326 | 177,982 |
| 2,713,852 | - | 2,713,852 | - |
| 624,591 | - | 624,591 | - |
| 163,461 | - | 163,461 | - |
| 104,580 | - | 104,580 | - |
| 98,595 | - | 98,595 | - |
| 53,796 | 1,252 | 55,048 | 196 |
| 205,424 | 21,766 | 227,190 | 47,899 |
| <u>9,002,625</u> | <u>23,018</u> | <u>9,025,643</u> | <u>226,077</u> |
| <u>(2,798,795)</u> | <u>329,614</u> | <u>(2,469,181)</u> | <u>74,634</u> |
| 1,590,939 | (1,082,074) | 508,865 | 122,258 |
| (7,099,701) | (147,024) | (7,246,725) | - |
| <u>(5,508,762)</u> | <u>(1,229,098)</u> | <u>(6,737,860)</u> | <u>122,258</u> |
| <u>\$ (8,307,557)</u> | <u>\$ (899,484)</u> | <u>\$ (9,207,041)</u> | <u>\$ 196,892</u> |

Village of Calumet Park, Illinois
Balance Sheet - General Fund
April 30, 2020

| | General | TIF 2 |
|--|---------------------|---------------------|
| Assets | | |
| Cash and cash equivalents | \$ 909,470 | \$ 29,666 |
| Investment in real estate | - | - |
| Accounts receivable | 94,432 | - |
| Property taxes receivable | 2,468,173 | - |
| Grants receivable | 40,057 | - |
| Due from other funds | 3,793,771 | 984,251 |
| Due from other governments | 425,116 | - |
| Prepaid items | 78,910 | - |
| Total assets | \$ 7,809,929 | \$ 1,013,917 |
| Liabilities | | |
| Accounts payable | \$ 370,695 | \$ - |
| Accrued interest | 3,719 | - |
| Due to other funds | 1,494,232 | 121,525 |
| Unearned revenue - other | 15,160 | - |
| Tax anticipation warrant payable | 800,000 | - |
| Total liabilities | 2,683,806 | 121,525 |
| Deferred Inflows of Resources | | |
| Property taxes | 2,402,821 | - |
| Deferred grant revenue | 40,057 | - |
| | 2,442,878 | - |
| Fund Balances | | |
| Nonspendable | 78,910 | - |
| Spendable: | | |
| Restricted by state statute | - | 892,392 |
| Restricted for grant purposes | - | - |
| Restricted for debt service | - | - |
| Restricted for capital outlay | - | - |
| Assigned for police activities | - | - |
| Unassigned | 2,604,335 | - |
| Total fund balances | 2,683,245 | 892,392 |
| Total liabilities, deferred inflows and fund balances | \$ 7,809,929 | \$ 1,013,917 |

See accompanying notes and independent auditor's report.

| TIF 3 | Debt Service | Capital Projects | Nonmajor Governmental Funds | Total Governmental Funds |
|-------------------|---------------------|---------------------|-----------------------------|--------------------------|
| \$ 231,057 | \$ 1,078,283 | \$ 2,075,151 | \$ 575,933 | \$ 4,899,560 |
| - | - | 260,000 | - | 260,000 |
| - | - | - | - | 94,432 |
| 143,482 | 299,390 | - | 70,791 | 2,981,836 |
| - | - | - | 141,323 | 181,380 |
| 13,539 | 4,259 | 108,926 | 730,569 | 5,635,315 |
| - | - | - | 23,238 | 448,354 |
| - | - | - | - | 78,910 |
| \$ 388,078 | \$ 1,381,932 | \$ 2,444,077 | \$ 1,541,854 | \$ 14,579,787 |
| \$ 177,318 | \$ - | \$ - | \$ 58,053 | \$ 606,066 |
| - | - | - | - | 3,719 |
| 555,144 | 536,789 | 116,046 | 413,671 | 3,237,407 |
| - | - | - | - | 15,160 |
| - | - | - | - | 800,000 |
| 732,462 | 536,789 | 116,046 | 471,724 | 4,662,352 |
| 141,514 | 289,754 | - | 70,791 | 2,904,880 |
| - | - | - | 141,323 | 181,380 |
| 141,514 | 289,754 | - | 212,114 | 3,086,260 |
| - | - | - | - | 78,910 |
| - | - | - | 793,894 | 1,686,286 |
| - | - | - | 276,644 | 276,644 |
| - | 555,389 | - | - | 555,389 |
| - | - | 2,328,031 | 45,486 | 2,373,517 |
| - | - | - | 27,041 | 27,041 |
| (485,898) | - | - | (285,049) | 1,833,388 |
| (485,898) | 555,389 | 2,328,031 | 858,016 | 6,831,175 |
| \$ 388,078 | \$ 1,381,932 | \$ 2,444,077 | \$ 1,541,854 | \$ 14,579,787 |

Village of Calumet Park, Illinois
Reconciliation of Balance Sheet of Governmental Funds
to the Statement of Net Position
April 30, 2020

| | |
|--|-----------------------|
| Total fund balance - governmental funds (page 9) | \$ 6,831,175 |
| <p>Amounts reported for governmental activities in the statement of net position are different because:</p> | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 12,041,022 |
| Revenues are recognized for governmental activities when earned, regardless of when collected, and not deferred on the statement of net position. | 3,086,260 |
| 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. | (353,402) |
| 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. | 78 |
| <p>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:</p> | |
| General obligation bonds payable | (8,100,000) |
| Capital lease obligation | (492,481) |
| Interest payable | (158,224) |
| Compensated absences payable | (589,486) |
| Total other postemployment benefit liability | (9,214,483) |
| Net pension liability | (11,852,498) |
| Difference in pension-related items on deferred outflows | 1,251,755 |
| Difference in pension-related items on deferred inflows | <u>(757,273)</u> |
| Net position of governmental activities (page 5) | <u>\$ (8,307,557)</u> |

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, 2020

| | General | TIF 2 |
|--|------------------|------------------|
| Revenues: | | |
| Property taxes | \$ 4,254,530 | \$ 419,894 |
| Other taxes | 612,155 | - |
| Licenses and permits | 440,440 | - |
| Intergovernmental | 2,424,728 | - |
| Local government debt recovery program | 163,461 | - |
| Grant revenue | 16,778 | - |
| Fines and forfeitures | 170,701 | - |
| Service charges and fees | 812,246 | - |
| Recreation program fees | 83,727 | - |
| Interest income | 1,355 | 7,308 |
| Other | 171,136 | - |
| | 9,151,257 | 427,202 |
| Expenditures: | | |
| Current: | | |
| Administration | 1,664,129 | 1,500 |
| Building | 238,304 | - |
| Police | 3,029,144 | - |
| Fire | 1,630,932 | - |
| Street and alley | 1,511,781 | - |
| Recreation | 710,113 | - |
| Police pension | 796,782 | - |
| Debt service: | | |
| Principal | 83,247 | 1,295,000 |
| Interest | 30,730 | 48,911 |
| Fees | - | - |
| Capital outlay | - | - |
| Miscellaneous | - | - |
| | 9,695,162 | 1,345,411 |
| Revenues over (under) expenditures before other financing sources | (543,905) | (918,209) |

(cont'd)

| <u>TIF 3</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|------------------|---------------------|-------------------------|------------------------------------|---------------------------------|
| \$ 240,581 | \$ 596,938 | \$ - | \$ 147,462 | \$ 5,659,405 |
| - | - | - | 12,436 | 624,591 |
| - | - | - | - | 440,440 |
| - | - | - | 289,124 | 2,713,852 |
| - | - | - | - | 163,461 |
| - | - | 4,515 | 201,650 | 222,943 |
| - | - | - | 1,307 | 172,008 |
| - | - | - | - | 812,246 |
| - | - | - | - | 83,727 |
| 649 | 12 | 43,298 | 1,174 | 53,796 |
| - | - | - | 5,974 | 177,110 |
| <u>241,230</u> | <u>596,950</u> | <u>47,813</u> | <u>659,127</u> | <u>11,123,579</u> |
| 1,400 | - | 25 | - | 1,667,054 |
| - | - | - | - | 238,304 |
| - | - | - | - | 3,029,144 |
| - | - | - | 20,628 | 1,651,560 |
| - | - | - | 293,498 | 1,805,279 |
| - | - | - | - | 710,113 |
| - | - | - | - | 796,782 |
| 421,275 | 375,000 | - | 90,000 | 2,264,522 |
| 13,212 | 387,348 | - | 9,221 | 489,422 |
| - | 595 | - | - | 595 |
| 24,826 | - | 531,729 | 251,840 | 808,395 |
| - | - | - | 2,054 | 2,054 |
| <u>460,713</u> | <u>762,943</u> | <u>531,754</u> | <u>667,241</u> | <u>13,463,224</u> |
| <u>(219,483)</u> | <u>(165,993)</u> | <u>(483,941)</u> | <u>(8,114)</u> | <u>(2,339,645)</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, 2020

| | General | TIF 2 |
|---------------------------------------|--------------|------------|
| Other financing sources: | | |
| Capital lease obligation proceeds | \$ 228,478 | \$ - |
| Total other financing sources | 228,478 | - |
| Net changes in fund balances | (315,427) | (918,209) |
| Fund balances, beginning of the year, | 2,998,672 | 1,810,601 |
| Fund balances, end of the year | \$ 2,683,245 | \$ 892,392 |

See accompanying notes and independent auditor's report.

| <u>TIF 3</u> | <u>Debt Service</u> | <u>Capital Projects</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---------------------|---------------------|-------------------------|------------------------------------|---------------------------------|
| - | \$ - | \$ - | \$ - | \$ 228,478 |
| - | - | - | - | 228,478 |
| (219,483) | (165,993) | (483,941) | (8,114) | (2,111,167) |
| (266,415) | 721,382 | 2,811,972 | 866,130 | 8,942,342 |
| \$ (485,898) | \$ 555,389 | \$ 2,328,031 | \$ 858,016 | \$ 6,831,175 |

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, 2020

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) | \$ (2,111,167) |
| 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 depreciation exceeded capital outlay in the current period. | 55,169 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | (439,700) |
| 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. | 2,068,638 |
| The net effect of changes in the net pension liability and deferred inflows and outflows related to pensions is reported as an expense in the statement of activities. | (292,763) |
| The net effect of changes in the total OPEB liability is reported as an expense in the statement of activities. | (2,114,782) |
| 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: | |
| Decrease in compensated absences payable | 8,399 |
| Increase in interest payable | <u>27,411</u> |
| Changes in net position of governmental activities (page 7) | <u>\$ (2,798,795)</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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|---------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 3,650,000 | \$ 3,650,000 | \$ 4,254,530 | \$ 604,530 |
| Other taxes | 823,000 | 823,000 | 612,155 | (210,845) |
| Licenses and permits | 403,000 | 403,000 | 440,440 | 37,440 |
| Intergovernmental | 2,463,000 | 2,463,000 | 2,424,728 | (38,272) |
| Local government debt recovery | 220,000 | 220,000 | 163,461 | (56,539) |
| Grant revenue | 66,000 | 66,000 | 16,778 | (49,222) |
| Fines and forfeitures | 234,000 | 234,000 | 170,701 | (63,299) |
| Service charges and fees | 713,100 | 713,100 | 812,246 | 99,146 |
| Recreation program fees | 120,000 | 120,000 | 83,727 | (36,273) |
| Interest income | 1,000 | 1,000 | 1,355 | 355 |
| Other | 151,000 | 151,000 | 171,136 | 20,136 |
| Total revenues | 8,844,100 | 8,844,100 | 9,151,257 | 307,157 |
| Expenditures: | | | | |
| Current: | | | | |
| Administration | 1,381,307 | 1,381,307 | 1,664,129 | (282,822) |
| Building | 289,838 | 289,838 | 238,304 | 51,534 |
| Police | 2,678,981 | 2,678,981 | 3,029,144 | (350,163) |
| Fire | 1,344,520 | 1,344,520 | 1,630,932 | (286,412) |
| Street and alley | 1,342,046 | 1,342,046 | 1,511,781 | (169,735) |
| Recreation | 684,286 | 684,286 | 710,113 | (25,827) |
| Police pension | 816,254 | 816,254 | 796,782 | 19,472 |
| Debt service: | | | | |
| Principal | 47,857 | 47,857 | 83,247 | (35,390) |
| Interest | - | - | 30,730 | (30,730) |
| Total expenditures | 8,585,089 | 8,585,089 | 9,695,162 | (1,110,073) |
| Revenues over (under) expenditures before other financing sources | 259,011 | 259,011 | (543,905) | (802,916) |

(cont'd)

**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, 2020**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|---------------------|---|
| Other financing sources - capital lease obligation proceeds | - | - | 228,478 | 228,478 |
| Net changes in fund balance | \$ 259,011 | \$ 259,011 | (315,427) | \$ (574,438) |
| Fund balance, beginning of the year | | | 2,998,672 | |
| Fund balance, end of the year | | | \$ 2,683,245 | |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|---------------------|---------------------|-------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 1,200,000 | \$ 1,200,000 | \$ 419,894 | \$ (780,106) |
| Interest income | 200 | 200 | 7,308 | 7,108 |
| Total revenues | <u>1,200,200</u> | <u>1,200,200</u> | <u>427,202</u> | <u>(772,998)</u> |
| Expenditures: | | | | |
| Current - street and alley | 16,000 | 16,000 | 1,500 | 14,500 |
| Debt service: | | | | |
| Principal | 1,295,000 | 1,295,000 | 1,295,000 | - |
| Interest | 48,928 | 48,928 | 48,911 | 17 |
| Fees | 5,000 | 5,000 | - | 5,000 |
| Total expenditures | <u>1,364,928</u> | <u>1,364,928</u> | <u>1,345,411</u> | <u>19,517</u> |
| Net changes in fund balance | <u>\$ (164,728)</u> | <u>\$ (164,728)</u> | <u>(918,209)</u> | <u>\$ (753,481)</u> |
| Fund balance, beginning of the year | | | <u>1,810,601</u> | |
| Fund balance, end of the year | | | <u>\$ 892,392</u> | |

See accompanying notes and independent auditor's report.

Village of Calumet Park, Illinois
TIF 3 Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended April 30, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|------------------|---------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 115,000 | \$ 115,000 | \$ 240,581 | \$ 125,581 |
| Interest income | 2,000 | 2,000 | 649 | (1,351) |
| Total revenues | <u>117,000</u> | <u>117,000</u> | <u>241,230</u> | <u>124,230</u> |
| Expenditures: | | | | |
| Current - street and alley | 12,000 | 12,000 | 1,400 | 10,600 |
| Debt service: | | | | |
| Principal | - | - | 421,275 | (421,275) |
| Interest | - | - | 13,212 | (13,212) |
| Capital outlay | 70,000 | 70,000 | 24,826 | 45,174 |
| Miscellaneous | 2,000 | 2,000 | - | 2,000 |
| Total expenditures | <u>84,000</u> | <u>84,000</u> | <u>460,713</u> | <u>(376,713)</u> |
| Net changes in fund balance | <u>\$ 33,000</u> | <u>\$ 33,000</u> | <u>(219,483)</u> | <u>\$ (252,483)</u> |
| Fund deficit, beginning of the year | | | <u>(266,415)</u> | |
| Fund deficit, end of the year | | | <u>\$ (485,898)</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, 2020

| | Water and Sewer | Refuse |
|--|--------------------|---------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ - | \$ 610,768 |
| Accounts receivable: | | |
| Customers | 428,265 | 149,315 |
| Due from other funds | 839,230 | - |
| Total current assets | 1,267,495 | 760,083 |
| Capital assets: | | |
| Buildings and improvements | 2,799,363 | - |
| Equipment | 1,002,591 | - |
| Less accumulated depreciation | (2,389,545) | - |
| Total capital assets | 1,412,409 | - |
| Net pension asset | - | - |
| Total assets | 2,679,904 | 760,083 |
| Deferred outflows of resources: | | |
| Pension-related - actuarial | 38,598 | - |
| Pension-related - contributions | 15,677 | - |
| Total deferred outflows of resources | 54,275 | - |
| Total assets and deferred outflows of resources | 2,734,179 | 760,083 |
| Liabilities: | | |
| Accounts payable | 64,229 | 92,235 |
| Other liabilities | 17,940 | - |
| Due to other funds | 1,110,338 | 969,962 |
| Total current liabilities | 1,192,507 | 1,062,197 |
| Net pension liability | 142,325 | - |
| Net OPEB liability | 642,688 | - |
| Total noncurrent liabilities | 785,013 | - |
| Total liabilities | 1,977,520 | 1,062,197 |
| Deferred inflows of resources: | | |
| Pension-related - actuarial | 72,673 | - |
| Total liabilities and deferred inflows of resources | 2,050,193 | 1,062,197 |
| Net position (deficit): | | |
| Net investment in capital assets | 1,412,409 | - |
| Unrestricted | (728,423) | (302,114) |
| Total net position (deficit) | \$ 683,986 | \$ (302,114) |

See accompanying notes and independent auditor's report.

| Regional Communication Center | Total |
|-------------------------------------|--------------|
| \$ - | \$ 610,768 |
| - | 577,580 |
| 199,087 | 1,038,317 |
| 199,087 | 2,226,665 |
| - | 2,799,363 |
| 8,019 | 1,010,610 |
| (1,604) | (2,391,149) |
| 6,415 | 1,418,824 |
| 81,201 | 81,201 |
| 286,703 | 3,726,690 |
| - | 38,598 |
| - | 15,677 |
| - | 54,275 |
| 286,703 | 3,780,965 |
| 127,939 | 284,403 |
| - | 17,940 |
| 1,431,345 | 3,511,645 |
| 1,559,284 | 3,813,988 |
| - | 142,325 |
| - | 642,688 |
| - | 785,013 |
| 1,559,284 | 4,599,001 |
| 8,775 | 81,448 |
| 1,568,059 | 4,680,449 |
| 6,415 | 1,418,824 |
| (1,287,771) | (2,318,308) |
| \$ (1,281,356) | \$ (899,484) |

**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, 2020**

| | Water and Sewer | Refuse |
|---|--------------------|---------------------|
| Operating revenues: | | |
| Water charges | \$ 1,694,998 | \$ - |
| Sewer charges | 622,752 | - |
| Refuse charges | - | 628,834 |
| Dispatch charges | - | - |
| Total operating revenues | 2,317,750 | 628,834 |
| Operating expenses: | | |
| Salaries and wages | 165,470 | - |
| Insurance and benefits | 243,981 | - |
| Contractual services | 1,533,312 | 588,658 |
| Supplies and materials | 62,939 | - |
| Miscellaneous | 52 | - |
| Depreciation | 137,102 | - |
| Total operating expenses | 2,142,856 | 588,658 |
| Operating income (loss) | 174,894 | 40,176 |
| Nonoperating income: | | |
| Interest | 1,098 | - |
| Miscellaneous | 21,766 | - |
| Total nonoperating income | 22,864 | - |
| Changes in net position (deficit) | 197,758 | 40,176 |
| Net position (deficit), beginning of the year, as previously reported | 981,415 | (342,290) |
| Prior period adjustment | (495,187) | - |
| Net position (deficit), beginning of the year, as restated | 486,228 | (342,290) |
| Net position (deficit), end of the year | \$ 683,986 | \$ (302,114) |

See accompanying notes and independent auditor's report.

| Regional Communication Center | Total |
|-------------------------------------|--------------|
| \$ - | \$ 1,694,998 |
| - | 622,752 |
| - | 628,834 |
| 1,567,708 | 1,567,708 |
| 1,567,708 | 4,514,292 |
| 100,446 | 265,916 |
| 33,152 | 277,133 |
| 1,326,084 | 3,448,054 |
| 13,312 | 76,251 |
| 1,584 | 1,636 |
| 1,604 | 138,706 |
| 1,476,182 | 4,207,696 |
| 91,526 | 306,596 |
| 154 | 1,252 |
| - | 21,766 |
| 154 | 23,018 |
| 91,680 | 329,614 |
| (1,721,199) | (1,082,074) |
| 348,163 | (147,024) |
| (1,373,036) | (1,229,098) |
| \$ (1,281,356) | \$ (899,484) |

Village of Calumet Park, Illinois
Proprietary Funds - Enterprise Fund
Statement of Cash Flows
For the Year Ended April 30, 2020

| | Water and Sewer | Refuse |
|---|--------------------|-------------------|
| Cash flows from operating activities: | | |
| Cash received from customers | \$ 2,281,265 | \$ 610,759 |
| Cash received from other sources | 21,766 | - |
| Cash payments to vendors for goods and services | (1,796,751) | (541,531) |
| Cash payments to employees | (159,955) | - |
| | <u>346,325</u> | <u>69,228</u> |
| Net cash from operating activities | | |
| Cash flows from capital financing activities: | | |
| Acquisition of capital assets | (106,081) | - |
| | <u>(106,081)</u> | <u>-</u> |
| Cash flows from noncapital financing activities: | | |
| Advances from other funds | (241,342) | 541,540 |
| | <u>(241,342)</u> | <u>541,540</u> |
| Cash flows from investing activities - interest income | 1,098 | - |
| | <u>1,098</u> | <u>-</u> |
| Net decrease in cash | - | 610,768 |
| Cash and cash equivalents, beginning of the year | - | - |
| | <u>-</u> | <u>-</u> |
| Cash and cash equivalents, end of the year | \$ - | \$ 610,768 |
| | <u>\$ -</u> | <u>\$ 610,768</u> |
| Reconciliation of operating income (loss) to cash from operating activities: | | |
| Operating income (loss) | \$ 174,894 | \$ 40,176 |
| Adjustments to reconcile operating income (loss) to net cash from operating activities: | | |
| Depreciation | 137,102 | - |
| Nonoperating income - miscellaneous | 21,766 | - |
| Decrease in accounts receivable | (36,485) | (18,075) |
| Increase in net pension asset | - | - |
| Increase in accounts payable | (94,824) | 47,127 |
| Decrease in other liabilities | 5,515 | - |
| Decrease in pension-related deferred outflows | 55,079 | - |
| Increase in pension-related deferred inflows | 26,092 | - |
| Decrease in net pension liability | (90,315) | - |
| Decrease in net OPEB liability | 147,501 | - |
| | <u>147,501</u> | <u>-</u> |
| Net cash from operations | <u>\$ 346,325</u> | <u>\$ 69,228</u> |

See accompanying notes and independent auditor's report.

| Regional Communication Center | Total |
|-------------------------------------|-------------------|
| \$ 1,591,458 | \$ 4,483,482 |
| - | 21,766 |
| (1,346,903) | (3,685,185) |
| (131,225) | (291,180) |
| 113,330 | 528,883 |
| (8,019) | (114,100) |
| (105,465) | 194,733 |
| 154 | 1,252 |
| - | 610,768 |
| - | - |
| \$ - | \$ 610,768 |
| | |
| \$ 91,526 | \$ 306,596 |
| 1,604 | 138,706 |
| - | 21,766 |
| 23,750 | (30,810) |
| (42,229) | (42,229) |
| 25,620 | (22,077) |
| (30,779) | (25,264) |
| 35,063 | 90,142 |
| 8,775 | 34,867 |
| - | (90,315) |
| - | 147,501 |
| \$ 113,330 | \$ 528,883 |

**Village of Calumet Park, Illinois
Fiduciary Funds
Statement of Net Position
April 30, 2020**

| Assets | Total | Pension Trust Fund <u>Police Pension Fund</u> | Agency Fund <u>Performance Bond Fund</u> |
|--|---------------------|---|--|
| Assets: | | | |
| Cash and cash equivalents | \$ 887,622 | \$ 741,482 | \$ 146,140 |
| Investments | 7,880,857 | 7,880,857 | - |
| Interest receivable | 15,901 | 15,901 | - |
| Due from municipality | 11,539 | 11,539 | - |
| Due from other funds | 81,440 | 1,978 | 79,462 |
| Total assets | \$ 8,877,359 | \$ 8,651,757 | \$ 225,602 |
| Liabilities and Net Position | | | |
| Liabilities: | | | |
| Accounts payable | \$ 9,519 | \$ 2,019 | \$ 7,500 |
| Due to other funds | 6,020 | - | 6,020 |
| Deposits held | 212,082 | - | 212,082 |
| Total liabilities | 227,621 | 2,019 | 225,602 |
| Net position restricted for pension benefits | 8,649,738 | 8,649,738 | - |
| Total liabilities and net position | \$ 8,877,359 | \$ 8,651,757 | \$ 225,602 |

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, 2020**

| | |
|-------------------------------------|---------------------|
| Additions: | |
| Contributions: | |
| Employer | \$ 796,782 |
| Employee | 149,554 |
| | <hr/> |
| Total contributions | 946,336 |
| | <hr/> |
| Other income: | |
| Investment income | 356,413 |
| Less investment expenses | (5,919) |
| Valuation income | (307,520) |
| Other income | 129 |
| | <hr/> |
| Total other income | 43,103 |
| | <hr/> |
| Total additions | 989,439 |
| | <hr/> |
| Deductions: | |
| Benefits and refunds | 1,037,823 |
| Administrative | 24,253 |
| | <hr/> |
| Total deductions | 1,062,076 |
| | <hr/> |
| Changes in net position | (72,637) |
| | <hr/> |
| Net position, beginning of the year | 8,722,375 |
| | <hr/> |
| Net position, end of the year | \$ 8,649,738 |
| | <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.

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)**

TIF 3 Fund – The TIF 3 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.

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.

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)

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 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.

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)

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.

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.

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)

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.
- 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 \$76,830,637 for the calendar year 2019.

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 10 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. Short-Term Taxable Note

The Village entered into a short-term general obligation taxable note dated November 19, 2019, and maturing September 1, 2020, which allowed for borrowings equal to the greater of the prime rate plus 1%, or 5.25%. The Village drew down \$850,000 and repaid \$50,000 on the warrants in the current year, and the outstanding balance at April 30, 2020, is \$800,000.

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)

6. Short-Term Taxable Note (cont'd)

The Village previously entered into a short-term general obligation taxable note dated November 19, 2018, that matured November 1, 2019, which allowed for borrowings equal to the greater of the prime rate plus 1%, or 5.25%. The balance outstanding of \$435,500 at April 30, 2019, was repaid in the current year.

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:

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)

- 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.
- 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 balance of the Foreign Fire Insurance Tax Fund is restricted by Illinois statutes. 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 2018 bond issue, and the Series 2014B bond issue, respectively.

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)

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. There was no committed fund balance at April 30, 2020.

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."

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

II. 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)

The details of this difference are as follows:

| | | |
|---|----|--------------------|
| Capital outlay | \$ | 1,062,299 |
| Depreciation | | <u>(1,007,130)</u> |
| Net decrease to net changes in fund balances - total governmental funds to arrive at change in net position of governmental activities | | |
| | \$ | <u>55,169</u> |

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 \$2,068,638 difference are as follows:

| | | |
|--|----|------------------|
| Principal repayments – general obligation debt | \$ | 1,760,000 |
| Principal repayments – capital lease obligation | | 504,522 |
| Proceeds from capital lease obligations | | (228,478) |
| Discount on debt issued: | | |
| Amortization of prior year discounts on debt issued | | (159) |
| Premium on debt issued: | | |
| Amortization of prior year premiums on debt issued | | <u>32,753</u> |
| Net adjustment to increase net changes in fund balance – total governmental funds to arrive at changes in net position of governmental activities | | |
| | \$ | <u>2,068,638</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, and 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 911, DCEO, TIF 6, Foreign Fire Insurance Tax, and Asset Seizure Funds, the Capital Projects Funds, Police Pension Fund, 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 \$1,110,073. The administration department exceeded budget by \$282,822 due to higher than anticipated health and liability insurance premiums. Another significant portion of this excess, \$286,412, was in the fire department due to recognition of full cost of an ambulance acquired via capital lease, for which there is an offsetting other financing source for capital lease obligation proceeds of \$228,478. Expenditures also exceeded budget in the following funds:

| Fund Name | Excess |
|------------------|------------|
| TIF 3 | \$ 376,713 |
| Debt Service | 130,195 |
| Water (sub fund) | 325,433 |
| Sewer (sub fund) | 5,996 |
| Refuse | 24,710 |
| Police Pension | 79,076 |

- 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 Village has the following deficit fund balances at April 30, 2020:

| Fund Name | Fund Deficit |
|-----------------------------|--------------|
| Special Revenue Funds: | |
| TIF 3 | \$ 485,898 |
| TIF 5 | 106,161 |
| TIF 6 | 700 |
| Invest in Cook County Grant | 137,689 |
| Grant Projects | 31,856 |
| Asset Seizure | 643 |
| Capital Projects Fund: | |
| Overhead Sewer | 8,000 |
| Enterprise Funds: | |
| Refuse | 302,114 |
| Regional Communication | 1,281,356 |

Funding of the deficit in the TIF 3 and TIF 6 Funds is expected to come from future tax increments and transfers from the General Fund. Funding of the deficit in the TIF 5 Fund and the Overhead Sewer Fund are expected to come from transfers from the General Fund. Funding of the Invest in Cook County Grant, Grant Projects, and Asset Seizure Funds fund deficits are expected to come from future grant revenues.

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.

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

IV. Detailed Notes On All Funds

A. Deposits and Investments

Deposits – At year end, the carrying amount of the Village's deposits was \$2,565,143, and the bank balance was \$2,595,726. The Village's primary government also had deposits in money market funds treated as cash equivalents with a carrying value of \$3,823,814 and a bank balance of \$3,823,814. Cash on hand was \$8,993.

| | | |
|---|-----------|-------------------------|
| Carrying amount of deposits | \$ | 2,565,143 |
| Carrying amount of money market funds | | 3,823,814 |
| Petty cash | | <u>8,993</u> |
| | \$ | <u>6,397,950</u> |
| | | |
| Cash and cash equivalents per financial statements: | | |
| Governmental activities | \$ | 4,899,560 |
| Business-type activities | | 610,768 |
| Fiduciary activities | | <u>887,622</u> |
| | \$ | <u>6,397,950</u> |

The carrying amount of the discretely presented component unit (Calumet Park Public Library) was \$74,646 and a bank balance of \$75,387. The component unit also has funds invested with the Illinois Funds with a carrying amount and bank balance of \$9,848, which is being treated as a cash equivalent.

Investments – As of April 30, 2020, 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 | \$ 4,027,390 | \$ 4,027,390 | \$ - | \$ - |
| Certificates of deposit | 3,650,763 | 1,821,557 | 1,829,206 | - |
| U.S. Treasury notes | <u>202,704</u> | <u>202,704</u> | <u>-</u> | <u>-</u> |
| Total investments | <u>\$ 7,880,857</u> | <u>\$ 6,051,651</u> | <u>\$ 1,829,206</u> | <u>\$ -</u> |

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)

The Police Pension Fund had the following recurring fair value measurements at April 30, 2020:

| Type of Investment | Fair Value | Level 1 | Level 2 | Level 3 |
|--------------------------|---------------------|---------------------|---------------------|-------------|
| Pension Fund | | | | |
| Mutual funds | \$ 4,027,390 | \$ 4,027,390 | \$ - | \$ - |
| Certificates of deposit | 3,650,763 | - | 3,650,763 | - |
| U.S. Treasury notes | 202,704 | - | 202,704 | - |
| Total investments | \$ 7,880,857 | \$ 4,027,390 | \$ 3,853,467 | \$ - |

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.

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.

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)

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 (\$2,981,836), intergovernmental revenues (\$448,353), grants (\$161,600) and customer and other accounts (\$114,213). 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, 2020, 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, 2020, is as follows:

| | Balances May 1, 2019 | Additions | Retirements | Balances April 30, 2020 |
|---|-------------------------|------------------|-------------|----------------------------|
| Governmental Activities | | | | |
| Capital assets not being depreciated - land | \$ 1,245,417 | \$ 251,028 | \$ - | \$ 1,496,445 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 6,465,737 | 34,482 | - | 6,500,219 |
| Infrastructure | 6,247,538 | 250,223 | - | 6,497,761 |
| Equipment | 5,755,334 | 161,886 | - | 5,917,220 |
| Vehicles | 4,314,751 | 364,680 | - | 4,679,431 |
| | <u>22,783,360</u> | <u>811,271</u> | <u>-</u> | <u>23,594,631</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 2,128,289 | 165,048 | - | 2,293,337 |
| Infrastructure | 2,736,243 | 323,889 | - | 3,060,132 |
| Equipment | 3,207,801 | 393,226 | - | 3,601,027 |
| Vehicles | 3,970,591 | 124,967 | - | 4,095,558 |
| | <u>12,042,924</u> | <u>1,007,130</u> | <u>-</u> | <u>13,050,054</u> |
| Total capital assets being depreciated, net | <u>10,740,436</u> | <u>(195,859)</u> | <u>-</u> | <u>10,544,577</u> |
| Governmental activities, capital assets, net | <u>\$ 11,985,853</u> | <u>\$ 55,169</u> | <u>\$ -</u> | <u>\$ 12,041,022</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, 2019 | Additions | Retirements | Balances April 30, 2020 |
|--|-------------------------|--------------------|-------------|----------------------------|
| Business-type Activities | | | | |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | \$ 2,799,363 | \$ - | \$ - | \$ 2,799,363 |
| Equipment | 896,512 | 114,100 | - | 1,010,612 |
| | 3,695,875 | 114,100 | - | 3,809,975 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 1,576,709 | 92,735 | - | 1,669,444 |
| Equipment | 675,736 | 45,971 | - | 721,707 |
| | 2,252,445 | 138,706 | - | 2,391,151 |
| Business-type activities, capital assets, net | \$ 1,443,430 | \$ (24,606) | \$ - | \$ 1,418,824 |

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

| | |
|--|---------------------|
| General government | \$ 341,725 |
| Public safety | 578,863 |
| Public works | 45,693 |
| Culture and recreation | 40,849 |
| Total depreciation – governmental activities | \$ 1,007,130 |
| Water and sewer | 137,102 |
| Regional Communication Center | 1,604 |
| Total depreciation – business-type activities | \$ 138,706 |

Capital asset activity for the component unit for the year ended April 30, 2020, 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, 2019</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balances</u> <u>April 30, 2020</u> |
|--|---------------------------------------|--------------------------|--------------------|--|
| Capital assets being depreciated – building improvements and equipment | \$ 59,272 | \$ - | \$ - | \$ 59,272 |
| Less accumulated depreciation for building improvements and equipment | <u>45,253</u> | <u>2,004</u> | <u>-</u> | <u>47,257</u> |
| Total capital assets being depreciated, net | <u>\$ 14,019</u> | <u>\$ (2,004)</u> | <u>\$ -</u> | <u>\$ 12,015</u> |

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of April 30, 2020, is as follows:

| <u>Fund</u> | <u>Due From</u> | <u>Due To</u> |
|--------------------------------|-----------------|---------------|
| General Fund: | | |
| TIF 2 | \$ 48,556 | \$ 435,272 |
| TIF 3 | 83,858 | |
| Debt Service | 473,556 | 804 |
| Capital Projects | 53,928 | 43,181 |
| Nonmajor Governmental | 170,372 | 728,036 |
| Water and Sewer | 1,104,300 | 205,499 |
| Refuse | 426,814 | - |
| Regional Communications Center | 1,429,687 | - |
| Fiduciary (Agency) Fund | 2,700 | 81,440 |
| TIF 2 Fund: | | |
| General | 435,272 | 48,556 |
| TIF 3 | 278,237 | 13,539 |
| Debt Service | 60,333 | - |
| Capital Projects | - | 59,430 |
| Nonmajor Governmental Funds | 210,409 | - |
| TIF 3 Fund: | | |
| General | - | 83,858 |
| TIF 2 | 13,539 | 278,237 |
| Regional Communication Center | - | 193,049 |

(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 |
|--|---------------------|---------------------|
| Debt Service Fund: | | |
| General | \$ 804 | \$ 473,556 |
| TIF 2 | - | 59,733 |
| TIF 3 | - | 600 |
| Capital Projects | - | 2,900 |
| Nonmajor Governmental Funds | 3,455 | - |
| Capital Projects Fund: | | |
| General | 43,181 | 53,928 |
| TIF 2 | 59,430 | - |
| Debt Service | 2,900 | - |
| Nonmajor Governmental Funds | 3,415 | - |
| Water and Sewer | - | 62,118 |
| Nonmajor Governmental Funds: | | |
| General | 728,036 | 170,372 |
| TIF 2 | - | 210,409 |
| Debt Service | - | 3,455 |
| Capital Projects | - | 3,415 |
| Nonmajor Governmental Funds | 33 | 33 |
| Water and Sewer | - | 25,987 |
| Fiduciary (Agency) Fund | 2,500 | - |
| Water and Sewer Fund: | | |
| General | 205,499 | 1,104,300 |
| Capital Projects | 62,118 | - |
| Nonmajor Governmental Funds | 25,987 | - |
| Refuse | 543,148 | - |
| Regional Communication Center | 1,658 | 6,038 |
| Fiduciary (Agency) Fund | 820 | - |
| Refuse Fund: | | |
| General | - | 426,814 |
| Water | - | 543,148 |
| Regional Communication Center Fund: | | |
| General | - | 1,429,687 |
| TIF 3 | 193,049 | - |
| Water and Sewer | 6,038 | 1,658 |
| Fiduciary (Agency) Fund: | | |
| General | 81,440 | 2,700 |
| Nonmajor Governmental Funds | - | 2,500 |
| Water and Sewer | - | 820 |
| | <u>\$ 6,755,072</u> | <u>\$ 6,755,072</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.

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

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

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, 2020:

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, 2019, was \$790,000 and principal and interest paid in the current year was \$790,000 and \$30,020, 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, 2019, was \$515,000 and principal and interest paid in the current year was \$345,000 and \$19,910, 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, 2019, was \$295,000 and principal and interest paid in the current year was \$295,000 and \$14,750, 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, 2019, was \$4,315,000 and principal and interest paid in the current year was \$30,000 and \$232,838, 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)

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, 2019, was \$210,000 and principal and interest paid in the current year was \$210,000 and \$4,158, 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, 2019, was \$370,000 and principal and interest paid in the current year was \$90,000 and \$9,250, respectively.

The 2018 General Obligation Bonds Series, with an original principal balance of \$3,365,000, requires annual principal payments ranging from \$205,000 to \$325,000 commencing December 1, 2023, through December 1, 2033, and semiannual interest payments on June 1 and December 1 at 4.00%. The balance outstanding at April 30, 2019, was \$3,365,000. No principal was paid in the current year and interest paid in the current year was \$134,600.

A summary of the general obligation bonds outstanding at April 30, 2020, follows:

| | <u>Outstanding</u> |
|---|---------------------|
| 2010B General Obligation Bond Series | \$ 170,000 |
| 2014B General Obligation Bonds Series | 4,285,000 |
| 2015B General Obligation Tax Increment Refunding Bonds Series | 280,000 |
| 2018 General Obligation Bonds Series | 3,365,000 |
| Total general obligation bonds | \$ 8,100,000 |

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 |
|--------------------------|----------------------|---------------------|---------------------|
| 2021 | \$ 839,738 | \$ 460,000 | \$ 379,738 |
| 2022 | 865,812 | 505,000 | 360,812 |
| 2023 | 854,988 | 515,000 | 339,988 |
| 2024 | 763,587 | 445,000 | 318,587 |
| 2025 | 768,538 | 470,000 | 298,538 |
| 2026 - 2030 | 3,814,825 | 2,665,000 | 1,149,825 |
| 2031 – 2035 | 3,489,675 | 3,040,000 | 449,675 |
| | <u>\$ 11,397,163</u> | <u>\$ 8,100,000</u> | <u>\$ 3,297,163</u> |

Capital Lease Obligations – The Village had the following capital lease obligations outstanding during the year ended April 30, 2020:

The Village entered into a capital lease obligation to fund the cost of certain equipment. The lease obligation is to be repaid in five annual installments of \$193,049 commencing December 20, 2015, including interest at 3.73%. The outstanding balance on the lease obligation was \$186,107 at April 30, 2019. Current year principal and interest paid on the lease was \$186,107 and \$6,942, respectively. The equipment has an original cost of \$865,977 and accumulated depreciation through April 30, 2020, of \$288,659, and a carrying amount of \$577,318 at April 30, 2020.

The Village entered into a capital lease obligation to fund the cost of certain 911 Center equipment. The lease obligation is to be repaid in annual installments of \$65,520 on November 1 through 2021, including interest at 3.41%. The outstanding balance on the lease obligation was \$183,879 at April 30, 2019. Current year principal and interest paid on the lease was \$59,250 and \$6,270, respectively. The 911 Center equipment has an original cost of \$401,972 and accumulated depreciation through April 30, 2020, of \$241,183, and a carrying amount of \$160,789 at April 30, 2020.

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 Village entered into a capital lease obligation to fund the cost of certain 911 Center hardware and software. The lease obligation is to be repaid in annual installments of principal only of \$175,918 annually on September 1 through 2020. The outstanding balance on the lease obligation was \$351,836 at April 30, 2019. No payments were made in the current year. The amount that was to have been paid in the current year has been reported as a portion of the accounts payable and principal expenditure in the TIF #3 Fund. In the Statement of Net Position, the liability amount is reported as a part of the noncurrent liabilities – due within one year balance in governmental activities. The hardware and software has an original cost of \$879,589 and accumulated depreciation through April 30, 2020, of \$351,836, and a carrying amount of \$527,753 at April 30, 2020.

The Village entered into a capital lease obligation to fund the cost of an ambulance. The lease obligation is to be repaid in three annual installments of \$47,857 commencing September 1, 2017, including interest at 2.47%. The outstanding balance on the lease obligation was \$46,703 at April 30, 2019. Current year principal and interest paid on the lease was \$46,703 and \$1,154, respectively. The ambulance has an original cost of \$136,760 and accumulated depreciation through April 30, 2020, of \$68,380, and a carrying amount of \$68,380 at April 30, 2020.

The Village entered into a capital lease obligation in the current year to fund the cost of an ambulance. The lease obligation is to be repaid in six semi-annual installments of \$40,302 commencing February 15, 2020, including interest at 3.29%. The original balance on the lease obligation was \$228,478. Current year principal and interest paid on the lease was \$36,543 and \$3,759, respectively. The ambulance has an original cost of \$228,478 and accumulated depreciation through April 30, 2020, of \$28,560, and a carrying amount of \$199,918 at April .30, 2020.

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

| Year Ending April 30, | Total | Principal | Interest |
|--------------------------|-------------------|-------------------|------------------|
| 2021 | \$ 497,960 | \$ 488,007 | \$ 9,953 |
| 2022 | 146,124 | 140,743 | 5,381 |
| 2023 | 40,302 | 39,650 | 652 |
| | <u>\$ 684,386</u> | <u>\$ 668,400</u> | <u>\$ 15,986</u> |

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)

Changes in Long-term Debt – The following is a summary of long-term liability transactions for the year ended April 30, 2020:

| | May 1, 2019 Restated | Additions | Retirements | April 30, 2020 |
|----------------------------------|-------------------------|--------------|--------------|----------------|
| Governmental Activities: | | | | |
| General obligation bonds | \$ 9,860,000 | \$ - | \$ 1,760,000 | \$ 8,100,000 |
| Bond discount | (237) | - | (159) | (78) |
| Bond premium | 386,155 | - | 32,753 | 353,402 |
| Capital lease obligation | 768,525 | 228,478 | 328,603 | 668,400 |
| Net pension liability | 11,537,572 | 314,926 | - | 11,852,498 |
| Total OPEB liability | 7,099,701 | 2,114,782 | - | 9,214,483 |
| Compensated absences payable | 597,885 | - | 8,399 | 589,486 |
| | \$ 30,249,601 | \$ 2,658,186 | \$ 2,129,596 | \$ 30,778,191 |
| | | | | |
| | May 1, 2019 | Additions | Retirements | April 30, 2020 |
| Business-type Activities: | | | | |
| Net pension liability | \$ 193,688 | \$ - | \$ 132,564 | \$ 61,124 |
| Total OPEB liability | 495,187 | 147,501 | - | 642,688 |
| | \$ 688,875 | \$ 147,501 | \$ 132,564 | \$ 703,812 |

The net pension liability reported in the business-type activities consists of an IMRF net pension liability of \$142,325 and a SLEP net pension asset of \$81,201. See Note V.C. for further details.

Long-term liabilities due within one year consist of the following at April 30, 2020:

| | |
|--------------------------|------------|
| General obligation bonds | \$ 460,000 |
| Bond premium | 9,520 |
| Capital lease obligation | 488,006 |
| | \$ 957,526 |

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 three years. There has been no significant reduction in insurance coverage.

B. Tax Increment Redevelopment Project

The Village established Tax Increment Financing District II in December 1995, and Tax Increment Financing Districts III, IV, V and VI in December 2004, December 2004, April 2005, and September 2016, respectively. Tax Increment Financing District II lapsed in the current year and was closed. The Fund is being held open pending resolution of any outstanding property tax distributions and settlements.

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>2018 EAV</u> |
|--------------|-----------------|-----------------|
| District III | \$ 9,302,564 | \$ 8,160,123 |
| District IV | 1,510,819 | 1,435,964 |
| District V | - | - |
| District VI | 41,164 | 49,980 |

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, 2020:

| | |
|---|----------------------|
| Total pension liability | \$ 28,951,566 |
| Plan fiduciary net position | <u>17,037,944</u> |
| Village's net pension liability/(asset) | <u>\$ 11,913,622</u> |
| Deferred outflows of resources | \$ 1,306,030 |
| Deferred inflows of resources | 838,721 |
| Pension expense | 1,245,854 |

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, 2019, the IMRF Plan membership consisted of:

| | |
|-------------------------------|------------|
| Retirees and beneficiaries | 51 |
| Inactive, non-retired members | 38 |
| Active members | <u>34</u> |
| Total | <u>123</u> |

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 \$114,952 at January 1, 2019, and \$115,929 at January 1, 2020. 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 2020 and 2019 was 19.08% and 11.06%, 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 \$206,450 in the fiscal year ended April 30, 2020, which was equal to its annual required contribution.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2019, 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, 2019, valuation were based on an actuarial experience study for the period January 1, 2014 – December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2019, 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 | 3.35% to 14.25% |
| Investment rate of return | 7.25% (formerly 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, 2019, was 23 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% | 5.75% |
| International equities | 18% | 6.50% |
| Fixed income | 28% | 3.25% |
| Real estate | 9% | 5.20% |
| Alternatives: | 7% | |
| Private equity | | 7.60% |
| Commodities | | 3.60% |
| Cash equivalents | 1% | 1.85% |

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 7.25%; the municipal bond rate is 2.75% (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 7.25%.

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 | \$ 493,164 |
| Business-type activities | <u>142,325</u> |
| Total net pension liability | <u>\$ 635,489</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 12/31/18 | \$ 8,737,915 | \$ 7,227,325 | \$ 1,510,590 |
| Changes for the year: | | | |
| Service cost | 145,612 | - | 145,612 |
| Interest | 617,528 | - | 617,528 |
| Differences between expected and actual experience | (208,830) | - | (208,830) |
| Changes in assumptions | - | - | - |
| Contributions - employer | - | 163,844 | (163,844) |
| Contributions - employee | - | 84,161 | (84,161) |
| Net investment income | - | 1,448,109 | (1,448,109) |
| Benefit payments, including refunds of employee contributions | (586,179) | (586,179) | - |
| Other changes | - | (266,703) | 266,703 |
| Net changes | (31,869) | 843,232 | (875,101) |
| Balances at 12/31/19 | \$ 8,706,046 | \$ 8,070,557 | \$ 635,489 |

Discount Rate Sensitivity – The following presents the net pension liability of the Village, calculated using the discount rate of 7.25%, 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 6.25% | Current Discount Rate 7.25% | 1% Increase 8.25% |
|-------------------------------|----------------------|-----------------------------------|----------------------|
| Net pension liability (asset) | \$ 1,651,004 | \$ 635,489 | \$ (213,426) |

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, 2020, the Village recognized pension expense of \$75,250 in the government-wide financial statements. At April 30, 2020, 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 | \$ - | \$ 227,742 | \$ 227,742 |
| Changes in assumptions | 86,600 | - | (86,600) |
| Net difference between projected and actual earnings in pension plan investments | - | 407,956 | 407,956 |
| Subtotal | 86,600 | 635,698 | 549,098 |
| Contributions made subsequent to the measurement date | 97,608 | - | (97,608) |
| Total | \$ 184,208 | \$ 635,698 | \$ 451,490 |

Village contributions subsequent to the measurement date (\$97,608) will be recognized as a reduction of the net pension liability in the year ended April 30, 2020. 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,

| | |
|------|-------------------|
| 2020 | \$ 254,187 |
| 2021 | 147,252 |
| 2022 | (41,552) |
| 2023 | 189,211 |
| | \$ 549,098 |

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, 2019, 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 \$114,952 at January 1, 2019, and \$115,929 at January 1, 2020. 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 Village had no active employees in the plan in 2019 and 2020. 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 was not required to and did not make a contribution to the plan in the fiscal year ended April 30, 2020.

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2019, 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, 2019, valuation were based on an actuarial experience study for the period January 1, 2014 through December 31, 2016, using the entry age normal actuarial cost method. The total pension liability in the December 31, 2019, 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 | 3.35% to 14.25% |
| Investment rate of return | 7.25% (previously 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, 2019, was 23 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% | 5.75% |
| International equities | 18% | 6.50% |
| Fixed income | 28% | 3.25% |
| Real estate | 9% | 5.20% |
| Alternatives: | 7% | |
| Private equity | | 7.60% |
| Commodities | | 3.60% |
| Cash equivalents | 1% | 1.85% |

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 7.25%; the municipal bond rate is 2.75% (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 7.25%.

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 99 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

| | <u>Total Pension Liability</u> | <u>Plan Fiduciary Net Position</u> | <u>Net Pension (Asset) Liability</u> |
|---|--|--|--|
| Balance 12/31/18 | \$ 238,581 | \$ 277,553 | \$ (38,972) |
| Changes for the year: | | | |
| Service cost | - | - | - |
| Interest | 16,368 | - | 16,368 |
| Differences between expected and actual experience | 7,134 | - | 7,134 |
| Changes in assumptions | - | - | - |
| Contributions – employer | - | - | - |
| Contributions - employee | - | - | - |
| Net investment income | - | 60,084 | (60,084) |
| Benefit payments, including refunds of employee contributions | (25,635) | (25,635) | - |
| Other changes | - | 5,647 | (5,647) |
| Net changes | <u>(2,133)</u> | <u>40,096</u> | <u>(42,229)</u> |
| Balances at 12/31/18 | <u>\$ 236,448</u> | <u>\$ 317,649</u> | <u>\$ (81,201)</u> |

Discount Rate Sensitivity – The following presents the net pension liability of the Village, calculated using the discount rate of 7.25%, 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:

| | <u>1% Decrease 6.25%</u> | <u>Current Discount Rate 7.25%</u> | <u>1% Increase 8.25%</u> |
|-------------------------------|------------------------------|--|------------------------------|
| Net pension liability (asset) | <u>\$ (65,017)</u> | <u>\$ (81,201)</u> | <u>\$ (95,619)</u> |

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, 2020, the Village recognized pension expense of \$1,609 in the government-wide financial statements. At April 30, 2020, 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 | - | 8,775 | 8,775 |
| Total | \$ - | \$ 8,775 | \$ 8,775 |

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.

| | |
|------|-----------------|
| 2021 | \$ 958 |
| 2022 | 1,306 |
| 2022 | (1,627) |
| 2023 | 8,138 |
| | \$ 8,775 |

**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, 2020, the Police Pension Plan’s membership consisted of:

| | |
|--|-----------|
| Inactive plan members or beneficiaries currently receiving benefits | 16 |
| Inactive members entitled to benefits but not yet receiving them | 6 |
| Current employees | <u>19</u> |
| Total | <u>41</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 2040, 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, 2020, the Village's contribution was 53.46% 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, 2020:

| | <u>Target Allocation</u> | <u>Long-term Expected Real Rate of Return</u> |
|----------------------|------------------------------|---|
| Large Cap (Domestic) | 29.25% | 6.75% |
| Mid-Cap (Domestic) | 4.50% | 6.40% |
| Small Cap (World) | 4.50% | 6.60% |
| International/Global | 6.75% | 6.80% |
| Fixed Income | 55.00% | 2.20% |

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, 2020, 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, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -3.52%. 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, 2020, 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, 2020, 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, 2020, 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 PubS-2010 Employee Mortality with a blue-collar adjustment, projected five years past the valuation date using Scale MP-2019. 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, 2020, was 20 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 2.85% (based on the weekly rate closest to but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Index); 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 4/30/19 | \$ 18,981,996 | \$ 8,722,374 | \$ 10,259,622 |
| Changes for the year: | | | |
| Service cost | 431,517 | - | 431,517 |
| Interest | 1,228,149 | - | 1,228,149 |
| Changes in benefit terms | 39,809 | - | 39,809 |
| Differences between expected and actual experience | 365,423 | - | 365,423 |
| Contributions – employer | - | 796,782 | (796,782) |
| Contributions – employee | - | 149,554 | (149,554) |
| Net investment income | - | 43,103 | (43,103) |
| Benefit payments, including refunds of employee contributions | (1,037,822) | (1,037,822) | - |
| Administrative expenses | - | (24,253) | 24,253 |
| Net changes | 1,027,076 | (72,636) | 1,099,712 |
| Balances at 4/30/20 | \$ 20,009,072 | \$ 8,649,738 | \$ 11,359,334 |

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 | \$ 13,945,535 | \$ 11,359,334 | \$ 9,215,288 |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended April 30, 2020, the Village recognized pension expense of \$1,168,995 in the government-wide financial statements. At April 30, 2020, 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 | \$ 292,340 | \$ 82,526 | \$ 209,814 |
| Changes in assumptions | 432,462 | 111,722 | 320,740 |
| Net difference between projected and actual earnings in pension plan investments | 397,020 | - | 397,020 |
| Total | \$ 1,121,822 | \$ 194,248 | \$ 927,574 |

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:

| <u>Year Ending April 30.</u> | |
|------------------------------|-------------------|
| 2021 | \$ 182,680 |
| 2022 | 224,686 |
| 2023 | 343,105 |
| 2024 | <u>177,103</u> |
| | <u>\$ 927,574</u> |

D. **Other Post-Employment Benefits**

General Information about the OPEB Plan

Plan Description – The Village’s defined benefit OPEB plan, Postretirement Health Plan (PHP), provides OPEB for all permanent full-time general and public safety employees of the Village. PHP is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – PHP provides healthcare, dental, vision (included in medical) and life insurance benefits for retirees and their dependents. The benefit terms provide that an employee may continue employer-sponsored insurance in retirement but are responsible for the same percentage of premium as active members. Eligible spouse/dependent coverage may continue should retiree coverage terminate, but the spouse/dependent would be responsible for full cost of coverage. For dental and life insurance the retiree pays the full cost of the coverage.

Plan Membership – As of April 30, 2020, the measurement date, the following employees were covered by the benefit terms.

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

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

D. **Other Post-Employment Benefits** (cont'd)

General Information about the OPEB Plan (cont'd)

| | |
|---|----|
| Active employees | 46 |
| Inactive employees currently receiving benefits | 21 |
| Inactive employees entitled to but not yet receiving benefits | - |
| Total | 67 |

Funding Policy – There is no formal funding policy that exists for the OPEB plan as the total OPEB liabilities are currently an unfunded obligation. For the fiscal year ended April 30, 2020, the Village paid benefits totaling \$316,309.

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2020, and was determined by an actuarial valuation as of that date, performed under the alternative measurement method.

Actuarial assumptions and other inputs - The total OPEB liability in the April 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|---|
| Inflation | 2.25% |
| Salary increases | 3.00% |
| Discount rate – beginning of year | 3.79% |
| Discount rate – end of year | 2.56% |
| Healthcare cost trend rates | 6.30% and 6.80% for HMO and PPO, respectively, for 2020, and decreasing to an ultimate rate of 5.00% for 2030 and later years |
| Retirees' share of benefit-related costs | Same as active employees |

The discount rate was based on The Bond Buyer 20 Bond GO Index.

Mortality rates were based on the independent actuary assumption study for Police 2020 using MP-2019 Improvement Rates and the IMRF specific mortality table was used with fully generational projection scale MP-2016.

Retiree Lapse Rates. 100% of retirees receiving medical coverage are expected to lapse all coverages at age 65.

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

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

D. **Other Post-Employment Benefits** (cont'd)

Total OPEB Liability

Election at Retirement – The percentage of active employees assumed to continue participation from the active medical plan into the retiree medical plan upon retirement is 100%. The percent of active employees whom have waived coverage but are assumed to elect retiree medical coverage upon retirement is 33%. Of the employees electing coverage at retirement, the percentage assumed to elect spousal coverage is 50%. Pre-65 participants are assumed to participate in the HM) plan, and 65+ participants are assumed to participate in the AMWINS plan.

Changes in the Total OPEB Liability

| | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability |
|--|----------------------------|-----------------------------------|-----------------------|
| Balance, April 30, 2019 | \$ 7,594,888 | \$ - | \$ 7,594,888 |
| Changes for the year: | | | |
| Service cost | 258,017 | - | 258,017 |
| Interest | 281,852 | - | 281,852 |
| Differences between expected and actual experience | - | - | - |
| Changes in assumptions | 2,038,723 | - | 2,038,723 |
| Contributions - employer | - | 316,309 | (316,309) |
| Contributions - employee | - | - | - |
| Net investment income | - | - | - |
| Benefit payments, including refunds of employee contributions | (316,309) | (316,309) | - |
| Administrative expenses | - | - | - |
| Net changes | 2,262,283 | - | 2,262,283 |
| Balance, April 30, 2020 | \$ 9,857,171 | \$ - | \$ 9,857,171 |

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability, calculated using a Single Discount Rate of 2.56%, as well as what the total OPEB liability would be if it were calculated using a Single Discount Rate that is one percentage point lower or one percentage point higher:

| | 1% Decrease (1.56%) | Current Discount Rate (2.56%) | 1% Increase (3.56%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB Liability | \$ 11,311,904 | \$ 9,857,171 | \$ 8,687,491 |

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

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

D. **Other Post-Employment Benefits** (cont'd)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

| | 1% Decrease (Varies) | Current Discount Rate (Varies) | 1% Increase (Varies) |
|----------------------|-------------------------|--------------------------------------|-------------------------|
| Total OPEB Liability | \$ 8,630,208 | \$ 9,857,171 | \$ 11,368,376 |

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended April 30, 2020, the Village recognized OPEB expense of \$2,578,592. At April 30, 2020, the Village did not report any deferred outflows of resources and deferred inflows of resources related to OPEB.

E. **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.

F. **New Governmental Accounting Standards**

The Governmental Accounting Standards Board (GASB) recently issued the following statements. GASB Statement No. 95 that postponed the effective date of most of these statements by one year due to the COVID pandemic. The effective dates shown below are the newly extended effective dates.

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, 2021.

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, 2021.

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

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

F. **New Governmental Accounting Standards** (cont'd)

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, 2023.

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, 2021.

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, 2022.

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, 2021.

GASB Statement No. 91, *Conduit Debt Obligations*, addresses the inconsistency in accounting and financial reporting for conduit debt obligations. Statement No. 91 is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 92, *Omnibus 2020*, improves the consistency and comparability in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Statement No. 92 is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses the accounting and financial reporting implications that result from the replacement of an interbank offered rate in derivative instruments and lease agreements. Statement No. 93 is effective for the fiscal year ending April 30, 2023.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by establishing definitions of public-public and public-private arrangements (PPPs), and availability payment arrangements (APAs), and providing uniform guidance on accounting and financial reporting for transactions that meet these definitions. Statement No. 94 is effective for the fiscal year ending April 30, 2024.

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

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

F. **New Governmental Accounting Standards** (cont'd)

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, improves financial reporting by establishing definitions of subscription-based information technology arrangements, and providing uniform guidance on accounting and financial reporting for transactions that meet these definitions. Statement No. 96 is effective for the fiscal year ending April 30, 2024.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, improves financial reporting by establishing consistency in reporting of defined contribution pension and OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting these plans. Certain provisions of Statement No. 97 are effective immediately while remainder is effective for the fiscal year ending April 30, 2023.

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.

G. **Prior Period Adjustment**

In the current year, the Village adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which was effective for fiscal year ended April 30, 2019. An adjustment was made to reduce opening net position in the government-wide statement of activities and the proprietary funds statement of revenues, expenses and changes in fund net position (deficit) for the net effect of the liability as of April 30, 2019, as follows:

| | Adjustment |
|--|--------------|
| Government-wide financial statements: | |
| Governmental activities | \$ 7,099,701 |
| Business-type activities | 495,187 |
| Statement of revenues, expenses and changes in net position – enterprise funds: | |
| Water and sewer fund | 495,187 |

A second prior period adjustment was made to recognize surcharge revenue from members of the Regional Communication Center received in the prior year but recognized as a liability in error, totaling \$348,163.

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>2020</u> | <u>2019</u> |
|--|---------------------|---------------------|
| Actuarially determined contribution | \$ 206,450 | \$ 283,758 |
| Contributions in relation to actuarially determined contribution | <u>206,450</u> | <u>283,758</u> |
| Contribution (excess) deficiency | <u>\$ -</u> | <u>\$ -</u> |
| Covered employee payroll | <u>\$ 1,495,678</u> | <u>\$ 1,837,954</u> |
| Contributions as a percentage of employee covered payroll | <u>13.80%</u> | <u>15.44%</u> |

Note to Required Supplementary Information:

- Actuarial Cost Method - Aggregate Entry Age Normal
- Amortization Method - Level % of Pay (Closed)
- Remaining Amortization Period - 24 Years
- Asset Valuation Method - 5-Year, Smoothed Market; 20% Corridor
- Wage Growth - 3.25%
- Price Inflation - 2.50%
- Salary Increases - 3.35% to 14.25% 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 2014-2016.

Mortality - For non-disabled retirees, 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 projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were 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 specific adjustments to match current IMRF experience.

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

See independent auditor's report.

| <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---------------------|---------------------|---------------------|
| \$ 315,208 | \$ 256,464 | \$ 231,567 |
| <u>315,208</u> | <u>256,464</u> | <u>231,567</u> |
| \$ - | \$ - | \$ - |
| <u>\$ 1,895,744</u> | <u>\$ 1,518,410</u> | <u>\$ 1,430,758</u> |
| <u>16.63%</u> | <u>16.89%</u> | <u>16.18%</u> |

**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,**

| | 2020 | 2019 |
|--|--------------|-------|
| Actuarially determined contribution | \$ - | \$ - |
| Contributions in relation to actuarially determined contribution | - | - |
| Contribution (excess) deficiency | \$ - | \$ - |
| Covered employee payroll | \$ - | \$ - |
| Contributions as a percentage of employee covered payroll | 0.00% | 0.00% |

Note to Required Supplementary Information:

- Actuarial Cost Method - Aggregate Entry Age Normal
- Amortization Method - Level % of Pay (Closed)
- Remaining Amortization Period - 24 Years
- Asset Valuation Method - 5-Year, Smoothed Market; 20% Corridor
- Wage Growth - 3.25%
- Price Inflation - 2.50%
- Salary Increases - 3.35% to 14.25% 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 2014-2016.

Mortality - For non-disabled retirees, 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 projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were 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 specific adjustments to match current IMRF experience.

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

See independent auditor's report.

| <u>2018</u> | <u>2017</u> | <u>2016</u> |
|------------------|------------------|------------------|
| \$ 8,043 | \$ 12,138 | \$ 12,087 |
| <u>8,043</u> | <u>12,138</u> | <u>12,087</u> |
| \$ - | \$ - | \$ - |
| <u>\$ 65,819</u> | <u>\$ 95,927</u> | <u>\$ 94,697</u> |
| <u>12.22%</u> | <u>12.65%</u> | <u>12.76%</u> |

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

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|--|---------------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 920,928 | \$ 816,254 | \$ 814,075 | \$ 737,389 |
| Contributions in relation to actuarially determined contribution | 796,782 | 809,903 | 595,324 | 637,049 |
| Contribution deficiency (excess) | \$ 124,146 | \$ 6,351 | \$ 218,751 | \$ 100,340 |
| Covered-employee payroll | \$ 1,490,542 | \$ 1,407,495 | \$ 1,276,902 | \$ 1,360,182 |
| Contributions as a percentage of covered-employee payroll | 53.46% | 57.54% | 46.62% | 46.84% |

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 21 years.

See independent auditor's report.

| <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|-------------------|-------------------|------------------|------------------|-------------------|---------------------|
| \$ 674,561 | \$ 657,319 | \$ 594,261 | \$ 563,821 | N/A | \$ 519,785 |
| <u>544,051</u> | <u>531,920</u> | <u>535,696</u> | <u>509,478</u> | <u>\$ 754,120</u> | <u>682,164</u> |
| <u>\$ 130,510</u> | <u>\$ 125,399</u> | <u>\$ 58,565</u> | <u>\$ 54,343</u> | <u>N/A</u> | <u>\$ (162,379)</u> |
| \$ 1,215,255 | \$ 1,334,148 | \$ 1,244,896 | \$ 1,211,377 | \$ 1,151,468 | \$ 1,307,580 |
| 44.77% | 39.87% | 43.03% | 42.06% | 65.49% | 52.17% |

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>2019</u> | <u>2018</u> |
|--|----------------------------|----------------------------|
| Total pension liability: | | |
| Service cost | \$ 145,612 | \$ 187,513 |
| Interest | 617,528 | 629,946 |
| Changes in benefit terms | - | - |
| Differences between expected and actual experience | (208,830) | (309,967) |
| Changes in assumptions | - | 222,798 |
| Benefit payments, including refunds of member contributions | <u>(586,179)</u> | <u>(595,794)</u> |
| Net change in total pension liability | (31,869) | 134,496 |
| Total pension liability, beginning of year | <u>8,737,915</u> | <u>8,603,419</u> |
| Total pension liability, end of year | <u>\$ 8,706,046</u> | <u>\$ 8,737,915</u> |
| Plan fiduciary net position: | | |
| Contributions - employer | \$ 163,844 | \$ 334,866 |
| Contributions - member | 84,161 | 103,057 |
| Net investment income | 1,448,109 | (552,732) |
| Benefit payments, including refunds of member contributions | (586,179) | (595,794) |
| Administrative expense | <u>(266,703)</u> | <u>(311,008)</u> |
| Net change in plan fiduciary net position | 843,232 | (1,021,611) |
| Plan fiduciary net position, beginning of year | <u>7,227,325</u> | <u>8,248,936</u> |
| Plan fiduciary net position, end of year | <u>\$ 8,070,557</u> | <u>\$ 7,227,325</u> |
| Employer's net pension liability | <u>\$ 635,489</u> | <u>\$ 1,510,590</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 92.70% | 82.71% |
| Covered employee payroll | <u>\$ 1,441,773</u> | <u>\$ 2,039,234</u> |
| Employer's net pension liability as a percentage of covered-employee payroll | 44.08% | 74.08% |

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

See independent auditor's report.

| 2017 | 2016 | 2015 | 2014 |
|---------------------|---------------------|---------------------|---------------------|
| \$ 167,572 | \$ 154,490 | \$ 146,487 | \$ 155,129 |
| 664,315 | 624,325 | 592,325 | 535,877 |
| - | - | - | - |
| (437,089) | 292,227 | 207,632 | 195,052 |
| (282,870) | (20,131) | 9,330 | 333,385 |
| (564,500) | (528,532) | (514,253) | (389,627) |
| (452,572) | 522,379 | 441,521 | 829,816 |
| 9,055,991 | 8,533,612 | 8,092,091 | 7,262,275 |
| <u>\$ 8,603,419</u> | <u>\$ 9,055,991</u> | <u>\$ 8,533,612</u> | <u>\$ 8,092,091</u> |
| \$ 283,087 | \$ 255,413 | \$ 241,285 | \$ 260,935 |
| 77,206 | 67,332 | 63,812 | 60,809 |
| 1,417,911 | 490,707 | 35,980 | 418,305 |
| (564,500) | (528,532) | (514,253) | (389,627) |
| (494,225) | 83,828 | 33,209 | 58,849 |
| 719,479 | 368,748 | (139,967) | 409,271 |
| 7,529,457 | 7,160,709 | 7,300,676 | 6,891,405 |
| <u>\$ 8,248,936</u> | <u>\$ 7,529,457</u> | <u>\$ 7,160,709</u> | <u>\$ 7,300,676</u> |
| <u>\$ 354,483</u> | <u>\$ 1,526,534</u> | <u>\$ 1,372,903</u> | <u>\$ 791,415</u> |
| 95.88% | 83.14% | 83.91% | 90.22% |
| <u>\$ 1,715,678</u> | <u>\$ 1,496,266</u> | <u>\$ 1,422,597</u> | <u>\$ 1,268,646</u> |
| 20.66% | 102.02% | 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>2019</u> | <u>2018</u> |
|--|---------------------------|---------------------------|
| Total pension liability: | | |
| Service cost | \$ - | \$ - |
| Interest | 16,368 | 16,807 |
| Changes in benefit terms | - | - |
| Differences between expected and actual experience | 7,134 | 5,931 |
| Changes in assumptions | - | 3,926 |
| Benefit payments, including refunds of member contributions | <u>(25,635)</u> | <u>(24,345)</u> |
| Net change in total pension liability | (2,133) | 2,319 |
| Total pension liability, beginning of year | <u>238,581</u> | 236,262 |
| Total pension liability, end of year | <u>\$ 236,448</u> | <u>\$ 238,581</u> |
| Plan fiduciary net position: | | |
| Contributions - employer | \$ - | \$ - |
| Contributions - member | - | - |
| Net investment income | 60,084 | (25,544) |
| Benefit payments, including refunds of member contributions | <u>(25,635)</u> | <u>(24,345)</u> |
| Administrative expense | <u>5,647</u> | <u>9,736</u> |
| Net change in plan fiduciary net position | 40,096 | (40,153) |
| Plan fiduciary net position, beginning of year | <u>277,553</u> | 317,706 |
| Plan fiduciary net position, end of year | <u>\$ 317,649</u> | <u>\$ 277,553</u> |
| Employer's net pension liability (asset) | <u>\$ (81,201)</u> | <u>\$ (38,972)</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 134.34% | 116.33% |
| Covered employee payroll | <u>\$ -</u> | <u>\$ -</u> |
| Employer's net pension liability as a percentage of covered-employee payroll | 0.00% | 0.00% |

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

See independent auditor's report.

| 2017 | 2016 | 2015 | 2014 |
|--------------------|--------------------|--------------------|--------------------|
| \$ 8,652 | \$ 14,830 | \$ 15,283 | \$ 14,710 |
| 20,573 | 21,215 | 19,737 | 16,942 |
| - | - | - | - |
| (11,906) | (184) | (15,084) | (4,613) |
| (9,709) | - | - | 9,938 |
| (82,663) | - | - | - |
| (75,053) | 35,861 | 19,936 | 36,977 |
| 311,315 | 275,454 | 255,518 | 218,541 |
| <u>\$ 236,262</u> | <u>\$ 311,315</u> | <u>\$ 275,454</u> | <u>\$ 255,518</u> |
| \$ 11,950 | \$ 12,188 | \$ 12,243 | \$ 12,491 |
| 7,335 | 7,102 | 6,981 | 7,168 |
| 37,818 | 21,272 | 1,512 | 16,318 |
| (82,663) | - | - | - |
| 5,979 | (841) | (15,916) | (916) |
| (19,581) | 39,721 | 4,820 | 35,061 |
| 337,287 | 297,566 | 292,746 | 257,685 |
| <u>\$ 317,706</u> | <u>\$ 337,287</u> | <u>\$ 297,566</u> | <u>\$ 292,746</u> |
| <u>\$ (81,444)</u> | <u>\$ (25,972)</u> | <u>\$ (22,112)</u> | <u>\$ (37,228)</u> |
| 134.47% | 108.34% | 108.03% | 114.57% |
| <u>\$ 97,795</u> | <u>\$ 94,697</u> | <u>\$ 92,950</u> | <u>\$ 95,568</u> |
| -83.28% | -27.43% | -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>2020</u> | <u>2019</u> |
|--|-----------------------------|-----------------------------|
| Total pension liability: | | |
| Service cost | \$ 431,517 | \$ 386,391 |
| Interest | 1,228,149 | 1,142,741 |
| Changes in benefit terms | 39,809 | - |
| Differences between expected and actual experience | 365,423 | (5,438) |
| Changes in assumptions | - | 720,772 |
| Benefit payments, including refunds of member contributions | <u>(1,037,822)</u> | <u>(913,420)</u> |
| Net change in total pension liability | 1,027,076 | 1,331,046 |
| Total pension liability, beginning of year | <u>18,981,996</u> | <u>17,650,950</u> |
| Total pension liability, end of year | <u>\$ 20,009,072</u> | <u>\$ 18,981,996</u> |
| Plan fiduciary net position: | | |
| Contributions - employer | \$ 796,782 | \$ 809,903 |
| Contributions - member | 149,554 | 151,694 |
| Net investment income | 43,103 | 424,029 |
| Benefit payments, including refunds of member contributions | (1,037,822) | (913,420) |
| Administrative expense | <u>(24,253)</u> | <u>(27,218)</u> |
| Net change in plan fiduciary net position | (72,636) | 444,988 |
| Plan fiduciary net position, beginning of year | <u>8,722,374</u> | <u>8,277,386</u> |
| Plan fiduciary net position, end of year | <u>\$ 8,649,738</u> | <u>\$ 8,722,374</u> |
| Employer's net pension liability (asset) | <u>\$ 11,359,334</u> | <u>\$ 10,259,622</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 43.23% | 45.95% |
| Covered employee payroll | <u>\$ 1,490,542</u> | <u>\$ 1,407,495</u> |
| Employer's net pension liability as a percentage of covered-employee payroll | 762.09% | 728.93% |

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

See independent auditor's report.

| 2018 | 2017 |
|---------------|---------------|
| \$ 445,466 | \$ 394,891 |
| 1,132,305 | 1,096,072 |
| - | - |
| (198,154) | (98,654) |
| (279,305) | - |
| (847,959) | (922,938) |
| 252,353 | 469,371 |
| 17,398,597 | 16,929,226 |
| \$ 17,650,950 | \$ 17,398,597 |
| \$ 595,324 | \$ 637,049 |
| 131,911 | 123,824 |
| 617,384 | 679,667 |
| (847,959) | (922,938) |
| (28,508) | (29,108) |
| 468,152 | 488,494 |
| 7,809,234 | 7,320,740 |
| \$ 8,277,386 | \$ 7,809,234 |
| \$ 9,373,564 | \$ 9,589,363 |
| 46.89% | 44.88% |
| \$ 1,276,902 | \$ 1,360,182 |
| 734.09% | 705.01% |

Village of Calumet Park, Illinois
Postretirement Health Plan
Required Supplementary Information - Multiyear Schedule of
Changes in the Employer's Net OPEB Liability and Related Ratios
April 30,

| | 2020 |
|--|---------------------|
| Total OPEB liability: | |
| Service cost | \$ 258,017 |
| Interest | 281,852 |
| Changes in benefit terms | - |
| Differences between expected and actual experience | - |
| Changes in assumptions | 2,038,723 |
| Benefit payments, including refunds of member contributions | (316,309) |
| Net change in total OPEB liability | 2,262,283 |
| Total OPEB liability, beginning of year | 7,594,888 |
| Total OPEB liability, end of year | \$ 9,857,171 |
| Plan fiduciary net position: | |
| Contributions - employer | \$ 316,309 |
| Contributions - member | - |
| Net investment income | - |
| Benefit payments, including refunds of member contributions | (316,309) |
| Administrative expense | - |
| Net change in plan fiduciary net position | - |
| Plan fiduciary net position, beginning of year | - |
| Plan fiduciary net position, end of year | \$ - |
| Employer's net OPEB liability | \$ 9,857,171 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00% |
| Covered employee payroll | \$ 3,116,051 |
| Employer's net pension liability as a percentage of covered-employee payroll | 316.34% |

Note - The Village adopted GASB 75 in the current year and will build a ten-year history prospectively.

See independent auditor's report.

**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, 2019 | -3.52% |
| Fiscal year ended April 30, 2019 | 0.23% |
| 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 a prior year and will build a ten-year history prospectively.

See independent auditor's report.

SUPPLEMENTAL SECTION

**Village of Calumet Park, Illinois
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended April 30, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-----------------------------|--------------------|------------------|-------------------|--|
| Administration: | | | | |
| Salaries and wages | \$ 368,835 | \$ 368,835 | \$ 365,393 | \$ 3,442 |
| Insurance and benefits | 130,250 | 130,250 | 184,686 | (54,436) |
| Contractual services | 845,222 | 845,222 | 1,032,177 | (186,955) |
| Supplies and materials | 7,000 | 7,000 | 23,048 | (16,048) |
| Miscellaneous | 30,000 | 30,000 | 58,825 | (28,825) |
| Total administration | 1,381,307 | 1,381,307 | 1,664,129 | (282,822) |
| Building: | | | | |
| Salaries and wages | 90,318 | 90,318 | 86,929 | 3,389 |
| Insurance and benefits | 38,920 | 38,920 | 46,190 | (7,270) |
| Contractual services | 158,100 | 158,100 | 104,407 | 53,693 |
| Supplies and materials | 1,500 | 1,500 | 704 | 796 |
| Miscellaneous | 1,000 | 1,000 | 74 | 926 |
| Total building | 289,838 | 289,838 | 238,304 | 51,534 |
| Police: | | | | |
| Salaries and wages | 1,894,081 | 1,894,081 | 2,098,606 | (204,525) |
| Insurance and benefits | 582,900 | 582,900 | 646,767 | (63,867) |
| Contractual services | 191,000 | 191,000 | 256,074 | (65,074) |
| Supplies and materials | 10,000 | 10,000 | 22,500 | (12,500) |
| Miscellaneous | 1,000 | 1,000 | 5,197 | (4,197) |
| Total police | 2,678,981 | 2,678,981 | 3,029,144 | (350,163) |

(cont'd)

Village of Calumet Park, Illinois
General Fund
Schedule of Expenditures - Budget and Actual (cont'd)
For the Year Ended April 30, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------|---------------------|---------------------|---------------------|--|
| Fire: | | | | |
| Salaries and wages | \$ 91,900 | \$ 91,900 | \$ 98,374 | \$ (6,474) |
| Insurance and benefits | 38,320 | 38,320 | 28,345 | 9,975 |
| Contractual services | 1,181,500 | 1,181,500 | 1,219,872 | (38,372) |
| Supplies and materials | 30,800 | 30,800 | 49,307 | (18,507) |
| Capital outlay | 1,000 | 1,000 | 233,263 | (232,263) |
| Miscellaneous | 1,000 | 1,000 | 1,771 | (771) |
| Total fire | 1,344,520 | 1,344,520 | 1,630,932 | (286,412) |
| Street and alley: | | | | |
| Salaries and wages | 519,146 | 519,146 | 552,878 | (33,732) |
| Insurance and benefits | 316,400 | 316,400 | 375,714 | (59,314) |
| Contractual services | 374,000 | 374,000 | 404,834 | (30,834) |
| Supplies and materials | 130,500 | 130,500 | 176,251 | (45,751) |
| Capital outlay | 1,000 | 1,000 | 336 | 664 |
| Miscellaneous | 1,000 | 1,000 | 1,768 | (768) |
| Total street and alley | 1,342,046 | 1,342,046 | 1,511,781 | (169,735) |
| Recreation: | | | | |
| Salaries and wages | 378,336 | 378,336 | 364,425 | 13,911 |
| Insurance and benefits | 105,850 | 105,850 | 138,077 | (32,227) |
| Contractual services | 69,600 | 69,600 | 91,429 | (21,829) |
| Supplies and materials | 32,000 | 32,000 | 32,920 | (920) |
| Capital outlay | 50,000 | 50,000 | 16,485 | 33,515 |
| Miscellaneous | 48,500 | 48,500 | 66,777 | (18,277) |
| Total recreation | 684,286 | 684,286 | 710,113 | (25,827) |
| Police pension expense | 816,254 | 816,254 | 796,782 | 19,472 |
| Debt service: | | | | |
| Principal | 47,857 | 47,857 | 83,247 | (35,390) |
| Interest | - | - | 30,730 | (30,730) |
| Total debt service | 47,857 | 47,857 | 113,977 | (66,120) |
| Total expenditures | \$ 8,585,089 | \$ 8,585,089 | \$ 9,695,162 | \$ (1,110,073) |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|--------------------|-------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 620,625 | \$ 620,625 | \$ 596,938 | \$ (23,687) |
| Interest income | 100 | 100 | 12 | (88) |
| Total revenues | <u>620,725</u> | <u>620,725</u> | <u>596,950</u> | <u>(23,775)</u> |
| Expenditures: | | | | |
| Debt service: | | | | |
| Principal | 375,000 | 375,000 | 375,000 | - |
| Interest | 252,748 | 252,748 | 387,348 | (134,600) |
| Trustee fees | 5,000 | 5,000 | 595 | 4,405 |
| Total expenditures | <u>632,748</u> | <u>632,748</u> | <u>762,943</u> | <u>(130,195)</u> |
| Revenues under expenditures | <u>\$ (12,023)</u> | <u>\$ (12,023)</u> | <u>(165,993)</u> | <u>\$ (153,970)</u> |
| Fund balance, beginning of the year | | | <u>721,382</u> | |
| Fund balance, end of the year | | | <u>\$ 555,389</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, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|---------------------|---------------------|---------------------|--|
| Revenues: | | | | |
| Grant income | \$ - | \$ - | \$ 4,515 | \$ 4,515 |
| Interest income | 2,000 | 2,000 | 43,298 | 41,298 |
| Miscellaneous | 2,000 | 2,000 | - | (2,000) |
| | <u>4,000</u> | <u>4,000</u> | <u>47,813</u> | <u>43,813</u> |
| Expenditures: | | | | |
| Current - administration | - | - | 25 | (25) |
| Capital outlay | 931,454 | 931,454 | 531,729 | 399,725 |
| Total expenditures | <u>931,454</u> | <u>931,454</u> | <u>531,754</u> | <u>399,700</u> |
| Net changes in fund balance | <u>\$ (927,454)</u> | <u>\$ (927,454)</u> | <u>(483,941)</u> | <u>\$ 443,513</u> |
| Fund balance, beginning of the year | | | <u>2,811,972</u> | |
| Fund balance, end of the year | | | <u>\$ 2,328,031</u> | |

See independent auditor's report.

Village of Calumet Park, Illinois
Combining Balance Sheet - Nonmajor Governmental Funds
April 30, 2020

| | 911 Fund | DCEO Grant Fund |
|---|------------------|-----------------------|
| Assets | | |
| Cash and cash equivalents | \$ 1 | \$ - |
| Property taxes receivable | - | - |
| Grants receivable | - | - |
| Due from other funds | 55,403 | 169,146 |
| Due from other governments | - | - |
| | - | - |
| Total assets | \$ 55,404 | \$ 169,146 |
| Liabilities | | |
| Accounts payable | \$ 30,512 | \$ - |
| Due to other funds | 5,456 | 3,415 |
| | - | - |
| Total liabilities | 35,968 | 3,415 |
| Deferred Inflows of Resources | | |
| Property taxes | - | - |
| Deferred grant revenue | - | - |
| | - | - |
| Total deferred inflows of resources | - | - |
| Fund Balances (Deficits) | | |
| Restricted by state statute | - | - |
| Restricted for grant purposes | - | 165,731 |
| Restricted for capital outlay | - | - |
| Assigned for police activities | 19,436 | - |
| Unassigned | - | - |
| | - | - |
| Total fund balances (deficits) | 19,436 | 165,731 |
| Total liabilities, deferred inflows and municipal equity | \$ 55,404 | \$ 169,146 |

(cont'd)

Special Revenue Funds

| Motor Fuel Tax Fund | Police Evidence Fund | TIF 4 Fund | TIF 5 Fund | TIF 6 Fund | Tobacco Enforcement Fund |
|------------------------|----------------------------|-------------------|-------------------|---------------|--------------------------------|
| \$ 263,222 | \$ 2,873 | \$ 126,205 | \$ 15,098 | \$ - | \$ 4,411 |
| - | - | 70,791 | - | - | - |
| - | - | - | - | - | - |
| 1,079 | 4,732 | 408,309 | 90,250 | - | 1,650 |
| 23,238 | - | - | - | - | - |
| \$ 287,539 | \$ 7,605 | \$ 605,305 | \$ 105,348 | \$ - | \$ 6,061 |
| \$ - | \$ - | \$ 900 | \$ 1,100 | \$ - | \$ - |
| 35,713 | - | - | 210,409 | 700 | - |
| 35,713 | - | 900 | 211,509 | 700 | - |
| - | - | 70,791 | - | - | - |
| - | - | - | - | - | - |
| - | - | 70,791 | - | - | - |
| 251,826 | - | 533,614 | - | - | - |
| - | - | - | - | - | 6,061 |
| - | - | - | - | - | - |
| - | 7,605 | - | - | - | - |
| - | - | - | (106,161) | (700) | - |
| 251,826 | 7,605 | 533,614 | (106,161) | (700) | 6,061 |
| \$ 287,539 | \$ 7,605 | \$ 605,305 | \$ 105,348 | \$ - | \$ 6,061 |

Village of Calumet Park, Illinois
Combining Balance Sheet - Nonmajor Governmental Funds (cont'd)
April 30, 2020

| | Special | | |
|---|----------------|--|--|
| | CDBG Fund | Illinois State Police Grant Fund | Invest in Cook County Grant Fund |
| Assets | | | |
| Cash and cash equivalents | \$ - | \$ 104,852 | \$ - |
| Property taxes receivable | - | - | - |
| Grants receivable | - | - | 121,289 |
| Due from other funds | - | - | - |
| Due from other governments | - | - | - |
| Total assets | \$ - | \$ 104,852 | \$ 121,289 |
| Liabilities | | | |
| Accounts payable | \$ - | \$ - | \$ 25,541 |
| Due to other funds | - | - | 112,148 |
| Total liabilities | - | - | 137,689 |
| Deferred Inflows of Resources | | | |
| Property taxes | - | - | - |
| Deferred grant revenue | - | - | 121,289 |
| | - | - | 121,289 |
| Fund Balances (Deficits) | | | |
| Restricted by state statute | - | - | - |
| Restricted for grant purposes | - | 104,852 | - |
| Restricted for capital outlay | - | - | - |
| Assigned for police activities | - | - | - |
| Unassigned | - | - | (137,689) |
| Total fund balances (deficits) | - | 104,852 | (137,689) |
| Total liabilities, deferred inflows and municipal equity | \$ - | \$ 104,852 | \$ 121,289 |

See independent auditor's report.

| Revenue Funds | | | | Capital Projects Funds | | |
|---------------------------|---------------------------------------|--------------------------|--|-------------------------------|----------------------------|---------------------|
| Grant Projects Fund | Foreign Fire Insurance Tax Fund | Asset Seizure Fund | Total Special Revenue Funds | Overhead Sewer Fund | 911 Center Construction | Total |
| \$ - | \$ 8,454 | \$ 5,331 | \$ 530,447 | \$ - | \$ 45,486 | \$ 575,933 |
| - | - | - | 70,791 | - | - | 70,791 |
| 20,034 | - | - | 141,323 | - | - | 141,323 |
| - | - | - | 730,569 | - | - | 730,569 |
| - | - | - | 23,238 | - | - | 23,238 |
| \$ 20,034 | \$ 8,454 | \$ 5,331 | \$ 1,496,368 | \$ - | \$ 45,486 | \$ 1,541,854 |
| \$ - | \$ - | \$ - | \$ 58,053 | \$ - | \$ - | \$ 58,053 |
| 31,856 | - | 5,974 | 405,671 | 8,000 | - | 413,671 |
| 31,856 | - | 5,974 | 463,724 | 8,000 | - | 471,724 |
| - | - | - | 70,791 | - | - | 70,791 |
| 20,034 | - | - | 141,323 | - | - | 141,323 |
| 20,034 | - | - | 212,114 | - | - | 212,114 |
| - | 8,454 | - | 793,894 | - | - | 793,894 |
| - | - | - | 276,644 | - | - | 276,644 |
| - | - | - | - | - | 45,486 | 45,486 |
| - | - | - | 27,041 | - | - | 27,041 |
| (31,856) | - | (643) | (277,049) | (8,000) | - | (285,049) |
| (31,856) | 8,454 | (643) | 820,530 | (8,000) | 45,486 | 858,016 |
| \$ 20,034 | \$ 8,454 | \$ 5,331 | \$ 1,496,368 | \$ - | \$ 45,486 | \$ 1,541,854 |

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, 2020

| | 911 Fund | DCEO Grant Fund |
|--|-------------|-----------------------|
| Revenues: | | |
| Property taxes | \$ - | \$ - |
| Other taxes | - | - |
| Intergovernmental | - | - |
| Grant income | - | - |
| Fines and forfeitures | - | - |
| Interest income | - | - |
| Other | - | - |
| Total revenues | - | - |
| Expenditures: | | |
| Current: | | |
| Public safety | - | - |
| Street and alley | - | - |
| Debt service: | | |
| Principal | - | - |
| Interest | - | - |
| Capital outlay | - | - |
| Miscellaneous | - | - |
| Total expenditures | - | - |
| Revenues over (under) expenditures | - | - |
| Fund balances (deficits), beginning of the year, | 19,436 | 165,731 |
| Fund balances (deficits), end of the year | \$ 19,436 | \$ 165,731 |

(cont'd)

Special Revenue Funds

| Motor Fuel Tax Fund | Police Evidence Fund | TIF 4 Fund | TIF 5 Fund | TIF 6 Fund | Tobacco Enforcement Fund |
|------------------------|----------------------------|-------------------|---------------------|-----------------|--------------------------------|
| \$ - | \$ - | \$ 48,212 | \$ 99,250 | \$ - | \$ - |
| - | - | - | - | - | - |
| 289,124 | - | - | - | - | - |
| - | - | - | - | - | 1,650 |
| - | - | - | - | - | - |
| 237 | 304 | 424 | 19 | - | 5 |
| - | 5,974 | - | - | - | - |
| <u>289,361</u> | <u>6,278</u> | <u>48,636</u> | <u>99,269</u> | <u>-</u> | <u>1,655</u> |
| - | - | - | - | - | - |
| 139,635 | - | 2,740 | 1,100 | 700 | - |
| - | - | - | 90,000 | - | - |
| - | - | - | 9,221 | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| <u>139,635</u> | <u>-</u> | <u>2,740</u> | <u>100,321</u> | <u>700</u> | <u>-</u> |
| 149,726 | 6,278 | 45,896 | (1,052) | (700) | 1,655 |
| <u>102,100</u> | <u>1,327</u> | <u>487,718</u> | <u>(105,109)</u> | <u>-</u> | <u>4,406</u> |
| <u>\$ 251,826</u> | <u>\$ 7,605</u> | <u>\$ 533,614</u> | <u>\$ (106,161)</u> | <u>\$ (700)</u> | <u>\$ 6,061</u> |

Village of Calumet Park, Illinois
Combining Schedule of Revenues, Expenditures and Changes
in Fund Balances (Deficits) - Nonmajor Governmental Funds (cont'd)
For the Year Ended April 30, 2020

| | Special | | |
|--|----------------|--|--|
| | CDBG Fund | Illinois State Police Grant Fund | Invest in Cook County Grant Fund |
| Revenues: | | | |
| Property taxes | \$ - | \$ - | \$ - |
| Other taxes | - | - | - |
| Intergovernmental | - | - | - |
| Grant income | 200,000 | - | - |
| Fines and forfeitures | - | - | - |
| Interest income | - | 152 | - |
| Other | - | - | - |
| Total revenues | 200,000 | 152 | - |
| Expenditures: | | | |
| Current: | | | |
| Public safety | - | - | - |
| Street and alley | - | - | 121,289 |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Capital outlay | 200,009 | - | - |
| Miscellaneous | - | - | - |
| Total expenditures | 200,009 | - | 121,289 |
| Revenues over (under) expenditures | (9) | 152 | (121,289) |
| Fund balances (deficits), beginning of the year, | 9 | 104,700 | (16,400) |
| Fund balances (deficits), end of the year | \$ - | \$ 104,852 | \$ (137,689) |

See independent auditor's report.

| Revenue Funds | | | | | | |
|---------------------------|---------------------------------------|--------------------------|--|---------------------------|----------------------------|--------------|
| Grant Projects Fund | Foreign Fire Insurance Tax Fund | Asset Seizure Fund | Total Special Revenue Funds | Overhead Sewer Fund | 911 Center Construction | Total |
| \$ - | \$ - | \$ - | \$ 147,462 | \$ - | \$ - | \$ 147,462 |
| - | 12,436 | - | 12,436 | - | - | 12,436 |
| - | - | - | 289,124 | - | - | 289,124 |
| - | - | - | 201,650 | - | - | 201,650 |
| - | - | 1,307 | 1,307 | - | - | 1,307 |
| - | 16 | 1 | 1,158 | - | 16 | 1,174 |
| - | - | - | 5,974 | - | - | 5,974 |
| - | 12,452 | 1,308 | 659,111 | - | 16 | 659,127 |
| - | 20,628 | - | 20,628 | - | - | 20,628 |
| 20,034 | - | - | 285,498 | 8,000 | - | 293,498 |
| - | - | - | 90,000 | - | - | 90,000 |
| - | - | - | 9,221 | - | - | 9,221 |
| - | - | - | 200,009 | - | 51,831 | 251,840 |
| - | - | 2,054 | 2,054 | - | - | 2,054 |
| 20,034 | 20,628 | 2,054 | 607,410 | 8,000 | 51,831 | 667,241 |
| (20,034) | (8,176) | (746) | 51,701 | (8,000) | (51,815) | (8,114) |
| (11,822) | 16,630 | 103 | 768,829 | - | 97,301 | 866,130 |
| \$ (31,856) | \$ 8,454 | \$ (643) | \$ 820,530 | \$ (8,000) | \$ 45,486 | \$ 858,016 |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|-----------------|-------------------|--|
| Revenues: | | | | |
| Intergovernmental | \$ 215,000 | \$ 215,000 | \$ 289,124 | \$ 74,124 |
| Interest income | 200 | 200 | 237 | 37 |
| Total revenues | <u>215,200</u> | <u>215,200</u> | <u>289,361</u> | <u>74,161</u> |
| Expenditures: | | | | |
| Current - street and alley: | | | | |
| Contractual services | 150,200 | 150,200 | 82,308 | 67,892 |
| Supplies and materials | 65,000 | 65,000 | 57,327 | 7,673 |
| Total expenditures | <u>215,200</u> | <u>215,200</u> | <u>139,635</u> | <u>75,565</u> |
| Net changes in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>149,726</u> | <u>\$ 149,726</u> |
| Fund balance, beginning of the year | | | <u>102,100</u> | |
| Fund balance, end of the year | | | <u>\$ 251,826</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, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|-------------------|-----------------|--|
| Revenues: | | | | |
| Interest income | \$ 25 | \$ 25 | \$ 304 | \$ 279 |
| Miscellaneous | - | - | 5,974 | 5,974 |
| Total revenues | <u>25</u> | <u>25</u> | <u>6,278</u> | <u>6,253</u> |
| Expenditures - miscellaneous | <u>7,000</u> | <u>7,000</u> | <u>-</u> | <u>7,000</u> |
| Net changes in fund balance | <u>\$ (6,975)</u> | <u>\$ (6,975)</u> | <u>6,278</u> | <u>\$ 13,253</u> |
| Fund balance, beginning of the year | | | <u>1,327</u> | |
| Fund balance, end of the year | | | <u>\$ 7,605</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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|------------------|-------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 80,000 | \$ 80,000 | \$ 48,212 | \$ (31,788) |
| Interest income | 700 | 700 | 424 | (276) |
| Total revenues | <u>80,700</u> | <u>80,700</u> | <u>48,636</u> | <u>(32,064)</u> |
| Expenditures: | | | | |
| Current - street and alley | 20,000 | 20,000 | 2,740 | 17,260 |
| Miscellaneous | 2,000 | 2,000 | - | 2,000 |
| Total expenditures | <u>22,000</u> | <u>22,000</u> | <u>2,740</u> | <u>19,260</u> |
| Net changes in fund balance | <u>\$ 58,700</u> | <u>\$ 58,700</u> | <u>45,896</u> | <u>\$ (12,804)</u> |
| Fund balance, beginning of the year | | | <u>487,718</u> | |
| Fund balance, end of the year | | | <u>\$ 533,614</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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|-------------------|---------------------|--|
| Revenues: | | | | |
| Property taxes | \$ 91,250 | \$ 91,250 | \$ 99,250 | \$ 8,000 |
| Interest income | 100 | 100 | 19 | (81) |
| Total revenues | <u>91,350</u> | <u>91,350</u> | <u>99,269</u> | <u>7,919</u> |
| Expenditures: | | | | |
| Current - street and alley | - | - | 1,100 | (1,100) |
| Debt service: | | | | |
| Principal | 90,000 | 90,000 | 90,000 | - |
| Interest | 9,250 | 9,250 | 9,221 | 29 |
| Fees | 2,000 | 2,000 | - | 2,000 |
| Total expenditures | <u>101,250</u> | <u>101,250</u> | <u>100,321</u> | <u>929</u> |
| Net changes in fund deficit | <u>\$ (9,900)</u> | <u>\$ (9,900)</u> | <u>(1,052)</u> | <u>\$ 8,848</u> |
| Fund deficit, beginning of the year | | | <u>(105,109)</u> | |
| Fund deficit, end of the year | | | <u>\$ (106,161)</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, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|-------------------|-----------------|--|
| Revenues: | | | | |
| Grant income | \$ - | \$ - | \$ 1,650 | \$ 1,650 |
| Interest income | - | - | 5 | 5 |
| | <u>-</u> | <u>-</u> | <u>1,655</u> | <u>1,655</u> |
| Total revenues | - | - | 1,655 | 1,655 |
| Expenditures - miscellaneous | 4,400 | 4,400 | - | 4,400 |
| | <u>4,400</u> | <u>4,400</u> | <u>-</u> | <u>4,400</u> |
| Net changes in fund balance | <u>\$ (4,400)</u> | <u>\$ (4,400)</u> | <u>1,655</u> | <u>\$ 6,055</u> |
| Fund balance, beginning of the year | | | <u>4,406</u> | |
| Fund balance, end of the year | | | <u>\$ 6,061</u> | |

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, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|-----------------|----------------|--|
| Revenues: | | | | |
| Grant income | \$ 782,120 | \$ 782,120 | \$ 200,000 | \$ (582,120) |
| Miscellaneous | - | - | - | - |
| Total revenues | 782,120 | 782,120 | 200,000 | (582,120) |
| Expenditures - capital outlay | 782,120 | 782,120 | 200,009 | 582,111 |
| Net changes in fund balance | \$ - | \$ - | (9) | \$ (9) |
| Fund balance, beginning of the year | | | 9 | |
| Fund balance, end of the year | | | \$ - | |

See independent auditor's report.

**Village of Calumet Park, Illinois
 Illinois State Police Grant Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 For the Year Ended April 30, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|--------------------|-------------------|--|
| Revenues: | | | | |
| Grant income | \$ 189,000 | \$ 189,000 | \$ - | \$ (189,000) |
| Interest income | 25 | 25 | 152 | 127 |
| Total revenues | <u>189,025</u> | <u>189,025</u> | <u>152</u> | <u>(188,873)</u> |
| Expenditures: | | | | |
| Capital outlay - 911 equipment | 257,000 | 257,000 | - | 257,000 |
| Total expenditures | <u>257,000</u> | <u>257,000</u> | <u>-</u> | <u>257,000</u> |
| Net changes in fund balance | <u>\$ (67,975)</u> | <u>\$ (67,975)</u> | <u>152</u> | <u>\$ 68,127</u> |
| Fund balance, beginning of the year | | | <u>104,700</u> | |
| Fund balance, end of the year | | | <u>\$ 104,852</u> | |

See independent auditor's report.

**Village of Calumet Park, Illinois
Invest in Cook County Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended April 30, 2020**

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|---------------------|---|
| Revenues - grant income | \$ 172,000 | \$ 172,000 | \$ - | \$ (172,000) |
| Expenditures - street and alley | <u>172,000</u> | <u>172,000</u> | <u>121,289</u> | <u>50,711</u> |
| Net changes in fund balance (deficit) | <u>\$ -</u> | <u>\$ -</u> | <u>(121,289)</u> | <u>\$ (121,289)</u> |
| Fund deficit, beginning of the year | | | <u>(16,400)</u> | |
| Fund deficit, end of the year | | | <u>\$ (137,689)</u> | |

See independent auditor's report.

Village of Calumet Park, Illinois
Grant Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended April 30, 2020

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|-------------------------|--------------------|---|
| Revenues - grant income | \$ 385,000 | \$ 385,000 | \$ - | \$ (385,000) |
| Expenditures - street and alley | <u>385,500</u> | <u>385,500</u> | <u>20,034</u> | <u>365,466</u> |
| Net changes in fund balance (deficit) | <u>\$ (500)</u> | <u>\$ (500)</u> | <u>(20,034)</u> | <u>\$ (19,534)</u> |
| Fund deficit, beginning of the year | | | <u>(11,822)</u> | |
| Fund deficit, end of the year | | | <u>\$ (31,856)</u> | |

See independent auditor's report.

**Village of Calumet Park, Illinois
Overhead Sewer Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended April 30, 2020**

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------------|---------------------|-------------------|--|
| Revenues | \$ - | \$ - | \$ - | \$ - |
| Expenditures - street and alley | 100,000 | 100,000 | 8,000 | 92,000 |
| Net changes in fund balance | \$ (100,000) | \$ (100,000) | (8,000) | \$ 92,000 |
| Fund balance, beginning of the year | | | - | |
| Fund deficit, end of the year | | | \$ (8,000) | |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|---------------------|---------------------|-------------------------|--|
| Revenues: | | | | |
| Interest income | \$ 100 | \$ 100 | \$ 16 | \$ (84) |
| Other | 1,000 | 1,000 | - | (1,000) |
| Total revenues | <u>1,100</u> | <u>1,100</u> | <u>16</u> | <u>(1,084)</u> |
| Expenditures: | | | | |
| Capital outlay | 120,000 | 120,000 | 51,831 | 68,169 |
| Total expenditures | <u>120,000</u> | <u>120,000</u> | <u>51,831</u> | <u>68,169</u> |
| Net changes in fund balance | <u>\$ (118,900)</u> | <u>\$ (118,900)</u> | <u>(51,815)</u> | <u>\$ 67,085</u> |
| Fund balance, beginning of the year | | | <u>97,301</u> | |
| Fund balance, end of the year | | | <u>\$ 45,486</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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|------------------|------------------------------|--|
| Operating revenue - water charges | \$ 1,530,500 | \$ 1,530,500 | \$ 1,694,998 | \$ 164,498 |
| Operating expenses: | | | | |
| Salaries and wages | 164,827 | 164,827 | 165,470 | (643) |
| Insurance and benefits | 105,600 | 105,600 | 243,981 | (138,381) |
| Contractual services | 1,173,000 | 1,173,000 | 1,241,600 | (68,600) |
| Supplies and materials | 81,000 | 81,000 | 62,155 | 18,845 |
| Miscellaneous | 500 | 500 | 52 | 448 |
| Operating expenses before depreciation | 1,524,927 | 1,524,927 | 1,713,258 | (188,331) |
| Depreciation | - | - | 137,102 | (137,102) |
| Total operating expenses | 1,524,927 | 1,524,927 | 1,850,360 | (325,433) |
| Operating income (loss) | 5,573 | 5,573 | (155,362) | (160,935) |
| Nonoperating income: | | | | |
| Interest | 200 | 200 | 1,098 | 898 |
| Miscellaneous | 40,000 | 40,000 | 21,766 | (18,234) |
| Total nonoperating income | 40,200 | 40,200 | 22,864 | (17,336) |
| Changes in net deficit | \$ 45,773 | \$ 45,773 | (132,498) | \$ (178,271) |
| Net deficit, beginning of the year, as previously reported | | | (742,596) | |
| Prior period adjustment | | | (495,187) | |
| Net deficit, beginning of the year, as restated | | | (1,237,783) | |
| Net deficit, end of the year | | | <u>\$ (1,370,281)</u> | |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|--------------------|-------------------|---------------------|--|
| Operating revenue - sewer charges | \$ 520,000 | \$ 520,000 | \$ 622,752 | \$ 102,752 |
| Operating expenses: | | | | |
| Contractual services | 285,500 | 285,500 | 291,712 | (6,212) |
| Supplies and materials | 1,000 | 1,000 | 784 | 216 |
| Total operating expenses | 286,500 | 286,500 | 292,496 | (5,996) |
| Changes in net position | \$ 233,500 | \$ 233,500 | 330,256 | \$ 96,756 |
| Net position, beginning of the year | | | 1,724,011 | |
| Net position, end of the year | | | \$ 2,054,267 | |

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, 2020

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|-------------------------|----------------------------|---|
| Operating revenue - refuse charges | \$ 580,000 | \$ 580,000 | \$ 628,834 | \$ 48,834 |
| Operating expenses - contractual services | <u>563,948</u> | <u>563,948</u> | <u>588,658</u> | <u>(24,710)</u> |
| Changes in net deficit | <u>\$ 16,052</u> | <u>\$ 16,052</u> | <u>40,176</u> | <u>\$ 24,124</u> |
| Net deficit, beginning of the year | | | <u>(342,290)</u> | |
| Net deficit, end of the year | | | <u>\$ (302,114)</u> | |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|--|---------------------|---------------------|----------------------|--|
| Operating revenue - dispatch charges | \$ 1,330,700 | \$ 1,330,700 | \$ 1,567,708 | \$ 237,008 |
| Operating expenses: | | | | |
| Salaries and wages | 101,500 | 101,500 | 100,446 | 1,054 |
| Insurance and benefits | 28,400 | 28,400 | 33,152 | (4,752) |
| Contractual services | 1,215,900 | 1,215,900 | 1,326,084 | (110,184) |
| Supplies and materials | 189,755 | 189,755 | 13,312 | 176,443 |
| Miscellaneous | 2,000 | 2,000 | 1,584 | 416 |
| Depreciation | - | - | 1,604 | (1,604) |
| Total operating expenses | 1,537,555 | 1,537,555 | 1,476,182 | 61,373 |
| Operating loss | (206,855) | (206,855) | 91,526 | 298,381 |
| Nonoperating income (expense): | | | | |
| Interest | 25 | 25 | 154 | 129 |
| Miscellaneous | 25,000 | 25,000 | - | (25,000) |
| Capital lease principal expense | (186,107) | (186,107) | - | 186,107 |
| Capital lease interest expense | (6,942) | (6,942) | - | 6,942 |
| Total nonoperating income | (168,024) | (168,024) | 154 | 168,178 |
| Changes in net deficit | \$ (374,879) | \$ (374,879) | 91,680 | \$ 466,559 |
| Net deficit, beginning of the year, as previously reported | | | (1,721,199) | |
| Prior period adjustment | | | 348,163 | |
| Net deficit, beginning of the year, as restated | | | (1,373,036) | |
| Net deficit, end of the year | | | \$(1,281,356) | |

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, 2020

| | Original Budget | Final Budget | Actual | Variance Favorable (Unfavorable) |
|-------------------------------------|---------------------|---------------------|---------------------|--|
| Additions: | | | | |
| Contributions: | | | | |
| Employer | \$ 585,166 | 585,166 | \$ 796,782 | \$ 211,616 |
| Employee | 109,834 | 109,834 | 149,554 | 39,720 |
| Total contributions | <u>695,000</u> | <u>695,000</u> | <u>946,336</u> | <u>251,336</u> |
| Other income: | | | | |
| Investment income | 100,000 | 100,000 | 356,413 | 256,413 |
| Less investment expenses | - | - | (5,919) | (5,919) |
| Valuation income | - | - | (307,520) | (307,520) |
| Other income | - | - | 129 | 129 |
| Total other income | <u>100,000</u> | <u>100,000</u> | <u>43,103</u> | <u>(56,897)</u> |
| Total additions | <u>795,000</u> | <u>795,000</u> | <u>989,439</u> | <u>194,439</u> |
| Deductions: | | | | |
| Benefits and refunds | 950,000 | 950,000 | 1,037,823 | (87,823) |
| Administrative | 33,000 | 33,000 | 24,253 | 8,747 |
| Total deductions | <u>983,000</u> | <u>983,000</u> | <u>1,062,076</u> | <u>(79,076)</u> |
| Changes in net position | <u>\$ (188,000)</u> | <u>\$ (188,000)</u> | <u>(72,637)</u> | <u>\$ 115,363</u> |
| Net position, beginning of the year | | | <u>8,722,375</u> | |
| Net position, end of the year | | | <u>\$ 8,649,738</u> | |

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, 2020

| | Balance May 1, 2019 | Additions | Deductions | Balance April 30, 2020 |
|--------------------------|------------------------|-------------------|-------------------|---------------------------|
| Assets | | | | |
| Cash | \$ 100,077 | \$ 209,665 | \$ 163,602 | \$ 146,140 |
| Due from other funds | 79,460 | 2 | - | 79,462 |
| Total assets | \$ 179,537 | \$ 209,667 | \$ 163,602 | \$ 225,602 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ 7,500 | \$ - | 7,500 |
| Due to other funds | 8,520 | 2 | 2,502 | 6,020 |
| Deposits held | 171,017 | 202,165 | 161,100 | 212,082 |
| Total liabilities | \$ 179,537 | \$ 209,667 | \$ 163,602 | \$ 225,602 |

See independent auditor's report.

OTHER FINANCIAL SCHEDULES

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2020

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 |
|--------------|----------------------|--------------------|----------------------|
| 06/01/20 | \$ - | \$ 3,400.00 | \$ 3,400.00 |
| 12/01/20 | 170,000.00 | 3,400.00 | 173,400.00 |
| Total | \$ 170,000.00 | \$ 6,800.00 | \$ 176,800.00 |

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2020

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 |
|------------|------------|---------------|---------------|
| 06/01/2020 | \$ - | \$ 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, 2020

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>\$ 4,285,000.00</u> | <u>\$ 2,126,887.50</u> | <u>\$ 6,411,887.50</u> |

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2020

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 |
|--------------|----------------------|---------------------|----------------------|
| 06/01/2020 | \$ - | \$ 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 | \$ 280,000.00 | \$ 13,875.00 | \$ 293,875.00 |

See independent auditor's report.

Village of Calumet Park, Illinois
Schedule of Long-term Debt Obligations (cont'd)
April 30, 2020

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 |
|--------------|------------------------|------------------------|------------------------|
| 06/01/2020 | \$ - | \$ 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 | \$ 1,149,600.00 | \$ 4,514,600.00 |

See independent auditor's report.

STATISTICAL SECTION

Village of Calumet Park, Illinois
General Property Tax Data
April 30, 2020

| | Levy Year | | | | |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| Assessed valuation | \$ 76,830,637 | \$ 66,783,228 | \$ 71,073,249 | \$ 67,287,610 | \$ 65,660,912 |
| Rate | | | | | |
| General Fund | 5.2510 | 5.8543 | 5.1696 | 4.6534 | 4.4784 |
| Debt Service | 0.8635 | 1.0340 | 0.9605 | 0.9548 | 0.9655 |
| Police Pension | 1.3185 | 1.3445 | 1.2599 | 1.0626 | 1.0582 |
| Library | 0.2686 | 0.2943 | 0.2766 | 0.2735 | 0.2803 |
| Gross Levy | | | | | |
| General Fund | \$ 4,034,414 | \$ 3,909,660 | \$ 3,674,220 | \$ 3,131,167 | \$ 2,940,578 |
| Debt Service | 663,452 | 690,523 | 682,686 | 642,482 | 633,969 |
| Police Pension | 1,013,021 | 897,879 | 895,483 | 694,798 | 694,798 |
| Library | 206,379 | 196,570 | 196,570 | 184,061 | 184,061 |
| Total levies | \$ 5,917,266 | \$ 5,694,632 | \$ 5,448,959 | \$ 4,652,508 | \$ 4,453,406 |

See independent auditor's report.