

Village of
Romeoville
Where Community Matters

Village of Romeoville
Romeoville, Illinois

**Comprehensive
Annual Financial
Report
For the Fiscal Year
Ended April 30, 2016**



VILLAGE OF ROMEOVILLE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2016

Prepared by: Finance Department

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INTRODUCTORY SECTION

VILLAGE OF ROMEOVILLE, ILLINOIS

LIST OF PRINCIPAL OFFICIALS

April 30, 2016

ELECTED OFFICIALS

John D. Noak, Mayor

Dr. Bernice E. Holloway, Village Clerk

Jose (Joe) Chavez, Trustee

Brian Clancy, Sr., Trustee

Ken Griffin, Trustee

Sue A. Micklevitz, Trustee

Linda Palmiter, Trustee

Dave Richards, Trustee

ADMINISTRATION

Steve Gulden, Village Manager

Kent Adams, Fire Chief

Eric Bjork, Public Works Director

Dawn Caldwell, Assistant Village Manager

Kirk Openchowski, Finance Director

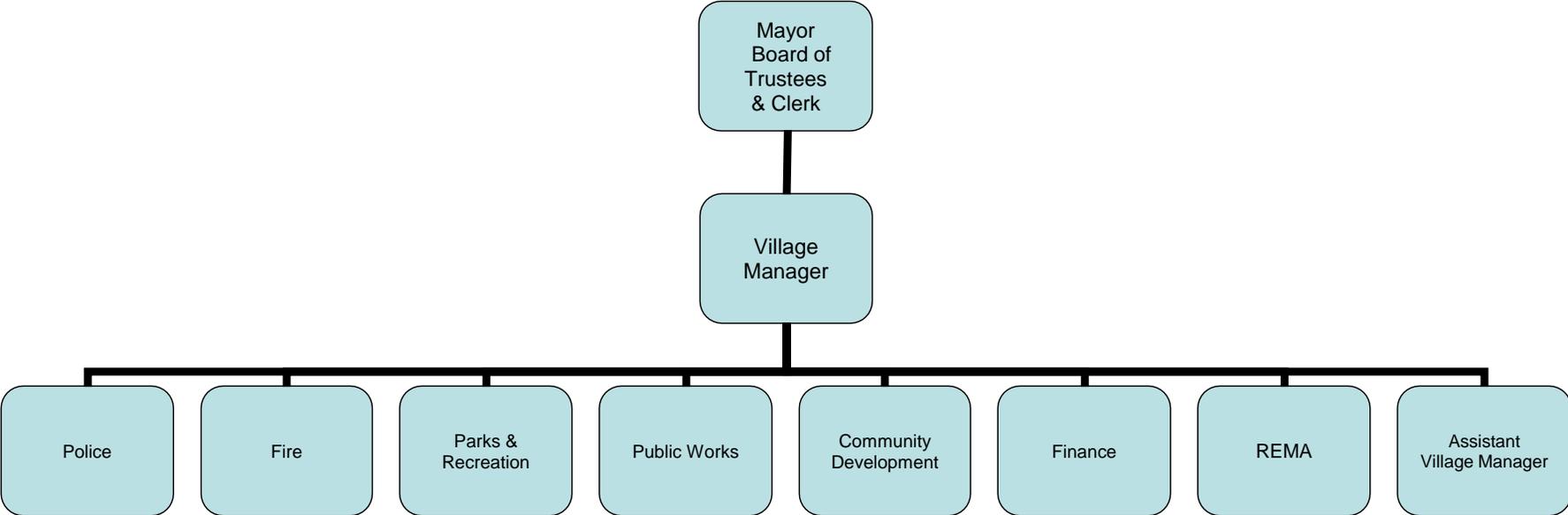
Kelly Rajzer, Director of Parks and Recreation

Steve Rockwell, Community Development Director

Mark Turvey, Chief of Police

**VILLAGE OF ROMEOVILLE, ILLINOIS
VILLAGE - WIDE**

ORGANIZATIONAL CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Romeoville
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2015

Executive Director/CEO

Village of Romeoville

Where Community Matters

Mayor

John Noak

Clerk

Dr. Bernice E. Holloway

Trustees

Linda S. Palmiter

Jose (Joe) Chavez

Brian A. Clancy Sr.

Dave Richards

Sue A. Micklevitz

Ken Griffin

Village Manager

Steve Gulden

November 15, 2016

To the Village President and Members of the Board of Trustees of the Village of Romeoville

The Comprehensive Annual Financial Report (CAFR) of the Village of Romeoville for the fiscal year ended April 30, 2016, is hereby submitted as required by the Illinois Compiled statutes. State law requires that the Village annually issue a complete set of audited financial statements. The statements must be presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants. This CAFR is published to fulfill these requirements for the fiscal year ended April 30, 2016.

The report consists of management's representations concerning the finances of the Village of Romeoville. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village are free of material misstatement. Sikich LLP has issued an unmodified ("clean") opinion on the Village of Romeoville's financial statements for the year ended April 30, 2016 and as such are fairly presented in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it. GAAP requires that management provide the MD&A as a narrative introduction, overview and analysis of the basic financial statements.

Profile of the Village of Romeoville

The Village of Romeoville, incorporated in 1895, is located in Will County and is approximately 26 miles southwest of Chicago. It currently encompasses 18 square miles and is bordered by the Village of Bolingbrook to the north, unincorporated Will County to the west, south and east, the City of Lockport to the southeast and the City of Crest Hill to the South. The Village serves a population of approximately 40,000 residents. It is a home rule community as defined by the Illinois Constitution.

The Village of Romeoville is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The Village has a President and Board of Trustees and has a Village form of government. The Village Board is composed of the Village President and six trustees who are elected at large on a non-partisan basis for staggered four year terms. The Village has an elected Clerk who is elected to a four year term at the same time as the Village President.

Policy making and legislative authority are vested in the Village Board. The Village Board is responsible for, among other things, passing ordinances and resolutions pertaining to and authorizing the wide scope of Village activities and operations, adopting the budget, appointing members to Boards and Commissions and appointing the Village Manager. The Village Manager is responsible for carrying out the policies and ordinances of the Village Board and for overseeing the day-to-day operations of the Village.

The Village of Romeoville provides a full range of services, including police and fire protection; refuse collection; snow and leaf removal; traffic control; on-and off-street parking; building inspections; community development; code enforcement; community relation services; licenses and permits; the construction and maintenance of roads, bridges, storm water systems and other infrastructure; recreational and cultural activities including parks; and general administrative services. In addition to the Village's general government activities the Village provides water and sewer services.

The Village has excellent schools, a wide variety of post high school education opportunities within the Village including those provided by Lewis University, Joliet Junior College and Rasmussen College, a diverse housing stock, easy access to major highways and public transportation and is home to the Lewis University Airport.

The Village is required to adopt an initial budget for the fiscal year no later than the April 30th preceding the beginning of the fiscal year on May 1st. This annual budget serves as the foundation for the Village of Romeoville's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police).

Economic Factors

The Village became a Home Rule community in February of 2004. Home Rule communities are not subject to the state imposed property tax cap which limits property tax increases, excluding new development and newly annexed property, to the lesser of 5% or the CPI. Home Rule communities have no legal debt limit, can implement additional revenue sources not available to non Home Rule communities and can implement regulations not available to non Home Rule communities. Under Illinois State Statutes a Village or City automatically qualifies as a Home Rule community when the population exceeds 25,000.

The financial condition of the Federal and State governments has had a dramatic effect on the Village of Romeoville during fiscal year 2016 and is expected to continue through fiscal year 2017. Grant assistance is extremely competitive and previously reliable state shared revenues that are distributed on a per capita basis, including the income tax, motor fuel tax and use tax, which may be reduced by the state as part of the state's effort to balance the state budget, are still economically sensitive and tend to fluctuate up and down on a year-to-year basis. The Village continues to look internally and consider increasing other revenue sources and/or reduce expenditures to maintain services levels until these larger governments get their finances in order. However, as the economy continues to improve downward trends are slowing and show signs of reversing course.

The Village implemented a 1% Food and Beverage tax, which was then further increased in FY 14-15, and increased the Home Rule sales tax of 1% to 1.5% in the fall of 2009. The new rates went into effect January 1st, 2010. The sales tax increase now generates \$2.0 million on an annual basis while the Food and Beverage Tax now generates \$1.3 million on an annual basis. The taxes were implemented to ensure the Village did not have a large General Corporate Fund shortfall for FY 2009-10, and help to balance the future General Corporate Fund budgets.

Even with the additional funds from these sources the Village's 2011-12 budget was only \$1 million more than FY 2010-11 (\$41 million versus \$40 million).

The FY 12-13 General Corporate Fund budget did increase to the \$43 million level. The FY 13-14 was at the \$46 million level and included use of \$1 million in fund balance, which was not needed. The FY 14-15 and FY 15-16 Budgets increased to \$47 million and the FY 16-17 budget increased to \$50 million. The FY 17-18 budget is anticipated to be at the \$53 million level and may utilize fund balance.

The Village adjusted a number of taxes, fees and fines in FY 10-11. The Motor Fuel Tax rate was increased from 4 cents to 5 cents per gallon, the natural gas use tax from 2.5 cents per therm to 3.5 cents, vehicle impound fees were increased from \$300 to \$400, various Police tickets were all increased to \$30.00 which had ranged \$10.00 to \$25.00 previously, business licenses and liquor license fees were increased across all classes, and the Village implemented a Real Estate Transfer Tax Service Fee of \$40.00 for tax exempt transactions. The increases generate an additional \$400,000 a year in General Corporate Fund revenues. The Village did not adjust any fee for FY 11-12 and FY12-13. Late during FY 13-14 the Village increased the Hotel Tax rate from 6% to 9% and in FY 14-15 increased the Food and Beverage tax to 1.25% for the non-alcohol portion of the tax and 3% for the alcohol portion. The increased rates generate an additional \$760,000 per year (\$600,000 Food and Beverage and \$160,000 Hotel Tax). No taxes and fees were adjusted as part of the FY 15-16 budget. However the local gas tax rate on diesel fuel was increased from 5 cents to 7 cents mid-year. Local tax rates and fees will be reviewed as part of the FY 17-18 budget and proposed increases and/or new fees may be presented to the Village Board.

The Village implemented an annual 5% increases in the water and sewer rates. The rate increases are reviewed every year as part of the budget process. However, the increases will be needed for several years to ensure the proper levels of services are provided to the residents and the system is maintained in the proper manner. The Village anticipates decreasing the annual 5% rate increase to 3% starting in FY 19-20. However, this will be monitored on a year-to-year basis.

The Village pursued the implementation of a Real Estate Transfer Tax. The tax, by state statute, can only be implemented by Home Rule communities but still must be approved by the voters through the referendum process. The Village was able to successfully pass the referendum during the April 5, 2005 elections. The Real Estate Transfer Tax was implemented in June of 2005 and generated \$1.25 million, which exceeded the estimated referendum amount of \$1,073,000. In fiscal year 2007 the tax generated \$1.7 million. However, that decreased to \$1.5 million for fiscal year 2008, \$0.6 million for 2009, \$0.5 million for 2010 and \$0.4 million in 2011. 2012 saw an increase to \$0.7 million, 2013 dipped to \$0.5 million, 2014 increased to \$0.7 million, 2015 and 2016 increased to \$0.9 million. It was anticipated that 2017 will see a decrease to \$0.6 million but preliminary results indicated that the Village will received \$1.1 million. The poor housing market continues to affect receipts but sale of commercial and industrial properties have produced the bulk of the revenue in recent years. The Village pledged, through the referendum process, to use half the proceeds for recreational projects and open space acquisition and the other half for growth related capital projects and public safety equipment.

Fiscal year 2004 saw the start of a slowdown in residential growth in the Village. The trend continued during the 2014 fiscal year. The Village's housing starts have decreased from the 700 to 1,200 range to the current 5 to 30 range. The Village has no new subdivisions planned; only three active subdivisions are having new homes built with increased activity up to 150 homes in FY 16-17. Also, an apartment complex of 292 started construction in FY 15-16, opened in FY 16-17 and will be fully occupied in FY 18-19. There are several other apartment projects in very early to early stages of development.

The Village is starting to receive greater funds from growth related revenues including building permits and tap-on fees, but continues to experience small annual increases in areas such as water and sewer usage, and utility tax and recreation department revenues. The Village is seeing increases in industrial and, to a lesser extent commercial development. The increase in industrial and commercial development does have a positive impact on sales tax, property tax, utility tax, business licenses and water and sewer revenues.

Recent activity has included the Sam's Club opening in October of 2013, opening of a Deals Store in 2014, the opening of a TJ Maxx in 2015, and Ashley Furniture which completed a distribution facility with a retail component that opened in 2015.

Blain's Farm and Fleet broke ground on their new store in 2015 which opened in October of 2016. Presence Healthcare, affiliated with St. Joes Hospital, broke ground in FY 15-16 on a 26,000 square foot senior healthcare facility that will also include medical services currently not available in the Village such as blood draws for medical testing and MRI's. The medical facility opened its doors in October of 2016.

Also a large golf course renovation project which includes a new club house is completed with the course renovations and learning center portions of the project completed in the spring of 2013 and the club house, which started construction in 2014, opened late in 2015. In addition, a couple of industrial spec buildings are being developed, and a couple of large industrial businesses, including Magid Glove and Safety and Peacock Engineering, moved into vacant sites. FY 2014-15 saw a continued return towards more typical level of development while FY 15-16 and FY 16-17 will continue that trend.

The Village, in hope of revitalizing what is now designated as the downtown area, has formed a Tax Increment Finance District (Downtown TIF) to provide a funding mechanism for the needed activities and projects. The revitalization will provide an economic engine on the Village's aging North side. The revitalization is expected to have a long-term positive impact on property taxes, sales taxes, building permits and other revenue sources. The Village has implemented extensive design standards for properties located within the TIF area and wants to improve the existing structures to meet the new standards.

More importantly, the Downtown TIF is expected to improve the quality of life for the residents. The Downtown TIF is anticipated to attract new quality businesses to the area and some new housing in the form of an apartment complex.

The downtown area is generally bounded by Normantown Road on the north, Illinois Route 53 on the east, Alexander Circle on the south and Dalhart Avenue on the west. The area includes what currently is the Spartan Square Shopping Center and the surrounding vacant land and various out lots. The entire Downtown TIF area is approximately 421 acres including the Downtown Area. The Downtown TIF will extend east of the Downtown area to include nearby industrial parks and open space up to and along the Des Plaines River and south along the Route 53 frontage properties to Romeo Road. The Downtown TIF is contiguous to the existing Marquette TIF.

Businesses will include the relocation of the Fat Ricky's restaurant from their current location within the TIF to a new, larger building that will include a 4,000 square foot deli and the construction of a 7,000 square foot strip center that will include a Subway sandwich shop and a relocated Harris Bank. The projects broke ground in early 2016 and will be completed in fall of 2016. The new McDonalds recently opened up in the Downtown TIF area across the street from the Edward Hospital Athletic and Event Center. Other projects may include an apartment complex with additional retail. The area also includes a renovated library facility. The library district completed their renovation project in the summer of 2012. TIF incentives have been provided to Fat Ricky's and to the developers of the retail center. The Village is in the process of purchasing the current Harris Bank site for \$1.2 million, which would be the location for the potential apartment site. The Village also purchased a small car wash located within the downtown TIF and will convert it to a much needed parking lot. The Edward Hospital Athletic and Event hosts many events where parking is at a premium.

The Village, acting as the master developer, has worked with Harbor Construction and the Barr Group, to help refine the Village's downtown vision. Two new restaurants opened in or near the Downtown Area in FY 2010-11 (Mongol McMichael's Texas Barbeque and the Stone City Saloon). TIF incentives were provided to both restaurants.

The Village may spend \$50.0 million in projects throughout the Downtown TIF area with the main focus in the designated downtown area. Projects include the Edward Hospital Athletic and Events Center, Route 53 landscaping islands, infrastructure improvements to storm water systems, improve and realign roadways and property acquisition, assembly, preparation and maintenance. TIF dollars will be used to assist property owners with property rehab, facade improvements, relocation expenses and other incentives.

Incentives have been or will be provided to assist the White Oak Library renovation project (\$270,000), Mickey's Goodyear renovations (\$40,000), Mongo McMichael's Restaurant improvements (\$75,000), Danny Boys site restoration (\$72,605), Stone City Saloon improvements (\$240,000) and Walgreens site improvements (\$350,000), McDonalds (\$100,000), Duke Realty (\$700,000) and the PAL Group/Orange Crush property restoration (\$30,000). Fat Ricky's Restaurant incentives include \$750,000 in cash incentives plus free land, parking lot design and engineering fees, reduced permit fees and landscape construction that could push the total value well over \$1 million. The Retail Center incentives include \$275,000 in cash incentives plus free land reduced permit fees and landscape construction that could push the total value well over \$0.5 million.

The Village entered into a naming rights agreement with Edward Hospital in 2015 regarding the Athletic and Event Center. The agreement is for five years with five payments from Edward to the Village of \$100,000. Edward Hospital also operates a physical therapy center in the center.

The Village issued, in July of 2013, \$15.1 million in bonds to pay for the construction of the Edward Hospital Athletic and Event Center and public improvements in the downtown area.

The bonds were for 12 years and are being paid with TIF funds. The bond issue is a mix of taxable and non-taxable bonds. The taxable portion will pertain to the funding needed for the Edward Hospital Athletic and Event Center (\$12.9 million) while the remaining portion (\$2.2 million) was used primarily for storm water and road improvements.

The Edward Hospital Athletic and Event center provides the Village a presence in the downtown and serves as an attraction to bring both a daytime and nighttime population to the downtown. The Edward Hospital Athletic and Event Center partially opened in the January of 2014 and fully opened in March of 2014. The Edward Hospital Athletic and Event Center is fulfilling its intend goal to act as an economic engine for the downtown area as it has been in near constant use for many practices, leagues, and hosting of events including several large basketball tournaments featuring youth and high school male and female athletes of interest to various levels of college programs.

The Edward Hospital Athletic and Event center contains space for a performing arts center/stage, indoor turf practice fields, two permanent basketball and volleyball courts, six temporary basketball courts, and community rooms. The Village pursued a Public/Private partnership where the Village builds the facilities and provides the building to a private group to operate the facility. The agreement, which is for 5 years and places much of the financial risk of operating losses with the operator while the Village received limited use of the facility, a low annual rental fee, retain revenue generated for naming rights, a 50/50 split of certain sponsorships, limited revenue sharing for the last three years of the agreement and other minor considerations. The agreement is in the process of being revised to reflect actual practices and adjustments that are currently in place for a variety of reasons.

The Downtown TIF allows the Village to capture property tax dollars based upon additional equalized assessed value (EAV) realized above 2003 values and the combined tax rate for all taxing bodies. Property owners in the Downtown TIF will pay the property taxes they would normally pay. The taxing bodies receive property taxes based upon the 2002 EAV of the TIF area and the Village receives the remaining portion of property taxes for the incremental EAV above the 2003 level. The Village has the approval and support from the taxing bodies affected by the Downtown TIF, including the Valley View 365U School District. The Village began to receive TIF funds in the 2006-07 fiscal year. The Downtown TIF may generate an estimated \$3.5 million in property taxes over its remaining life. An additional \$19 million is anticipated to be imported from the existing Marquette TIF over its remaining life. State statutes allow the villages to import/export TIF Funds between TIF Districts if they are contiguous with each other. The Marquette TIF will be the primary funding source for the Downtown TIF.

The Village has received approval from the state legislature, which required the approval of all the taxing bodies within the TIF to grant approval, to extend the life of the Marquette TIF for 12 years to further support what the Village hopes to accomplish in the Downtown area and forming two new TIF Districts.

One of the TIF's would be located along Route 53 and Joliet Road with properties near or adjacent to the Marquette TIF and a TIF along a portion of the Des Plaines River near the City of Lockport boarder to facilitate the construction of a barge loading station for petroleum products on a small island located in the river. The Route 53 and Joliet Road TIF will be formed in late FY 16-17 or early FY 17-18. The site may see a full service truck stop and a distribution center along with expanded underground mining activity.

The Village increased the Marquette TIF tax distribution surplus from 20% to 50% during the remaining life of the original Marquette TIF and 30% for the life of the extended portion which started with the 2013 property tax levy.

The Village also provided the Valley View School District \$1,000,000 in TIF funds for improvements for the RC Hill School and \$250,000 will be provided for Transportation Facility improvements both of which are located in the Downtown TIF. The Village also forgave the school district \$250,000 in a loan, funded through TIF, related to the Transportation Facility.

The Village created a third TIF in fiscal year 2008. The Romeo Road TIF is located on the North East corner of Route 53 and Romeo Road and is 2.5 acres in size. The TIF was created to provide \$350,000 in incentives for Developers to bring a Walgreens to the site. The Walgreens opened in October of 2008. The site was home to a long-time closed Amoco station. The site had a number of environmental and infrastructure challenges and would not be developed without the incentives. The Romeo Road TIF is contiguous to the Downtown TIF. The Village may construct additional turn lane improvements at the Walgreens, which will be funded out of the Romeo Road TIF.

The Village acquired the Spartan Square Shopping Plaza, located within the Downtown TIF, during fiscal year 2008. The Village was in the process of looking at condemnation. Having control of the property provided the Village better flexibility and flow of information in working with potential developers with regards to the property. The Village razed the Spartan Square Plaza in 2013. Some of the vacated tenants, such as Subway, will return to the new retail center. The Village acquired vacant land from Harris Bank during fiscal year 2009, next to the facility located in the downtown area for \$2.2 million. The land may be used for an apartment complex, hotel or additional parking.

The Village also acquired the 9 Rock Road property for \$1.3 million and demolished the main structure with TIF funds in FY 2012-13 and will perform additional site clean-up and improvements in FY 13-14 and FY 14-15. The business located on the site was taken over by the bank. It was a site the Village has coveted because the business was improperly zoned but was grandfathered in when the zoning for the business type changed. The Village, as part of the transaction, had an option to acquire an additional 2.3 acres adjacent to 9 Rock Road for \$170,000. The Village exercised the option in FY 13-14 and completed the transaction in FY 14-15.

The Village needed new facilities to house current and future Village Employees. The Village's Police Department was most in need of additional space. The Village conducted a space needs analysis during the 2006 fiscal year. The Village, spread out over several locations and buildings, operated out of a space of slightly over 32,000 square feet, including the Police Department's 11,400 square feet of space. The space served 180 employees.

The Village issued bonds to pay for the new Village Hall/Police Station and a variety of other projects totaling over \$68 million. The bond portion of the projects cost \$57.8 million. The debt service is not anticipated to be included as part of the property tax levy. The Village plans to continue to use funds generated from Home Rule sales tax and Lockport Fire Protection District agreement to make the debt service payments.

The Village broke ground on a combined Village Hall and Police Station in 2008, which then opened in June of 2010. Previously, Residents had to go to several locations to access Village services. The 118,000 square foot facility combines the services at one location. The Village Hall/Police Station is located on a site immediately west of the Recreation Center on 135th St.

The Village had planned on constructing two new fire stations from the bond proceeds. Fire Station #3, located at Normantown and Birch roads, was completed in October of 2008.

The bond funds for the second Fire Station, a new Fire Station 1, went to fund several other projects as not enough funds were left for the Fire Station construction due to unforeseen costs associated with the Village Hall construction pertaining mainly to an additional \$1 million needed for Public Safety communication infrastructure and systems. The projects included various road and park improvements.

A new Fire Station #1 was constructed on its current site in FY 15-16 and FY 16-17 for a cost of \$4.3 million. The new Fire Station became operable in September of 2016. The Village had purchased property in 2009 for \$0.3 million for the Fire Station but will repurpose that property for another use. Funding came from escrowed property taxes of \$4.3 million pertaining to an Equalized Assessed Value challenge (See below) between the refinery and the taxing bodies.

The Village has experienced decreases in Equalized Assessed Value in 2008, 2009 and 2011 through 2013, a slight 0.42% increase in 2014 and a 2.66% increase in 2015. It is anticipated that the EAV will increase 2% to 4% in 2016.

There was a large increase in 2010 due to a successful challenge, at the county level, of the Citgo Refinery EAV by a local school district. If not for the Citgo EAV adjustment the Village's EAV would have decreased for 2010 as well. The 2010 Citgo EAV increase in the Village was \$85 million and generates \$1.2 million in property tax for the Village.

Citgo was challenging the EAV increase and if they were successful with the challenge, the Village would have to repay the taxes. The case was not scheduled to be reviewed by the State Property Tax Appeals Board for several years because of their case backlog. The Village set aside the Citgo Funds in case the funds have to be repaid. The taxing bodies, led by the county and school district, did reach a settlement with Citgo in 2015. The settlement required that no repayment of taxes collected by the taxing bodies be returned to Citgo. The Village transferred the funds (\$4.3 million) in FY 14-15 from the General Corporate Fund to the Facility Construction Fund to construct a new Fire Station. The agreement sets the EAV for the 2014 through 2018 levies. The settlement does reduce the 2013 EAV by \$30 million over the 2015 and 2016 levy years but the Village will no longer have to set aside the funds.

The Village has raised its property tax rate, but has kept the levy at the nearly same dollar level, the last six years to maintain property tax revenues while keeping costs for the homeowners on average near the same. The Village anticipates keeping the 2016 levy at similar levels to the 2015 levy. Any increase will be based upon new growth.

The Village, in order to increase sewage treatment capacity and meet EPA requirements, initiated a wastewater consolidation and expansion project. The total project costs \$36 million and took several years to complete. The Village has secured an Illinois EPA Revolving Loan (\$26 million) for a low interest loan to fund the project. The current IEPA loan rate is 2.5%. The loan is for 20 years, with 13 years remaining. Annual payments are \$1.8 million. The loan is being repaid from water and sewer revenues.

The Village continues to improve infrastructure and transportation in the Village. The State is in the process of widening the I55 and Weber Road intersection and includes widening the Normantown and Weber Road intersection as well. The State is in final stages of the design phase but did "break ground" in FY 14-15 and has started some preliminary construction as well. The two intersections are two of the top ten worst locations in the state for accidents. The Village may have to contribute up to \$1 million towards the project.

The Village has an 80% matching grant to study and design an interchange system at I55 and Airport and Route 126. The Village is working in conjunction with the Villages of Plainfield and Bolingbrook to fund the project. All three communities would be the primary beneficiaries of the interchange.

The Village is working with Metra to construct a new train station located at 135th street and New Avenue.

The Village worked with the Citgo Refinery to have the land donated and secured a grant for design of the station, to study the impact of the station on the Village's east side and to guide proper planning for the area. Metra has secured funding for the construction. Most of the major obstacles regarding the station have been worked through and design has started on the project. The station is anticipated to begin construction in spring of 2017 and open in 2018.

The Village took several steps to balance the FY 10-11 and future budgets by leaving ten positions vacant through several departments, no raises for non-union staff in FY 10-11, offered an early retirement incentive package (which expired in FY 15-16 and is reflected in the required GASB 45 reporting) and staff reductions of 3 full-time and 15 part-time positions. FY 16-17 continues to leave certain positions vacant and limit expenditure increases to only what is contractually obligated and what is deemed necessary. The FY 17-18 budget will be prepared in a similar manner.

The Village's contracts with the Police Union (MAP) and Public Works/Clerical/Inspectors/Code Enforcement/E-911 Dispatch Union (AFSCME) expired at the end of fiscal year 2015. Negotiations started during the spring of 2015 and were settled over the course of the fiscal year. COLA increases were limited to 2.35% for both contracts, requires all new hires to belong to the less expensive HMO and a greater premium cost for employees who do not participate in the Village's wellness program.

Non-Union Employees received a 2% COLA for FY 11-12, FY 12-13, FY 13-14, FY 14-15, 3% in FY 14-15 and 2% in FY 15-16. Non-Union employees moved from a step plan to a merit based range plan for FY 16-17. There will be no automatic COLA increase but the range top and bottom may be adjusted each year and total raises averaged 3.5%, a similar percent to the combined union Step Increase and COLA increases received by the unions (4.0%).

The first Fire Union contract expired in FY 12-13 and negotiations were completed in FY 14-15. The settled contract included a substantial pay increase in order to maintain compensation at levels similar to surrounding and like size communities and included a 2% COLA. The settled contract expired at the end of FY 15-16 and negotiations continue on a new contract which is anticipated being settled in FY 16-17 with terms similar to those of the Police and AFSCME unions.

Police and Fire Pension Fund Information

The Police Pension fund overall had a weak year in 2016. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes when, in actuality, the Police Pension fund had a return of negative 1.40% in 2016. The return was caused by a down year in the equity markets, which was reflected in the decrease of the market value in mutual funds held by the fund. Overall, the fund value decreased by \$11,800. The investment earnings losses of \$197,200 were offset by Village and employee contributions. The Police Pension fund has a diverse portfolio that includes cash, cash equivalents and money market mutual funds (5 %), treasuries and agencies (30 %) and equities (65 %). The Police Pension fund, based on FY 15-16 data and the Village's actuary calculations, is 64% funded which is a 5% increase from the prior year. However, the increase is attributed to the actuarial changes required by GASB 67/68. On an apples-to-apples marker value basis, under the same mythology prior to the GASB changes the percent funded would have decreased by 2% to 63% funded. The Village, at the time of this report, does not yet have actuarial information based on FY 15-16 data from the State. The Village and State use differing methodology. The Village bases the levy on the higher actuary requirement between the two.

The Fire Pension fund had an up year in 2016. Overall, the fund increased by 12.5% in value from a combination of investment earnings, Village contributions and employee contributions. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes. However the Fire Pension fund only returned 1.7% in 2016. The returns are due to interest earnings offset by decreases in market valuations of investments. The Fire Pension fund is very conservative with 65% of the assets invested in money market mutual funds (1 %), federal treasuries, agencies (55%) and municipal bonds (9%). The remaining 35% is invested in mutual funds. The Fire Pension fund, based on FY 15-16 data, is 100% funded according to the Village's actuary calculations which is a 1% increase from the prior year. However, a large portion of the increase is attributed to the actuarial changes required by GASB 67/68.

On an apples-to-apples market value basis, under the same mythology prior to the GASB changes the percent funded would have decreased by 3% to 95% funded. The Village bases the levy on the higher actuary requirement between the Village's actuary and the State. The Village, at the time of this report, does not yet have actuarial information based on FY 15-16 data from the State.

The Village conducted an OPEB GASB 45 actuary study. The actuarial liability increased from \$2.4 million to \$4.8 million. The increase was due to changes in assumptions pertaining to the length of time participants will remain on Village insurance upon retirement based on sick time benefit usage, the ages of retiree spouses, gender and sliding scale of the implicit cost as retirees age.

It should be noted that the Village did change actuaries for FY 15-16. The new actuaries did apply a more nuanced approach which, while starting from a point of duplicating the prior actuarial results, will not provide a full apples-to-apples comparison between the reports produced this year and prior year's reports.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the necessary data and participation to prepare this report. Credit also is due to the Village President and the Village Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Romeoville's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kirk Openchowski". The signature is written in black ink and is positioned above the printed name and title.

Kirk Openchowski
Finance Director/Treasurer

FINANCIAL SECTION



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Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Village President
and Members of the Board of Trustees
Village of Romeoville, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Romeoville, Illinois (the Village), as of and for the year ended April 30, 2016 and the related notes to 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 Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Romeoville, Illinois as of April 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 12, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses, modified certain disclosures in the notes to financial statements and the required supplementary information. 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 and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Sikich LLP

Naperville, Illinois
November 8, 2016

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Village of Romeoville, Illinois

Management's Discussion and Analysis

April 30, 2016

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

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Village's financial statements (beginning on page 4).

Using the Financial Section of this Comprehensive Annual Report

In the past, the primary focus of local governmental financial statements has been summarized fund type information on a current financial resources basis. This approach has been modified and now the Village's financial statements present two kinds of statements, each with a different snapshot of the Village's finances. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the Village's accountability.

Government-Wide Financial Statements

The government-wide financial statements (see pages 4-6) are designed to emulate the corporate sector in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The focus of the statement of net position (the "unrestricted net position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The statement of activities (see pages 5-6) is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidies to various business-type activities.

The governmental activities reflect the Village's basic services, including general government, public safety, public works, and culture and recreation. Shared state sales, local utility and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations (water and sewerage), where the fee for service typically covers all or most of the costs of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds, rather than (the previous model's) fund types.

The governmental funds (see pages 7-12) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The fund financial statements also allow the government to address its fiduciary funds (Police Pension and Firefighters' Pension, see pages 17-18). While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

While the business-type activities column in the business-type fund financial statements (see pages 13-16) is the same as the business-type column in the government-wide financial statements, the governmental funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 9 and 12). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate capital assets and long-term obligations (bonds and others) into the governmental activities column (in the government-wide financial statements).

Infrastructure Assets

Historically, a government's largest group of assets (infrastructure – roads, bridges, storm sewers, etc.) have not been reported nor depreciated in governmental financial statements. The Governmental Accounting Standards Board Statement No. 34 (GASB 34) requires that these assets be valued and reported within the governmental column of the government-wide financial statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful lives or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The Village has chosen to depreciate assets over their useful lives. If a road project is considered maintenance – a recurring cost that does not extend the road's original useful life or expand its capacity – the cost of the project will be expensed. An "overlay" of a road will be considered maintenance whereas a "rebuild" of a road will be capitalized.

Government-Wide Financial Statements

Statement of Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$343.6 million as of April 30, 2016.

A significant portion of the Village's net position (103.2%) reflects its investment in capital assets (i.e., land, land improvements, streets and bridges, storm sewers, water mains, buildings and vehicles) less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

For more detailed information see the statement of net position (page 4).

The Village's combined net position (which is the Village's equity) decreased to \$343.6 million from \$371.2 million as a result of decreases in the net position of both the governmental activities and business-type activities. Net position of the Village's governmental activities was \$246.3 million. The Village's unrestricted net position is a negative \$20.9 million versus \$4.8 million in FY 14-15 which reflects the application of the GASB 68 requirements regarding pension fund liability reporting requirements. The net position of business-type activities decreased to \$97.3 million from \$99.1 million. The Village can use unrestricted net position to finance the continuing operations of its water and sewer system.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Table 1
Statement of Net Position
As of April 30, 2016
(In millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current Assets	\$ 67.2	\$ 50.8	\$ 11.0	\$ 11.5	\$ 78.2	\$ 62.3
Noncurrent Assets	-	0.1	-	-	-	0.1
Capital Assets	347.6	351.8	113.4	116.9	461.0	468.7
Total Assets	<u>414.8</u>	<u>402.7</u>	<u>124.4</u>	<u>128.4</u>	<u>539.2</u>	<u>531.1</u>
Deferred Outflows of Resources						
Pension Items	5.7	-	0.7	-	6.4	-
Unamortized Loss on Refunding	0.1	0.1	-	-	0.1	0.1
Total Deferred Outflows of Resources	<u>5.8</u>	<u>0.1</u>	<u>0.7</u>	<u>-</u>	<u>6.5</u>	<u>0.1</u>
Total Assets and Deferred Outflows of Resources	<u>420.6</u>	<u>402.8</u>	<u>125.1</u>	<u>128.4</u>	<u>545.7</u>	<u>531.2</u>
Current Liabilities	8.7	7.3	2.0	2.4	10.7	9.7
Noncurrent Liabilities	149.4	110.0	25.7	26.9	175.1	136.9
Total Liabilities	<u>158.1</u>	<u>117.3</u>	<u>27.7</u>	<u>29.3</u>	<u>185.8</u>	<u>146.6</u>
Deferred Inflows of Resources						
Pension Items	2.8	-	-	-	2.8	-
Deferred Revenue	13.2	13.1	-	-	13.2	13.1
Unamortized Gain on Refunding	0.2	0.3	-	-	0.2	0.3
Total Deferred Inflows of Resources	<u>16.2</u>	<u>13.4</u>	<u>-</u>	<u>-</u>	<u>16.2</u>	<u>13.4</u>
Total Liabilities and Deferred Inflows of Resources	<u>174.3</u>	<u>130.7</u>	<u>27.7</u>	<u>29.3</u>	<u>202.0</u>	<u>160.0</u>
Net Investment in Capital Assets	264.5	263.9	90.1	90.2	354.6	354.1
Restricted	2.7	3.3	-	-	2.7	3.3
Unrestricted	<u>(20.9)</u>	<u>4.9</u>	<u>7.2</u>	<u>8.9</u>	<u>(13.7)</u>	<u>13.8</u>
Total Net Position	<u>\$ 246.3</u>	<u>\$ 272.1</u>	<u>\$ 97.3</u>	<u>\$ 99.1</u>	<u>\$ 343.6</u>	<u>\$ 371.2</u>

Normal Impacts

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

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

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

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

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

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

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

Reduction of Capital Assets through Depreciation – which reduces capital assets and net investment in capital assets.

Current Year Impacts

The Village's governmental activities net position decreased \$25.8 million which can be attributed to several factors. The overriding factor for the decrease was the effect of the GASB 68 implementation. Current assets increased by \$12.1 million, which can be attributed to increased cash and investments (\$3.1 million) due to operational revenues exceeding expenses and increased Other Receivables (\$12.9 million) which reflects the timing of bond proceeds related to the Refunding GO Series 2016 Bonds. Funds due from other governments increased by \$0.5 million reflect increased state shared revenues. There were also slight changes in various receivables and monies due from other funds that do not represent any significant changes. These increases were offset by the results of the GASB 45 OPEB study which reflected an OPEB liability versus the FY 14-15 \$0.2 million net asset and other capital asset decreases. Capital asset balances decreased by \$4.2 million mainly due to depreciation expenses of \$8.8 million exceeding additional capital assets of \$4.8 million. The \$5.1 million increase in deferred outflows of resources can be attributed to the implementation of Governmental Accounting Standards Board Statement No. 68 (GASB 68) which requires certain pension-related items to be reported in the government-wide financial statements. Liabilities and deferred inflows of resources increased by \$43.6 million which can mainly be attributed to the implementation of (GASB 68) which resulted in \$29 million in net pension liabilities being recorded at the government-wide level along with pension-related deferred inflows of resources totaling \$2.8 million. Additionally, the Village issued \$11.9 million in general obligation refunding bonds at a premium of \$1.4 million during the current fiscal year. Accounts payable increased \$0.7 million due to capital project invoices and retainage being in transit at year end, particularly for the Fire Station One construction project as reflected in the Facility Construction Fund. Deposits payable increased by \$1.2 million due to funds held in escrow for various development projects, increases in escrows for police fines, forfeitures and seizure funds that are designated for specific uses by law and \$0.3 million in park contributions from a large apartment complex project. Noncurrent liabilities increased by \$39.4 million due to the aforementioned implementation of GASB 68 and the issuance of general obligation refunding bonds at a premium. The Village saw a \$2.8 million increase in Deferred Inflow activities attributed to the implementation of GASB 68. The Village partially refunded the 2007B General Obligation Refunding Bonds in 2016.

The Village's business-type activities net position decreased \$1.8 million and can be attributed to several factors. Assets decreased by \$4.0 million, which can be attributed to capital asset decreases (\$3.5 million), which was due to depreciation while cash on hand decreased by \$0.5 million due to operation cash flows, Accounts receivable increased by \$0.1 million due to payment timing. Liabilities and Deferred Inflows of Resources decreased by \$1.6 million, which can be attributed to decreased liabilities associated with bonds including unamortized bond premiums, notes payable and compensated absences (\$2.5 million) and which was offset by the net pension liability recorded when GASB 68 was implemented (\$1.3 million) and a \$0.5 million decrease in accounts payable.

Current year impacts are discussed in more detail after Table 2.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Changes in Net Position

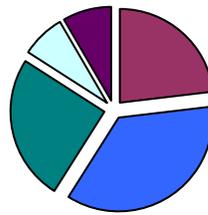
The following chart compares the revenue and expenses for the current and prior fiscal year.

Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2016
(In millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
REVENUES						
Program Revenues						
Charges for Services	\$ 11.1	\$ 11.1	\$ 16.6	\$ 15.6	\$ 27.7	\$ 26.7
Operating Grants and Contributions	1.2	1.2	-	0.1	1.2	1.3
Capital Grants and Contributions	1.0	2.3	0.4	0.2	1.4	2.5
General Revenues						
Property and Replacement Taxes	16.5	15.3	-	-	16.5	15.3
Sales Taxes	11.6	11.0	-	-	11.6	11.0
Income Taxes	4.2	3.9	-	-	4.2	3.9
Utility Taxes	5.9	6.0	-	-	5.9	6.0
Other Taxes	4.8	4.6	-	-	4.8	4.6
Transfers	-	-	-	-	-	-
Other	0.4	0.2	0.2	0.3	0.6	0.5
Special Item	-	4.3	-	-	-	4.3
Total Revenues	<u>56.7</u>	<u>59.9</u>	<u>17.2</u>	<u>16.2</u>	<u>73.9</u>	<u>76.1</u>
EXPENSES						
General Government	13.8	16.3	-	-	13.8	16.3
Public Safety	21.4	19.1	-	-	21.4	19.1
Public Works	15.0	15.3	17.8	17.5	32.8	32.8
Culture and Recreation	5.0	4.3	-	-	5.0	4.3
Debt Service	4.5	4.8	-	-	4.5	4.8
Total Expenses	<u>59.7</u>	<u>59.8</u>	<u>17.8</u>	<u>17.5</u>	<u>77.5</u>	<u>77.3</u>
CHANGE IN NET POSITION	<u>(3.0)</u>	<u>0.1</u>	<u>(0.6)</u>	<u>(1.3)</u>	<u>(3.6)</u>	<u>(1.2)</u>
BEGINNING NET POSITION	<u>272.1</u>	<u>272.0</u>	<u>99.1</u>	<u>100.4</u>	<u>371.2</u>	<u>372.4</u>
Prior Period Adjustment	(22.8)	-	(1.2)	-	(24.0)	-
BEGINNING NET POSITION, RESTATED	<u>249.3</u>	<u>272.0</u>	<u>97.9</u>	<u>100.4</u>	<u>347.2</u>	<u>372.4</u>
ENDING NET POSITION	<u>\$ 246.3</u>	<u>\$ 272.1</u>	<u>\$ 97.3</u>	<u>\$ 99.1</u>	<u>\$ 343.6</u>	<u>\$ 371.2</u>

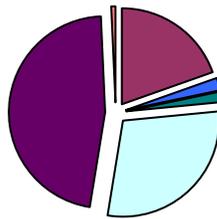
(See independent auditor's report.)

2016 Governmental Activities Expenses



■ General Government ■ Public Safety ■ Public Works ■ Debt Service ■ Culture & Recreation

2016 Governmental Activities Revenue



■ Charges for Services ■ Operating Grants ■ Capital Grants ■ Property Tax ■ Other Taxes ■ Other

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

Normal Impacts

Revenues:

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

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

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and nonrecurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while nonrecurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.

Market Impacts on Investment income – the Village's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Expenses:

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

Increase in Authorized Personnel – changes in service demand may cause the Village Board to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent 41% of the Village's operating costs.

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

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

Current Year Impacts

Revenues:

For the fiscal year ended April 30, 2016, revenues from all activities totaled \$73.9 million. The Village has a diversified revenue structure and depends on several key revenue sources to help pay for the services provided. These sources include property taxes, sales taxes, utility taxes, shared revenues from the State (income tax, motor fuel tax), building permits, grants, developer contributions, rubbish collection fees, water and sewer sales to customers and tap-on fees.

The Village saw a 2.7% increase in the equalized assessed valuation (EAV) from \$1.038 billion to \$1.065 billion. The increase in its property tax revenue in 2016 compared to the previous year was 10.2%. This can be attributed to no longer having to place property taxes associated with a multi-year Citgo Refinery Equalized Assessed Value tax appeal into an escrow/accrued liability account as Citgo reached an EAV agreement with all the affected taxing bodies and withdrew its case with the Illinois Property Tax Appeal Board (PTAB). If the case was heard by PTAB and the refinery won their appeal, the Village would have had to pay the taxes generated from the disputed EAV back to the refinery. The increased EAV generates \$1 million per year in property taxes. The tax rate decreased to \$1.2981 per \$100 EAV. The Village, as a Home Rule community is not subject to the property tax cap laws. The Village collected \$0.3 million more in property tax (\$16.4 million vs. \$16.1 million) due to a slight increase in levied property taxes collected (\$120,000) and from TIF related property taxes (\$80,000). The Village's levy, in terms of dollars, was \$0.25 million higher than in the prior year.

Sales Tax increased by \$0.6 million or 5.4%. Sales Tax increased primarily due to the addition of Ashley Furniture and Magid Glove and Safety to the retail base, other additional smaller retail and a recovering economy. State sales tax increased by \$0.2 million and the Village's Home Rule sales tax increased by \$0.4 million while the State Use Tax increased by \$0.1 million. The Village last increased its home rule sales tax rate from 1.00% to 1.5% effective January 1st, 2010.

State Income Tax revenue showed an increase of \$0.3 million due to an increases in statewide income as unemployment levels dip.

The \$4.3 million Special Item pertains to the Citgo EAV settlement discussed previously in this letter. The disputed property taxes were recognized last fiscal year. The funds were ultimately used to construct the new Fire Station Number One.

Utility taxes showed a decrease of \$0.1 million as revenues from these sources remained stable.

The Village saw an increase in other tax revenue over the prior year of \$0.2 million or 4.3%. The increases can be attributed to Hotel Tax (\$0.1 million) and Food and Beverage Tax (\$0.1 million). The hotel tax increase is due to greater demand for hotels generated from the Edward Athletic and Event Center and the opening of a new extend stay hotel (Woodspring Suites) within the Village. The food and beverage increase is also due in part to the Edward Athletic and Event Center, the opening of a new McDonalds and the opening of the new club house at the Mistwood Golf Course which includes a pub and fine dining restaurant.

License and permit revenue decreased 19.5% in 2016. The decrease in building permits is due to fewer large projects having permits issued in FY 15-16. However this is due more to project timing than a decrease in building activity. Several large building projects, including a large apartment complex, had permits issued in May and June of 2016. Building Permit revenues for FY 16-17 has already exceed FY 14-15 and FY 15-16.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Investment returns, excluding pension funds, decreased by approximately 23.5% due to market valuation changes and decreased earnings for funds invested in government securities based investment funds.

Charges for services increased by \$1.0 million or 3.7%. The increase came solely from business-type activities.

The business-type activities (water and sewer operations) increase was from greater water and sewer sales due to a 5% rate increase and additional users on the system.

Operating Grants and Contributions saw a decrease of \$0.1 million, while Capital Grants and Contributions decreased \$1.1 million. The Village received \$0.05 million more in grant revenues which tend to fluctuate from year to year based upon project timing and grant availability. The decrease in Capital Grants and Contributions is due to less infrastructure contributed by developers (\$1.0 million) and less federal and state grant revenue (\$0.1 million).

Transfer payments, starting in FY10-11, from the business-type activities (Water and Sewer fund) to governmental activities (General Fund) are no longer shown as a transfer but are reflected as an allocation between funds and are netted against expenditures in governmental activities.

The Police Pension Fund ended the year with \$34.4 million in assets. The Fund had \$1.8 million in additions, which were provided by employer and employee contributions, net of investment income losses. The Fund had \$1.8 million in deductions. The bulk of the deductions were from pension benefits (\$1.8 million). There was no net increase to the Fund in 2016.

The Fire Pension Fund ended the year with \$7.8 million in assets. The Fund had \$0.6 million in additions, which were provided by employer and employee contributions and investment income. The Fund had \$0.2 million in deductions which consisted of administrative expenses, pension benefits and refunds of contributions. The net increase to the Fund was \$0.4 million.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2016 were \$77.5 million. Expenses increased 0.2% (\$0.2 million) as compared to 2015.

Governmental Activities costs decreased by \$0.1 million. The decreases came from General Government (\$2.5 million), Public Works (\$0.3 million) and Debt Service (\$0.3 million). These decreases were offset by increases to costs related to Public Safety (\$2.3 million) and Culture and Recreation (\$0.7 million).

The General Government activities decrease of \$2.5 million is attributed to capital expenses related decreases of \$2.9 million, most of which pertained to recognition of Village's contributions to the county for requested improvements on county roads (Gaskin and Weber intersection) during FY 14-15 and decreases of \$0.4 million pertaining to Worker Compensation and General Liability insurance due to favorable claim experience and insurance pool reserve balances. The decreases were offset by increased sales tax incentive payments (\$0.6 million) as new agreements for Ashley Furniture, Maggid Glove and Safety and the Mistwood Golf Course came on-line and better information, furnished by the state, provided additional store sales for existing agreements and legal fees (\$0.2 million).

Public Safety increased by \$2.3 million. The majority of the increase comes from additional capital expenses related to the construction of the new Fire Station Number One and the purchase of an aerial ladder truck while operational expenses remained stable with a slight increase of \$0.2 million from \$17.9 million to \$18.0 million.

Public Works expenses decreased by \$0.3 million compared to the prior year. Operational expenses increased slightly by \$0.2 million while capital outlay expenses decreased by \$0.5 million from the prior year. Operational savings were from salaries (\$0.2 million) due to vacancies and lower commodities (\$0.2 million) costs led by lower motor fuel prices (\$0.1 million) which were offset by a variety of contractual service increases. The capital project decreases were due to less road resurfacing projects than the prior year.

The Culture and Recreation increase of \$0.7 million is due to increases due to timing of capital expense recognitions and depreciation costs.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Business-type activities (water and sewer) expenses increased by \$0.3 million from the prior year. The increases were from operations (\$0.3 million) and which was offset by interest expense decrease (\$0.1 million). Operation increases were spread through many line items while the interest decrease reflects scheduled debt service payments. The water and sewer operations accounted for 54.3% of the total Public Works activities.

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2016, the governmental funds (as presented on the balance sheet on pages 7-8) reported a combined fund balance of \$45.8 million. Revenues/other financing sources exceeded expenditures/other financing uses in 2016 by \$14.9 million. The primary reason for this increase was due to the timing of the Refunding GO 2016 Series Bonds which straddled the end of FY 15-16 and FY 16-17. The bonds were used to refund the GO 2007 Series B Bonds. The bond proceeds and bond premium totaling \$13.4 million were recognized in FY 15-16. The offsetting use for the 2007 B Bonds debt retirement will be reflected in the FY 16-17 statements. The General Fund's fund balance increased by \$3.5 million. This was offset by decreases in the Facility Construction Fund, the Motor Fuel Tax Fund, and capital project/bond funds as existing fund balances in those funds were used to complete various projects

General Fund Budgetary Highlights

Prior to or at the last Village Board meeting in April, the Mayor submits to the Village Board a proposed operating budget for the fiscal year commencing on May 1. The operating budget includes proposed expenditures and the means to finance them. The Village had no budget amendments in 2016. Below is a table that reflects the original budget and the actual activity for the revenues and expenditures for the General Fund.

Table 3
General Fund Budgetary Highlights
(In millions)

General Fund	Original Budget	Actual
Revenues and Other Financing Sources		
Property Taxes	\$ 10.7	\$ 10.7
Other taxes	13.3	14.3
Interest	0.1	0.1
Fines	0.5	0.5
Licenses and permits	2.0	1.8
Charges for services	5.8	6.1
Intergovernmental	10.1	12.4
Other	0.8	0.7
Capital leases issued	-	0.5
Sale of capital assets	-	0.2
Total	<u>43.3</u>	<u>47.3</u>

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Expenditures and Other Financing Uses		
General government	10.4	10.6
Public safety	18.8	18.0
Public works	8.4	8.0
Capital outlay	3.1	2.9
Debt service	0.2	0.3
Reimbursements	(3.1)	(3.1)
Transfers out	<u>5.5</u>	<u>7.1</u>
Total	<u>43.3</u>	<u>43.8</u>
Change in Fund Balance	<u>-</u>	<u>3.5</u>

As shown above, the General Fund was budgeted to break even, while actual results were an increase of \$3.5 million. Revenues were over budget by approximately \$4.0 million and expenditures were over budget by \$0.5 million.

The Village received \$1.0 million more in other taxes than anticipated. The Village received \$0.8 million more than anticipated in Home Rule Sales Tax, \$0.2 million more in Real Estate Transfer Tax, \$0.1 million more in Food and Beverage Tax and \$0.1 million more in Gaming Tax. Offsetting these gains were \$0.1 million less than anticipated in Electric Utility Tax and \$0.1 million less in Telephone Utility Tax. The Home Rule Sales Tax increase was primarily due to the addition of Ashley Furniture and Magid Glove and Safety to the retail base, other additional smaller retail and a recovering economy. Real Estate Transfer Tax was budgeted conservatively. There were greater than anticipated sales of industrial and commercial property. The food and beverage increase is also due in part to the Edward Athletic and Event Center, the opening of a new McDonalds and the opening of the new club house at the Mistwood Golf Course which includes a pub and fine dining restaurant. The Video Gaming Tax was due to more machines being available for the year full as venues continue to open in the Village. The utility tax decreases were due to slightly less anticipated usage.

Interest was higher than anticipated due to greater than anticipated earnings on Illinois Metropolitan Investment Funds held in the General Corporate Fund. The budget was \$30,000 and receipts were \$117,576.

Fines were in line with the budget of \$0.5 million.

Building Permits were under budget by \$0.2 million. Large projects, including a large apartment complex, that were anticipated to be included in FY15-16 were slightly delayed which resulted in the permits being issued in FY 16-17. The economic slowdown had resulted in overall less revenues than in the several years prior. However, commercial and industrial building activity has picked up over the past four years. FY 16-17 will be one of the Village's best years ever as revenues have already exceeded the \$1.8 million budget by \$0.2 million

Charges for services, over budget by \$0.3 million, saw \$0.3 million in additional revenues in engineering reimbursements due to greater than anticipated development activity, an increase in zoning variance fees of \$0.1 million due to increased development activity and an increase in Cable Franchise Fees of \$0.1 million due to rising rates and additional customers, while Fire Academy Revenues, matching expenditures, dipped by \$0.2 million.

Intergovernmental Revenues were over budget by \$2.3 million. The Village received \$2.3 million more than anticipated in State Income Tax. The Village based the budget on receiving one-half the normal income tax allotment based on the Governor's proposed legislation to help balance the state's budget. Sales tax was greater than anticipated by \$0.3 million for similar reasons discussed above for the Home Rule sales tax. Use Tax distributions were \$0.2 million greater than anticipated due to a stronger state economy. The personal property replacement tax was \$0.1 million less than budgeted due to the state discovering it was distributing the tax based on an incorrect formula in recent years. No funds were collected for the Auto Theft Grant (\$0.1 million budget) as funding was put on hold by the state. The Village received \$0.4 million less in Federal grants due to the timing with the Metra station project and not receiving grants for Fire Department SCBA, a Fire Department drone and Taylor Road sidewalks.

Other revenues were \$0.1 million less than the budgeted amount of \$0.8 million. Workers' Compensation Reimbursement was \$0.1 million under budget due to favorable claim experience. Flexible spending was \$0.1 million under budget. The Village budgets for the flexible spending payments withheld from employees and distributed to the flexible spending plan, but the receipts are not recognized as revenues for financial reporting purposes. Miscellaneous Revenue was \$0.1 million over due to a credit received from Will County for prior Weber and Gaskin Road contributions.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

General Government expenditures were over budget by \$0.2 million. Contractual Services were over budget by \$0.4 million. The overages were offset by savings in Salaries of \$0.1 million and Commodities of \$0.1 million. Contractual Overages include legal fees (\$0.3 million) due to contract negotiations and the Enbridge case, additional non-TIF incentives paid to the developers of the Fat Ricky's restaurant located within the Downtown TIF (\$0.1 million) and greater than anticipated communication/telephone costs (\$0.1 million). Offsetting Contractual Services savings include lower than anticipated Retiree Insurance costs (\$0.1 million) and timing of updating the Village's Comprehensive Plan (\$0.1 million). Salary savings were due to vacancies and flexible spending expenses that are recognized for budgeting purposes but not for accounting purposes. Commodity savings were spread out over a variety of accounts and departments.

Public Safety expenditures were under budget by \$0.8 million. The majority came through salary savings of \$0.6 million due to less than anticipated Worker's Compensation payments and the timing of hiring new fire and police personnel including vacant Battalion Chief Positions and vacant Police Officer positions, Code Enforcement, E911 Dispatcher and full and part-time firefighter positions. The Police and Fire Departments had a variety of savings (\$0.2 million) over several contractual and commodity line items.

Public Works expenditures were under budget by \$0.4 million. Public works realized \$0.2 million in personnel savings due to vacancies in the motor pool and \$0.2 million in savings from commodities. The commodity savings were from lower gas prices (\$0.1 million) with the rest of the savings spread out over several accounts.

Capital outlay expenditures were under budget by \$0.2 million due to savings in Public Works projects of \$0.7 million due to road project savings of \$0.1 million and \$0.6 million in project timing for Landscape Islands (\$0.3 million), Storm Sewer lining (\$0.1 million), Metra Station engineering (\$0.1 million), and Taylor Road Sidewalks (\$0.1 million) that were offset by the Public Safety capital expenditures overages of \$0.5 million. The overages included the lease purchase of an aerial ladder truck. Neither the lease proceeds nor full cost of the truck (\$0.7 million unbudgeted) was included in the budget. The Fire Department also had \$0.2 million in savings by not purchasing inclusion Self Contained Breathing Apparatus and a drone that were grant contingent projects.

Debt Service over payments of \$0.1 million reflect the net effect of \$150,000 paid to Will County for road contributions to Weber and Gaskin that is considered a note payable. \$75,000 of which was budgeted in a contractual account and \$75,000 for which there is an unbudgeted credit in Miscellaneous Income. Also, a lease payment budgeted for the lease purchase of an aerial ladder truck, which was effectively used as a down payment on the truck, was reflected in a capital line item account and not as a debt service.

Transfers to other funds were over budget by \$1.6 million. The transfers were to the Debt Service Fund (\$4.3 million), the unbudgeted Facility Construction Fund (\$1.7 million), and the Recreation Fund (\$1.1 million). The funds transferred to the Facility Construction Fund will be used for a variety of capital projects.

The Village made a concerted effort to keep General Fund expenditures within or under revenues for fiscal year 2016. The Village, at the start of fiscal year 2005, had a negative fund balance of \$0.6 million. The fiscal year 2016 fund balance is now at \$24.1 million. The Village's long-term goal is to have and maintain a positive fund balance equal to 25% of the General Fund budget. The Village increased the fund balance by \$3.5 million in FY15-16. The Village's targeted fund balance, based on actual expenditures and transfers of \$43.8 million as of April 30, 2016 was \$11.0 million. The fiscal year 15-16 budget was \$43.3 million, with a targeted fund balance of \$10.9 million. The Village's FY16-17 budget of \$49.9 million has a targeted fund balance of \$12.5 million.

Capital Assets

At the end of fiscal year 2016, the Village had a combined total of capital assets of \$461.0 million (after accumulated depreciation of \$198.1 million) invested in a broad range of capital assets including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, bridges, water mains, storm sewers and sanitary sewer lines. (See Table 4 below). This amount represents a net decrease (including additions and deletions) of approximately \$7.7 million. Detailed information related to capital assets is included in Notes 1 and 4 to the basic financial statements.

The Net Capital Assets of the Village decreased by \$7.7 million over 2015. The main reason for the decrease can be attributed to depreciation of \$13.5 million and \$0.2 million in deletions versus \$6.0 million in additions. Governmental activities capital assets decreased by \$4.2 million, while business-type activities capital assets decreased by \$3.5 million. Asset additions have slowed as the Village has depleted bond and TIF funds for their intended projects and Water and Sewer unrestricted equity balances have slowed as several large infrastructure projects have been completed and the balances have been depleted.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

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

	Balance 4/30/15	Net Additions/Deletions	Balance 4/30/16
Land	\$ 192.5	\$ 0.1	\$ 192.6
Construction in Progress	0.2	3.1	3.3
Buildings	66.5	(2.3)	64.2
Machinery and Equipment	2.7	(0.2)	2.5
Furniture and Fixtures	0.2	-	0.2
Vehicles	2.8	0.8	3.6
Infrastructure	203.7	(9.1)	194.6
Other Equipment	<u>0.1</u>	<u>(0.1)</u>	-
Total Capital Assets	<u>\$ 468.7</u>	<u>(\$ 7.7)</u>	<u>\$ 461.0</u>

Debt Outstanding

As of April 30, 2016, the Village had outstanding bonded debt of \$119.2 million. Of this amount \$5.7 million represented general obligation bonds associated with business-type activities. General obligation bonds associated with governmental activities totaled \$113.5 million.

As of April 30, 2016, the Village has a \$17.5 million Illinois Environmental Protection Agency Clean Water State Revolving Fund loan.

The Village is no longer subject to the debt limit due to its Home Rule community status. However, the Village's legal debt limitation would be \$91,900,712 if it were a non-Home Rule community. The limit is based on 8.625% of the 2015 equalized assessed valuation of \$1,065,515,505.

Detailed information related to long-term debt is included in Note 6 to the basic financial statements.

Economic Factors

The fiscal year ended positively as the Village's General Corporate Fund and Recreation Fund ended with a surplus, Other Governmental Funds and the Water and Sewer Fund ended with less than anticipated decreases. The Pension Funds did suffer due to a downturn in the market but the market losses should be made up in FY 16-17. The financial condition of the General Corporate Fund has stabilized significantly over the past several years. The Village does continue to feel the effects of the slow growth economy and effects of the recession which began to impact the Village in the fall of 2008. However, the Village has made many adjustments on both the revenue and expenditure side to ensure core services are provided while still maintaining adequate fund balances. The Village was able to prepare a FY 16-17 budget that was designed to ensure the Village's financial position remains strong and maintain existing service levels. The budget did not utilize General Corporate Fund balance but may do so in future budgets. Uses in other funds are tied to capital projects.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Kirk Openchowski, Finance Director, Village of Romeoville, 1050 West Romeo Road, Romeoville, Illinois 60446.

(See independent auditor's report.)

BASIC FINANCIAL STATEMENTS

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 30,073,226	\$ 2,450,176	\$ 32,523,402
Investments	5,125,611	6,880,201	12,005,812
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	13,193,895	-	13,193,895
Accounts	488,888	1,617,690	2,106,578
Interest	10,412	-	10,412
Other	14,107,914	-	14,107,914
Due from other governments	4,136,534	-	4,136,534
Due from fiduciary funds	82,468	-	82,468
Capital assets not being depreciated	195,665,359	314,438	195,979,797
Capital assets being depreciated	151,987,303	113,113,191	265,100,494
 Total assets	 414,871,610	 124,375,696	 539,247,306
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	2,354,778	703,375	3,058,153
Pension items - Police Pension	3,043,462	-	3,043,462
Pension items - Fire Pension	384,078	-	384,078
Unamortized loss on refunding	22,825	-	22,825
 Total deferred outflows of resources	 5,805,143	 703,375	 6,508,518
 Total assets and deferred outflows of resources	 420,676,753	 125,079,071	 545,755,824
LIABILITIES			
Accounts payable	3,447,302	1,274,523	4,721,825
Accrued liabilities	1,277,667	236,812	1,514,479
Deposits payable	3,497,888	181,866	3,679,754
Unearned revenue	9,567	-	9,567
Accrued interest payable	550,066	260,434	810,500
Noncurrent liabilities			
Due within one year	6,883,582	3,618,378	10,501,960
Due in more than one year	142,485,719	22,121,564	164,607,283
 Total liabilities	 158,151,791	 27,693,577	 185,845,368
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension	2,674,204	-	2,674,204
Pension items - Fire Pension	158,859	-	158,859
Deferred revenue	13,193,895	-	13,193,895
Unamortized gain on refunding	235,397	-	235,397
 Total deferred inflows of resources	 16,262,355	 -	 16,262,355
 Total liabilities and deferred inflows of resources	 174,414,146	 27,693,577	 202,107,723
NET POSITION			
Net investment in capital assets	264,541,515	90,127,058	354,668,573
Restricted for			
Maintenance of roadways	943,663	-	943,663
Economic development	1,710,168	-	1,710,168
Capital projects	55,654	-	55,654
Unrestricted	(20,988,393)	7,258,436	(13,729,957)
 TOTAL NET POSITION	 \$ 246,262,607	 \$ 97,385,494	 \$ 343,648,101

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 13,853,144	\$ 1,366,788	\$ 10,178	\$ -
Public safety	21,462,453	3,248,233	58,632	-
Public works	15,020,236	5,507,244	1,093,514	976,637
Culture and recreation	5,026,478	1,040,173	11	-
Interest and fiscal charges on long-term debt	4,575,340	-	-	-
Total governmental activities	59,937,651	11,162,438	1,162,335	976,637
Business-Type Activities				
Water and sewer	17,759,434	16,579,382	-	399,658
Total business-type activities	17,759,434	16,579,382	-	399,658
TOTAL PRIMARY GOVERNMENT	\$ 77,697,085	\$ 27,741,820	\$ 1,162,335	\$ 1,376,295

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (12,476,178)	\$ -	\$ (12,476,178)
	(18,155,588)	-	(18,155,588)
	(7,442,841)	-	(7,442,841)
	(3,986,294)	-	(3,986,294)
	(4,575,340)	-	(4,575,340)
	(46,636,241)	-	(46,636,241)
	-	(780,394)	(780,394)
	-	(780,394)	(780,394)
	(46,636,241)	(780,394)	(47,416,635)
General Revenues			
Taxes			
Property	16,423,304	-	16,423,304
Home rule sales	6,146,634	-	6,146,634
Telecommunications	993,552	-	993,552
Utility	5,929,117	-	5,929,117
Hotel/motel	475,098	-	475,098
Other	2,405,204	-	2,405,204
Intergovernmental - unrestricted			
Replacement tax	109,584	-	109,584
State sales tax	5,520,622	-	5,520,622
Use tax	920,714	-	920,714
Income tax	4,228,795	-	4,228,795
Investment income	128,845	150,909	279,754
Miscellaneous	328,096	77,500	405,596
Total	43,609,565	228,409	43,837,974
CHANGE IN NET POSITION	(3,026,676)	(551,985)	(3,578,661)
NET POSITION, MAY 1	272,076,826	99,146,626	371,223,452
Change in accounting principle	(22,787,543)	(1,209,147)	(23,996,690)
NET POSITION, MAY 1, RESTATED	249,289,283	97,937,479	347,226,762
NET POSITION, APRIL 30	\$ 246,262,607	\$ 97,385,494	\$ 343,648,101

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

April 30, 2016

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
ASSETS							
Cash and cash equivalents	\$ 20,814,927	\$ 1,959,555	\$ 269,900	\$ 3,328,236	\$ 179,606	\$ 3,521,002	\$ 30,073,226
Investments	4,624,637	-	-	500,974	-	-	5,125,611
Receivables (net, where applicable, of allowances for uncollectibles)							
Property taxes	10,257,334	2,099,066	837,495	-	-	-	13,193,895
Accounts	470,663	8,025	-	-	10,200	-	488,888
Interest	9,185	-	-	1,227	-	-	10,412
Other	838,929	56,521	13,146,098	-	-	66,366	14,107,914
Due from other funds	117,520	-	-	-	-	-	117,520
Due from other governments	3,817,994	-	-	-	-	318,540	4,136,534
TOTAL ASSETS	\$ 40,951,189	\$ 4,123,167	\$ 14,253,493	\$ 3,830,437	\$ 189,806	\$ 3,905,908	\$ 67,254,000

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 2,223,766	\$ 180,264	\$ -	\$ 598,336	\$ 23,011	\$ 421,925	\$ 3,447,302
Accrued liabilities	1,146,056	131,611	-	-	-	-	1,277,667
Deposits	3,117,249	380,639	-	-	-	-	3,497,888
Due to other funds	5,660	-	-	-	-	29,392	35,052
Unearned revenue	9,567	-	-	-	-	-	9,567
Total liabilities	6,502,298	692,514	-	598,336	23,011	451,317	8,267,476
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	10,257,334	2,099,066	837,495	-	-	-	13,193,895
Total deferred inflows of resources	10,257,334	2,099,066	837,495	-	-	-	13,193,895
Total liabilities and deferred inflows of resources	16,759,632	2,791,580	837,495	598,336	23,011	451,317	21,461,371
FUND BALANCES							
Restricted							
Maintenance of roadways	-	-	-	-	-	943,663	943,663
Economic development	-	-	-	-	166,795	1,543,373	1,710,168
Debt service	-	-	13,415,998	-	-	-	13,415,998
Capital projects	-	-	-	-	-	55,654	55,654
Unrestricted							
Assigned							
Maintenance of roadways	-	-	-	-	-	827,153	827,153
Recreation	-	1,331,587	-	-	-	-	1,331,587
Capital projects	-	-	-	3,232,101	-	84,748	3,316,849
Unassigned	24,191,557	-	-	-	-	-	24,191,557
Total fund balances	24,191,557	1,331,587	13,415,998	3,232,101	166,795	3,454,591	45,792,629
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
	\$ 40,951,189	\$ 4,123,167	\$ 14,253,493	\$ 3,830,437	\$ 189,806	\$ 3,905,908	\$ 67,254,000

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION**

April 30, 2016

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 45,792,629
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	347,652,662
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings, and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	2,354,778
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	3,043,462
Deferred inflows of resources	(2,674,204)
Differences between expected and actual experiences, assumption changes, and net differences between projected and actual earnings for the Firefighters' Pension Fund are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position	
Deferred outflows of resources	384,078
Deferred inflows of resources	(158,859)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	(4,086,254)
Other postemployment benefit obligation	(8,101)
Unamortized premium on bonds	(2,310,079)
General obligation bonds payable	(111,181,188)
Capital leases payable	(1,148,998)
Notes payable	(1,619,790)
Net pension liability - Illinois Municipal Retirement Fund	(7,115,701)
Net pension liability - Police Pension Plan	(21,496,873)
Net pension liability - Firefighters' Pension Plan	(402,317)
Gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Unamortized loss on refunding	22,825
Unamortized gain on refunding	(235,397)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(550,066)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 246,262,607</u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

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

For the Year Ended April 30, 2016

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
REVENUES							
Property taxes	\$ 10,728,661	\$ 1,922,315	\$ 781,783	\$ -	\$ 200,267	\$ 2,790,279	\$ 16,423,305
Other taxes	14,293,874	932,742	-	-	-	722,989	15,949,605
Fines and forfeits	529,171	-	-	-	-	-	529,171
Licenses and permits	1,803,939	-	-	-	-	-	1,803,939
Charges for services	6,091,191	1,040,173	-	64,900	45,019	-	7,241,283
Intergovernmental	12,369,996	-	-	-	-	1,361,164	13,731,160
Investment income	117,576	701	100	5,871	113	4,484	128,845
Other	628,830	9,436	-	-	186,355	79,649	904,270
Total revenues	46,563,238	3,905,367	781,883	70,771	431,754	4,958,565	56,711,578
EXPENDITURES							
Current							
General government	10,567,616	-	-	-	430,858	816,539	11,815,013
Public safety	18,034,341	-	-	-	-	-	18,034,341
Public works	7,974,828	-	-	-	-	735,017	8,709,845
Culture and recreation	-	3,964,791	-	-	-	-	3,964,791
Allocations to water and sewer fund	(3,121,000)	-	-	-	-	-	(3,121,000)
Capital outlay	2,897,144	519,899	-	3,179,851	404,860	2,319,955	9,321,709
Debt service							
Principal	310,239	5,617	3,939,737	-	1,120,000	-	5,375,593
Interest and fiscal charges	18,750	-	1,383,672	-	467,885	-	1,870,307
Total expenditures	36,681,918	4,490,307	5,323,409	3,179,851	2,423,603	3,871,511	55,970,599
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,881,320	(584,940)	(4,541,526)	(3,109,080)	(1,991,849)	1,087,054	740,979

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
OTHER FINANCING SOURCES (USES)							
Bonds issued	\$ -	\$ -	\$ 11,950,000	\$ -	\$ -	\$ -	\$ 11,950,000
Premium on bonds issued	-	-	1,465,998	-	-	-	1,465,998
Capital leases issued	555,500	-	-	-	-	-	555,500
Transfers in	30,000	1,135,000	4,533,397	1,700,000	2,024,666	-	9,423,063
Transfers (out)	(7,152,292)	(374,471)	-	-	-	(1,896,300)	(9,423,063)
Sale of capital assets	201,358	-	-	-	-	-	201,358
Total other financing sources (uses)	(6,365,434)	760,529	17,949,395	1,700,000	2,024,666	(1,896,300)	14,172,856
NET CHANGE IN FUND BALANCES	3,515,886	175,589	13,407,869	(1,409,080)	32,817	(809,246)	14,913,835
FUND BALANCES, MAY 1	20,675,671	1,155,998	8,129	4,641,181	133,978	4,263,837	30,878,794
FUND BALANCES, APRIL 30	\$ 24,191,557	\$ 1,331,587	\$ 13,415,998	\$ 3,232,101	\$ 166,795	\$ 3,454,591	\$ 45,792,629

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 14,913,835
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	4,460,712
The Village accepted and received capital contributions that are capitalized and depreciated in the statement of activities	199,397
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds Depreciation of capital assets	(8,847,436)
The accretion of interest on the Series 2008B capital appreciation bonds is reported as interest expense and an increase in bonds payable in the statement of activities	(2,897,318)
The issuance of long-term debt and related costs are shown on the fund financial statements as other financing sources (uses) and current expenditures but are recorded as long-term liabilities and deferred outflows and inflows of resources on the government-wide statements Issuance of refunding bonds Issuance of capital leases Premium on issuance of refunding bonds	(11,950,000) (555,500) (1,465,998)
The repayment of the principal portion of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities General obligation bonds Notes payable Capital leases	5,059,736 150,000 165,857
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	65,411
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	126,874
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(712,909)
The change in the Police Pension Plan net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(951,696)
The change in the Firefighters' Pension Plan net pension liability and deferred outflows/inflows of resources is not a source or use of a financial resource	(36,322)
Changes in compensated absences are reported only in the statement of activities	(558,471)
Changes in net postemployment benefit assets are reported only in the statement of activities	<u>(192,848)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (3,026,676)</u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUND

April 30, 2016

	<u>Business-Type Activities Water and Sewer</u>
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,450,176
Investments	6,880,201
Receivables (net where applicable, of allowances for uncollectibles)	<u>1,617,690</u>
Total current assets	<u>10,948,067</u>
NONCURRENT ASSETS	
Capital assets not being depreciated	314,438
Capital assets being depreciated, net	<u>113,113,191</u>
Total noncurrent assets	<u>113,427,629</u>
Total assets	<u>124,375,696</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	<u>703,375</u>
Total deferred outflows of resources	<u>703,375</u>
Total assets and deferred outflows of resources	<u>125,079,071</u>
CURRENT LIABILITIES	
Accounts payable	1,274,523
Accrued liabilities	236,812
Accrued interest payable	260,434
Deposits payable	181,866
General obligation bonds payable	2,174,394
Note payable	1,270,480
Compensated absences payable	<u>173,504</u>
Total current liabilities	<u>5,572,013</u>
LONG-TERM LIABILITIES	
General obligation bonds payable	3,583,720
Note payable	16,271,977
Net pension liability - IMRF	2,125,470
Compensated absences payable	<u>140,397</u>
Total long-term liabilities	<u>22,121,564</u>
Total liabilities	<u>27,693,577</u>
NET POSITION	
Net investment in capital assets	90,127,058
Unrestricted	<u>7,258,436</u>
TOTAL NET POSITION	<u>\$ 97,385,494</u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUND**

For the Year Ended April 30, 2016

	Business-Type Activities
	Water and Sewer
OPERATING REVENUES	
Charges for services	\$ 15,397,937
Fines and fees	1,089,299
Reimbursements	92,146
	<hr/>
Total operating revenues	16,579,382
OPERATING EXPENSES EXCLUDING DEPRECIATION	
Operations	12,244,097
	<hr/>
OPERATING INCOME BEFORE DEPRECIATION	4,335,285
Depreciation	4,635,469
	<hr/>
OPERATING INCOME (LOSS)	(300,184)
	<hr/>
NON-OPERATING REVENUES (EXPENSES)	
Property tax rebate	(171,171)
Gain on the sale of fixed assets	77,500
Investment income	150,909
Interest expense	(708,697)
	<hr/>
Total non-operating revenues (expenses)	(651,459)
	<hr/>
INCOME (LOSS) BEFORE CONTRIBUTIONS	(951,643)
Contributions	399,658
	<hr/>
CHANGE IN NET POSITION	(551,985)
	<hr/>
NET POSITION, MAY 1	99,146,626
Change in accounting principle	(1,209,147)
	<hr/>
NET POSITION, MAY 1, RESTATED	97,937,479
	<hr/>
NET POSITION, APRIL 30	\$ 97,385,494

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended April 30, 2016

	Business-Type Activities
	Water and Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 16,439,774
Other receipts	136,620
Payments to suppliers	(5,489,032)
Payments to employees	(3,987,505)
Payments to other funds	<u>(3,121,000)</u>
Net cash from operating activities	<u>3,978,857</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
None	<u>-</u>
Net cash from noncapital financing activities	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital assets purchased	(883,621)
Capital contributions	118,008
Proceeds from the sale of capital assets	77,500
Principal payments - general obligation bonds	(2,065,264)
Principal payments - note payable	(1,239,303)
Interest paid	<u>(762,126)</u>
Net cash from capital and related financing activities	<u>(4,754,806)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	713,664
Interest received	<u>150,909</u>
Net cash from investing activities	<u>864,573</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	88,624
CASH AND CASH EQUIVALENTS, MAY 1	<u>2,361,552</u>
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 2,450,176</u></u>

(This statement is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND**

For the Year Ended April 30, 2016

	<u>Business-Type Activities Water and Sewer</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	\$ (300,184)
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation	4,635,469
Other expense	(171,171)
(Increase) decrease in Receivables	(5,988)
Increase (decrease) in Accounts payable	(514,324)
Accrued liabilities	92,916
Deposits payable	3,000
Pension items - IMRF	212,948
Compensated absences payable	26,191
	<hr/>
NET CASH FROM OPERATING ACTIVITIES	<u><u>\$ 3,978,857</u></u>
NONCASH TRANSACTIONS	
Contributions of capital assets	<u><u>\$ 281,650</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

April 30, 2016

ASSETS	
Cash and cash equivalents	\$ 174,288
Investments	
U.S. Treasury and agency securities	14,410,716
Municipal bonds	720,665
Money market mutual funds	1,451,381
Equity mutual funds	25,470,517
Accrued interest receivable	77,460
Due from other funds	<u>5,660</u>
Total assets	<u>42,310,687</u>
LIABILITIES	
Accounts payable	3,278
Due to other funds	<u>88,128</u>
Total liabilities	<u>91,406</u>
NET POSITION RESTRICTED FOR PENSIONS	<u><u>\$ 42,219,281</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended April 30, 2016

ADDITIONS

Contributions	
Employer	\$ 2,048,727
Employee	<u>707,459</u>
Total contributions	<u>2,756,186</u>
Investment income	
Net depreciation in fair value of investments	(834,715)
Interest	<u>793,177</u>
Total investment income	(41,538)
Less investment expense	<u>(313,560)</u>
Net investment income	<u>(355,098)</u>
Total additions	<u>2,401,088</u>

DEDUCTIONS

Administration	26,342
Benefits and refunds	
Benefits	<u>1,944,997</u>
Total deductions	<u>1,971,339</u>

NET INCREASE 429,749

**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>41,789,532</u>
April 30	<u><u>\$ 42,219,281</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Romeoville, Illinois (the Village), is located in Will County, Illinois and was first incorporated in 1895 under the provisions of the constitution and general statutes of the State of Illinois. The Village operates under a Board/Administrator form of government. The Village Board consists of seven elected members that exercise all powers of the Village but are accountable to their constituents for all their actions. The Village provides the following services as authorized by its charter: public safety (police, fire, civil defense, and emergency medical), highways and streets, culture and recreation, public improvements, planning and zoning, and general administrative services.

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

a. Reporting Entity

The Village is a municipal corporation governed by an elected board. As required by generally accepted accounting principles, these financial statements present the Village (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of its operational or financial relationship with the primary government. There are no component units that are required to be included in the Village's basic financial statements.

Joint Venture

Northern Will County Joint Action Water Agency - The Village entered into an intergovernmental agreement with the Villages of Bolingbrook, Homer Glen, Woodridge, and Lemont on December 13, 2011 to form the Northern Will County Joint Action Water Agency (JAWA). JAWA is a municipal corporation empowered to provide adequate supplies of water on an economic and efficient basis for member municipalities, public water districts, and other incorporated and unincorporated areas within such counties. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of JAWA beyond its representation on the Board of Directors. The Village has approximately twenty-five member water connections, which represents 0.10% of total member water connections.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

The Village's financial statements include two pension trust funds:

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. PPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

Firefighters' Pension Employee Retirement System

The Village's sworn firefighters participate in the Firefighters' Pension System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board. Two members appointed by the Village's President, one elected pension beneficiary, and two elected fire employees constitute the pension board. The Village and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. FPERS is reported as a pension trust fund because of the Village's fiduciary responsibility.

b. Fund Accounting

The Village uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary, and fiduciary.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

Governmental funds are used to account for substantially all of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds restricted, committed, or assigned for the acquisition or construction of capital assets (capital projects funds), and the funds restricted, committed, or assigned for the servicing of long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds). The Village does not utilize any internal service funds.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Village utilizes pension trust funds which are generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

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

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 ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

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

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The services which are administered by the Village and accounted for in the General Fund include general government, public works, culture and recreation, and public safety.

The Recreation Fund accounts for property taxes that are legally restricted for recreation purposes as well as other taxes and charges for services that are assigned for recreation purposes.

The Debt Service Fund accounts for the repayment of governmental long-term debt.

The Facility Construction Fund accounts for the cost of construction of new facilities in the Village, including the new Village Hall. The Village has elected to present this fund as a major fund.

The Downtown TIF Fund accounts for the resources that are legally restricted for the redevelopment of the areas that fall within the TIF District boundaries which includes the Uptown Square Center. The revenue in this fund is mainly from funds imported from the contiguous Marquette TIF along with the collection of the TIF property tax increment created from the increase in the value of property within the district. The Village has elected to present this fund as a major fund.

The Village reports the following major proprietary fund:

The 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, billing and collection, financing, and related debt service.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Village reports the following fiduciary funds:

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and the Firefighters' Pension Fund.

d. 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. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues and expenses are directly attributable to the operation of the proprietary funds. Non-operating revenue/expenses are incidental to the operations of these funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become 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 be used to pay liabilities of the current period.

The Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period and income taxes which uses a 90- to 120-day period. The Village recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as expenditures when due.

Corporate personal property replacement taxes owed to the state at year-end, franchise taxes, licenses, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Income and motor fuel taxes and fines collected and held by the state or county at year-end on behalf of the Village also are recognized as revenue. Fines and permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting, and Basis of Presentation
(Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. Monies that are virtually unrestricted as to purpose of expenditure, which are usually revocable only for failure to comply with prescribed compliance requirements, are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The Village reports unavailable/deferred and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the government before it has a legal claim to them such as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability or deferred inflow of resources for unearned and unavailable/deferred revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary fund considers its equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments with a maturity greater than one year and all pension fund investments are stated at fair value.

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when purchased.

h. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses.

i. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, stormwater systems), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$25,000 for machinery and equipment, \$100,000 for property or building improvements, and \$150,000 for infrastructure and an estimated useful life in excess of one year. Easements are defined by the Village as assets with an initial, individual cost of more than \$100,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	40
Machinery and equipment	5-20
Furniture and fixtures	5-20
Vehicles	5-10
Infrastructure	15-50
Other equipment	5-20

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences

Vested or accumulated vacation and vested sick leave is reported as an expenditure and a fund liability of the governmental (General) fund that will pay it once retirement or separation has occurred. Vested or accumulated vacation of proprietary funds and governmental activities are recorded as an expense and liability of those funds as the benefits accrue to employees.

k. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the 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 financial statements. Bond premiums and discounts and gains/losses on refundings are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount and gains/losses on refundings. Issuance costs are reported as expenses.

In the fund financial statements, governmental funds 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 expenditures.

l. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form which or legally or contractually required to be maintained intact. 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 or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village Board, which is considered the Village's highest level of decision-making authority. Formal actions include resolutions and ordinances (equally binding) approved by the Village. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. Although there is no formal policy, the authority to assign fund balance has been delegated to the Village's Director of Finance consistent with the intentions of the Village Board. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Position (Continued)

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

m. 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. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so it will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period these amounts become available.

n. Interfund Transactions

Interfund services are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Accounting Estimates

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

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

a. Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all investments allowed by Illinois Compiled Statutes (ILCS). These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participant's fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and yield.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy does not specifically address custodial credit risk.

Investments

The following table presents the investments and maturities of the Village's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Certificate of deposit - negotiable	\$ 900,877	\$ 500,043	\$ 400,834	\$ -	\$ -
U.S. Treasury notes	1,345,872	229,719	862,978	253,175	-
U.S. agencies - FFCB	200,050	-	200,050	-	-
U.S. agencies - FHLB	1,392,068	-	1,392,068	-	-
U.S. agencies - FHLMC	3,142,747	-	2,658,628	-	484,119
U.S. agencies - FNMA	3,709,603	-	691,220	165,789	2,852,594
Bond mutual funds	1,074,724	-	1,074,724	-	-
IMET	9,959,002	-	9,959,002	-	-
TOTAL	\$ 21,724,943	\$ 729,762	\$ 17,239,504	\$ 418,964	\$ 3,336,713

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter-term securities, money market funds, or similar investment pools. To the extent possible, the Village shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Village will not directly invest in securities maturing more than five years from the date of purchase in accordance with state and local statutes and ordinances.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Village limits its exposure to credit risk limiting investments to the safest types of securities; prequalifying the financial institutions, intermediaries and advisors with which the Village will conduct business; and diversifying the investment portfolio so that potential losses on individual investments will be minimized. IMET and Illinois Funds are rated AAA. U.S. agency obligations are rated AA+ to AAA. The bond mutual fund is not rated.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third party custodian and evidenced by safekeeping receipts and a written custodial agreement. Illinois Funds, IMET, and the bond mutual funds are not subject to custodial credit risk.

Concentration of credit risk is the risk that the Village has a high percentage of its investments invested in one type of investment. The Village limits its exposure by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities); limiting investment in securities that have higher credit risks; investing in securities with varying maturities; and continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPS) or money market funds to ensure that proper liquidity is maintained in order to meet ongoing obligations.

3. RECEIVABLES

a. Property Taxes

Property taxes for 2015 attach as an enforceable lien on January 1, 2015, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about May 1, 2016, and are payable in two installments, on or about June 1, 2016 and September 1, 2016. Tax increment financing (TIF) property tax receipts are received in two installments similar to levied taxes described above. TIF property taxes are not levied, but are paid by the County from the incremental property tax receipts of all taxing bodies within a TIF District. The County collects such taxes and remits them periodically. As the 2015 tax levy is intended to fund expenditures for the 2016-2017 fiscal year, these taxes are deferred as of April 30, 2016.

The 2016 tax levy, which attached as an enforceable lien on property as of January 1, 2016, has not been recorded as a receivable as of April 30, 2016 as the tax has not yet been levied by the Village and will not be levied until December 2016 and, therefore, the levy is not measurable at April 30, 2016.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

b. Other Receivables

Other receivables are comprised of the following at April 30, 2016:

Description	General	Recreation	Debt Service	Local Gas Tax	Total
Water utility	\$ 24,398	\$ -	\$ -	\$ -	\$ 24,398
Bond proceeds	-	-	13,146,098	-	13,146,098
Franchise fees	138,184	-	-	-	138,184
Utility taxes	482,651	-	-	-	482,651
Home rule gas tax	66,366	-	-	66,366	132,732
Food and beverage tax	127,330	-	-	-	127,330
NSF checks	-	105	-	-	105
Hotel/motel tax	-	56,416	-	-	56,416
	<u>\$ 838,929</u>	<u>\$ 56,521</u>	<u>\$ 13,146,098</u>	<u>\$ 66,366</u>	<u>\$ 14,107,914</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2016 was as follows:

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 192,476,629	\$ 218,000	\$ -	\$ 192,694,629
Construction in progress	201,164	2,970,730	201,164	2,970,730
Total capital assets not being depreciated	<u>192,677,793</u>	<u>3,188,730</u>	<u>201,164</u>	<u>195,665,359</u>
Capital assets being depreciated				
Buildings and improvements	82,103,530	241,704	-	82,345,234
Machinery and equipment	5,171,999	-	-	5,171,999
Furniture and fixtures	1,808,387	-	-	1,808,387
Vehicles	9,121,284	1,231,442	455,035	9,897,691
Infrastructure	180,168,903	199,397	-	180,368,300
Total capital assets being depreciated	<u>278,374,103</u>	<u>1,672,543</u>	<u>455,035</u>	<u>279,591,611</u>

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
(Continued)				
Less accumulated depreciation for				
Buildings and improvements	\$ 18,808,069	\$ 2,402,795	\$ -	\$ 21,210,864
Machinery and equipment	2,625,105	256,085	-	2,881,190
Furniture and fixtures	1,587,219	12,842	-	1,600,061
Vehicles	7,423,661	476,473	455,035	7,445,099
Infrastructure	88,767,853	5,699,241	-	94,467,094
Total accumulated depreciation	<u>119,211,907</u>	<u>8,847,436</u>	<u>455,035</u>	<u>127,604,308</u>
 Total capital assets being depreciated, net	 <u>159,162,196</u>	 <u>(7,174,893)</u>	 <u>-</u>	 <u>151,987,303</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 351,839,989</u>	<u>\$ (3,986,163)</u>	<u>\$ 201,164</u>	<u>\$ 347,652,662</u>

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

GOVERNMENTAL ACTIVITIES		
General government		\$ 1,113,247
Public safety		1,170,718
Public works		5,790,419
Culture and recreation		<u>773,052</u>
 TOTAL DEPRECIATION EXPENSE -		
 GOVERNMENTAL ACTIVITIES		<u>\$ 8,847,436</u>

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 20,728	\$ -	\$ -	\$ 20,728
Construction in progress	-	293,710	-	293,710
Total capital assets not being depreciated	<u>20,728</u>	<u>293,710</u>	<u>-</u>	<u>314,438</u>
Capital assets being depreciated				
Buildings and improvements	4,310,077	-	-	4,310,077
Machinery and equipment	6,182,971	176,580	123,000	6,236,551
Vehicles	3,867,760	413,331	-	4,281,091
Infrastructure	167,571,610	281,650	-	167,853,260
Other equipment	910,541	-	-	910,541
Total capital assets being depreciated	<u>182,842,959</u>	<u>871,561</u>	<u>123,000</u>	<u>183,591,520</u>

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
(Continued)				
Less accumulated depreciation for				
Buildings and improvements	\$ 1,117,808	\$ 167,426	\$ -	\$ 1,285,234
Machinery and equipment	6,055,952	89,225	123,000	6,022,177
Vehicles	2,770,466	378,611	-	3,149,077
Infrastructure	55,178,364	3,959,682	-	59,138,046
Other equipment	843,270	40,525	-	883,795
Total accumulated depreciation	<u>65,965,860</u>	<u>4,635,469</u>	<u>123,000</u>	<u>70,478,329</u>
 Total capital assets being depreciated, net	 <u>116,877,099</u>	 <u>(3,763,908)</u>	 <u>-</u>	 <u>113,113,191</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET				
	<u>\$ 116,897,827</u>	<u>\$ (3,470,198)</u>	<u>\$ -</u>	<u>\$ 113,427,629</u>

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; employee health; and natural disasters.

The Village is a member of the Southwest Agency for Risk Management (SWARM) which is a public entity risk pool with eight member groups (villages and cities). The Village pays annual premiums to SWARM for its workers' compensation, general liability, and property coverages.

The cooperative agreement provides that SWARM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$600,000 per occurrence for workers' compensation and \$50,000 for occurrences for general liability and \$100,000 for occurrences for property.

One representative from each member serves on the SWARM board and each board member has one vote on the board. None of its members have any direct equity interest in SWARM.

The Village purchases commercial insurance to cover its employees for health and accident claims.

The Village has not had significant reductions in insurance coverage from the previous fiscal year nor did settlements exceed insurance coverage in any of the last three years.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund both general obligation bonds and revenue bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

As disclosed in footnote 13, subsequent to year end the Village advance refunded the 2007B Bond Issue and partially refunded the 2009 Bond Issue.

b. Governmental Activities

The following is a summary of long-term obligation activity for the Village associated with governmental activities for the year ended April 30, 2016:

	Balances May 1, Restated	Additions	Reductions	Balances April 30	Due Within One Year
General obligation bonds	\$ 49,629,348	\$ 11,950,000	\$ 5,059,736	\$ 56,519,612	\$ 5,675,606
General obligation capital appreciation bonds	51,764,258	2,897,318	-	54,661,576	-
Unamortized bond premiums	955,206	1,465,998	111,125	2,310,079	-
Capital leases	759,355	555,500	165,857	1,148,998	188,515
Note payable	1,769,790	-	150,000	1,619,790	-
Compensated absences*	3,527,783	1,845,413	1,286,942	4,086,254	1,019,461
Net other postemployment benefit obligation	-	8,101	-	8,101	-
Net pension liability - IMRF*	4,415,751	2,699,950	-	7,115,701	-
Net pension liability - Police*	20,175,919	1,320,954	-	21,496,873	-
Net pension liability - Fire*	140,776	261,541	-	402,317	-
TOTAL	\$ 133,138,186	\$ 23,004,775	\$ 6,773,660	\$ 149,369,301	\$ 6,883,582

*The General Fund resources are used to liquidate these liabilities.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Business-Type Activities

The following is a summary of long-term obligation activity for the Village with business-type activities for the year ended April 30, 2016:

	Balances May 1, Restated	Additions	Reductions	Balances April 30	Due Within One Year
General obligation bonds	\$ 7,745,652	\$ -	\$ 2,065,264	\$ 5,680,388	\$ 2,174,394
Note payable	18,781,760	-	1,239,303	17,542,457	1,270,480
Unamortized bond premiums	108,924	-	31,198	77,726	-
Net pension liability - IMRF	1,318,991	806,479	-	2,125,470	-
Compensated absences	287,710	221,432	195,241	313,901	173,504
TOTAL	\$ 28,243,037	\$ 1,027,911	\$ 3,531,006	\$ 25,739,942	\$ 3,618,378

d. Changes in Long-Term Liabilities

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
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General Obligation Bonds

General Obligation Refunding Bonds, Series 2004, dated September 15, 2004 provide for the serial retirement of bonds on December 30, 2010 through December 30, 2024 in amounts between \$425,000 and \$2,235,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.00%.

Debt Service/ Water and Sewer	\$ 1,075,000	\$ -	\$ 1,075,000	\$ -	\$ -
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General Obligation Refunding Bonds, Series 2005, dated September 15, 2005 provide for the serial retirement of bonds on December 15, 2010 through December 15, 2015 in amounts between \$285,000 and \$330,000. Interest is due on June 15 and December 15 of each year at rates varying from 3.25% to 3.60%.

Water and Sewer	330,000	-	330,000	-	-
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VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
<u>General Obligation Bonds</u> (Continued)						
General Obligation Refunding Bonds, Series 2007A, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2017 in amounts between \$540,000 and \$675,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.75% to 5.25%.	Water and Sewer	\$ 1,935,000	\$ -	\$ 620,000	\$ 1,315,000	\$ 640,000
General Obligation Refunding Bonds, Series 2007B, dated November 15, 2007, provide for the serial retirement of bonds on December 30, 2017 through December 30, 2020 in amounts between \$2,000,000 and \$4,750,000. Interest is due on June 30 and December 30 of each year at rates varying from 4.000% to 4.375%.	Debt Service	12,900,000	-	-	12,900,000	-
General Obligation Bonds, Series 2008A, dated June 30, 2008, provide for the serial retirement of bonds on December 20, 2010 through December 30, 2020 in amounts between \$400,000 and \$2,050,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.250% to 4.125%.	Debt Service	6,925,000	-	1,575,000	5,350,000	2,050,000
General Obligation Refunding Bonds, Series 2008C, dated November 3, 2008, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2018 in amounts between \$325,000 and \$1,245,000. Interest is due on June 30 and December 30 each year at rates varying from 3.5% to 4.0%.	Water and Sewer	3,150,000	-	400,000	2,750,000	735,000

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
<u>General Obligation Bonds</u> (Continued)						
General Obligation Bonds, Series 2009, dated May 4, 2009, provide for the serial retirement of bonds on December 30, 2010 through December 30, 2029 in amounts between \$205,000 and \$510,000. Interest is due on June 30 and December 30 of each year at rates varying from 3.000% to 4.375%.	Debt Service	\$ 5,575,000	\$ -	\$ 260,000	\$ 5,315,000	\$ 270,000
General Obligation Refunding Bonds, Series 2012A, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 through December 30, 2017 in amounts between \$170,000 and \$210,000. Interest is due on June 30 and December 30 of each year at rates of 2%.	Debt Service	580,000	-	200,000	380,000	210,000
General Obligation Refunding Bonds, Series 2012B, dated October 10, 2012, provide for the serial retirement of bonds on December 30, 2012 through December 30, 2017 in amounts between \$535,000 and \$645,000. Interest is due on June 30 and December 30 of each year at rates of 2%.	Debt Service	1,775,000	-	535,000	1,240,000	595,000
General Obligation Bonds, Series 2013A, dated July 30, 2013, provide for the serial retirement of bonds on December 30, 2014 through December 30, 2024 in amounts between \$605,000 and \$1,380,000. Interest is due on June 30 and December 30 of each year at rates of 2.5% to 4.1%.	Downtown TIF	11,760,000	-	1,120,000	10,640,000	1,140,000

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
<u>General Obligation Bonds</u> (Continued)						
General Obligation Bonds, Series 2013B, dated July 30, 2013, provide for the retirement of bonds on December 30, 2024 and December 30, 2025 in amounts of \$725,000 and \$1,450,000. Interest is due on June 30 and December 30 of each year at rates of 4%.	Downtown TIF	\$ 2,175,000	\$ -	\$ -	\$ 2,175,000	\$ -
General Obligation Refunding Bonds, Series 2014, dated November 3, 2014, provide for the retirement of bonds on December 30, 2015 through December 30, 2024 in amounts between \$370,000 and \$2,220,000. Interest is due on June 30 and December 30 of each year at rates varying from of 3% to 4%.	Debt Service/ Water and Sewer	9,195,000	-	1,010,000	8,185,000	2,210,000
General Obligation Refunding Bonds, Series 2016, dated May 3, 2016, provide for the retirement of bonds on December 30, 2017 through December 30, 2020 in amounts between \$1,745,000 and \$4,535,000. Interest is due on June 30 and December 30 of each year at a rate of 5%.	Debt Service	-	11,950,000	-	11,950,000	-
Total General Obligation Bonds		57,375,000	11,950,000	7,125,000	62,200,000	7,850,000
General Obligation (Capital Appreciation) Bonds, Series 2008B Bonds, dated June 30, 2008, provide for the serial retirement of bonds on December 30, 2021 through December 30, 2039 in amounts including interest between \$5,500,000 and \$6,500,000. Interest rates vary from 5.12% to 5.85% (includes accreted interest of \$12,684,834).	Debt Service	51,764,258	2,897,318	-	54,661,576	-

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities (Continued)

	Fund Debt Retired by	Balances May 1	Additions	Refundings/ Reductions	Balances April 30	Due Within One Year
Capital leases	General/ Recreation Fund	\$ 759,355	\$ 555,500	\$ 165,857	\$ 1,148,998	\$ 188,515
Note Payable, dated August 1, 2008, provides for retirement of principal on December 1 and June 1 of each year in the annual amounts between \$1,642,834 and \$1,701,150, including interest at 2.5% through December 1, 2027.	Water and Sewer	18,781,760	-	1,239,303	17,542,457	1,270,480
Note Payable, dated March 5, 2015, provides for retirement of principal on December 31 of each year in annual amounts between \$75,000 and \$1,319,790, including interest at 0% through December 31, 2021.	General Fund	1,769,790	-	150,000	1,619,790	-
TOTAL		\$ 130,450,163	\$ 15,402,818	\$ 8,680,160	\$ 137,172,821	\$ 9,308,995

e. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities			
	General Obligation Bonds		Note Payable	
	Principal	Interest	Principal	Interest
2017	\$ 5,675,606	\$ 2,043,552	\$ -	\$ -
2018	8,129,006	2,067,439	75,000	-
2019	8,200,000	1,778,915	75,000	-
2020	10,525,000	1,456,565	75,000	-
2021	11,700,000	1,001,740	75,000	-
2022	2,050,000	483,228	1,319,790	-
2023	2,115,000	411,727	-	-
2024	2,180,000	331,163	-	-
2025	2,170,000	245,343	-	-
2026	1,870,000	157,538	-	-
2027	440,000	82,212	-	-
2028	465,000	63,512	-	-
2029	490,000	43,750	-	-
2030	510,000	22,312	-	-
TOTAL	\$ 56,519,612	\$ 10,188,996	\$ 1,619,790	\$ -

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity (Continued)

Annual debt service requirements to maturity are as follows:

Fiscal Year	Business-Type Activities			
	General Obligation Bonds		Note Payable	
	Principal	Interest	Principal	Interest
2017	\$ 2,174,394	\$ 233,100	\$ 1,270,480	\$ 430,670
2018	2,260,994	148,742	1,302,440	398,710
2019	1,245,000	49,800	1,335,205	365,945
2020	-	-	1,368,793	332,356
2021	-	-	1,403,227	297,923
2022	-	-	1,438,527	262,623
2023	-	-	1,474,715	226,435
2024	-	-	1,511,813	189,337
2025	-	-	1,549,845	151,305
2026	-	-	1,588,833	112,317
2027	-	-	1,628,802	72,348
2028	-	-	1,669,777	31,373
TOTAL	\$ 5,680,388	\$ 431,642	\$ 17,542,457	\$ 2,871,342

Fiscal Year	General Obligation Capital Appreciation Bonds Payable from Governmental Activities	
	Accretion	Principal Repayment
2017	\$ 3,059,729	\$ -
2018	3,231,257	-
2019	3,412,414	-
2020	3,603,743	-
2021	3,805,816	-
2022	4,019,235	5,500,000
2023	3,959,435	6,000,000
2024	3,866,033	6,000,000
2025	3,764,213	6,000,000
2026	3,652,724	6,500,000
2027	3,503,925	6,500,000
2028	3,344,059	6,500,000
2029	3,172,353	6,500,000
2030	2,987,981	6,500,000

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity (Continued)

Fiscal Year	General Obligation Capital Appreciation Bonds Payable from Governmental Activities	
	Accretion	Principal Repayment
2031	\$ 2,790,732	\$ 6,500,000
2032	2,579,737	6,500,000
2033	2,354,742	6,500,000
2034	2,116,166	6,500,000
2035	1,863,193	6,500,000
2036	1,594,950	6,500,000
2037	1,310,520	6,500,000
2038	1,008,928	6,500,000
2039	689,149	6,500,000
2040	347,390	6,200,000
TOTAL	\$ 66,038,424	\$ 120,700,000

f. Capital Lease Obligation

The Village leases vehicles and other equipment under capital leases, which expire between June 2017 and July 2025. Annual lease payments, including interest ranging from 0.00% to 6.39%, range from \$2,806 to \$64,009. The cost of the capital assets acquired under capital leases was \$1,896,426, all of which is included in governmental activities vehicles and machinery and equipment.

Minimum future lease payments under the capital lease together with the present value of the net minimum lease payments as of April 30, 2016 are as follows:

Fiscal Year Ending April 30,	Payment
2017	\$ 216,904
2018	216,904
2019	178,008
2020	139,117
2021	113,515
2022	113,515
2023	113,515

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

f. Capital Lease Obligation (Continued)

Fiscal Year Ending April 30,	Payment
2024	\$ 64,008
2025	64,008
2026	<u>64,009</u>
Total minimum lease payments	1,283,503
Less amount representing interest	<u>(134,505)</u>
Present value of future minimum lease payments	1,148,998
Less current portion	<u>(188,515)</u>
LONG-TERM PORTION	<u><u>\$ 960,483</u></u>

g. Legal Debt Margin

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum ... shall not be included in the foregoing percentage amounts.”

To date, the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

h. Conduit Debt

In a prior fiscal year, the Village issued Adjustable Rate Demand Revenue Bonds to Lewis University (the University) for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$44,950,000.

In a prior fiscal year, the Village issued Revenue Bonds to the University for the purpose of financing. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$24,300,000.

On March 17, 2015, the Village issued Revenue Bonds to the University for the purposes of financing and partially refunding \$18,520,000 worth of the 2006 Revenue Bonds issued to the University. These bonds are collateralized only by the revenue of the University and are not considered liabilities or contingent liabilities of the Village. The original issue amount of the bonds was \$38,995,000.

In a prior fiscal year, the Village issued Industrial Development Revenue Bonds to CGI Real Estate, LLC (the Company) for the purpose of financing. These bonds are collateralized only by the revenue of the Company and are not considered liabilities or contingent liabilities of the Village. The principal amount of the series could not be determined; however, the original issue amount of the bonds was \$5,500,000.

7. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transactions

Due from/to other funds at April 30, 2016 consist of the following:

Fund	Due From	Due To
General	\$ 117,520	\$ 5,660
Nonmajor Governmental		
Motor Fuel Tax	-	29,392
Fiduciary		
Police Pension	5,660	-
Firefighters' Pension	-	88,128
	<hr/>	<hr/>
TOTAL ALL FUNDS	\$ 123,180	\$ 123,180

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers

Transfers between funds during the year were as follows:

Fund	Transfers In	Transfers Out
General	\$ 30,000	\$ 7,152,292
Recreation	1,135,000	374,471
Debt service	4,533,397	-
Downtown TIF	2,024,666	-
Facility Construction	1,700,000	-
Nonmajor Governmental		
Marquette Center TIF	-	1,866,300
Motor Fuel Tax	-	30,000
TOTAL ALL FUNDS	\$ 9,423,063	\$ 9,423,063

The purposes of significant interfund transfers are as follows:

- \$1,135,000 transferred from the General Fund to the Recreation Fund to support recreation department projects and costs.
- \$158,366 transferred from the Recreation Fund to the Downtown TIF Fund to reimburse the Downtown TIF Fund for TIF-eligible costs incurred by that fund for specialized sports flooring utilized by the Athletic and Event Center.
- \$4,317,292 transferred from the General Fund to the Debt Service Fund to lessen the property tax burden on residents.
- \$1,700,000 transferred from the General Fund to the Facility Construction Fund to support capital and construction projects including construction of the new Fire Station.
- \$1,866,300 transferred from the Marquette Center TIF District Fund to the Downtown TIF District Fund for various TIF related projects. The main financing mechanism for the Downtown TIF District Fund will be the Marquette TIF District Fund.
- \$216,105 transferred from the Recreation Fund to the Debt Service Fund to lessen the property tax burden on residents.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. DEVELOPMENT ASSISTANCE

The Village has entered into various agreements with private organizations to encourage economic development in the Village. These agreements provide for rebating a portion of sales and food and beverage taxes to the private organizations if certain benchmarks of development are achieved. During the fiscal year ended April 30, 2016, approximately \$2,031,862 in sales and food and beverage tax rebates were incurred under these agreements. Future contingent rebates of approximately \$72,996,097 in sales and food and beverage taxes may be rebated if certain criteria are met in future years.

9. CONTINGENT LIABILITIES

a. Litigation

The Village has been sued by an entity claiming damages related to a ruptured oil pipeline in September 2010. A motion for summary judgment in favor of the Village was granted on August 10, 2016. This ruling is likely to be appealed by the plaintiff. The Village intends to continue to vigorously defend the case. The likelihood of an unfavorable outcome is estimated at less than 50% especially considering the strong defenses that the court has already accepted in granting summary judgment

b. Grants

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

c. Construction Contract Commitments

At April 30, 2016, the Village had the following construction contract commitments:

	Total Contract	Paid to Date	Remaining Contract Amount
Fire Station #1	\$ 4,141,678	\$ 1,921,172	\$ 2,220,506
Hampton Park Watermain Rehab	832,124	-	832,124
TOTALS	\$ 4,973,802	\$ 1,921,172	\$ 3,052,630

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

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

b. Benefits Provided

The Village provides pre- and post-Medicare postretirement health insurance to retirees, their spouses, and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

c. Membership

At April 30, 2016 (census date), membership consisted of:

Retirees and beneficiaries currently receiving benefits	34
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>214</u>
TOTAL	<u><u>248</u></u>
Participating employers	<u>1</u>

d. Funding Policy

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

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2016 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2014	\$ 131,230	\$ 156,196	119.02%	\$ (181,417)
2015	152,866	156,196	102.18%	(184,747)
2016	428,263	235,415	55.11%	8,101

The net OPEB obligation as of April 30, 2016 was calculated as follows:

Annual required contribution	\$ 429,249
Interest on net OPEB obligation (asset)	(7,390)
Adjustment to annual required contribution	<u>6,404</u>
Annual OPEB cost	428,263
Contributions made	<u>(235,415)</u>
Increase in net OPEB obligation (asset)	192,848
Net OPEB obligation (asset), beginning of year	<u>(184,747)</u>
NET OPEB OBLIGATION (ASSET), END OF YEAR	<u>\$ 8,101</u>

Funded Status and Funding Progress: The funded status and funding progress of the Plan as of April 30, 2015, the latest information available was as follows:

Actuarial accrued liability (AAL)	\$ 4,849,663
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	4,849,663
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 16,190,763
UAAL as a percentage of covered payroll	30.00%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2016 actuarial valuation, the entry-age normal percentage of salary actuarial cost method was used. The actuarial assumptions included an investment rate of return of 4.0% and an initial healthcare cost trend rate of 6.5% with an ultimate healthcare inflation rate of 4.5%. Both rates include a 3.0% inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2016 was 30 years.

11. DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by ILCS and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained at www.imrf.org or by writing to Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan or the Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

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.

Plan Membership

At December 31, 2015, membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	87
Inactive employees entitled to but not yet receiving benefits	68
Active employees	<u>166</u>
 TOTAL	 <u><u>321</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions are established by state statute.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the year ended December 31, 2015 was 12.02% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Asset valuation method	Market value of assets
Assumptions	
Price inflation	2.75%
Salary increases	3.75% to 14.50%
Investment rate of return	7.50%
Cost of living adjustments	3.00%

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

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that 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 IMRF's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members and, therefore, was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.48% used to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 42,694,961	\$ 36,960,219	\$ 5,734,742
Changes for the period			
Service cost	1,218,649	-	1,218,649
Interest	3,189,281	-	3,189,281
Difference between expected and actual experience	655,543	-	655,543
Employer contributions	-	1,380,697	(1,380,697)
Assumption changes	68,396	-	68,396
Employee contributions	-	503,966	(503,966)
Net investment income	-	185,894	(185,894)
Benefit payments and refunds	(1,447,542)	(1,447,542)	-
Other (net transfer)	-	(445,117)	445,117
Net changes	3,684,327	177,898	3,506,429
BALANCES AT DECEMBER 31, 2015	\$ 46,379,288	\$ 37,138,117	\$ 9,241,171

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2015, is 7.48%. The discount rate used in the prior actuarial valuation, dated December 31, 2014, was 7.49%.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2016, the Village recognized pension expense of \$2,212,938.

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<hr/>	<hr/>
Differences between expected and actual experience	\$ 548,321	\$ -
Assumption changes	57,209	-
Net difference between projected and actual earnings on pension plan investments	2,068,658	-
Employer contributions after the measurement date	383,965	-
	<hr/>	<hr/>
TOTAL	\$ 3,058,153	\$ -

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

<u>Year Ending April 30,</u>	
2017	\$ 1,019,539
2018	635,574
2019	635,574
2020	635,572
2021	118,409
Thereafter	<u>13,485</u>
TOTAL	<u><u>\$ 3,058,153</u></u>

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.48% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
Net pension liability	\$ 16,707,509	\$ 9,241,171	\$ 3,199,277

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

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

The Plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's Mayor, 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 and benefits and refunds are recognized as an expense and liability when due and payable.

Administrative costs are financed through contributions and investment income.

Plan Membership

At April 30, 2016, the Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	29
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>62</u>
TOTAL	<u><u>95</u></u>

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

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

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Plan. However, the Village has elected to fund 100% of the past service cost by 2040. For the year ended April 30, 2016, the Village's contribution was 30.48% of covered payroll.

Investment Policy

The Police Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, interest-bearing obligations of the U.S. Treasury and U.S. agencies, interest-bearing bonds of the State of Illinois or any county, township, or municipal corporation of the State of Illinois, direct obligations of the State of Israel, money market mutual funds whose investments consist of obligations of the U.S. Treasury or U.S. agencies, separate accounts managed by life insurance companies, mutual funds, and Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participant's fair value).

During the year, there were no changes to the investment policy.

It is the policy of the Fund to invest its funds with care, skill, prudence, and diligence, using the "prudent person" standard for managing the overall portfolio.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	35%	6.5%
Small Cap Domestic Equity	20%	8.5%
International Equity	10%	6.8%
Fixed Income	35%	1.3%

Asset class returns and risk premium data are from *Stocks, Bonds, Bills and Inflation 2013 Yearbook - Morningstar* for the period of 12/31/1925 through 12/31/2015. International Equity = the MSCI EAFE Index 12/31/1977 through 12/31/2015. Long-term returns for the asset classes are calculated on a geometric mean basis.

Investment Valuations

All pension fund investments are stated at fair value.

Investment Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (1.40%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

The Fund's investment policy requires deposits to be insured by the Federal Deposit Insurance Corporation (FDIC).

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. agencies - FNMA	\$ 2,180,342	\$ -	\$ -	\$ -	\$ 2,180,342
U.S. agencies - FHLMC	493,525	-	-	-	493,525
U.S. agencies - GNMA	7,411,742	-	-	-	7,411,742
TOTAL	\$ 10,085,609	\$ -	\$ -	\$ -	\$ 10,085,609

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund's investment policy does not specifically address interest rate risk. The Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market.

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Fund limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund's investment policy does not specifically address credit risk. The U.S agencies are not rated.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The investment policy does not specifically address custodial credit risk for investments. However, the Fund investment policy requires purchases by brokers reporting to the Federal Reserve Bank of New York or local (Chicago Area) brokers meeting the standards set forth by the Federal Reserve Bank. Pursuant to ILCS Chapter 108 1/2, Article 1-113 at Paragraph 16, all investments of the Fund shall be clearly held to indicate ownership by the Fund.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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.

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 54,569,105	\$ 34,393,186	\$ 20,175,919
Changes for the period			
Service cost	1,447,846	-	1,447,846
Interest	3,859,408	-	3,859,408
Difference between expected and actual experience	(3,056,233)	-	(3,056,233)
Employer contributions	-	1,696,960	(1,696,960)
Assumption changes	823,214	-	823,214
Employee contributions	-	552,258	(552,258)
Net investment income	-	(480,028)	480,028
Benefit payments and refunds	(1,765,114)	(1,765,114)	-
Other (net transfer)	-	(15,909)	15,909
Net changes	1,309,121	(11,833)	1,320,954
BALANCES AT APRIL 30, 2016	\$ 55,878,226	\$ 34,381,353	\$ 21,496,873

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in Net Pension Liability (Continued)

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates. The mortality rates have been changed to the RP-2000 Mortality Table projected to 2016 using scale AA.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions:

Actuarial valuation date	April 30, 2016
Actuarial cost method	Entry-age normal
Asset valuation method	Market value
Assumptions	
Inflation	2.50%
Salary increases	5.50%
Investment rate of return	7.00%
Cost of living adjustments	3.00% (1.25% for Tier 2)

Mortality rates were based on the RP-2000 Mortality Table with a blue collar adjustment projected to 2016 using scale AA. The other non-economic actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 29,878,607	\$ 21,496,873	\$ 14,208,409

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2016, the Village recognized police pension expense of \$2,648,656.

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,674,204
Changes in assumptions	720,312	-
Net difference between projected and actual earnings on pension plan investments	2,323,150	-
TOTAL	\$ 3,043,462	\$ 2,674,204

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

Year Ending April 30,	
2017	\$ 301,660
2018	301,660
2019	301,660
2020	301,662
2021	(279,127)
Thereafter	<u>(558,257)</u>
 TOTAL	 <u>\$ 369,258</u>

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan (the Plan). Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by ILCS (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for the Plan as a pension trust fund.

The Plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter 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 and benefits and refunds are recognized as an expense and liability when due and payable.

Administrative costs are financed through contributions and investment income.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

At April 30, 2016, the Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	4
Inactive plan members entitled to but not yet receiving them	3
Active plan members	20
 TOTAL	 27

Benefits Provided

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

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past services costs for the Plan. However, the Village has elected to fund 100% of the past service cost by 2040. For the year ended April 30, 2016, the Village's contribution was 21.72% of covered payroll.

Investment Policy

The Firefighters' Pension Fund's (the Fund) investment policy authorizes the Fund to invest in all investments allowed by ILCS. These include deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, separate accounts that are managed by life insurance companies, mutual funds, Illinois Funds (created by the Illinois State Legislature under the control of the State Treasurer that maintains a \$1 per share value which is equal to the participant's fair value), and IMET, a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Policy (Continued)

During the year, there were no changes to the investment policy.

It is the policy of the Fund to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Fund and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity, and return on investment.

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Large Cap Domestic Equity	24.5%	6.3%
Small Cap Domestic Equity	7.0%	8.3%
International Equity	3.5%	6.6%
Fixed Income	65.0%	1.1%

Asset class returns and risk premium data are from *Stocks, Bonds, Bills and Inflation 2013 Yearbook - Morningstar* for the period of 12/31/1925 through 12/31/2015. International Equity = the MSCI EAFE Index 12/31/1977 through 12/31/2015. Long-term returns for the asset classes are calculated on a geometric mean basis.

Investment Valuations

All pension fund investments are stated at fair value.

Investment Rate of Return

For the year ended April 30, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.64%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

The Fund's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance. The Fund shall have a perfected security interest in such securities which shall be free of any claims to the rights to these securities other than any claims by the custodian which are subordinate to the Fund's claims to rights to these securities.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2016:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury notes	\$ 823,033	\$ 110,705	\$ 659,312	\$ 53,016	\$ -
U.S. agencies - GNMA	1,268	-	1,027	-	241
U.S. agencies - FFCB	1,407,732	-	402,401	980,294	25,037
U.S. agencies - FHLB	1,784,512	75,538	789,349	840,244	79,381
U.S. agencies - FNMA	256,139	75,396	180,743	-	-
U.S. agencies - Tennessee Valley Authority	52,423	-	-	52,423	-
Municipal bonds	720,665	40,922	414,988	182,719	82,036
TOTAL	\$ 5,045,772	\$ 302,561	\$ 2,447,820	\$ 2,108,696	\$ 186,695

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for all reasonably anticipated operating requirements while providing a reasonable rate of return based on the current market. The Fund investment policy requires that the average maturity and duration of the portfolio be maintained at approximately five years and range from two to seven years.

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Credit Risk

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Fund limits its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Fund investment policy does not specially address credit risk. The U.S. agencies have ratings of AA+ and the Municipal Bonds have ratings from AAA to AA-.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. The Fund investment policy requires an independent third party institution to act as custodian for its securities.

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that 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.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2015	\$ 7,537,122	\$ 7,396,346	\$ 140,776
Changes for the period			
Service cost	438,355	-	438,355
Interest	551,987	-	551,987
Difference between expected and actual experience	(174,745)	-	(174,745)
Employer contributions	-	351,767	(351,767)
Assumption changes	67,409	-	67,409
Employee contributions	-	155,201	(155,201)
Net investment income	-	124,930	(124,930)
Benefit payments and refunds	(179,883)	(179,883)	-
Other (net transfer)	-	(10,433)	10,433
Net changes	703,123	441,582	261,541
BALANCES AT APRIL 30, 2016	\$ 8,240,245	\$ 7,837,928	\$ 402,317

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates. The mortality rates have been changed to the RP-2000 Mortality Table projected to 2016 using scale AA.

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2016 using the following actuarial methods and assumptions:

Actuarial valuation date	April 30, 2016
Actuarial cost method	Entry-age normal
Asset valuation method	Market value
Assumptions	
Inflation	2.50%
Salary increases	5.50%
Investment rate of return	7.00%
Cost of living adjustments	3.00% (1.25% for Tier 2)

Mortality rates were based on the RP-2000 Mortality Table with a blue collar adjustment projected to 2016 using scale AA. The other non-economic actuarial assumptions used in the April 30, 2016 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability (asset)	\$ 1,720,757	\$ 402,318	\$ (734,268)

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended April 30, 2016, the Village recognized firefighters' pension expense of \$388,089.

At April 30, 2016, the Village reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 158,859
Changes in assumptions	61,281	-
Net difference between projected and actual earnings on pension plan investments	322,797	-
TOTAL	\$ 384,078	\$ 158,859

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

<u>Year Ending April 30,</u>	
2017	\$ 70,941
2018	70,941
2019	70,941
2020	70,942
2021	(9,758)
Thereafter	(48,788)
TOTAL	\$ 225,219

VILLAGE OF ROMEOVILLE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. CHANGE IN ACCOUNTING PRINCIPLE

With the implementation of GASB Statements No. 68 and 71, the Village is required to retroactively record the IMRF, Police Pension Plan, and Firefighters' Pension Plan net pension liabilities and any related deferred outflows of resources for contributions after the measurement date and write-off the Police Pension Plan and Firefighters' Pension Plan net pension obligations.

The Village recorded the following change in accounting principle during year ended April 30, 2016:

	<u>Increase (Decrease)</u>
CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	
Change in accounting principle	
To write-off the Police Pension Plan net pension obligation	\$ 1,552,854
To write-off the Firefighters' Pension Plan net pension obligation	24,312
To record the Police Pension Plan net pension liability	(20,175,919)
To record the Firefighters' Pension Plan net pension liability	(140,776)
To record IMRF net pension liability-related deferred outflows of resources	367,737
To record the IMRF net pension liability	<u>(4,415,751)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	<u>\$ (22,787,543)</u>
CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	
To record the IMRF net pension liability-related deferred outflows of resources	\$ 109,844
To record IMRF net pension liability	<u>(1,318,991)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	<u>\$ (1,209,147)</u>

13. SUBSEQUENT EVENTS

Advance Refundings

On May 3, 2016, the Village issued \$11,950,000 in General Obligation Bonds, the proceeds of which were placed in an irrevocable escrow, to advance refund \$12,900,000 of the outstanding 2007B General Obligation Refunding Bonds. As a result of the refunding, the Village realized a cash flow savings of \$793,937 and an economic gain of \$751,003. The refunded bonds will be called and retired on December 30, 2016.

On September 12, 2016, the Village issued \$5,105,000 in General Obligation Bonds, the proceeds of which were placed in an irrevocable escrow, to advance refund \$4,760,000 of the outstanding 2009 General Obligation Bonds. As a result of the refunding, the Village realized a cash flow savings of \$498,375 and an economic gain of \$424,720. The refunded bonds will be called and retired on December 30, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ROMEOVILLE, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 10,749,300	\$ 10,728,661	\$ (20,639)
Other taxes	13,306,500	14,293,874	987,374
Fines and forfeits	550,000	529,171	(20,829)
Licenses and permits	1,988,200	1,803,939	(184,261)
Charges for services	5,800,300	6,091,191	290,891
Intergovernmental	10,171,400	12,369,996	2,198,596
Investment income	30,000	117,576	87,576
Other	733,600	628,830	(104,770)
Total revenues	43,329,300	46,563,238	3,233,938
EXPENDITURES			
General government	10,439,450	10,567,616	128,166
Public safety	18,786,700	18,034,341	(752,359)
Public works	8,487,250	7,974,828	(512,422)
Allocation to water and sewer fund	(3,121,000)	(3,121,000)	-
Debt service			
Principal	217,850	310,239	92,389
Interest and fiscal charges	30,350	18,750	(11,600)
Capital outlay	3,072,500	2,897,144	(175,356)
Total expenditures	37,913,100	36,681,918	(1,231,182)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,416,200	9,881,320	4,465,120
OTHER FINANCING SOURCES (USES)			
Capital leases issued	-	555,500	555,500
Transfers in	30,000	30,000	-
Transfers (out)	(5,461,200)	(7,152,292)	(1,691,092)
Sale of capital assets	15,000	201,358	186,358
Total other financing sources (uses)	(5,416,200)	(6,365,434)	(949,234)
NET CHANGE IN FUND BALANCE	\$ -	3,515,886	\$ 3,515,886
FUND BALANCE, MAY 1		20,675,671	
FUND BALANCE, APRIL 30		\$ 24,191,557	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 1,923,000	\$ 1,922,315	\$ (685)
Other taxes	690,500	932,742	242,242
Charges for services	973,000	1,040,173	67,173
Investment income	100	701	601
Other	7,000	9,436	2,436
	<hr/>	<hr/>	<hr/>
Total revenues	3,593,600	3,905,367	311,767
EXPENDITURES			
Culture and recreation			
Operations			
Salaries	414,800	429,862	15,062
Contractual	29,000	23,176	(5,824)
Commodities	24,350	24,307	(43)
Other	206,700	207,370	670
Recreation programs			
Salaries	1,254,950	1,190,080	(64,870)
Contractual	180,500	169,966	(10,534)
Commodities	336,500	340,667	4,167
Park maintenance			
Salaries	764,300	683,859	(80,441)
Contractual	317,000	260,233	(56,767)
Commodities	76,400	52,319	(24,081)
Recreation center			
Salaries	398,200	379,497	(18,703)
Contractual	203,000	170,339	(32,661)
Commodities	35,250	33,116	(2,134)
Debt service			
Principal	6,000	5,617	(383)
Capital outlay			
Improvements	425,000	519,899	94,899
	<hr/>	<hr/>	<hr/>
Total expenditures	4,671,950	4,490,307	(181,643)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(1,078,350)	(584,940)	493,410
OTHER FINANCING SOURCES (USES)			
Transfers in	1,135,000	1,135,000	-
Transfers (out)	(346,300)	(374,471)	(28,171)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	788,700	760,529	(28,171)
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
	\$ (289,650)	175,589	\$ 465,239
FUND BALANCE, MAY 1		<hr/>	
		1,155,998	
FUND BALANCE, APRIL 30		<hr/>	
		\$ 1,331,587	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2016

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	\$ -	\$ 1,964,941	0.00%	\$ 1,964,941	\$ 16,095,846	12.21%
2013	N/A	N/A	N/A	N/A	N/A	N/A
2014	-	2,431,930	0.00%	2,431,930	15,742,417	15.45%
2015	-	4,849,663	0.00%	4,849,663	16,190,763	29.95%
2016	N/A	N/A	N/A	N/A	N/A	N/A

N/A - actuarial valuation not performed.

For the actuarial valuation ending April 30, 2015, there were changes in assumptions with respect to mortality tables, health care trend rates, line of duty disability rates, spousal coverage election rates and health care coverage election rates.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2016

	<u>2016</u>
Actuarially determined contribution	\$ 1,288,895
Contributions in relation to the actuarially determined contribution	<u>1,288,895</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ -</u></u>
Covered-employee payroll	\$ 11,103,605
Contributions as a percentage of covered-employee payroll	11.6%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013 and December 31, 2014. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percentage of payroll, closed; the amortization period was 28 years, closed until the remaining period reaches 15 years (then a 15-year rolling period); the asset valuation method was five year smoothed market with a 20.0% corridor; and the significant actuarial assumptions were wage growth at 4.0%; price inflation at 3.0%; salary increases of 4.4% to 16.0%, including inflation; and an investment rate of return at 7.5% annually.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

April 30, 2016

	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 1,634,774	\$ 1,525,992
Contributions in relation to the actuarially determined contribution	<u>1,696,960</u>	<u>1,526,555</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (62,186)</u>	<u>\$ (563)</u>
Covered-employee payroll	\$ 5,567,300	\$ 5,659,915
Contributions as a percentage of covered-employee payroll	30.48%	26.97%

Notes to Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed; and the amortization period was 25 years; the asset valuation method was five year smoothing of asset gains and losses; and the significant actuarial assumptions were an investment rate of return at 7.00% annually; inflation at 2.50% annually; projected salary increases of 5.50% compounded annually; and postretirement benefit increases of 3.00% for Tier 1 employees and 1.25% for Tier 2 employees, respectively, compounded annually.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND**

April 30, 2016

	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 281,582	\$ 294,170
Contributions in relation to the actuarially determined contribution	<u>351,767</u>	<u>320,115</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (70,185)</u>	<u>\$ (25,945)</u>
Covered-employee payroll	\$ 1,619,587	\$ 1,559,039
Contributions as a percentage of covered-employee payroll	21.72%	20.53%

Notes to Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of the beginning of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed; and the amortization period was 25 years; the asset valuation method was five year smoothing of asset gains and losses; and the significant actuarial assumptions were an investment rate of return at 7.00% annually; inflation at 2.50% annually; projected salary increases of 5.50% compounded annually; and postretirement benefit increases of 3.00% for Tier 1 employees and 1.25% for Tier 2 employees, respectively, compounded annually.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

April 30, 2016

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2011	\$ 146,850	\$ 86,162	170.43%
2012	146,850	86,162	170.43%
2013	146,850	132,273	111.02%
2014	156,196	132,273	118.09%
2015	156,196	154,076	101.38%
2016	235,415	429,249	54.84%

For the fiscal year ending April 30, 2016, there were changes in assumptions with respect to mortality tables, health care trend rates, line of duty disability rates, spousal coverage election rates and health care coverage election rates.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND**

April 30, 2016

	<u>2016*</u>
TOTAL PENSION LIABILITY	
Service cost	\$ 1,218,649
Interest	3,189,281
Differences between expected and actual experience	655,543
Changes of assumptions	68,396
Benefit payments, including refunds of member contributions	<u>(1,447,542)</u>
Net change in total pension liability	3,684,327
Total pension liability - beginning	<u>42,694,961</u>
TOTAL PENSION LIABILITY - ENDING	<u><u>\$ 46,379,288</u></u>
PLAN FIDUCIARY NET POSITION	
Contributions - employer	\$ 1,380,697
Contributions - member	503,966
Net investment income	185,894
Benefit payments, including refunds of member contributions	(1,447,542)
Administrative expense/other	<u>(445,117)</u>
Net change in plan fiduciary net position	177,898
Plan fiduciary net position - beginning	<u>36,960,219</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u><u>\$ 37,138,117</u></u>
EMPLOYER'S NET PENSION LIABILITY	<u><u>\$ 9,241,171</u></u>
Plan fiduciary net position as a percentage of the total pension liability	80.07%
Covered-employee payroll	\$ 11,103,605
Employer's net pension liability as a percentage of covered-employee payroll	83.23%

*Information is presented for the year ended December 31, 2015.

Notes to Required Supplementary Information

There was a change in the actuarial assumptions used between the prior year and current year. The discount rate used in the current year is 7.48% while that used in the prior year was 7.49%.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

April 30, 2016

	<u>2016</u>	<u>2015</u>
TOTAL PENSION LIABILITY		
Service cost	\$ 1,447,846	\$ 1,428,441
Interest	3,859,408	3,275,007
Changes of benefit terms	-	-
Differences between expected and actual experience	(3,056,233)	738,525
Changes of assumptions	823,214	3,149,390
Benefit payments, including refunds of member contributions	<u>(1,765,114)</u>	<u>(1,616,149)</u>
Net change in total pension liability	1,309,121	6,975,214
Total pension liability - beginning	<u>54,569,105</u>	<u>47,593,891</u>
TOTAL PENSION LIABILITY - ENDING	<u>\$ 55,878,226</u>	<u>\$ 54,569,105</u>
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 1,696,960	\$ 1,526,555
Contributions - member	552,258	559,263
Net investment income	(480,028)	2,361,031
Benefit payments, including refunds of member contributions	(1,765,114)	(1,616,149)
Administrative expense	<u>(15,909)</u>	<u>(17,350)</u>
Net change in plan fiduciary net position	(11,833)	2,813,350
Plan fiduciary net position - beginning	<u>34,393,186</u>	<u>31,579,836</u>
PLAN FIDUCIARY NET POSITION - ENDING	<u>\$ 34,381,353</u>	<u>\$ 34,393,186</u>
EMPLOYER'S NET PENSION LIABILITY	<u>\$ 21,496,873</u>	<u>\$ 20,175,919</u>
Plan fiduciary net position as a percentage of the total pension liability	61.53%	63.03%
Covered-employee payroll	\$ 5,567,300	\$ 5,659,915
Employer's net pension liability as a percentage of covered-employee payroll	386.13%	356.47%

Notes to Schedule:

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND**

April 30, 2016

	<u>2016</u>	<u>2015</u>
TOTAL PENSION LIABILITY		
Service cost	\$ 438,355	\$ 455,750
Interest	551,987	446,079
Changes of benefit terms	-	-
Differences between expected and actual experience	(174,745)	31,952
Changes of assumptions	67,409	276,448
Benefit payments, including refunds of member contributions	(179,883)	(91,334)
	<hr/>	<hr/>
Net change in total pension liability	703,123	1,118,895
Total pension liability - beginning	7,537,122	6,418,227
	<hr/>	<hr/>
TOTAL PENSION LIABILITY - ENDING	\$ 8,240,245	\$ 7,537,122
	<hr/>	<hr/>
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 351,767	\$ 320,115
Contributions - member	155,201	169,091
Net investment income	124,930	439,579
Benefit payments, including refunds of member contributions	(179,883)	(91,334)
Administrative expense	(10,433)	(10,826)
	<hr/>	<hr/>
Net change in plan fiduciary net position	441,582	826,625
Plan fiduciary net position - beginning	7,396,346	6,569,721
	<hr/>	<hr/>
PLAN FIDUCIARY NET POSITION - ENDING	\$ 7,837,928	\$ 7,396,346
	<hr/>	<hr/>
EMPLOYER'S NET PENSION LIABILITY	\$ 402,317	\$ 140,776
	<hr/>	<hr/>
Plan fiduciary net position as a percentage of the total pension liability	95.12%	98.13%
Covered-employee payroll	\$ 1,619,587	\$ 1,559,039
Employer's net pension liability as a percentage of covered-employee payroll	24.84%	9.03%

Notes to Schedule:

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

April 30, 2016

	2016	2015
Annual money-weighted rate of return, net of investment expense	(1.40%)	7.52%

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND**

April 30, 2016

	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	1.64%	6.33%

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2016

BUDGETS

Annual budgets are adopted for all governmental, proprietary, and pension trust funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

The Finance Director submits a proposed operating budget to the governing body for review commencing the following May 1. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. The budget is legally enacted through passage of an ordinance. The budget may be amended by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. There were no budget amendments during the year.

During the fiscal year, expenditures exceeded budget for the following funds:

	<u>Final Budget</u>	<u>Actual</u>
2004 Construction Fund	\$ 100,000	\$ 149,854
Facility Construction Fund	290,000	3,179,851

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes			
Corporate levy	\$ 3,147,000	\$ 3,138,538	\$ (8,462)
Fire protection levy	315,000	315,287	287
Police protection levy	570,000	570,266	266
Ambulance levy	700,000	699,054	(946)
Audit levy	50,000	50,806	806
Social security levy	1,300,000	1,299,170	(830)
Street levy	610,000	600,254	(9,746)
Refuse disposal levy	610,000	609,666	(334)
Tort immunity levy	1,400,000	1,398,707	(1,293)
Police pension levy	1,696,100	1,695,246	(854)
Fire pension levy	351,200	351,667	467
Total property taxes	<u>10,749,300</u>	<u>10,728,661</u>	<u>(20,639)</u>
Other taxes			
Utility			
Electric	3,300,000	3,237,693	(62,307)
Gas	1,000,000	995,297	(4,703)
Telephone	1,050,000	993,552	(56,448)
Water	240,000	250,149	10,149
Automobile	6,000	9,894	3,894
Home rule sales	5,360,000	6,146,634	786,634
Home rule gas	740,000	722,988	(17,012)
Real estate transfer	300,500	456,922	156,422
Food and beverage	1,225,000	1,340,646	115,646
Gaming tax	85,000	140,099	55,099
Total other taxes	<u>13,306,500</u>	<u>14,293,874</u>	<u>987,374</u>
Fines			
Court supervision fines - vehicle	35,000	-	(35,000)
Court	240,000	229,029	(10,971)
Administrative tickets	6,000	3,510	(2,490)
Parking tickets	17,000	43,295	26,295
Dog/animal	7,000	5,405	(1,595)
False alarm	20,500	16,050	(4,450)
Vehicle impound fees	85,000	91,950	6,950
DUI	8,000	8,000	-
Fire alarm monitoring	131,500	131,932	432
Total fines	<u>550,000</u>	<u>529,171</u>	<u>(20,829)</u>
Licenses and permits			
Business licenses	110,000	98,878	(11,122)
Liquor licenses	75,000	93,360	18,360
Business permits	95,000	116,925	21,925
Solicitor permits	3,500	3,050	(450)
Building permits	1,400,000	1,220,995	(179,005)
Garage sale permits	4,000	2,045	(1,955)
Inspection permits	300,000	268,026	(31,974)
Animal tags	700	660	(40)
Total licenses and permits	<u>1,988,200</u>	<u>1,803,939</u>	<u>(184,261)</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Charges for services			
Vacancy inspection	\$ 13,000	\$ 9,450	\$ (3,550)
Cable TV franchise	500,000	551,820	51,820
Ambulance	500,000	506,502	6,502
NSF check charges	-	280	280
Administration	1,000	830	(170)
Zoning board maps/variance	40,000	92,920	52,920
Zoning code material	5,000	3,100	(1,900)
Rental inspection	75,000	74,800	(200)
Construction reinspection	35,000	58,798	23,798
Sprint rental	74,000	77,259	3,259
Engineering	400,000	719,436	319,436
Fire prevention service	25,000	24,743	(257)
Fire academy	1,039,700	889,330	(150,370)
Fire recovery fees	75,000	28,146	(46,854)
Sex offender registration act fee	-	882	882
Violent offender against youth registration fee	-	20	20
Rubbish collection	2,978,000	3,022,515	44,515
Portable sign/pennant permit	2,000	1,610	(390)
Fingerprint	1,000	638	(362)
Police special detail	30,000	20,817	(9,183)
Police accident report	6,000	6,430	430
Fire reports	600	865	265
Total charges for services	<u>5,800,300</u>	<u>6,091,191</u>	<u>290,891</u>
Intergovernmental			
State income tax	1,964,300	4,228,795	2,264,495
Sales	5,200,000	5,520,622	320,622
Use	769,800	920,714	150,914
Replacement tax	160,000	109,584	(50,416)
Auto theft	61,000	-	(61,000)
Traffic	20,000	-	(20,000)
D.A.R.E. program revenue	7,500	7,800	300
Will County grants	38,000	58,632	20,632
Federal grants	773,000	347,068	(425,932)
Lockport fire agreement	1,177,800	1,176,781	(1,019)
Total intergovernmental	<u>10,171,400</u>	<u>12,369,996</u>	<u>2,198,596</u>
Investment income	<u>30,000</u>	<u>117,576</u>	<u>87,576</u>
Other			
VOR TV Sale of dvds	-	60	60
General donations	-	10,178	10,178
Training reimbursement	10,000	16,427	6,427
Community development reimbursement	15,000	24,447	9,447
Workers' compensation reimbursement	150,000	35,798	(114,202)
Liaison officer reimbursement	38,000	39,682	1,682
Other reimbursements	40,000	50,747	10,747
Insurance reimbursements	20,000	13,209	(6,791)
Reimbursement of legal fees	40,000	26,282	(13,718)
Health insurance contributions	135,000	109,438	(25,562)
Hazardous material reimbursements	30,000	-	(30,000)

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Other (Continued)			
Commemorative veterans brick and plaque	\$ 500	\$ 330	\$ (170)
Marquette TIF distribution	106,000	105,220	(780)
Cobra retiree contribution	55,000	41,491	(13,509)
Developer's contributions	-	34,270	34,270
Developer's breakfast	-	5,000	5,000
Village building rent	25,000	25,800	800
Miscellaneous income	8,500	82,645	74,145
Advertising	600	806	206
Flexible spending	60,000	-	(60,000)
Sales tax replacement fees	-	7,000	7,000
	<hr/>	<hr/>	<hr/>
Total other	733,600	628,830	(104,770)
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	\$ 43,329,300	\$ 46,563,238	\$ 3,233,938

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT			
Mayor			
Salaries	\$ 138,000	\$ 135,763	\$ (2,237)
Contractual services	20,000	11,100	(8,900)
Commodities	8,100	3,762	(4,338)
Total mayor	<u>166,100</u>	<u>150,625</u>	<u>(15,475)</u>
General village board			
Salaries	239,500	227,821	(11,679)
Contractual services	4,500	3,014	(1,486)
Commodities	88,500	73,365	(15,135)
Total general village board	<u>332,500</u>	<u>304,200</u>	<u>(28,300)</u>
Village administration			
Salaries	485,500	480,735	(4,765)
Contractual services	822,000	1,232,723	410,723
Commodities	18,000	10,702	(7,298)
Total village administration	<u>1,325,500</u>	<u>1,724,160</u>	<u>398,660</u>
Personnel			
Salaries	319,800	264,365	(55,435)
Contractual services	2,166,000	2,084,160	(81,840)
Commodities	3,500	2,214	(1,286)
Other	42,500	29,386	(13,114)
Total personnel	<u>2,531,800</u>	<u>2,380,125</u>	<u>(151,675)</u>
Community media production			
Salaries	116,500	114,982	(1,518)
Contractual	1,000	466	(534)
Commodities	8,500	6,913	(1,587)
Total community media production	<u>126,000</u>	<u>122,361</u>	<u>(3,639)</u>
Operations			
Salaries	58,500	63,093	4,593
Contractual services	61,000	42,614	(18,386)
Commodities	6,800	5,076	(1,724)
Other	2,039,800	2,047,909	8,109
Total operations	<u>2,166,100</u>	<u>2,158,692</u>	<u>(7,408)</u>
Commissions and committees			
Salaries	18,100	14,928	(3,172)
Contractual	200	-	(200)
Commodities	14,500	7,965	(6,535)
Total commissions and committees	<u>32,800</u>	<u>22,893</u>	<u>(9,907)</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)			
Village Clerk			
Salaries	\$ 111,900	\$ 112,543	\$ 643
Contractual services	18,000	14,311	(3,689)
Commodities	400	-	(400)
Total village clerk	<u>130,300</u>	<u>126,854</u>	<u>(3,446)</u>
Finance department			
Administration			
Salaries	947,250	905,384	(41,866)
Contractual services	5,000	2,680	(2,320)
Commodities	206,500	221,763	15,263
Other expenditures	1,000	289	(711)
Total administration	<u>1,159,750</u>	<u>1,130,116</u>	<u>(29,634)</u>
General services			
Contractual services	222,000	170,560	(51,440)
Commodities	13,000	11,927	(1,073)
Other expenditures	3,000	2,535	(465)
Total general services	<u>238,000</u>	<u>185,022</u>	<u>(52,978)</u>
Information services			
Salaries	315,000	313,152	(1,848)
Contractual services	646,900	740,961	94,061
Commodities	21,500	19,371	(2,129)
Total information services	<u>983,400</u>	<u>1,073,484</u>	<u>90,084</u>
Total finance department	<u>2,381,150</u>	<u>2,388,622</u>	<u>7,472</u>
Community services and development			
Administration			
Salaries	647,700	626,073	(21,627)
Contractual services	103,500	34,424	(69,076)
Commodities	20,000	16,920	(3,080)
Total administration	<u>771,200</u>	<u>677,417</u>	<u>(93,783)</u>
Inspectional services			
Salaries	415,300	418,670	3,370
Contractual services	39,200	82,320	43,120
Commodities	21,500	10,346	(11,154)
Total inspectional services	<u>476,000</u>	<u>511,336</u>	<u>35,336</u>
Total community services and development	<u>1,247,200</u>	<u>1,188,753</u>	<u>(58,447)</u>
Economic development			
Contractual services	-	331	331
Total general government	<u>10,439,450</u>	<u>10,567,616</u>	<u>128,166</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY			
Police and fire commission			
Salaries	\$ 22,400	\$ 16,374	\$ (6,026)
Contractual services	43,000	48,127	5,127
Commodities	2,000	854	(1,146)
Total police and fire commission	<u>67,400</u>	<u>65,355</u>	<u>(2,045)</u>
Police department			
Administration			
Salaries	2,973,400	2,961,965	(11,435)
Contractual services	9,000	3,569	(5,431)
Commodities	2,500	2,286	(214)
Total administration	<u>2,984,900</u>	<u>2,967,820</u>	<u>(17,080)</u>
Operations			
Salaries	8,473,500	8,136,305	(337,195)
Contractual services	302,500	220,549	(81,951)
Commodities	181,500	149,519	(31,981)
Other expenditures	9,500	8,408	(1,092)
Total operations	<u>8,967,000</u>	<u>8,514,781</u>	<u>(452,219)</u>
Support services			
Salaries	862,800	841,644	(21,156)
Contractual services	13,000	2,680	(10,320)
Commodities	5,000	4,201	(799)
Total support services	<u>880,800</u>	<u>848,525</u>	<u>(32,275)</u>
Total police department	<u>12,832,700</u>	<u>12,331,126</u>	<u>(501,574)</u>
Fire and ambulance department			
Administration			
Salaries	4,361,600	4,140,550	(221,050)
Contractual services	334,500	368,433	33,933
Commodities	157,800	166,298	8,498
Total administration	<u>4,853,900</u>	<u>4,675,281</u>	<u>(178,619)</u>
Fire academy			
Administration			
Salaries	617,000	612,640	(4,360)
Contractual services	20,500	28,548	8,048
Commodities	286,500	222,540	(63,960)
Total fire academy	<u>924,000</u>	<u>863,728</u>	<u>(60,272)</u>
Total fire and ambulance department	<u>5,777,900</u>	<u>5,539,009</u>	<u>(238,891)</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Romeoville Emergency Management Agency			
Administration			
Salaries	\$ 15,400	\$ 12,734	\$ (2,666)
Contractual services	15,500	12,697	(2,803)
Commodities	11,500	10,980	(520)
Total administration	42,400	36,411	(5,989)
Operations			
Contractual services	35,800	35,040	(760)
Commodities	7,500	6,897	(603)
Total operations	43,300	41,937	(1,363)
Communications			
Contractual services	23,000	20,503	(2,497)
Total Romeoville Emergency Management Agency	108,700	98,851	(9,849)
Total public safety	18,786,700	18,034,341	(752,359)
PUBLIC WORKS			
Administration			
Salaries	436,000	420,258	(15,742)
Buildings and grounds			
Salaries	850,700	763,537	(87,163)
Contractual services	241,000	186,043	(54,957)
Commodities	69,500	41,379	(28,121)
Total buildings and grounds	1,161,200	990,959	(170,241)
Motor pool			
Salaries	249,600	75,111	(174,489)
Contractual services	136,000	102,539	(33,461)
Commodities	446,500	260,785	(185,715)
Total motor pool	832,100	438,435	(393,665)
Streets and sanitation			
Salaries	993,950	948,011	(45,939)
Contractual services	3,415,000	3,506,094	91,094
Commodities	271,000	183,388	(87,612)
Total streets and sanitation	4,679,950	4,637,493	(42,457)
Landscape and grounds			
Salaries	677,500	807,294	129,794
Contractual services	672,000	639,694	(32,306)
Commodities	28,500	40,695	12,195
Total landscape and grounds	1,378,000	1,487,683	109,683
Total public works	8,487,250	7,974,828	(512,422)

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
ALLOCATIONS TO OTHER FUNDS			
Allocations to water and sewer fund	\$ (3,121,000)	\$ (3,121,000)	\$ -
DEBT SERVICE			
Principal	217,850	310,239	92,389
Interest and fiscal charges	30,350	18,750	(11,600)
Total debt service	248,200	328,989	80,789
CAPITAL OUTLAY			
General government	232,500	251,502	19,002
Public safety	744,000	1,277,241	533,241
Public works	2,096,000	1,368,401	(727,599)
Total capital outlay	3,072,500	2,897,144	(175,356)
TOTAL EXPENDITURES	\$ 37,913,100	\$ 36,681,918	\$ (1,231,182)

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 782,100	\$ 781,783	\$ (317)
Investment income	-	100	100
 Total revenues	 782,100	 781,883	 (217)
EXPENDITURES			
Debt service			
Principal	3,939,800	3,939,737	(63)
Interest and fiscal charges	1,384,700	1,383,672	(1,028)
 Total expenditures	 5,324,500	 5,323,409	 (1,091)
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (4,542,400)	 (4,541,526)	 874
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	11,950,000	11,950,000
Premium on bonds issued	-	1,465,998	1,465,998
Transfers in	4,542,400	4,533,397	(9,003)
 Total other financing sources (uses)	 4,542,400	 17,949,395	 13,406,995
 NET CHANGE IN FUND BALANCE	 \$ -	 13,407,869	 \$ 13,407,869
 FUND BALANCE, MAY 1		 8,129	
 FUND BALANCE, APRIL 30		 \$ 13,415,998	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Charges for services	\$ -	\$ 64,900	\$ 64,900
Investment income	-	5,871	5,871
Total revenues	-	70,771	70,771
EXPENDITURES			
Capital outlay	290,000	3,179,851	2,889,851
Total expenditures	290,000	3,179,851	2,889,851
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(290,000)	(3,109,080)	(2,819,080)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,700,000	1,700,000
Total other financing sources (uses)	-	1,700,000	1,700,000
NET CHANGE IN FUND BALANCE	<u>\$ (290,000)</u>	<u>(1,409,080)</u>	<u>\$ (1,119,080)</u>
FUND BALANCE, MAY 1		<u>4,641,181</u>	
FUND BALANCE, APRIL 30		<u>\$ 3,232,101</u>	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN TIF DISTRICT FUND**

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 160,000	\$ 200,267	\$ 40,267
Investment income	200	113	(87)
Charges for services	-	45,019	45,019
Other	100,000	186,355	86,355
	<hr/>	<hr/>	<hr/>
Total revenues	260,200	431,754	171,554
EXPENDITURES			
General government			
Contractual services	703,000	430,858	(272,142)
Debt Service			
Principal	1,120,000	1,120,000	-
Interest and fiscal charges	467,900	467,885	(15)
Capital outlay	1,375,000	404,860	(970,140)
	<hr/>	<hr/>	<hr/>
Total expenditures	3,665,900	2,423,603	(1,242,297)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(3,405,700)	(1,991,849)	1,413,851
OTHER FINANCING SOURCES (USES)			
Transfers in	1,939,600	2,024,666	85,066
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	1,939,600	2,024,666	85,066
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
	\$(1,466,100)	32,817	\$ 1,498,917
FUND BALANCE, MAY 1		<hr/>	
		133,978	
FUND BALANCE, APRIL 30		<hr/>	
		\$ 166,795	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2016

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and cash equivalents	\$ 1,158,697	\$ 2,362,305	\$ 3,521,002
Receivables (net, where applicable, of allowances for uncollectibles)			
Other	-	66,366	66,366
Due from other governments	116,047	202,493	318,540
TOTAL ASSETS	\$ 1,274,744	\$ 2,631,164	\$ 3,905,908
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 301,689	\$ 120,236	\$ 421,925
Due to other funds	29,392	-	29,392
Total liabilities	331,081	120,236	451,317
DEFERRED INFLOWS OF RESOURCES			
None	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	331,081	120,236	451,317
FUND BALANCES			
Restricted			
Maintenance of roadways	943,663	-	943,663
Economic development	-	1,543,373	1,543,373
Capital projects	-	55,654	55,654
Unrestricted			
Assigned			
Maintenance of roadways	-	827,153	827,153
Capital projects	-	84,748	84,748
Total fund balances	943,663	2,510,928	3,454,591
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,274,744	\$ 2,631,164	\$ 3,905,908

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended April 30, 2016

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes			
Property	\$ -	\$ 2,790,279	\$ 2,790,279
Other	-	722,989	722,989
Intergovernmental	1,175,871	185,293	1,361,164
Investment income	1,819	2,665	4,484
Other	16,296	63,353	79,649
	<hr/>		
Total revenues	1,193,986	3,764,579	4,958,565
<hr/>			
EXPENDITURES			
General government	-	816,539	816,539
Public works	735,017	-	735,017
Capital outlay	725,665	1,594,290	2,319,955
	<hr/>		
Total expenditures	1,460,682	2,410,829	3,871,511
<hr/>			
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(266,696)	1,353,750	1,087,054
<hr/>			
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(30,000)	(1,866,300)	(1,896,300)
	<hr/>		
Total other financing sources (uses)	(30,000)	(1,866,300)	(1,896,300)
<hr/>			
NET CHANGE IN FUND BALANCES	(296,696)	(512,550)	(809,246)
<hr/>			
FUND BALANCES, MAY 1	1,240,359	3,023,478	4,263,837
<hr/>			
FUND BALANCES, APRIL 30	\$ 943,663	\$ 2,510,928	\$ 3,454,591
<hr/> <hr/>			

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental	\$ 2,380,400	\$ 1,175,871	\$ (1,204,529)
Investment income	100	1,819	1,719
Other	-	16,296	16,296
Total revenues	2,380,500	1,193,986	(1,186,514)
EXPENDITURES			
Public works			
Contractual	665,000	569,956	(95,044)
Commodities	500,000	165,061	(334,939)
Capital outlay	1,920,000	725,665	(1,194,335)
Total expenditures	3,085,000	1,460,682	(1,624,318)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(704,500)	(266,696)	437,804
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(30,000)	(30,000)	-
Total other financing sources (uses)	(30,000)	(30,000)	-
NET CHANGE IN FUND BALANCE	\$ (734,500)	(296,696)	\$ 437,804
FUND BALANCE, MAY 1		1,240,359	
FUND BALANCE, APRIL 30		\$ 943,663	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS

April 30, 2016

	Road Improvements	Local Gas Tax	Marquette Center TIF District
ASSETS			
Cash and cash equivalents	\$ 55,654	\$ 678,530	\$ 1,340,959
Receivables			
Other	-	66,366	-
Due from other governments	-	202,493	-
	\$ 55,654	\$ 947,389	\$ 1,340,959
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 120,236	\$ -
Total liabilities	-	120,236	-
FUND BALANCES			
Restricted			
Economic development	-	-	1,340,959
Capital projects	55,654	-	-
Unrestricted			
Assigned			
Maintenance of roadways	-	827,153	-
Capital projects	-	-	-
Total fund balances	55,654	827,153	1,340,959
TOTAL LIABILITIES AND FUND BALANCES	\$ 55,654	\$ 947,389	\$ 1,340,959

2004 Construction	2002A Construction	Romeo Road TIF District	Total
\$ 83,794	\$ 954	\$ 202,414	\$ 2,362,305
-	-	-	66,366
-	-	-	202,493
\$ 83,794	\$ 954	\$ 202,414	\$ 2,631,164
\$ -	\$ -	\$ -	\$ 120,236
-	-	-	120,236
-	-	202,414	1,543,373
-	-	-	55,654
-	-	-	827,153
83,794	954	-	84,748
83,794	954	202,414	2,510,928
\$ 83,794	\$ 954	\$ 202,414	\$ 2,631,164

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS**

For the Year Ended April 30, 2016

	Road Improvements	Local Gas Tax	Marquette Center TIF District
REVENUES			
Property taxes	\$ -	\$ -	\$ 2,723,481
Other taxes	-	722,989	-
Intergovernmental	-	185,293	-
Investment income	91	-	2,401
Other	30,000	33,353	-
Total revenues	<u>30,091</u>	<u>941,635</u>	<u>2,725,882</u>
EXPENDITURES			
General government	-	-	815,714
Capital outlay	411,000	906,858	43,853
Total expenditures	<u>411,000</u>	<u>906,858</u>	<u>859,567</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(380,909)</u>	<u>34,777</u>	<u>1,866,315</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	-	(1,866,300)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,866,300)</u>
NET CHANGE IN FUND BALANCES	<u>(380,909)</u>	<u>34,777</u>	<u>15</u>
FUND BALANCES, MAY 1	<u>436,563</u>	<u>792,376</u>	<u>1,340,944</u>
FUND BALANCES, APRIL 30	<u>\$ 55,654</u>	<u>\$ 827,153</u>	<u>\$ 1,340,959</u>

2004 Construction	2002A Construction	Romeo Road TIF District	Total
\$ -	\$ -	\$ 66,798	\$ 2,790,279
-	-	-	722,989
-	-	-	185,293
10	-	163	2,665
-	-	-	63,353
10	-	66,961	3,764,579
-	-	825	816,539
149,854	82,725	-	1,594,290
149,854	82,725	825	2,410,829
(149,844)	(82,725)	66,136	1,353,750
-	-	-	(1,866,300)
-	-	-	(1,866,300)
(149,844)	(82,725)	66,136	(512,550)
233,638	83,679	136,278	3,023,478
\$ 83,794	\$ 954	\$ 202,414	\$ 2,510,928

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

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

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	\$ -	\$ 91	\$ 91
Other	-	30,000	30,000
Total revenues	-	30,091	30,091
EXPENDITURES			
Capital outlay	411,000	411,000	-
Total expenditures	411,000	411,000	-
NET CHANGE IN FUND BALANCE	<u>\$ (411,000)</u>	<u>(380,909)</u>	<u>\$ 30,091</u>
FUND BALANCE, MAY 1		<u>436,563</u>	
FUND BALANCE, APRIL 30		<u>\$ 55,654</u>	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LOCAL GAS TAX FUND**

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Home rule gas tax	\$ 740,000	\$ 722,989	\$ (17,011)
Intergovernmental	120,000	185,293	65,293
Other	20,000	33,353	13,353
	<hr/>	<hr/>	<hr/>
Total revenues	880,000	941,635	61,635
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Capital outlay	1,065,000	906,858	(158,142)
	<hr/>	<hr/>	<hr/>
Total expenditures	1,065,000	906,858	(158,142)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (185,000)</u>	34,777	<u>\$ 219,777</u>
FUND BALANCE, MAY 1		<u>792,376</u>	
FUND BALANCE, APRIL 30		<u>\$ 827,153</u>	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MARQUETTE CENTER TIF DISTRICT FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 2,720,000	\$ 2,723,481	\$ 3,481
Investment income	500	2,401	1,901
	<hr/>	<hr/>	<hr/>
Total revenues	2,720,500	2,725,882	5,382
EXPENDITURES			
General government			
Contractual	826,000	815,714	(10,286)
Capital outlay	85,000	43,853	(41,147)
	<hr/>	<hr/>	<hr/>
Total expenditures	911,000	859,567	(51,433)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	1,809,500	1,866,315	56,815
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,809,500)	(1,866,300)	(56,800)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(1,809,500)	(1,866,300)	(56,800)
NET CHANGE IN FUND BALANCE	<hr/> <hr/>	15	<hr/> <hr/>
FUND BALANCE, MAY 1		<hr/>	
		1,340,944	
FUND BALANCE, APRIL 30		<hr/> <hr/>	
		\$ 1,340,959	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2004 CONSTRUCTION FUND**

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	\$ -	\$ 10	\$ 10
Total revenues	-	10	10
EXPENDITURES			
Capital outlay	100,000	149,854	49,854
Total expenditures	100,000	149,854	49,854
NET CHANGE IN FUND BALANCE	<u>\$ (100,000)</u>	(149,844)	<u>\$ (49,844)</u>
FUND BALANCE, MAY 1		<u>233,638</u>	
FUND BALANCE, APRIL 30		<u>\$ 83,794</u>	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2002A CONSTRUCTION FUND**

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Capital outlay	169,000	82,725	(86,275)
Total expenditures	169,000	82,725	(86,275)
NET CHANGE IN FUND BALANCE	<u>\$ (169,000)</u>	<u>(82,725)</u>	<u>\$ 86,275</u>
FUND BALANCE, MAY 1		<u>83,679</u>	
FUND BALANCE, APRIL 30		<u>\$ 954</u>	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ROMEO ROAD TIF DISTRICT FUND**

For the Year Ended April 30, 2016

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 36,000	\$ 66,798	\$ 30,798
Investment income	-	163	163
Total revenues	<u>36,000</u>	<u>66,961</u>	<u>30,961</u>
EXPENDITURES			
General government			
Contractual	<u>36,000</u>	<u>825</u>	<u>(35,175)</u>
Total expenditures	<u>36,000</u>	<u>825</u>	<u>(35,175)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>66,136</u>	<u>\$ 66,136</u>
FUND BALANCE, MAY 1		<u>136,278</u>	
FUND BALANCE, APRIL 30		<u>\$ 202,414</u>	

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Water sales	\$ 6,900,000	\$ 7,040,576
Sewer sales	8,350,000	8,357,361
Fines and fees		
Late charges	360,000	342,838
Other fees	-	456
Tap on fees	250,000	686,431
Recapture fees	-	1,224
Reconnection fees	55,000	53,625
NSF charges	5,000	4,725
Reimbursements	50,000	92,146
	<hr/>	<hr/>
Total operating revenues	15,970,000	16,579,382
	<hr/>	<hr/>
OPERATING EXPENSES		
Finance administration		
Salaries	360,800	327,550
Contractual services	150,700	144,782
Commodities	47,500	43,702
Other	4,000	1,503
	<hr/>	<hr/>
Total finance administration	563,000	517,537
	<hr/>	<hr/>
Public works administration		
Contractual services	465,500	693,227
Commodities	14,500	8,266
Capital outlay	35,000	79,165
	<hr/>	<hr/>
Total public works administration	515,000	780,658
	<hr/>	<hr/>
Public works water distribution		
Salaries	1,392,500	1,438,875
Contractual services	1,253,200	1,133,997
Commodities	736,000	1,014,113
Capital outlay	1,755,000	874,115
	<hr/>	<hr/>
Total public works water distribution	5,136,700	4,461,100
	<hr/>	<hr/>
Public works sewage treatment		
Salaries	860,000	934,981
Contractual services	1,307,500	1,264,418
Commodities	208,500	151,998
Capital outlay	30,000	66,278
	<hr/>	<hr/>
Total public works sewage treatment	2,406,000	2,417,675
	<hr/>	<hr/>

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND

For the Year Ended April 30, 2016

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Public works sewage collection		
Salaries	\$ 959,700	\$ 811,675
Contractual services	588,500	245,389
Commodities	61,000	29,374
Capital outlay	860,000	530,362
	<hr/>	<hr/>
Total public works sewage collection	2,469,200	1,616,800
	<hr/>	<hr/>
Subtotal	11,089,900	9,793,770
	<hr/>	<hr/>
Administration and other charges	3,121,000	3,121,000
	<hr/>	<hr/>
Total operating expenses	14,210,900	12,914,770
	<hr/>	<hr/>
OPERATING INCOME	1,759,100	3,664,612
	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)		
Property tax rebate	(170,000)	(171,171)
Gain on the sale of fixed assets	-	77,500
Investment income	51,000	150,909
Interest, fiscal charges and principal expense	(4,086,200)	(4,013,264)
	<hr/>	<hr/>
Total non-operating revenues (expenses)	(4,205,200)	(3,956,026)
	<hr/>	<hr/>
INCOME (LOSS) BEFORE CONTRIBUTIONS	(2,446,100)	(291,414)
	<hr/>	<hr/>
CONTRIBUTIONS	-	399,658
	<hr/>	<hr/>
CHANGE IN NET POSITION - BUDGETARY BASIS	\$ (2,446,100)	108,244
	<hr/>	<hr/>
ADJUSTMENTS TO GAAP BASIS		
Debt principal payments		3,304,567
Pension expense - IMRF		(212,948)
Capitalized assets		883,621
Depreciation expense		(4,635,469)
		<hr/>
Total adjustments to GAAP basis		(660,229)
		<hr/>
CHANGE IN NET POSITION - GAAP BASIS		(551,985)
		<hr/>
NET POSITION, MAY 1		99,146,626
		<hr/>
Change in accounting principle		(1,209,147)
		<hr/>
NET POSITION, MAY 1, RESTATED		97,937,479
		<hr/>
NET POSITION, APRIL 30		\$ 97,385,494
		<hr/>

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

April 30, 2016

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	\$ 174,288	\$ -	\$ 174,288
Investments			
U.S. Treasury and agency securities	10,085,609	4,325,107	14,410,716
Municipal bonds	-	720,665	720,665
Money market mutual funds	1,399,343	52,038	1,451,381
Equity mutual funds	22,681,834	2,788,683	25,470,517
Accrued interest receivable	36,397	41,063	77,460
Due from other funds	5,660	-	5,660
	<hr/>		
Total assets	34,383,131	7,927,556	42,310,687
LIABILITIES			
Accounts payable	1,778	1,500	3,278
Due to other funds	-	88,128	88,128
	<hr/>		
Total liabilities	1,778	89,628	91,406
NET POSITION RESTRICTED FOR PENSIONS			
	<u>\$ 34,381,353</u>	<u>\$ 7,837,928</u>	<u>\$ 42,219,281</u>

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

For the Year Ended April 30, 2016

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,696,960	\$ 351,767	\$ 2,048,727
Employee	552,258	155,201	707,459
Total contributions	2,249,218	506,968	2,756,186
Investment income			
Net appreciation (depreciation) in fair value of investments	(847,071)	12,356	(834,715)
Interest	649,868	143,309	793,177
Total investment income	(197,203)	155,665	(41,538)
Less investment expense	(282,825)	(30,735)	(313,560)
Net investment income	(480,028)	124,930	(355,098)
Total additions	1,769,190	631,898	2,401,088
DEDUCTIONS			
Administration	15,909	10,433	26,342
Benefits and refunds			
Benefits	1,765,114	179,883	1,944,997
Total deductions	1,781,023	190,316	1,971,339
NET INCREASE (DECREASE)	(11,833)	441,582	429,749
NET POSITION RESTRICTED FOR PENSIONS			
May 1	34,393,186	7,396,346	41,789,532
April 30	\$ 34,381,353	\$ 7,837,928	\$ 42,219,281

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
General Obligation Bonds				
Dated November 15, 2007	2017	\$ 640,000	\$ 69,038	\$ 709,038
Refunding Series 2007A	2018	675,000	35,438	710,438
Interest due on June 30 and December 30 at rates ranging from 3.75% to 5.25%		<u>\$ 1,315,000</u>	<u>\$ 104,476</u>	<u>\$ 1,419,476</u>
General Obligation Bonds				
Dated November 15, 2007	2017	\$ -	\$ 543,625	\$ 543,625
Refunding Series 2007B	2018	2,000,000	543,625	2,543,625
Interest due on June 30	2019	2,225,000	463,625	2,688,625
and December 30 at rates	2020	3,925,000	374,625	4,299,625
ranging from 4.000% to 4.375%	2021	4,750,000	207,813	4,957,813
		<u>\$ 12,900,000</u>	<u>\$ 2,133,313</u>	<u>\$ 15,033,313</u>
General Obligation Bonds				
Dated June 30, 2008	2017	\$ 2,050,000	\$ 214,563	\$ 2,264,563
Series 2008A	2018	700,000	132,563	832,563
Interest due on June 30	2019	1,150,000	104,563	1,254,563
and December 30 at rates	2020	1,000,000	58,563	1,058,563
ranging from 3.250% to 4.125%	2021	450,000	18,563	468,563
		<u>\$ 5,350,000</u>	<u>\$ 528,815</u>	<u>\$ 5,878,815</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
General Obligation (Capital Appreciation) Bonds				
Dated June 30, 2008	2022	\$ 2,779,425	\$ 2,720,575	\$ 5,500,000
Series 2008B	2023	2,846,160	3,153,840	6,000,000
Interest due on December 30 and at rates ranging from 5.12% to 5.85%	2024	2,675,040	3,324,960	6,000,000
	2025	2,506,740	3,493,260	6,000,000
	2026	2,545,205	3,954,795	6,500,000
	2027	2,390,830	4,109,170	6,500,000
	2028	2,243,605	4,256,395	6,500,000
	2029	2,103,400	4,396,600	6,500,000
	2030	1,974,180	4,525,820	6,500,000
	2031	1,851,460	4,648,540	6,500,000
	2032	1,739,010	4,760,990	6,500,000
	2033	1,640,210	4,859,790	6,500,000
	2034	1,546,740	4,953,260	6,500,000
	2035	1,458,275	5,041,725	6,500,000
	2036	1,374,620	5,125,380	6,500,000
	2037	1,295,515	5,204,485	6,500,000
	2038	1,220,765	5,279,235	6,500,000
	2039	1,136,460	5,363,540	6,500,000
	2040	1,008,244	5,191,756	6,200,000
		36,335,884	84,364,116	120,700,000
Accreted Interest		18,325,692	(18,325,692)	-
		\$ 54,661,576	\$ 66,038,424	\$ 120,700,000
General Obligation Refunding Bonds				
Dated November 3, 2008	2017	\$ 735,000	\$ 108,495	\$ 843,495
Refunding Series 2008C	2018	770,000	79,830	849,830
Interest due on June 30 and December 30 at rates of 3.5% to 4.0%	2019	1,245,000	49,800	1,294,800
		\$ 2,750,000	\$ 238,125	\$ 2,988,125

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
General Obligation Bonds				
Dated May 4, 2009	2017	\$ 270,000	\$ 218,188	\$ 488,188
Series 2009	2018	285,000	208,738	493,738
Interest due on June 30	2019	300,000	197,338	497,338
and December 30 at rates	2020	315,000	185,338	500,338
ranging from 3.000% to 4.375%	2021	330,000	172,738	502,738
	2022	345,000	159,538	504,538
	2023	365,000	145,737	510,737
	2024	380,000	131,137	511,137
	2025	400,000	115,937	515,937
	2026	420,000	99,537	519,537
	2027	440,000	82,212	522,212
	2028	465,000	63,512	528,512
	2029	490,000	43,750	533,750
	2030	510,000	22,312	532,312
		<u>\$ 5,315,000</u>	<u>\$ 1,846,012</u>	<u>\$ 7,161,012</u>
General Obligation Bonds				
Dated October 10, 2012	2017	\$ 210,000	\$ 7,600	\$ 217,600
Refunding Series 2012A	2018	170,000	3,400	173,400
Interest due on June 30 and				
December 30 at rates of 2%		<u>\$ 380,000</u>	<u>\$ 11,000</u>	<u>\$ 391,000</u>
General Obligation Bonds				
Dated October 10, 2012	2017	\$ 595,000	\$ 24,800	\$ 619,800
Refunding Series 2012B	2018	645,000	12,900	657,900
Interest due on June 30 and				
December 30 at rates of 2%		<u>\$ 1,240,000</u>	<u>\$ 37,700</u>	<u>\$ 1,277,700</u>
General Obligation Bonds				
Dated July 30, 2013	2017	\$ 1,140,000	\$ 351,790	\$ 1,491,790
Series 2013A	2018	1,180,000	323,290	1,503,290
Interest due on June 30	2019	1,200,000	290,840	1,490,840
and December 30 at rates	2020	1,225,000	254,840	1,479,840
ranging from 2.5% to 4.1%	2021	1,255,000	215,028	1,470,028
	2022	1,310,000	174,240	1,484,240
	2023	1,345,000	128,390	1,473,390
	2024	1,380,000	78,625	1,458,625
	2025	605,000	24,805	629,805
		<u>\$ 10,640,000</u>	<u>\$ 1,841,848</u>	<u>\$ 12,481,848</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
General Obligation Bonds				
Dated July 30, 2013	2017	\$ -	\$ 87,000	\$ 87,000
Series 2013B	2018	-	87,000	87,000
Interest due on June 30	2019	-	87,000	87,000
and December 30 at rates	2020	-	87,000	87,000
of 4%	2021	-	87,000	87,000
	2022	-	87,000	87,000
	2023	-	87,000	87,000
	2024	-	87,000	87,000
	2025	725,000	87,000	812,000
	2026	1,450,000	58,000	1,508,000
		<u>\$ 2,175,000</u>	<u>\$ 841,000</u>	<u>\$ 3,016,000</u>
General Obligation Refunding Bonds				
Dated November 3, 2014	2017	\$ 2,210,000	\$ 258,200	\$ 2,468,200
Series 2014	2018	2,220,000	191,900	2,411,900
Interest due on June 30	2019	1,345,000	125,300	1,470,300
and December 30 at rates	2020	370,000	84,950	454,950
ranging from 3% to 4%	2021	380,000	73,850	453,850
	2022	395,000	62,450	457,450
	2023	405,000	50,600	455,600
	2024	420,000	34,400	454,400
	2025	440,000	17,600	457,600
		<u>\$ 8,185,000</u>	<u>\$ 899,250</u>	<u>\$ 9,084,250</u>
General Obligation Refunding Bonds				
Dated May 3, 2016	2017	\$ -	\$ 393,354	\$ 393,354
Series 2016	2018	1,745,000	597,500	2,342,500
Interest due on June 30	2019	1,980,000	510,250	2,490,250
and December 30 at a rate of 5%	2020	3,690,000	411,250	4,101,250
	2021	4,535,000	226,750	4,761,750
		<u>\$ 11,950,000</u>	<u>\$ 2,139,104</u>	<u>\$ 14,089,104</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
Note Payable				
Dated August 1, 2008	2017	\$ 1,270,480	\$ 430,670	\$ 1,701,150
Illinois Environmental Protection Agency Loan	2018	1,302,440	398,710	1,701,150
	2019	1,335,205	365,945	1,701,150
Interest due on June 1 and December 1 at a rate of 2.5%	2020	1,368,793	332,356	1,701,149
	2021	1,403,227	297,923	1,701,150
	2022	1,438,527	262,623	1,701,150
	2023	1,474,715	226,435	1,701,150
	2024	1,511,813	189,337	1,701,150
	2025	1,549,845	151,305	1,701,150
	2026	1,588,833	112,317	1,701,150
	2027	1,628,802	72,348	1,701,150
	2028	1,669,777	31,373	1,701,150
		<u>\$ 17,542,457</u>	<u>\$ 2,871,342</u>	<u>\$ 20,413,799</u>
Note Payable				
Dated March 5, 2015	2017	\$ -	\$ -	\$ -
Will County Note Payable	2018	75,000	-	75,000
Principal due on December 31 at a rate of 0%	2019	75,000	-	75,000
	2020	75,000	-	75,000
	2021	75,000	-	75,000
	2022	1,319,790	-	1,319,790
		<u>\$ 1,619,790</u>	<u>\$ -</u>	<u>\$ 1,619,790</u>
Capital Lease				
Dated August 25, 2009	2017	\$ 19,984	\$ 5,618	\$ 25,602
2009 Fire Training Facility	2018	21,260	4,342	25,602
Principal and Interest due on August 25 at rates of 6.39%	2019	22,619	2,983	25,602
	2020	24,065	1,538	25,603
		<u>\$ 87,928</u>	<u>\$ 14,481</u>	<u>\$ 102,409</u>

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
Capital Lease				
Dated August 1, 2012	2017	\$ 41,916	\$ 7,591	\$ 49,507
2012 Pierce Arrow XT Pumper	2018	42,925	6,582	49,507
Principal and Interest due on August 1 at rates of 2.41%	2019	43,957	5,549	49,506
	2020	45,015	4,492	49,507
	2021	46,098	3,409	49,507
	2022	47,208	2,299	49,507
	2023	48,345	1,163	49,508
		<u>\$ 315,464</u>	<u>\$ 31,085</u>	<u>\$ 346,549</u>
Capital Lease				
Dated December 14, 2012	2017	\$ 34,641	\$ 1,443	\$ 36,084
2012 Elgin Eagle Street Sweeper	2018	35,115	969	36,084
Principal and Interest due on December 14 at rates of 1.37%	2019	35,598	488	36,086
		<u>\$ 105,354</u>	<u>\$ 2,900</u>	<u>\$ 108,254</u>
Capital Lease				
Dated February 1, 2013	2017	\$ 35,116	\$ 969	\$ 36,085
2013 Medtec Ford F450 Ambulance	2018	35,596	488	36,084
Principal and Interest due on February 1 at rates of 1.37%		<u>\$ 70,712</u>	<u>\$ 1,457</u>	<u>\$ 72,169</u>
Capital Lease				
Dated January 27, 2014	2017	\$ 5,618	-	\$ 5,618
2014 Five (5) Treadmills	2018	5,618	-	5,618
Principal and Interest due on August 1 and February 1 at rates of 0%	2019	2,804	-	2,804
		<u>\$ 14,040</u>	<u>\$ -</u>	<u>\$ 14,040</u>

(This schedule is continued on the following page.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2016

	Year Ending	Principal	Interest	Total
Capital Lease				
Dated September 4, 2015				
2014 Smeal 105" Fire Truck	2017	\$ 51,240	\$ 12,768	\$ 64,008
Principal and Interest due on July 1	2018	50,146	13,862	64,008
at a rate of 2.75%	2019	51,525	12,484	64,009
	2020	52,941	11,067	64,008
	2021	54,396	9,612	64,008
	2022	55,892	8,116	64,008
	2023	57,428	6,580	64,008
	2024	59,007	5,001	64,008
	2025	60,629	3,379	64,008
	2026	62,296	1,713	64,009
		<u>\$ 555,500</u>	<u>\$ 84,582</u>	<u>\$ 640,082</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Romeoville, Illinois' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	121-130
Revenue Capacity These schedules contain information to help the reader assess the Village's property tax.	131-134
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	135-138
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	139-140
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	141-145

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VILLAGE OF ROMEOVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

	2016*	2015	2014	2013
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 264,541,515	\$ 263,931,875	\$ 266,143,014	\$ 256,950,797
Restricted	2,709,485	3,288,122	4,815,450	2,513,686
Unrestricted	(20,988,393)	4,856,829	1,024,779	4,517,245
TOTAL GOVERNMENTAL ACTIVITIES	\$ 246,262,607	\$ 272,076,826	\$ 271,983,243	\$ 263,981,728
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 90,127,058	\$ 90,261,491	\$ 90,952,810	\$ 86,897,837
Restricted	-	-	-	-
Unrestricted	7,258,436	8,885,135	9,484,421	12,410,766
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 97,385,494	\$ 99,146,626	\$ 100,437,231	\$ 99,308,603
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 354,668,573	\$ 354,193,366	\$ 357,095,824	\$ 343,848,634
Restricted	2,709,485	3,288,122	4,815,450	2,513,686
Unrestricted	(13,729,957)	13,741,964	10,509,200	16,928,011
TOTAL PRIMARY GOVERNMENT	\$ 343,648,101	\$ 371,223,452	\$ 372,420,474	\$ 363,290,331

*Governmental Accounting Standards Board Statement No. 68 was implemented at April 30, 2016.

2012	2011	2010	2009	2008	2007
\$ 251,491,187	\$ 250,373,273	\$ 254,221,831	\$ 249,592,572	\$ 247,693,990	\$ 236,735,160
7,228,622	12,901,961	164,830	993,014	1,484,645	1,495,636
11,095,994	5,802,877	10,044,146	17,887,749	21,974,302	24,675,917
<u>\$ 269,815,803</u>	<u>\$ 269,078,111</u>	<u>\$ 264,430,807</u>	<u>\$ 268,473,335</u>	<u>\$ 271,152,937</u>	<u>\$ 262,906,713</u>
\$ 85,140,129	\$ 82,814,080	\$ 75,306,997	\$ 74,356,474	\$ 69,796,095	\$ 63,299,333
-	-	-	-	-	-
15,350,507	19,521,288	24,898,401	28,761,335	34,869,525	36,036,802
<u>\$ 100,490,636</u>	<u>\$ 102,335,368</u>	<u>\$ 100,205,398</u>	<u>\$ 103,117,809</u>	<u>\$ 104,665,620</u>	<u>\$ 99,336,135</u>
\$ 336,631,316	\$ 333,187,353	\$ 329,528,828	\$ 323,949,046	\$ 317,490,085	\$ 300,034,493
7,228,622	12,901,961	164,830	993,014	1,484,645	1,495,636
26,446,501	25,324,165	34,942,547	46,649,084	56,843,827	60,712,719
<u>\$ 370,306,439</u>	<u>\$ 371,413,479</u>	<u>\$ 364,636,205</u>	<u>\$ 371,591,144</u>	<u>\$ 375,818,557</u>	<u>\$ 362,242,848</u>

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2016*	2015	2014	2013
EXPENSES				
Governmental activities				
General government	\$ 13,853,144	\$ 16,251,079	\$ 16,119,829	\$ 16,820,623
Public safety	21,462,453	19,131,969	19,536,832	17,977,351
Public works	15,020,236	15,310,857	12,093,817	11,677,451
Culture and recreation	5,026,478	4,277,124	4,193,048	3,934,308
Interest and fiscal charges on long-term debt	4,575,340	4,794,913	4,959,369	4,289,449
Total governmental activities expenses	59,937,651	59,765,942	56,902,895	54,699,182
Business-type activities				
Water and sewer	17,759,434	17,496,743	16,763,602	15,935,142
Total business-type activities expenses	17,759,434	17,496,743	16,763,602	15,935,142
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 77,697,085	\$ 77,262,685	\$ 73,666,497	\$ 70,634,324
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 1,366,788	\$ 1,268,676	\$ 1,269,554	\$ 1,407,156
Public safety	3,248,233	3,274,051	3,093,646	3,186,635
Public works	5,507,244	5,541,431	5,484,531	4,751,868
Culture and recreation	1,040,173	970,556	895,577	792,802
Operating grants and contributions	1,162,335	1,248,429	1,364,140	1,287,635
Capital grants and contributions	976,637	2,330,934	7,505,925	1,998,465
Total governmental activities program revenues	13,301,410	14,634,077	19,613,373	13,424,561
Business-type activities				
Charges for services				
Water and sewer	16,579,382	15,524,548	15,411,379	14,732,596
Operating grants and contributions	-	136,620	-	-
Capital grants and contributions	399,658	211,426	2,430,283	53,175
Total business-type activities program revenues	16,979,040	15,872,594	17,841,662	14,785,771
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 30,280,450	\$ 30,506,671	\$ 37,455,035	\$ 28,210,332
NET REVENUE (EXPENSE)				
Governmental activities	\$ (46,636,241)	\$ (45,131,865)	\$ (37,289,522)	\$ (41,274,621)
Business-type activities	(780,394)	(1,624,149)	1,078,060	(1,149,371)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (47,416,635)	\$ (46,756,014)	\$ (36,211,462)	\$ (42,423,992)

	2012	2011	2010	2009	2008	2007
\$	12,455,151	\$ 12,632,798	\$ 11,028,906	\$ 11,890,523	\$ 12,924,376	\$ 9,885,069
	17,685,337	16,816,092	18,573,007	18,270,997	16,969,357	14,775,858
	13,274,353	10,596,797	11,092,991	11,789,575	11,571,939	11,498,635
	3,844,491	3,469,413	4,345,424	4,296,423	3,845,945	2,971,666
	4,342,536	4,264,055	4,320,124	2,991,639	1,576,678	1,282,222
	51,601,868	47,779,155	49,360,452	49,239,157	46,888,295	40,413,450
	16,468,462	15,623,988	13,072,465	13,145,150	11,782,676	11,327,387
	16,468,462	15,623,988	13,072,465	13,145,150	11,782,676	11,327,387
\$	68,070,330	\$ 63,403,143	\$ 62,432,917	\$ 62,384,307	\$ 58,670,971	\$ 51,740,837
\$	1,588,325	\$ 1,257,540	\$ 1,998,582	\$ 2,709,581	\$ 3,600,123	\$ 3,581,795
	3,095,784	2,976,097	1,463,849	1,341,973	2,457,148	2,248,769
	3,608,476	3,843,912	2,782,267	2,711,254	3,105,538	3,138,242
	795,660	741,042	860,826	909,796	878,175	884,973
	1,238,064	1,461,476	2,244,206	2,696,283	1,813,614	2,054,513
	4,358,514	5,600,719	220,000	147,816	6,201,633	1,124,085
	14,684,823	15,880,786	9,569,730	10,516,703	18,056,231	13,032,377
	13,467,211	12,968,546	12,298,995	13,071,390	13,743,313	15,238,436
	-	-	-	-	-	-
	744,821	2,342,204	1,235	144,228	3,470,541	-
	14,212,032	15,310,750	12,300,230	13,215,618	17,213,854	15,238,436
\$	28,896,855	\$ 31,191,536	\$ 21,869,960	\$ 23,732,321	\$ 35,270,085	\$ 28,270,813
\$	(36,917,045)	\$ (31,898,369)	\$ (39,790,722)	\$ (38,722,454)	\$ (28,832,064)	\$ (27,381,073)
	(2,256,430)	(313,238)	(772,235)	70,468	5,431,178	3,911,049
\$	(39,173,475)	\$ (32,211,607)	\$ (40,562,957)	\$ (38,651,986)	\$ (23,400,886)	\$ (23,470,024)

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2016*	2015	2014	2013
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 16,423,304	\$ 15,269,571	\$ 15,546,578	\$ 15,722,079
Home rule sales	6,146,634	10,955,120	9,893,380	9,146,375
Telecommunications	993,552	1,142,883	1,323,373	1,298,127
Utility	5,929,117	6,022,872	5,959,246	5,477,963
Hotel/Motel	475,098	400,345	290,454	247,872
Other	2,405,204	2,210,611	1,425,637	1,183,935
Intergovernmental - unrestricted				
Replacement tax	109,584	-	-	-
State sales tax	5,520,622	-	-	-
Use tax	920,714	818,410	696,169	636,785
Income tax	4,228,795	3,886,045	3,866,664	3,575,982
Investment income	128,845	64,959	35,369	40,976
Miscellaneous	328,096	165,667	130,520	80,452
Transfers	-	-	-	-
Special item	-	4,288,965	-	-
Total governmental activities	43,609,565	45,225,448	39,167,390	37,410,546
Business-type activities				
Investment income	150,909	300,876	(16,177)	136,471
Miscellaneous	77,500	32,668	66,745	29,060
Transfers	-	-	-	-
Total business-type activities	228,409	333,544	50,568	165,531
TOTAL PRIMARY GOVERNMENT	\$ 43,837,974	\$ 45,558,992	\$ 39,217,958	\$ 37,576,077
CHANGE IN NET POSITION				
Governmental activities	\$ (3,026,676)	\$ 93,583	\$ 1,877,868	\$ 121,024
Business-type activities	(551,985)	(1,290,605)	1,128,628	1,243,591
Total primary governmental change in net position	(3,578,661)	(1,197,022)	3,006,496	1,364,615
Prior period adjustment	(23,996,690)	-	6,123,647	(2,168,193)
NET POSITION - BEGINNING OF YEAR	371,223,452	372,420,474	346,059,894	346,863,472
NET POSITION - END OF YEAR	\$ 343,648,101	\$ 371,223,452	\$ 355,190,037	\$ 346,059,894

*Replacement, state sales, use, and income taxes are presented as unrestricted intergovernmental revenue beginning in fiscal year 2016.

	2012	2011	2010	2009	2008	2007
\$	15,279,544	\$ 15,032,052	\$ 14,820,536	\$ 13,707,382	\$ 12,823,603	\$ 11,719,087
	9,365,911	9,025,865	7,356,280	7,491,063	7,138,892	6,191,611
	1,492,567	1,443,900	1,460,674	1,487,257	1,589,861	1,447,401
	4,764,214	4,920,460	3,554,178	3,874,144	3,630,110	3,586,064
	247,557	242,785	252,844	300,235	471,946	256,974
	2,077,464	1,677,997	1,919,200	1,910,096	3,255,146	3,136,195
	-	-	-	-	-	-
	-	-	-	-	-	-
	579,133	537,844	439,689	521,046	408,546	468,283
	3,204,848	2,862,078	2,785,961	3,172,690	3,451,028	3,153,839
	45,020	246,285	367,726	871,853	1,673,281	1,835,921
	550,066	78,056	191,106	227,086	250,875	159,271
	-	-	2,600,000	2,480,000	2,385,000	2,168,600
	-	-	-	-	-	-
	37,606,324	36,067,322	35,748,194	36,042,852	37,078,288	34,123,246
	405,586	437,201	459,824	846,147	1,229,074	1,220,508
	6,112	374,684	-	15,574	1,054,233	903,165
	-	-	(2,600,000)	(2,480,000)	(2,385,000)	(2,168,600)
	411,698	811,885	(2,140,176)	(1,618,279)	(101,693)	(44,927)
\$	38,018,022	\$ 36,879,207	\$ 33,608,018	\$ 34,424,573	\$ 36,976,595	\$ 34,078,319
\$	(3,668,297)	\$ (849,723)	\$ 3,849,825	\$ (3,747,870)	\$ (1,644,166)	\$ 5,291,182
	(737,673)	(1,444,545)	(2,453,414)	(2,390,514)	(31,225)	5,386,251
	(4,405,970)	(2,294,268)	1,396,411	(6,138,384)	(1,675,391)	10,677,433
	48,413	2,109,674	-	-	-	-
	351,221,029	351,405,623	350,009,212	356,147,596	357,822,987	347,145,554
\$	346,863,472	\$ 351,221,029	\$ 351,405,623	\$ 350,009,212	\$ 356,147,596	\$ 357,822,987

VILLAGE OF ROMEOVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2015	2014	2013
GENERAL FUND				
Unassigned	\$ 24,191,557	\$ 20,675,671	\$ 17,996,239	\$ 16,406,975
Reserved	-	-	-	-
Unreserved	-	-	-	-
TOTAL GENERAL FUND	\$ 24,191,557	\$ 20,675,671	\$ 17,996,239	\$ 16,406,975
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ 499,033
Restricted	16,125,483	3,288,122	4,815,450	2,513,686
Assigned	5,475,589	6,915,001	1,751,815	3,040,094
Reserved	-	-	-	-
Unreserved, reported in				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 21,601,072	\$ 10,203,123	\$ 6,567,265	\$ 6,052,813

Note: Governmental Accounting Standards Board Statement No. 54 was implemented at April 30, 2012.

Data Source

Audited Financial Statements

2012	2011	2010	2009	2008	2007
\$ 14,971,672	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	472,853	817,514	220,472	265,891
-	12,913,655	8,903,411	10,200,416	10,828,117	10,687,479
\$ 14,971,672	\$ 12,913,655	\$ 9,376,264	\$ 11,017,930	\$ 11,048,589	\$ 10,953,370
\$ 760,333	\$ -	\$ -	\$ -	\$ -	\$ -
7,228,622	-	-	-	-	-
4,436,631	-	-	-	-	-
-	13,923,594	20,553,771	45,624,815	17,573,339	17,913,223
-	(20,221)	(419,111)	(763,806)	(167,332)	(265,891)
-	-	(2,392)	-	-	-
-	-	(754)	-	-	(6,401,372)
\$ 12,425,586	\$ 13,903,373	\$ 20,131,514	\$ 44,861,009	\$ 17,406,007	\$ 11,245,960

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2016*	2015	2014	2013
REVENUES				
Property taxes	\$ 16,423,305	\$ 14,899,310	\$ 15,186,189	\$ 15,081,826
Other taxes	15,949,605	21,553,488	19,608,305	17,970,958
Fines and forfeits	529,171	525,809	652,242	623,118
Licenses and permits	1,803,939	2,239,902	2,246,099	1,540,449
Charges for services	7,241,283	6,570,453	6,239,227	5,973,911
Intergovernmental	13,731,160	6,876,406	7,151,987	6,572,704
Investment income	128,845	64,959	35,369	40,976
Other	904,270	2,843,481	2,170,564	2,842,872
Total revenues	56,711,578	55,573,808	53,289,982	50,646,814
EXPENDITURES				
Current				
General government	11,815,013	11,679,424	13,277,239	15,200,174
Public safety	18,034,341	17,878,688	17,657,940	16,884,123
Public works	8,709,845	9,336,352	9,149,870	8,829,149
Recreation	3,964,791	3,964,195	3,600,130	3,408,063
Allocations to water and sewer fund	(3,121,000)	(3,060,000)	(3,000,000)	(2,845,000)
Capital outlay	9,321,709	8,543,839	20,163,557	10,037,710
Debt service				
Principal	5,375,593	5,874,571	3,550,370	2,984,621
Interest and fiscal charges	1,870,307	2,093,303	1,948,524	1,954,015
Bond issuance costs	-	125,748	339,669	-
Total expenditures	55,970,599	56,436,120	66,687,299	56,452,855
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	740,979	(862,312)	(13,397,317)	(5,806,041)
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	11,950,000	7,308,233	15,045,000	-
Premium on bonds issued	1,465,998	677,639	299,329	-
Issuance of refunding bonds	-	-	-	2,750,000
Premium on refunding bonds	-	-	-	89,846
Payments to escrow agent	-	(7,860,124)	-	(2,803,963)
Capital leases issued	-	-	114,828	818,206
Notes payable issued	555,500	2,747,915	-	-
Sale of capital assets	201,358	14,975	41,876	14,482
Transfers in	9,423,063	11,673,868	6,630,665	8,222,204
Transfers (out)	(9,423,063)	(11,673,868)	(6,630,665)	(8,222,204)
Total other financing sources (uses)	14,172,856	2,888,638	15,501,033	868,571
SPECIAL ITEM	-	4,288,965	-	-
NET CHANGE IN FUND BALANCE	\$ 14,913,835	\$ 6,315,291	\$ 2,103,716	\$ (4,937,470)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	14.1%	14.7%	11.3%	10.6%

* Sales and use tax presented as intergovernmental revenue beginning in fiscal year 2016.

2012	2011	2010	2009	2008	2007
\$ 15,135,292	\$ 14,815,103	\$ 14,820,536	\$ 13,707,382	\$ 12,823,603	\$ 11,719,087
18,526,587	17,846,841	14,824,767	15,418,734	16,305,127	14,917,896
853,511	842,300	752,175	645,190	819,899	667,587
761,008	901,880	797,229	1,568,431	2,499,650	2,551,767
5,448,356	5,383,469	4,877,269	4,888,901	5,106,576	5,032,447
6,763,999	6,593,745	3,889,790	6,034,080	5,454,016	5,376,984
45,020	246,285	367,726	871,853	1,673,281	1,835,921
1,718,868	1,032,134	1,089,957	944,984	3,137,965	2,885,334
49,252,641	47,661,757	41,419,449	44,079,555	47,820,117	44,987,023
10,276,541	10,279,604	9,337,741	9,764,037	10,016,681	7,560,105
16,459,782	16,104,041	15,574,310	15,233,202	14,210,531	12,179,167
8,743,358	8,478,126	8,264,865	7,989,078	7,826,204	6,512,561
3,215,119	3,112,875	3,650,743	3,610,345	3,199,821	2,516,395
(2,790,000)	(2,710,000)	(2,600,000)	(2,480,000)	(2,385,000)	(2,168,600)
8,229,834	12,437,256	36,172,185	25,003,027	20,835,085	19,167,261
2,630,149	2,553,378	1,882,280	1,451,205	1,210,033	1,244,268
1,960,867	2,107,777	2,310,980	1,690,968	1,343,505	1,295,110
-	-	82,506	1,701,082	186,914	13,000
48,725,650	52,363,057	74,675,610	63,962,944	56,443,774	48,319,267
526,991	(4,701,300)	(33,256,161)	(19,883,389)	(8,623,657)	(3,332,244)
-	-	6,700,000	47,135,884	12,900,000	-
-	-	-	-	23,147	-
-	2,460,000	-	-	-	-
-	38,946	-	-	-	-
-	(2,391,196)	-	-	-	-
-	-	185,000	171,848	-	553,379
-	-	-	-	-	-
4,826	37,691	-	-	1,955,776	-
7,090,363	5,501,664	4,725,139	4,684,145	11,781,318	6,358,603
(7,090,363)	(5,501,664)	(4,725,139)	(4,684,145)	(11,781,318)	(6,358,603)
4,826	145,441	6,885,000	47,307,732	14,878,923	553,379
-	-	-	-	-	-
\$ 531,817	\$ (4,555,859)	\$ (26,371,161)	\$ 27,424,343	\$ 6,255,266	\$ (2,778,865)
11.3%	11.7%	10.9%	8.1%	7.2%	8.7%

VILLAGE OF ROMEOVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2015	\$ 506,065,090	\$ 1,415,006	\$ 116,055,318	\$ 441,647,788	\$ 332,303	\$ 1,065,515,505	\$ 1.2981	\$ 3,196,546,515	33.33%
2014	479,245,446	426,230	113,584,962	444,332,779	306,468	1,037,895,885	1.3278	3,113,687,655	33.33%
2013	489,085,405	335,365	103,124,075	440,699,411	306,855	1,033,551,111	1.3086	3,100,653,333	33.33%
2012	536,896,483	362,892	107,944,426	449,467,441	286,429	1,094,957,671	1.2293	3,284,873,013	33.33%
2011	593,012,119	311,695	114,159,834	456,400,661	271,276	1,164,155,585	1.1593	3,492,466,755	33.33%
2010	684,151,001	257,950	120,416,770	471,631,539	227,501	1,276,684,761	1.0591	3,830,054,283	33.33%
2009	733,878,032	283,268	115,555,659	370,719,405	201,870	1,220,638,234	1.0170	3,661,914,702	33.33%
2008	753,787,195	230,370	113,887,137	360,191,096	167,182	1,228,262,980	1.0200	3,684,788,940	33.33%
2007	720,554,943	248,143	99,020,817	305,945,464	140,106	1,125,909,473	1.0200	3,377,728,419	33.33%
2006	674,036,827	308,888	73,094,888	266,180,102	131,137	1,013,751,842	1.0390	3,041,255,526	33.33%

Note: Property is assessed at 33% of actual value.

Data Source

Will County Clerk

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
WILL COUNTY

Last Ten Levy Years

Tax Levy Year	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Direct										
Corporate	0.2497	0.3027	0.3016	0.2723	0.2610	0.2382	0.1871	0.2019	0.2012	0.2163
Street and bridge	0.0296	0.0304	0.0305	0.0288	0.0271	0.0247	0.0208	0.0224	0.0227	0.0232
Special recreation	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0300	0.0300	0.0300	0.0300
Police protection	0.0535	0.0550	0.0552	0.0521	0.0490	0.0447	0.0431	0.0465	0.0476	0.0494
Fire protection	0.0429	0.0442	0.0442	0.0375	0.0417	0.0391	0.0378	0.0386	0.0390	0.0420
Ambulance	0.0952	0.0980	0.0982	0.0794	0.0883	0.0828	0.0800	0.0818	0.0828	0.0891
Recreation	0.1770	0.1654	0.1601	0.1501	0.1401	0.1168	0.1065	0.0965	0.0865	0.0706
Audit	0.0047	0.0049	0.0049	0.0074	0.0069	0.0063	0.0061	0.0066	0.0067	0.0065
Garbage disposal	0.0573	0.0588	0.0591	0.0558	0.0524	0.0478	0.0460	0.0497	0.0511	0.0533
Social security	0.1221	0.1253	0.1258	0.1188	0.1117	0.1019	0.0982	0.1059	0.1089	0.1135
Police pension	0.1869	0.1635	0.1477	0.1328	0.1173	0.1218	0.1230	0.1019	0.1001	0.1013
Insurance	0.1314	0.1349	0.1355	0.1279	0.1203	0.1097	0.1057	0.1140	0.1174	0.1224
Bonds and interest	0.0786	0.0754	0.0809	0.0858	0.0835	0.0684	0.0917	0.0858	0.0890	0.0937
Firefighters pension	0.0492	0.0493	0.0449	0.0606	0.0400	0.0369	0.0410	0.0384	0.0370	0.0277
Total direct	1.2981	1.3278	1.3086	1.2293	1.1593	1.0591	1.0170	1.0200	1.0200	1.0390
Will County	0.6140	0.6210	0.5994	0.5696	0.5551	0.5274	0.5024	0.4942	0.4943	0.5154
Will County Forest Preserve District	0.1937	0.1977	0.1970	0.1859	0.1693	0.1567	0.1519	0.1445	0.1424	0.1369
Will County Building Commission	0.0218	0.0223	0.0222	0.0212	0.0200	0.0197	0.0191	0.0191	N/A	N/A
Romeoville Mosquito Abatement District	0.0114	0.0112	0.0109	0.0102	0.0096	0.0088	0.0107	0.0104	0.0108	0.0113
DuPage Township	0.0823	0.0824	0.0805	0.0769	0.0708	0.0662	0.0655	0.0633	0.0637	0.0658
White Oak Library District	0.3168	0.3236	0.2638	0.2422	0.2214	0.1966	0.1315	0.1283	0.0000	0.0000
Fountaindale Public Library	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.2838	0.2900
Unit School District 365-U	7.5388	7.6318	7.3668	6.7687	5.9062	5.2276	4.9435	4.5671	4.6476	4.7837
Community College District 525	0.3065	0.3085	0.2955	0.2768	0.2463	0.2270	0.2144	0.1896	0.1901	0.1936
Total Overlapping*	9.0853	9.1985	8.8361	8.1515	7.1987	6.4300	6.0390	5.6165	5.8327	5.9967
Total Direct and Overlapping	10.3834	10.5263	10.1447	9.3808	8.3580	7.4891	7.0560	6.6365	6.8527	7.0357

Note: Property tax rates are per \$100 of assessed valuation.

Data Source

Will County Clerk

*Overlapping tax rates are from DuPage Township tax code 1208.

VILLAGE OF ROMEOVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	Type of Business	2016		Percentage of Total Village Taxable Assessed Valuation	2007		Percentage of Total Village Taxable Assessed Valuation
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
PDV Midwest Refinery Citgo	Refinery-Petroleum Products	\$ 132,583,871	1	12.44%	\$ 50,138,500	1	4.95%
Hart I55 Industrial LLC	Real Property	21,892,729	2	2.05%			
Duke Secured Fin 2009-1ALZ LLC	Real Property	15,549,600	3	1.46%			
PLDAB LLC	Real Property	14,305,000	4	1.34%			
Prologis-Illinois LLC	Owner, Operator and Developer of Industrial Real Estate	13,343,600	5	1.25%	16,067,015	2	1.58%
BAEV LaSalle	Real Property	9,798,897	6	0.92%			
Pactiv Corp	Food Services: Direct Sales	9,591,571	7	0.90%	11,006,200	4	1.09%
J&J Romeoville Property	Real Property	9,121,748	8	0.86%	6,909,896	8	0.68%
JRC Remington/Et Al LLC's	Real Property	8,522,800	9	0.80%	8,776,805	6	0.87%
LPF 740	Real Property	8,330,405	10	0.78%			
Prudential Ins. Co. of America	Insurance				13,647,835	3	1.35%
RREEF Amer REIT II Corp	Industrial Properties				8,796,000	5	0.87%
Sharp Electronics Corporation	Wholesale Electronics				7,318,000	7	0.72%
Amerisource Bergen Drug Corp	Real Property				6,620,000	9	0.65%
Allianz Life Ins. Co. N America	Real Property				6,539,408	10	0.65%
		<u>\$ 243,040,221</u>		<u>22.80%</u>	<u>\$ 135,819,659</u>		<u>13.41%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2015 EAV is the most current available.

Data Source

Will County Clerk

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Tax Levy Year	Tax Extensions	Tax Collections	Percentage of Extensions Collected	Collections for Previous Yrs.	Total Tax Collections	Percentage of Extensions Collected
2015	\$ 13,193,894	\$ -	0.00%	\$ -	\$ -	0.00%
2014	13,160,007	13,147,707	99.91%	-	13,147,707	99.91%
2013	12,924,565	12,891,285	99.74%	-	12,891,285	99.74%
2012	12,852,253	12,767,370	99.34%	-	12,767,370	99.34%
2011	12,852,637	12,791,222	99.52%	-	12,791,222	99.52%
2010	12,852,966	12,803,539	99.62%	-	12,803,539	99.62%
2009	11,777,090	11,715,947	99.48%	-	11,715,947	99.48%
2008	11,878,398	11,830,360	99.60%	-	11,830,360	99.60%
2007	10,885,221	10,831,515	99.51%	-	10,831,515	99.51%
2006	9,983,212	9,969,675	99.86%	-	9,969,675	99.86%

Note: Includes separate agency of Romeoville Fire but excludes Road and Bridge Levy.

N/A - Information not available

Data Source

Will County Treasurer

VILLAGE OF ROMEOVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental					Business-Type			Total Primary Government	EAV	Percentage of EAV	Percentage of Personal Income**	Per Capita**
	General Obligation Bonds	General Obligation Capital Appreciation Bonds*	Alternate Revenue Bonds	Capital Lease	Note Payable	General Obligation Bonds	Alternate Revenue Bonds	Note Payable					
2016	\$ 58,829,691	\$ 54,661,576	\$ -	\$ 1,148,998	\$ 1,619,790	\$ 5,758,114	\$ -	\$ 17,542,457	\$ 139,560,626	\$ 1,065,515,505	13.10%	10.54%	\$ 3,181.78
2015	50,584,554	51,764,258	-	759,355	1,769,790	7,854,576	-	18,781,760	131,514,293	1,037,895,885	12.67%	10.74%	3,314.37
2014	54,870,548	49,020,718	-	966,495	-	9,754,452	-	19,990,652	134,602,865	1,033,551,111	13.02%	11.23%	3,392.00
2013	43,125,004	46,422,784	-	1,102,576	-	11,704,996	-	21,169,879	123,525,239	1,094,957,671	11.28%	19.34%	5,839.61
2012	46,016,648	43,962,717	-	440,279	-	13,563,352	-	22,320,169	126,303,165	1,164,155,585	10.85%	19.77%	5,970.93
2011	46,664,626	41,633,192	1,785,000	650,906	-	15,345,374	-	23,442,232	129,521,330	1,276,684,761	10.15%	20.28%	6,123.07
2010	48,693,945	39,427,268	1,955,000	848,212	-	17,016,055	-	24,496,953	132,437,433	1,220,638,234	10.85%	20.73%	6,260.93
2009	43,543,048	37,338,409	2,090,000	861,389	-	18,636,952	-	23,748,136	126,217,934	1,228,262,980	10.28%	19.76%	5,966.90
2008	33,555,346	-	2,530,000	888,448	-	14,969,654	5,275,000	22,956,662	80,175,110	1,125,909,473	7.12%	12.55%	3,790.25
2007	21,394,708	-	2,930,000	959,119	-	11,345,292	10,625,000	17,560,634	64,814,753	1,013,751,842	6.39%	12.45%	3,064.09

* The General Obligation Capital Appreciation Bonds value represents the principal outstanding which includes accreted interest.

** See the schedule of Demographic and Economic Indicators on page 139 for personal income and population data.

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

VILLAGE OF ROMEOVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds*	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property**	Per Capita***
2016	\$ 119,249,381	\$ 13,415,998	\$ 105,833,383	3.31%	\$ 2,668.01
2015	110,203,388	8,129	110,195,259	3.54%	2,777.10
2014	113,645,718	8,129	113,637,589	3.66%	2,863.85
2013	101,252,784	8,129	101,244,655	3.08%	2,551.53
2012	103,542,717	2,248	103,540,469	2.96%	4,894.84
2011	103,643,192	19,476	103,623,716	2.71%	4,898.77
2010	105,137,268	-	105,137,268	2.87%	4,970.32
2009	99,518,409	952,850	98,565,559	2.67%	4,659.65
2008	48,525,000	2,058,780	46,466,220	1.38%	2,196.67
2007	32,740,000	803,039	16,445,658	0.54%	777.46

Notes: Details of the Village's outstanding debt can be found in the notes to financial statements. Increase in Amounts Available in Debt Service Fund for fiscal year 2016 due to the General Obligation Refunding Bonds, Series 2016 issuance receivable. Proceeds will be used to refund the General Obligation Refunding Bonds, Series 2007B in fiscal year 2017.

* This is the general bonded debt of both governmental (including capital appreciation bonds) and business-type activities.

** See the schedule of Assessed Value and Actual Value of Taxable Property on page 131 for property value data.

*** See the schedule of Demographic and Economic Indicators on page 132 for population data.

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2016

	Gross Bonded Debt*	Percentage of Debt Applicable to Government**	Government's Share of Debt
DIRECT DEBT			
Village of Romeoville	\$ 116,260,055	100.00%	\$ 116,260,055
OVERLAPPING DEBT			
<u>Schools:</u>			
School District Number 88-A	24,920,000	18.48%	4,605,216
School District Number 92	7,180,000	19.91%	1,429,538
School District Number 202	262,665,000	9.04%	23,744,916
School District Number 365-U	122,274,518	27.82%	34,016,771
High School District Number 205	6,735,000	8.29%	558,332
Community College District Number 525	191,235,000	5.88%	11,244,618
Total Schools	<u>615,009,518</u>		<u>75,599,391</u>
<u>Others:</u>			
Will County***	-	0.00%	-
Will County Forest Preserve District	125,014,710	5.77%	7,213,349
Fountaindale Library District	34,250,000	0.14%	47,950
Lemont Park District	11,345,000	0.05%	5,673
Lockport Park District	6,108,000	26.09%	1,593,577
Plainfield Park District	3,419,000	5.40%	184,626
Total Others	<u>180,136,710</u>		<u>9,045,175</u>
Total Overlapping Debt	<u>795,146,228</u>		<u>84,644,566</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 911,406,283</u></u>		<u><u>\$ 200,904,621</u></u>

Notes

* Outstanding principal of general obligation bonds as of May 25, 2016. 100% of the principal of outstanding general obligation bonds of overlapping taxing districts have been displayed in this schedule.

** Overlapping debt percentages based on 2015 EAV, the most current available.

*** Will County debt of \$122,235,000 is self supporting, so it is not included in the table.

Data Source

Office of the County Clerk - Will County, Illinois

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2016

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly. To date, the General Assembly has set no limits for home rule municipalities.

VILLAGE OF ROMEOVILLE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INDICATORS

Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income*	Estimated Total Personal Income of Population	Median Age*	Level in Years of Schooling	Unemployment Rate*
2016	39,680	\$ 30,199	\$ 1,198,296,320	35.4	14	6.70%
2015	39,680	30,199	1,198,296,320	35.4	14	6.50%
2014	39,680	30,199	1,198,296,320	35.4	14	8.50%
2013	39,680	30,199	1,198,296,320	35.4	14	9.30%
2012	39,680	30,199	1,198,296,320	35.4	14	9.00%
2011	39,680	30,199	1,198,296,320	35.4	14	9.80%
2010	39,680	30,199	1,198,296,320	35.4	14	10.50%
2009	21,153	30,199	638,799,447	33.3	14	10.30%
2008	21,153	30,199	638,799,447	33.3	14	6.20%
2007	21,153	30,199	638,799,447	33.3	14	4.70%

Data Sources

Bureau of Census

*Will County

VILLAGE OF ROMEOVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	Product/Service	2016			2007		
		Rank	Number of Employees	% Employed in the Village	Rank	Number of Employees	% Employed in the Village
Valley View Community School District Number 365U	Education	1	1,300	7.02%	1	2,300	20.23%
Peacock Engineering	Food Manufacturer	2	1,200	6.48%			
PDV Midwest Refinding CITGO	Fuels Refinery	3	803	4.34%			
Aryzta	Food Manufacturer	4	600	3.24%			
Ulta	Offices/Distribution	5	543	2.93%			
Walmart	Retail Store	6	537	2.90%			
RTC	Distribution/Manufacturing	7	530	2.86%			
Magid Glove and Safety	Headquarters/Manufacturing	8	529	2.86%			
Lewis University	Education	9	525	2.83%	4	320	2.82%
Kehe Food Distributors, Inc.	Headquarters/Food Distributor	10	505	2.73%			
Lockport Township High School District Number 205	Secondary Education				2	500	4.40%
Village of Romeoville*	Government				3	331	2.91%
Marquette Property Investment	Real Estate Development and Management				5	300	2.64%
Ulta Salon Cosmetics Fragrance, Inc.	Salon Cosmetics and Fragrances Corporate Office				6	250	2.20%
Florstar Sales, Inc.	Wholesale Floor Covering Distributor				7	220	1.94%
Panduit Corp	Cable Tie Tools				8	210	1.85%
Kennedy Transportation Co	National Trucking Transportation and Logistics Services				9	208	1.83%
Fleetwood Inc.	Material Handling and Mechanical Conveyors				10	200	1.76%
			<u>7,072</u>	<u>38.19%</u>		<u>4,839</u>	<u>42.58%</u>

*Includes full-time and part-time employees

Data Sources

2016 Illinois Manufacturers Directory, 2016 Illinois Services Directory, Will County Center for Economic Development and a selected telephone survey

2007 Illinois Manufacturers Directory, 2007 Illinois Services Directory, Will County Center for Economic Development and a selected telephone survey

VILLAGE OF ROMEOVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	2016	2015	2014	2013
GENERAL GOVERNMENT				
Mayor	1.00	1.00	1.00	1.00
Village clerk (support)	1.00	1.00	1.00	1.00
Village administration				
Administration	3.00	3.00	3.00	3.00
Personnel	2.00	2.45	2.45	2.45
RPTV	1.00	1.00	1.00	1.00
Marketing	0.63	0.63	0.63	1.00
Information services	3.00	3.00	3.00	3.00
Finance	9.94	9.94	9.94	9.88
Community services and development				
Administration	6.40	6.00	6.00	6.00
Inspectional services	4.26	4.26	4.26	4.08
PUBLIC SAFETY				
Police				
Administration	9.50	9.50	9.50	10.00
Operations	72.40	74.40	73.38	72.02
Support services	10.28	12.79	12.52	15.29
Fire and ambulance	58.80	57.00	55.80	49.07
Fire academy	11.00	7.00	5.25	5.25
Romeoville Emergency Management Agency	0.72	0.72	0.72	0.72
PUBLIC WORKS				
Administration	4.00	5.00	5.00	5.00
Buildings	9.25	11.86	11.86	11.50
Motor pool	2.42	1.00	1.00	1.00
Streets and sanitation	9.00	9.00	9.00	9.00
Landscape and grounds	6.00	7.00	7.00	7.00
RECREATION				
Operations	5.17	5.17	5.17	5.17
Recreation programs	31.09	31.09	28.92	28.33
Park maintenance	9.43	9.43	9.75	9.60
Recreation center	5.00	5.00	5.00	5.80
WATER AND SEWER				
Finance administration	4.00	4.00	4.00	4.00
Public works water distribution	11.00	12.00	12.00	12.00
Public works sewage treatment	7.00	10.00	10.00	10.00
Public works sewage collection	8.00	8.00	8.00	8.00
TOTAL VILLAGE EMPLOYEES	306.28	312.23	306.14	301.16

Data Source

Operating Budget

2012	2011	2010	2009	2008	2007
1.00	1.00	1.00	-	-	-
1.00	1.00	1.00	1.00	1.00	1.75
3.00	3.00	3.00	3.00	3.00	3.00
1.38	1.08	1.75	1.75	1.75	1.75
1.00	1.00	1.50	1.00	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	4.00	4.50	3.00	3.00
9.25	8.73	8.00	8.42	8.70	7.58
6.50	6.70	8.65	8.65	9.65	9.96
4.07	4.00	7.50	7.00	6.00	6.48
10.52	10.92	7.50	8.50	7.50	7.50
71.52	73.25	80.00	78.58	77.25	70.00
15.29	15.04	20.02	19.79	19.19	18.22
53.80	57.21	63.92	65.72	65.65	64.12
4.25	3.43	3.50	3.50	2.00	-
0.87	0.87	0.87	0.87	0.87	0.87
5.00	5.00	5.00	5.00	5.00	5.00
10.00	17.00	14.00	14.00	13.00	12.00
2.00	2.00	3.00	3.00	3.00	3.00
9.00	6.00	10.50	11.00	12.00	11.00
7.00	-	-	1.00	-	-
5.17	5.17	5.61	5.52	6.12	6.12
33.41	30.63	30.49	24.96	18.60	18.05
8.20	8.19	9.46	9.07	8.76	8.08
5.80	5.80	8.86	8.80	7.61	7.61
4.00	4.00	6.00	6.00	5.70	5.70
12.00	11.00	12.00	12.00	12.00	12.00
10.00	10.00	10.00	10.00	10.00	10.00
8.00	8.00	8.00	8.00	8.00	8.00
307.03	304.02	336.13	331.63	317.35	302.79

VILLAGE OF ROMEOVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Fiscal Year	2016	2015	2014	2013
GENERAL GOVERNMENT				
Community Development				
Permits issued*	2,101	2,195	2,031	1,376
Inspections conducted*	4,666	2,785	2,923	7,076
Business licenses issued*	731	848	711	685
PUBLIC SAFETY				
Police				
Personnel - civilian**	32	32	34	34
Personnel - sworn **	61	61	63	61
Traffic accidents	1,439	1,400	1,330	1,245
Calls for service	41,097	38,886	41,069	41,754
Traffic citations	5,815	6,486	8,446	8,330
Parking citations	1,737	1,161	1,096	629
Written warnings	2,025	918	611	494
Administrative warning tickets	137	163	330	181
Arrests	875	870	1,292	1,526
DUI arrests	65	66	90	115
Written reports	3,500	3,459	3,687	4,094
Domestics	513	494	486	519
False alarms	1,256	1,311	1,147	1,039
Fire				
Calls				
EMS	1,239	1,917	1,690	1,837
Fire	2,060	1,312	1,267	1,266
Total	3,299	3,229	2,957	3,103
PUBLIC WORKS				
Streets (miles)	170	170	170	170
RECREATION				
Program offerings				
Youth	733	580	544	530
Adult	238	232	23	42
Senior citizen	15	15	35	38
WATER AND SEWER				
Number of Active meters	16,831	16,698	16,604	16,535
Gallons of water pumped	1,532,814,900	1,478,703,000	1,525,850,300	1,708,115,500
Gallons of water sold (billed)	1,260,283,300	1,216,020,300	1,330,730,900	1,382,636,900
Utilization	82%	82%	87%	81%

N/A - Information not available

Data Source

Various village departments

*Figures based on prior calendar year approximating current fiscal year.

**Does not include Co-Op Students, Crossing Guards, or Kennel Helper.

2012	2011	2010	2009	2008	2007
1,250	2,021	1,168	1,305	1,311	969
6,220	6,889	6,521	8,750	9,712	11,848
692	684	628	613	630	617
33	33	29	34	34	31
63	63	67	68	63	63
1,304	1,397	1,332	1,480	1,579	1,657
45,184	46,591	55,297	55,166	55,507	57,100
9,202	7,797	9,593	8,608	9,110	11,485
1,188	1,572	2,295	2,530	2,066	2,929
791	989	1,430	1,021	786	1,119
299	441	810	620	440	701
1,616	1,495	1,972	1,807	2,326	2,170
117	98	113	121	124	107
4,409	4,323	5,212	5,458	5,547	5,441
637	585	649	610	698	615
1,121	1,153	1,095	1,379	1,343	1,347
1,890	1,733	1,615	1,693	1,734	1,832
1,246	1,112	1,192	1,307	1,224	1,292
3,136	2,845	2,807	3,000	2,958	3,124
170	170	170	170	170	170
475	527	436	508	389	353
42	30	52	57	61	42
29	38	41	70	65	53
16,570	16,557	16,597	16,566	16,655	16,671
1,635,515,000	1,480,389,191	1,509,647,875	1,466,014,000	1,621,183,000	1,580,040,000
1,322,254,690	1,334,422,900	1,317,100,300	1,252,073,800	1,304,285,800	1,155,782,800
81%	90%	87%	85%	80%	73%

VILLAGE OF ROMEOVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
GENERAL GOVERNMENT										
Buildings - Village Hall	1	1	1	1	1	1	1	1	1	1
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of zones	4-6	4-6	4-6	4-6	4-6	4-6	4-6	4-6	4-6	4-6
Patrol units	37	37	39	39	39	39	43	44	40	41
Fire										
Stations	3	3	3	3	3	3	3	3	3	2
PUBLIC WORKS										
Streets (miles)	170	170	170	170	170	170	170	170	170	170
RECREATION										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Athletic and Event Center	1	1	-	-	-	-	-	-	-	-
Parks	31	31	29	28	27	27	25	24	24	22
Acres of parks	301	301	242	242	241	241	222	221	221	201
WATER AND SEWER										
Water mains (miles)	159	159	159	159	159	159	159	159	159	159
Sanitary sewers (miles)	8	8	8	8	8	8	8	8	8	8
Storm sewers (miles)	140	140	140	140	140	140	140	140	140	140

Note: Most recent data available

Data Source

Various Village departments