



Village of Romeoville

Where Community Matters

Romeoville, Illinois

Comprehensive Annual Financial Report

For the Fiscal Year Ended April 30, 2017



VILLAGE OF ROMEOVILLE, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
April 30, 2017

Prepared by: Finance Department

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INTRODUCTORY SECTION

VILLAGE OF ROMEOVILLE, ILLINOIS

LIST OF PRINCIPAL OFFICIALS

April 30, 2017

ELECTED OFFICIALS

John D. Noak, Mayor

Dr. Bernice E. Holloway, Village Clerk

Lourdes Aguirre, Trustee

Jose (Joe) Chavez, Trustee

Brian Clancy, Sr., Trustee

Ken Griffin, 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

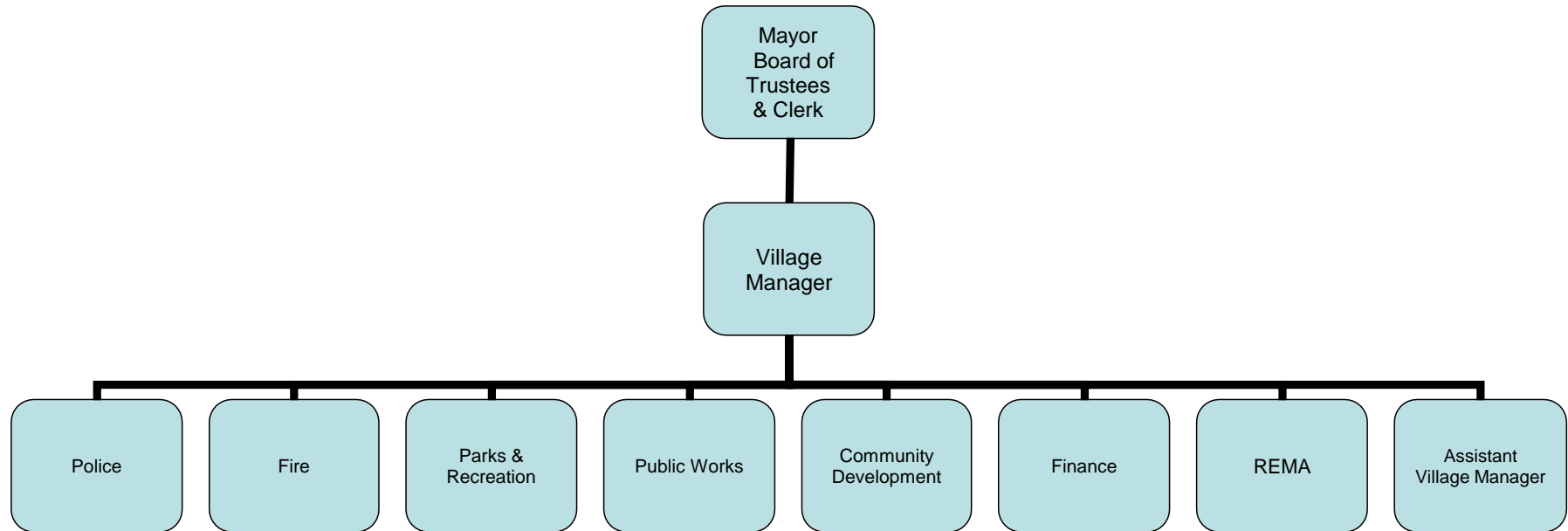
Kelly Rajzer, Director of Parks and Recreation

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, 2016

Executive Director/CEO



October 25, 2017

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, 2017, 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, 2017.

MAYOR

John Noak

CLERK

Dr. Bernice E. Holloway

TRUSTEES

Linda S. Palmiter

Jose (Joe) Chavez

Brian A. Clancy Sr.

Dave Richards

Ken Griffin

Lourdes Aguirre

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, 2017 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 2018. 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 future state budgets, 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 State, after the start of the Village's FY 17-18 budget, presented four major challenges. The first challenge was a 10% reduction in State Income tax which will reduce revenues by \$330,000 in FY 17-18 and \$70,000 in FY 18-19. The State claims the reduction will be for one year only. However, if the reduction is not restored the Village will face a \$400,000 annual revenue challenge. The second is a 2% collection fee on the Village's Home-Rule sales tax which will equal an estimated \$126,400 per year. The third challenge is the State will reduce FY 17-18 sales tax deductions, State and Home Rule, by \$290,000 for overpayments made by the State to the Village. The fourth challenge is an approximate 50%/\$38,000 reduction in the High Growth Motor Fuel Tax allotment. The challenges will be met with a combination of expenditure reductions, use of fund balance and use of additional revenues from other sources.

The Village implemented a Food and Beverage tax 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 \$2.1 million on an annual basis while the Food and Beverage Tax now generates \$1.4 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 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 at the \$57 million level and did utilize \$1 million in fund balance. The FY 17-18 Budget includes \$5 million for the construction of the Metra Station and \$4 million in grant funds. Excluding this project, the budget would be \$52 million. The FY 18-19 budget is anticipated to be \$55 million.

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 \$500,000 a year in General Corporate Fund revenues. The Village did not adjust any fee for FY 11-12 and FY 12-13. 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 \$820,000 per year (\$650,000 Food and Beverage and \$170,000 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. The increase generates an additional \$50,000 per year for the Corporate Fund.

The Village, after the start of the FY 17-18 Budget implemented the following changes not reflected in the budget, Overweight/Over-width permits, self-adjudication hearings for towing, ambulance rate changes to simplify the rates and better capture Medicare payments. The combined impact will range from \$50,000 to \$100,000. Local tax rates and fees will be reviewed as part of the FY 18-19 budget and proposed increases and/or new fees may be presented to the Village Board.

The Village implemented an annual 5% increase 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 and \$1.4 million was collected in 2017. It was anticipated that 2018 will see a decrease to \$0.8 million but preliminary results indicated that the Village will received \$1.0 million. The poor but improving housing market continues to affect receipts but sale of commercial and industrial properties continue to produce the bulk of the revenue. 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 25 to 50 range. The Village has no new subdivisions planned and only three active subdivisions are having new homes built with increased activity up to 50 homes in FY 17-18. Also, an apartment complex of 292 units started construction in FY 15-16, opened in FY 16-17 and will be fully occupied in FY 18-19. A similar sized complex along Normantown Road is anticipated to break ground in 2018. There are several other apartment projects in very early to early stages of development.

The Village continues 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. Amazon opened a large distribution center in 2017 that employs over 1,000 people.

Blain's Farm and Fleet broke ground on their new store in 2015 which opened in October of 2016. The outlots are starting to develop on the site, as a gas station is expected to break ground in 2018 and Checkers has expressed some interest.

Toyota broke ground on a new car dealership on Weber Road and is scheduled to will open early in 2018.

Two new Mexican restaurants opened their doors in the fall of 2017. One is located in the old Fat Ricky's site, while the other is located off of Budler Road. The Bee Brothers are working to open their doors in 2017 at the old Applebee's site.

Presence Healthcare, affiliated with St. Joseph's 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 levels of development, while FY 15-16, FY 16-17 and FY 17-18 will continue that trend.

The Village, in hope of revitalizing what is now designated as the downtown area, 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 include the relocation of the Fat Ricky's restaurant from their former location within the TIF to a new, larger building that includes a 4,000 square foot deli and the construction of a 7,000 square foot strip center that includes a Subway sandwich shop, a relocated Harris Bank and a relocated dentist office. TIF incentives have been provided to Fat Ricky's and to the developers of the retail center. The projects broke ground in early 2016 and were completed late in 2016.

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.

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 has purchased both the former Harris Bank site (FY 16-17 – Downtown TIF - \$1.2 million) and the former Dentist Office site (FY 17-18 – Facility Construction Fund - \$268,000). The Village also acquired vacant land from Harris Bank during fiscal year 2009 (\$2.2 million). The combined land may be used for an apartment complex, hotel or additional parking.

The Village has also acquired the Route 66 used car lot located along Route 53 in FY 17-18 (General Corporate Fund) and budgeted Downtown TIF funds to acquire the other used car lot along Route 53 in FY 18-19. Both car lots are located within the Downtown TIF. The Village also purchased a small car wash in FY 15-16 located within the downtown TIF and will convert it to a much needed parking lot. The Edward Hospital Athletic and Event Center hosts many events where parking is at a premium.

In 2017 a new Thorntons gas station and a new car wash opened on the corner of Route 53 and Romeo Road with additional commercial use to follow. TIF incentives were provided for this project to offset road improvements required along both Route 53 and Romeo Road. The car wash relocated from a small lot located near Route 53 and Normantown Road. A new Checkers restaurant will go onto that location.

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 (Mongo McMichael's Texas Barbeque and the Stone City Saloon). TIF incentives were provided to both restaurants. The new McDonalds opened up in the Downtown TIF area in 2016 across the street from the Edward Hospital Athletic and Event Center.

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), Walgreens site improvements (\$350,000), McDonalds (\$100,000), Duke Realty (\$700,000), the PAL Group/Orange Crush property restoration (\$30,000) and TD Romeoville LLC (Thorntons - \$115,000).

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 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 intended 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 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 pursued a Public/Private partnership where the Village builds the facilities and provided the building to a private group to operate the facility. The agreement, which was for 5 years and placed 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.

However, the Village restructured the operating arrangements of the Athletic and Event Center. Starting in May of 2017 the Village took over operating responsibilities for the center on a day-to-day basis while contracting with the former operator tenant to help manage the facility for the remaining length of the original contract. The Village now bears the risk and reward for operating the facility. The revised arrangement with the former operator was approved by the Village Board in May of 2017.

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 \$17 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. 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 area also includes a renovated library facility. The library district completed their renovation project in the summer of 2012.

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 completed the formation two new TIF's in May of 2017. The TIF's are located along Route 53 and Joliet Road with properties near or adjacent to the Marquette TIF. The TIF's are separated by a strip of ComEd land that ComEd did not wish to annex into the Village. The site will see the development of a Thorntons Truck Stop and a large distribution center. Work on both projects has started.

The developer will receive 90% of the increment from the two TIF's and will include the issuance of notes and bonds to monetize the project for the developer. The developer will construct a road, make improvements to Route 53 and Joliet Road, that are required by the Illinois Department of transportation, including completion of the intersection traffic signal. In order to make the site viable, a great deal of clean-up is required and dynamic compaction of the soil is required. The Village is also providing a local gas tax incentive, based on the Thorntons motor fuel sales, for the project. The Village will reimburse the developer 100% of the taxes collected up to \$3 million. The agreements to provide the incentives were completed in FY 17-18.

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 a 2.66% increase in 2015 and a 7.06% increase in 2016. It is anticipated that the EAV will increase 5% to 7% in 2017.

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 had 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 did reduce the 2013 EAV by \$30 million over the 2015 and 2016 levy years but the Village no longer has to set aside the funds.

The Village lowered its property tax rate in 2017 and has modestly increased the levy over the last two years. The tax bill (Village portion) for the homeowners has also increased slightly the last two years, after holding steady for several years, but still remains lower than what the homeowners paid in 2008.

The Village anticipates keeping the 2017 levy and homeowner cost at similar levels to the 2016 levy. Any increases 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 12 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 has completed the design phase and did "break ground" in FY 14-15. Some preliminary construction has started but the State is still in the process of securing easements and resolving other issues associated with the project. Construction may start in 2018 but could be further delayed. 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 grant portion of the project has been completed but additional engineering to complete the study is being paid 100% by the three communities.

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 worked with the Village to secure a grant for the project. The Village is contributing 20% of the costs (\$1 million) to fund the project while 80% is coming through grants (\$4 million). The station began construction in spring of 2017 and will open in late 2017 or early 2018. The Village will also have to pay for some additional landscaping and other improvements (\$300,000) that were beyond the original scope of the project but desired by the Village. The Village will operate the parking lot associated with the station.

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 17-18 continues to leave certain positions vacant and limit expenditure increases to only what is contractually obligated and what is deemed necessary. The FY 18-19 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. The contract expires at the end of FY 17-18. Negotiations are anticipated to start during FY 17-18.

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 with average raises of 3.5%. There are no automatic COLA increases but the range top and bottom are adjusted each year. Total raises including performance based bonuses did average 3.5% for FY 17-18, a similar percent to the combined union Step Increase and COLA increases received by the unions (4.0%). Starting in FY 18-19 Non-Union staff will be required to contribute 12% towards HMO premiums. New hires are no longer able to participate in the PMO insurance plan

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. The new contract was finally settled in October of 2017 with terms similar to those of the Police and AFSCME unions with a 2.35% increase for FY 16-17, a 6% increase for FY 17-18 and a 2.35% increase for FY 18-19. Current Firefighters on the HMO plan will now contribute 5% (vs. 0%) of the premium cost. All new hires will be required to be on the HMO plan and contribute 12% of the premium costs. Current Firefighters on the PPO plan saw no changes to contribution rate (12%).

Police and Fire Pension Fund Information

The Police Pension fund overall had a good year in 2017. 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 11.4% in 2017. The return was caused by an up year in the equity markets, which was reflected in the increase of the market value in mutual funds held by the fund. Overall, the fund value increased by \$4,537,000/13%. The Police Pension fund has a diverse portfolio that includes cash, cash equivalents and money market mutual funds (2%), treasuries and agencies (31%) and equities (67%). The Police Pension fund, based on FY 16-17 data and the Village's actuary calculations, is 66.7% funded and a 2.4% increase from the prior year under the Actuarial Valuation of Assets and 66.4% funded and a 6.4% increase from the prior year under the Market Valuation of Assets. The Village, at the time of this report, does not yet have actuarial information based on FY 16-17 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. Actuarial assumptions estimate that the Village will return 7% annually for pension fund purposes. However the Fire Pension fund only returned 6.0% in 2017. Overall, the fund value increased by \$736,000/9%. The Fire Pension fund is very conservative with 65% of the assets invested in money market mutual funds (1%), federal treasuries, agencies (52%) and municipal bonds (9%). The remaining 38% is invested in mutual funds. The Fire Pension fund, based on FY 16-17 data and the Village's actuary calculations, is 96.1% funded and a 3.7% decrease from the prior year under the Actuarial Valuation of Assets and 92.6% funded and a 2.5% decrease from the prior year under the Market Valuation of Assets. The Village, at the time of this report, does not yet have actuarial information based on FY 16-17 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 Village conducted an OPEB GASB 45 actuary study in FY 15-16. 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. The next study will be based upon FY 17-18 data.

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,



Kirk Openchowski
Finance Director/Treasurer

FINANCIAL SECTION



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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, 2017 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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
October 24, 2017

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

Village of Romeoville, Illinois

Management's Discussion and Analysis

April 30, 2017

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.)

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 \$325.7 million as of April 30, 2017.

A significant portion of the Village's net position (103.4%) 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 \$325.7 million from \$343.6 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 for FY 16-17 were \$238.2 million, a decrease of \$8.1 million from FY 15-16. The decrease can mostly be attributed to changes in depreciable capital assets, which decreased through depreciation, asset disposal, a change in accounting principle, and reclassification. The Village's unrestricted net position of a negative \$21.8 million, slightly lower than FY 15-16 (\$900,000 decrease) is negative due to the application of the GASB 68 requirements regarding pension fund liability reporting requirements in FY 15-16. The net position of business-type activities decreased to \$87.5 million from \$97.3 million due mainly to a change in accounting principle, but the unrestricted portion increased from \$7.2 million to \$7.6 million. The Village can use unrestricted net position to finance the continuing operations of its water and sewer system. Please note that Governmental Activities assets and liabilities were both \$13 million higher due to Series 2016 Bond Refunding that was started in FY 15-16 and completed in FY 16-17.

Management's Discussion and Analysis (Continued)

Table 1
Statement of Net Position
As of April 30, 2017
(In millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$56.8	\$ 67.2	\$11.1	\$ 11.0	\$ 67.9	\$ 78.2
Noncurrent Assets	-	-	-	-	-	-
Capital Assets	<u>334.0</u>	<u>347.6</u>	<u>99.7</u>	<u>113.4</u>	<u>433.7</u>	<u>461.0</u>
Total Assets	<u>390.8</u>	<u>414.8</u>	<u>110.8</u>	<u>124.4</u>	<u>501.6</u>	<u>539.2</u>
Deferred Outflows of Resources						
Pension Items	<u>5.0</u>	<u>5.7</u>	<u>0.6</u>	<u>0.7</u>	<u>5.6</u>	<u>6.4</u>
Unamortized Loss on Refunding	<u>0.5</u>	<u>0.1</u>	-	-	<u>0.5</u>	<u>0.1</u>
Total Deferred Outflows of Resources	<u>5.5</u>	<u>5.8</u>	<u>0.6</u>	<u>0.7</u>	<u>6.1</u>	<u>6.5</u>
Total Assets and Deferred Outflows of Resources	<u>396.3</u>	<u>420.6</u>	<u>111.4</u>	<u>125.1</u>	<u>507.7</u>	<u>545.7</u>
Current Liabilities	7.6	8.7	1.5	2.0	9.1	10.7
Noncurrent Liabilities	<u>132.2</u>	<u>149.4</u>	<u>22.4</u>	<u>25.7</u>	<u>154.6</u>	<u>175.1</u>
Total Liabilities	<u>139.8</u>	<u>158.1</u>	<u>23.9</u>	<u>27.7</u>	<u>163.7</u>	<u>185.8</u>
Deferred Inflows of Resources						
Pension Items	4.4	2.8	-	-	4.4	2.8
Deferred Revenue	13.7	13.2	-	-	13.7	13.2
Unamortized Gain on Refunding	<u>0.2</u>	<u>0.2</u>	-	-	<u>0.2</u>	<u>0.2</u>
Total Deferred Inflows of Resources	<u>18.3</u>	<u>16.2</u>	-	-	<u>18.3</u>	<u>16.2</u>
Total Liabilities and Deferred Inflows of Resources	<u>158.1</u>	<u>174.3</u>	<u>23.9</u>	<u>27.7</u>	<u>182.0</u>	<u>202.0</u>
Net Investment in Capital Assets	256.8	264.5	79.9	90.1	336.7	354.6
Restricted	3.2	2.7	-	-	3.2	2.7
Unrestricted	<u>(21.8)</u>	<u>(20.9)</u>	<u>7.6</u>	<u>7.2</u>	<u>(14.2)</u>	<u>(13.7)</u>
Total Net Position	<u>\$ 238.2</u>	<u>\$ 246.3</u>	<u>\$ 87.5</u>	<u>\$ 97.3</u>	<u>\$ 325.7</u>	<u>\$ 343.6</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 \$8.1 million which can be attributed to several factors. Current assets decreased by \$24 million, which can be attributed to a \$12.7 decrease in Other Receivables which reflects the timing of bond proceeds related to the Refunding GO Series 2016 Bonds, a \$12.2 million decrease in Capital Assets Being Depreciated due to depreciation, disposal of assets and fixed asset reclassifications and a change in accounting principle (See Note 13) and a \$1.4 million decrease in Capital Assets Not Being Depreciated as land was provided as incentives to developers in the Village's Downtown TIF. The decrease was offset by a \$1.4 increase in cash and investments due to operation revenues exceeding expenses and \$600,000 in increase from a variety of receivables that individually do not represent any significant changes. Deferred Outflows of Resources decreased by \$300,000 due to an unamortized loss on refunding of \$520,000 on the series 2016A bonds which is offset by reduced net outflows of Police, Fire and IMRF pensions.

Liabilities decreased by \$18.3 million due to the principal payments of bonds (\$4.6 million), resolution of the timing issue of the Refunding Series 2016 Bonds (\$13.2 million). The Village partially refunded the 2007B General Obligation Refunding Bonds with the Series 2016 bonds. There was also a decrease of \$1.1 million in current liabilities due in part to the timing of accounts payable, (\$1 million decrease) related to capital projects and retainages at the respective year ends including Fire Station Number 1. Deposits payable increased by \$0.2 million due to funds held in escrow for various development projects and, increases in escrows for police fines, forfeitures and seizure funds that are designated for specific uses by law. Interest payable decreased by \$0.1 million due to repayment of debt. Accrued liabilities decreased by \$0.4 million due to timing with fiscal year end payrolls

Deferred Inflows of Resources increased by \$2.1 million which can mainly be attributed to an increase the Differences Between Expected and Actual Experience in the Police Pension Fund due to the strong market gains of their equity based investments in FY 16-17.

The Village's business-type activities net position decreased \$9.8 million and can be attributed to several factors. Current Assets and Deferred Outflows decreased by \$13.6 million. Capital asset decreased by \$10.2 million due to depreciation, disposal of assets, a change in accounting principle for fixed assets, and fixed asset reclassifications (See Note 13) while Current Assets and Deferred Outflows remained virtually unchanged. Liabilities and Deferred Inflows of Resources decreased by \$3.8 million, which can be attributed to decreased liabilities associated with bonds (\$2.2 Million), the IEPA notes payable (\$1.3 million) and reduced accounts payable (\$0.3 Million)

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.

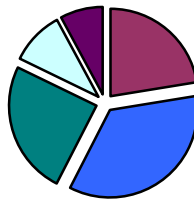
Table 2
Changes in Net Position
For the Fiscal Year Ended April 30, 2017
(In millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
REVENUES						
Program Revenues						
Charges for Services	\$ 13.6	\$ 11.1	\$17.7	\$ 16.6	\$31.3	\$ 27.7
Operating Grants and Contributions	1.2	1.2	-	-	1.2	1.2
Capital Grants and Contributions	6.0	1.0	1.8	0.4	7.8	1.4
General Revenues						
Property and Replacement Taxes	16.6	16.5	-	-	16.6	16.5
Sales Taxes	12.0	11.6	-	-	12.0	11.6
Income Taxes	3.8	4.2	-	-	3.8	4.2
Utility Taxes	6.4	5.9	-	-	6.4	5.9
Other Taxes	5.5	4.8	-	-	5.5	4.8
Transfers	0.4	-	(0.4)	-	-	-
Other	0.6	0.4	-	0.2	0.6	0.6
Special Item	-	-	-	-	-	-
Total Revenues	<u>66.1</u>	<u>56.7</u>	<u>19.1</u>	<u>17.2</u>	<u>85.2</u>	<u>73.9</u>
EXPENSES						
General Government	13.1	13.8	-	-	13.1	13.8
Public Safety	20.5	21.4	-	-	20.5	21.4
Public Works	14.4	15.0	17.5	17.8	31.9	32.8
Culture and Recreation	5.8	5.0	-	-	5.8	5.0
Debt Service	<u>4.6</u>	<u>4.5</u>	<u>-</u>	<u>-</u>	<u>4.6</u>	<u>4.5</u>
Total Expenses	<u>58.4</u>	<u>59.7</u>	<u>17.5</u>	<u>17.8</u>	<u>75.9</u>	<u>77.5</u>
CHANGE IN NET POSITION	<u>7.7</u>	<u>(3.0)</u>	<u>1.6</u>	<u>(0.6)</u>	<u>9.3</u>	<u>(3.6)</u>
BEGINNING 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>
Prior Period Adjustment	(15.8)	(22.8)	(11.4)	(1.2)	(27.2)	(24.0)
BEGINNING NET POSITION, RESTATED	<u>230.5</u>	<u>249.3</u>	<u>85.9</u>	<u>97.9</u>	<u>316.4</u>	<u>347.2</u>
ENDING NET POSITION	<u>\$ 238.2</u>	<u>\$ 246.3</u>	<u>\$ 87.5</u>	<u>\$ 97.3</u>	<u>\$ 325.7</u>	<u>\$ 343.6</u>

(See independent auditor's report.)

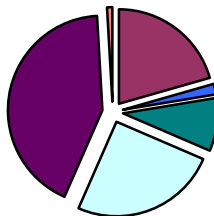
Management's Discussion and Analysis (Continued)

2017 Governmental Activities Expenses



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

2017 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.

(See independent auditor's report.)

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, 2017, revenues from all activities totaled \$85.2 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 7.05% increase in the equalized assessed valuation (EAV) from \$1.065 billion to \$1.140 billion. The tax rate decreased from \$1.2981 to \$1.2594 per \$100 EAV. There was virtually no change in its property tax revenue in 2017 compared to the previous year at \$16.4 million for both years. The Village did receive \$0.1 million more in Replacement Tax. The Village, as a Home Rule community is not subject to the property tax cap laws. The Village collections and levies were about same for both FY 17 and FY 16 for both the Village Levy and the TIF generated property taxes.

Sales Tax increased by \$0.4 million or 3.4%. Sales Tax increased primarily due to the addition of Blain's Farm and Fleet 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 \$0.2. The Village last increased its home rule sales tax rate from 1.00% to 1.5% effective January 1st, 2010.

The State Use Tax increased by \$0.1 million.

State Income Tax revenue showed a decrease of \$0.4 million due to a decreases in statewide income as the Illinois economy continues to struggle.

Utility taxes including telecommunications showed an increase of \$0.5 million as revenues from these sources remained stable. The majority of the increase came from the electric utility tax.

The Village saw an increase in other tax revenue over the prior year of \$0.6 million or 25%. The increases can be attributed to Real Estate Transfer tax (\$0.4 million), Local Gas Tax (\$0.1 Million), Hotel Tax (\$0.1 million) and Food and Beverage Tax (\$0.1 million). The Real Estate Transfer Tax increase is due to a larger number of high value industrial properties selling. The hotel tax increase is due to greater demand for hotels generated from the Edward Athletic and Event Center and the full year of a new extended 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 full year of a new McDonalds and the new club house at the Mistwood Golf Course which includes a pub and fine dining restaurant.

License and permit revenue increased \$1.8 million/95% in 2016. The increase in building permits is due to a greater number of large projects having permits issued in FY 16-17. However, this is due more to project timing than a dramatic change 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 did exceed FY 14-15 and FY 15-16.

Investment returns, excluding pension funds, decreased by approximately 53% due to market valuation changes and decreased earnings for funds invested in government securities based investment funds.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Charges for services increased by \$3.6 million or 13%. The increase from both governmental activities (\$2.5 million/22%) and business-type activities (\$1.1 million/6.6%).

The governmental activities increases were generated through business permits, engineering fees and other growth related revenues from a variety of industrial projects, an apartment complex and commercial development.

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 no change, while Capital Grants and Contributions increased by \$6.4 million. The Village's grant revenues, while the same for the last two years, will fluctuate from year to year based upon project timing and grant availability. The increase in Capital Grants and Contributions is due to increased infrastructure contributed by developers.

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 transfer of \$3.2 million increased by \$0.1 million/2% for FY 17.

The Police Pension Fund ended the year with \$38.9 million in assets. The Fund had \$6.5 million in additions, which were provided by employer and employee contributions, and investment income. The Fund had \$2.0 million in deductions. The bulk of the deductions were from pension benefits (\$2.0 million) along with administrative costs. There net increase to the Fund was \$4.5 million. The funds equity related investments performed strongly in FY 17.

The Fire Pension Fund ended the year with \$8.6 million in assets. The Fund had \$1.0 million in additions, which were provided by employer and employee contributions and investment income. The Fund had \$0.3 million in deductions which consisted of administrative expenses, pension benefits and refunds of contributions. The net increase to the Fund was \$0.74 million. The funds equity related investments performed strongly in FY 17.

Expenses:

The Village's total expenses for all activities for the year ended April 30, 2017 were \$75.9 million. Expenses decreased 2% (\$1.6 million) as compared to 2016.

Governmental Activities costs decreased by \$1.3 million. The decreases came from General Government (\$0.7 million), Public Safety (\$0.9 million) and Public Works (\$0.6 million). These decreases were offset by increases to costs related to Culture and Recreation (\$0.8 million) and Debt Service (\$0.1 million).

The General Government activities decrease of \$0.7 million is attributed to capital expenses related decreases of \$0.8 million. Operational expenses increased by \$0.1 million.

Public Safety decreased by 0.9 million. The majority of the increase comes from decreased 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 an increase of \$0.7 million from \$18.0 million to \$18.7 million due to salary increases including pension contribution increases.

Public Works expenses decreased by \$0.6 million compared to the prior year. Operational expenses increased slightly by \$0.3 million due to increased contractual service costs while capital outlay related expenses decreased by \$0.9 million from the prior year.

The Culture and Recreation increase of \$0.8 million is due to increases due to timing of capital expense recognitions and depreciation costs.

Business-type activities (water and sewer) expenses decreased by \$0.3 million from the prior year. The decreases were from Depreciation (\$0.8 million) and interest expense decrease (\$0.1 million) which reflects scheduled debt service payments. This was offset by Operation increases (\$0.7 million) which were spread through line items reflecting plans review and other engineering activities. The water and sewer operations accounted for 54.9% of the total Public Works activities.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Financial Analysis of the Village's Funds

Governmental Funds

At April 30, 2017, the governmental funds (as presented on the balance sheet on pages 7-8) reported a combined fund balance of \$36 million. Expenditures/other financing uses exceeded Revenues/other financing sources in 2017 by \$9.8 million. The Debt Service Fund Balance decreased by \$13.4 million. The primary reason for this decrease 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 was reflected in the FY 16-17 statements. The General Fund's fund balance increased by \$0.9 million. The increase would have been \$3.8 million greater but funds were transferred to Recreation Funds (\$2.8 million) and Facility Construction Funds (\$0.9 million) and are reflected in their respective fund balances. The transferred funds will be used to construct Discovery Park, a road needed for the park and the purchase of land in the Village's downtown area (also known as Uptown Square). The Facility Construction Fund still saw a decrease in Fund Balance of \$1.5 million, despite the transfer, as the Fire Station #1 project was completed. Non-Major funds saw an increase in fund balance due to expenditure timing of salt purchases in the Motor Fuel Tax fund.

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 2017. 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	\$ 10.6	\$ 10.5
Other taxes	13.9	15.2
Interest	-	0.1
Fines	0.6	0.6
Licenses and permits	2.5	3.5
Charges for services	6.2	6.6
Intergovernmental	12.2	12.2
Other	0.7	0.5
Capital leases issued	-	-
Sale of capital assets	-	-
Total	<u>46.7</u>	<u>49.2</u>
Expenditures and Other Financing Uses		
General government	11.7	10.8
Public safety	19.8	18.7
Public works	8.6	8.3
Capital outlay	3.4	3.6
Debt service	0.2	0.2
Reimbursements	(3.2)	(3.2)
Transfers out	<u>6.2</u>	<u>9.9</u>
Total	<u>46.7</u>	<u>48.3</u>
Change in Fund Balance	<u>-</u>	<u>0.9</u>

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

The Village collected 99.6% of budgeted property taxes.

As shown above, the General Fund was budgeted to break even, while actual results were an increase of \$0.9 million. Revenues were over budget by approximately \$2.5 million while expenditures were over budget by \$1.6 million.

The Village received \$1.3 million more in other taxes than anticipated. The Village received \$0.6 million more than anticipated in Home Rule Sales Tax, \$0.3 million more in Real Estate Transfer Tax, \$0.3 million more in electric utility tax, \$0.1 million more in Food and Beverage Tax and \$0.1 million more combined in Gaming Tax and Home Rule Gas Tax. Offsetting these gains were \$0.1 million less than anticipated in Telephone Utility Tax. The Home Rule Sales Tax increase was primarily due to the addition of Blain's Farm and Fleet, a full year of both Ashley Furniture and Magid Glove and Safety to the retail base, and other additional smaller retail and a recovering local economy. The electric utility tax increase was due to greater than anticipated usage. 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 full year of a new McDonalds and 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 full year as venues continue to open in the Village. The telephone 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 \$10,000 and receipts were \$72,400.

Fines were in line with the budget of \$0.6 million.

Licenses and Permits were \$1.0 million over budget. Building Permits were over budget by \$0.7 million, Inspection permits were over budget by \$0.3 million and Business License were over budget by \$0.1 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. FY 16-17 was one of the Village's best years ever for Building Permits. Greater than anticipated development favorably impacted building inspections. Business Licenses increased due to the implementation of a crime free housing program that requires landlords to obtain a business license and attend training provided by the Village and additional businesses.

Charges for services, over budget by \$0.4 million, saw \$0.4 million in additional revenues in engineering reimbursements due to greater than anticipated development activity, an increase in Police Special Detail of \$0.1 million due to traffic control for the newly opened Amazon facility during the holiday season and an unanticipated investigative/security which was offset by \$0.2 million in Fire Academy revenues which corresponds with less than budgeted expenses.

Intergovernmental Revenues were at budgeted levels. However, short falls in State Income tax (\$0.3 million) and Federal Grants (\$0.3 million) were offset by additional State Sales Tax (\$0.5 million) and shared Lockport Fire Protection District (LFPD) revenue (\$0.1 million). The Village received \$0.3 million less in Federal grants, due to the timing with the Metra station project and the State Income tax was less than anticipated due to the State's uncertain economic conditions. Sales tax was greater than anticipated by \$0.3 million for similar reasons discussed above for the Home Rule sales tax. Property tax growth in the shared LFPD area was greater than anticipated.

Other revenues were \$0.3 million less than the budgeted amount of \$0.78 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.

General Government expenditures were under budget by \$0.9 million. Savings were generated in Contractual Services (\$0.3 million), Other Expenses (\$0.3 million) and Salaries (\$0.2 million). Contractual savings were generated from legal fee savings (\$0.2 million) due to less than anticipated Enbridge related legal fees, Manager's Office contractual services (\$0.1 million) from a variety of items, marketing (\$0.1 million) due to a delay implementing a new media marketing program, which is offset by increased contractual inspection services (\$0.1 million) needed for an apartment complex project and other development projects. Other expenses savings were from less than anticipated sales tax incentives (\$0.2 million) due to timing of new business opening later than anticipated and contingency savings (\$0.1 million). Salary savings were due to vacancies and flexible spending expenses that are recognized for budgeting purposes but not for accounting purposes.

Public Safety expenditures were under budget by \$1.1 million. The majority came through salary savings of \$1.0 million due to less than anticipated Worker's Compensation payments, the timing of hiring new fire and police personnel including vacant Firefighter positions, vacant Police Officer positions, vacant E911 Dispatcher positions and part-time Firefighter positions. The Police and Fire Departments had a variety of savings (\$0.1 million) over several contractual and commodity line items.

(See independent auditor's report.)

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

Public Works expenditures were under budget by \$0.3 million. Public works realized \$0.3 million in personnel savings due to department vacancies. Landscaping and Grounds contractual services overages (\$0.2 million) and material disposal expenses (\$0.1 million) were offset by motor fuel savings (\$0.1 million) and building maintenance savings (\$0.1 million)

Capital outlay expenditures were over budget by \$0.2 million. General Government capital expenditures were over budget (\$0.2 million) due to the unbudgeted purchase of a used car lot (\$0.3 million) located along Route 53. Public Safety were over budget (\$0.3 million) due to additional police vehicles (\$0.4 million) and additional funds needed for a REMA command center vehicle (\$0.1 million) which was offset by savings in a Fire Academy site improvement project (\$0.1 million) and a variety smaller savings in other Public Safety capital accounts. The overages were offset by savings in Public Works projects of \$0.4 million due to timing of the Metra project (\$0.3 million), road project savings (\$0.1 million) and facility planning project timing (\$0.1 million) which was offset by in project timing for Landscape Islands (\$0.2 million),

Debt Service payments were within budget.

Transfers to other funds were over budget by \$3.7 million. The transfers were to the Debt Service Fund (\$4.7 million), The Real Estate Transfer Tax Fund (\$2.8 million), Recreation Fund (\$1.5 million) and the Facility Construction Fund (\$0.9 million). The unbudgeted funds transfer to the Real Estate Transfer Tax Fund will be used to construct Discovery Park and the unbudgeted transfer to the Facility Construction Fund will be used for a road project associated with Discovery Park and the purchase of property in the Village's downtown area. The projects will start in FY 17-18.

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 2017 fund balance is now at \$25.1 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 \$0.9 million in FY16-17. The Village's targeted fund balance, based on actual expenditures and transfers and excluding the \$3.2 million in reimbursements of \$51.5 million as of April 30, 2017 was \$12.9 million. The FY 16-17 budget was \$49.9 million, with a targeted fund balance of \$12.4 million. The Village's FY 17-18 budget of \$52.1 million, excluding the \$5 million grant funded Metra Station project, has a targeted fund balance of \$13.0 million.

Capital Assets

At the end of fiscal year 2017, the Village had a combined total of capital assets of \$433.7 million (after accumulated depreciation of \$181.5 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 \$27.3 million. Detailed information related to capital assets is included in Notes 1, 4 and 13 to the basic financial statements.

The Net Capital Assets of the Village decreased by \$27.3 million over 2016. The main reason for the decrease can be attributed to prior period restatement of assets totaling \$27.3 million (See Note 13). Governmental activities, excluding the prior period adjustment decrease of \$15.8 million increased by \$2.2 million, while business-type activities capital assets, excluding the prior period decrease of 11.5 million, decreased by \$2.2 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.

Village of Romeoville, Illinois

Management's Discussion and Analysis (Continued)

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

	Balance 4/30/16	Net Additions/Deletions	Balance 4/30/17
Land	\$ 192.6	\$ 1.7	\$ 194.3
Construction in Progress	3.3	(2.1)	1.2
Buildings	64.2	2.9	67.1
Machinery and Equipment	2.5	4.1	6.6
Furniture and Fixtures	0.2	(0.2)	-
Vehicles	3.6	(3.6)	-
Infrastructure	<u>194.6</u>	<u>(30.1)</u>	<u>164.5</u>
Total Capital Assets	<u>\$ 461.0</u>	<u>(\$ 27.3)</u>	<u>\$ 433.7</u>

Debt Outstanding

As of April 30, 2017, the Village had outstanding bonded debt of \$101.5 million. Of this amount \$3.6 million represented general obligation bonds associated with business-type activities. General obligation bonds associated with governmental activities totaled \$97.9 million.

As of April 30, 2017, the Village has a \$16.3 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 \$98,381,798 if it were a non-Home Rule community. The limit is based on 8.625% of the 2016 equalized assessed valuation of \$1,140,658,533.

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 recover from the market downturn suffered in FY 15-16. 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 and will be impacted by changes implemented by the State as part of their FY 17-18 budget. 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 17-18 budget that was designed to ensure the Village's financial position remains strong and maintain existing service levels. The budget does utilize \$1 million in General Corporate Fund balance to provide the Village's match for the construction of the new Metra Station being built in Romeoville. The Village may also utilize fund balance in future budgets as well. Use of Fund Balance 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, 2017

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 32,276,008	\$ 2,569,053	\$ 34,845,061
Investments	4,627,624	6,848,771	11,476,395
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	13,675,018	-	13,675,018
Accounts	545,735	1,647,640	2,193,375
Interest	13,610	-	13,610
Other	1,389,681	-	1,389,681
Prepaid expenses	103,262	-	103,262
Due from other governments	4,192,511	-	4,192,511
Due from fiduciary funds	1,140	-	1,140
Capital assets not being depreciated	194,262,047	1,302,747	195,564,794
Capital assets being depreciated	139,743,746	98,455,024	238,198,770
 Total assets	 390,830,382	 110,823,235	 501,653,617
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	1,987,681	627,689	2,615,370
Pension items - Police Pension	2,437,975	-	2,437,975
Pension items - Fire Pension	561,188	-	561,188
Unamortized loss on refunding	520,307	-	520,307
 Total deferred outflows of resources	 5,507,151	 627,689	 6,134,840
 Total assets and deferred outflows of resources	 396,337,533	 111,450,924	 507,788,457
LIABILITIES			
Accounts payable	2,495,342	933,232	3,428,574
Accrued liabilities	907,023	121,018	1,028,041
Deposits payable	3,742,541	180,331	3,922,872
Unearned revenue	9,441	-	9,441
Accrued interest payable	476,554	219,082	695,636
Noncurrent liabilities			
Due within one year	7,576,495	3,767,033	11,343,528
Due in more than one year	124,584,171	18,644,948	143,229,119
 Total liabilities	 139,791,567	 23,865,644	 163,657,211
DEFERRED INFLOWS OF RESOURCES			
Pension items - Police Pension	4,125,936	-	4,125,936
Pension items - Fire Pension	142,973	-	142,973
Pension items - IMRF	163,682	51,689	215,371
Deferred revenue	13,714,946	-	13,714,946
Unamortized gain on refunding	208,236	-	208,236
 Total deferred inflows of resources	 18,355,773	 51,689	 18,407,462
 Total liabilities and deferred inflows of resources	 158,147,340	 23,917,333	 182,064,673
NET POSITION			
Net investment in capital assets	256,791,259	79,933,272	336,724,531
Restricted for			
Maintenance of roadways	1,359,137	-	1,359,137
Economic development	1,621,900	-	1,621,900
Capital projects	199,857	-	199,857
Unrestricted	(21,781,960)	7,600,319	(14,181,641)
 TOTAL NET POSITION	 \$ 238,190,193	 \$ 87,533,591	 \$ 325,723,784

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended April 30, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 13,145,269	\$ 1,376,943	\$ 51,500	\$ -
Public safety	20,471,106	3,573,257	97,982	-
Public works	14,345,138	7,493,409	1,084,903	5,888,261
Culture and recreation	5,797,024	1,126,442	-	160,073
Interest and fiscal charges on long-term debt	4,605,731	-	-	-
Total governmental activities	58,364,268	13,570,051	1,234,385	6,048,334
Business-Type Activities				
Water and sewer	17,490,294	17,721,175	-	1,749,245
Total business-type activities	17,490,294	17,721,175	-	1,749,245
TOTAL PRIMARY GOVERNMENT	\$ 75,854,562	\$ 31,291,226	\$ 1,234,385	\$ 7,797,579

Net (Expense) Revenue and Change in Net Position			
Primary Government			
	Governmental Activities	Business-Type Activities	Total
	\$ (11,716,826)	\$ -	\$ (11,716,826)
	(16,799,867)	-	(16,799,867)
	121,435	-	121,435
	(4,510,509)	-	(4,510,509)
	(4,605,731)	-	(4,605,731)
	(37,511,498)	-	(37,511,498)
	-	1,980,126	1,980,126
	-	1,980,126	1,980,126
	(37,511,498)	1,980,126	(35,531,372)
General Revenues			
Taxes			
Property	16,422,851	-	16,422,851
Home rule sales	6,306,026	-	6,306,026
Telecommunications	957,144	-	957,144
Utility	6,370,157	-	6,370,157
Hotel/motel	551,753	-	551,753
Other	3,010,255	-	3,010,255
Intergovernmental - unrestricted			
Replacement tax	182,612	-	182,612
State sales tax	5,729,800	-	5,729,800
Use tax	976,635	-	976,635
Income tax	3,750,745	-	3,750,745
Investment income	111,411	20,957	132,368
Miscellaneous	221,198	8,720	229,918
Sale of capital assets	281,824	-	281,824
Transfers in (out)	385,072	(385,072)	-
Total	45,257,483	(355,395)	44,902,088
CHANGE IN NET POSITION	7,745,985	1,624,731	9,370,716
NET POSITION, MAY 1	246,262,607	97,385,494	343,648,101
Change in accounting principle	(15,818,399)	(11,476,634)	(27,295,033)
NET POSITION, MAY 1, RESTATED	230,444,208	85,908,860	316,353,068
NET POSITION, APRIL 30	\$ 238,190,193	\$ 87,533,591	\$ 325,723,784

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

April 30, 2017

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
ASSETS							
Cash and cash equivalents	\$ 20,681,659	\$ 5,945,208	\$ 33,434	\$ 1,809,182	\$ 1,915	\$ 3,804,610	\$ 32,276,008
Investments	4,627,624	-		-	-	-	4,627,624
Receivables (net, where applicable, of allowances for uncollectibles)							
Property taxes	10,516,535	2,326,943	831,540	-	-	-	13,675,018
Accounts	515,914	8,025	-	-	21,796	-	545,735
Interest	13,610	-	-	-	-	-	13,610
Other	1,182,471	80,228	-	-	-	126,982	1,389,681
Prepaid expenses	-	-	-	-	103,262	-	103,262
Due from other funds	34,574	-	-	-	-	-	34,574
Due from other governments	3,776,694	-	-	-	-	415,817	4,192,511
TOTAL ASSETS	\$ 41,349,081	\$ 8,360,404	\$ 864,974	\$ 1,809,182	\$ 126,973	\$ 4,347,409	\$ 56,858,023

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 1,624,988	\$ 409,261	\$ -	\$ 13,368	\$ 488	\$ 447,237	\$ 2,495,342
Accrued liabilities	807,708	99,315	-	-	-	-	907,023
Deposits	3,291,650	388,379	-	20,000	42,512	-	3,742,541
Due to other funds	-	-	33,434	-	-	-	33,434
Unearned revenue	9,441	-	-	-	-	-	9,441
Total liabilities	5,733,787	896,955	33,434	33,368	43,000	447,237	7,187,781
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	10,516,535	2,366,871	831,540	-	-	-	13,714,946
Total deferred inflows of resources	10,516,535	2,366,871	831,540	-	-	-	13,714,946
Total liabilities and deferred inflows of resources	16,250,322	3,263,826	864,974	33,368	43,000	447,237	20,902,727
FUND BALANCES							
Restricted							
Maintenance of roadways	-	-	-	-	-	1,359,137	1,359,137
Economic development	-	-	-	-	83,973	1,537,927	1,621,900
Capital projects	-	-	-	-	-	199,857	199,857
Unrestricted							
Assigned							
Maintenance of roadways	-	-	-	-	-	237,214	237,214
Recreation	-	5,096,578	-	-	-	-	5,096,578
Capital projects	-	-	-	1,775,814	-	566,037	2,341,851
Unassigned	25,098,759	-	-	-	-	-	25,098,759
Total fund balances	25,098,759	5,096,578	-	1,775,814	83,973	3,900,172	35,955,296
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 41,349,081	\$ 8,360,404	\$ 864,974	\$ 1,809,182	\$ 126,973	\$ 4,347,409	\$ 56,858,023

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, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 35,955,296
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	334,005,793
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	1,987,681
Deferred inflows of resources	(163,682)
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	2,437,975
Deferred inflows of resources	(4,125,936)
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	561,188
Deferred inflows of resources	(142,973)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Compensated absences payable	(4,037,713)
Other postemployment benefit obligation	(186,677)
Unamortized premium on bonds	(1,950,750)
General obligation bonds payable	(95,975,311)
Capital leases payable	(985,965)
Notes payable	(1,619,790)
Net pension liability - Illinois Municipal Retirement Fund	(7,002,648)
Net pension liability - Police Pension Plan	(19,715,344)
Net pension liability - Firefighters' Pension Plan	(686,468)
Gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Unamortized loss on refunding	520,307
Unamortized gain on refunding	(208,236)
Accrued interest on long-term liabilities is reported as a liability on the statement of net position	(476,554)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 238,190,193</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, 2017

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
REVENUES							
Property taxes	\$ 10,529,236	\$ 2,095,295	\$ 835,994	\$ -	\$ 217,953	\$ 2,744,373	\$ 16,422,851
Other taxes	15,174,002	1,232,865	-	-	-	788,467	17,195,334
Fines and forfeits	600,115	-	-	-	-	-	600,115
Licenses and permits	3,530,750	-	-	-	-	-	3,530,750
Charges for services	6,615,660	1,126,442	-	-	18,260	-	7,760,362
Intergovernmental	12,227,940	160,073	-	-	-	1,506,269	13,894,282
Investment income	79,843	1,981	159	15,214	85	14,129	111,411
Other	439,115	4,385	-	-	151,568	925,767	1,520,835
Total revenues	49,196,661	4,621,041	836,153	15,214	387,866	5,979,005	61,035,940
EXPENDITURES							
Current							
General government	10,768,229	-	-	-	369,614	817,044	11,954,887
Public safety	18,697,889	-	-	-	-	-	18,697,889
Public works	8,323,614	-	-	-	-	686,444	9,010,058
Culture and recreation	-	4,124,138	-	-	-	-	4,124,138
Allocations to water and sewer fund	(3,183,000)	-	-	-	-	-	(3,183,000)
Capital outlay	3,547,453	687,138	-	2,396,501	1,357,980	2,091,936	10,081,008
Debt service							
Principal	182,897	12,651	4,570,606	-	1,140,000	-	5,906,154
Interest and fiscal charges	28,389	-	1,508,270	-	439,790	-	1,976,449
Total expenditures	38,365,471	4,823,927	6,078,876	2,396,501	3,307,384	3,595,424	58,567,583
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,831,190	(202,886)	(5,242,723)	(2,381,287)	(2,919,518)	2,383,581	2,468,357

	General	Recreation	Debt Service	Facility Construction	Downtown TIF District	Nonmajor	Total
OTHER FINANCING SOURCES (USES)							
Bonds issued	\$ -	\$ -	\$ 5,105,000	\$ -	\$ -	\$ -	\$ 5,105,000
Premium on bonds issued	-	-	77,165	-	-	-	77,165
Payment to escrow agent	-	-	(18,264,202)	-	-	-	(18,264,202)
Transfers in	-	4,325,000	4,908,762	925,000	2,111,696	-	12,270,458
Transfers (out)	(9,942,820)	(389,638)	-	-	-	(1,938,000)	(12,270,458)
Lease proceeds	-	32,515	-	-	-	-	32,515
Sale of capital assets	18,832	-	-	-	725,000	-	743,832
Total other financing sources (uses)	(9,923,988)	3,967,877	(8,173,275)	925,000	2,836,696	(1,938,000)	(12,305,690)
NET CHANGE IN FUND BALANCES	907,202	3,764,991	(13,415,998)	(1,456,287)	(82,822)	445,581	(9,837,333)
FUND BALANCES, MAY 1	24,191,557	1,331,587	13,415,998	3,232,101	166,795	3,454,591	45,792,629
FUND BALANCES, APRIL 30	\$ 25,098,759	\$ 5,096,578	\$ -	\$ 1,775,814	\$ 83,973	\$ 3,900,172	\$ 35,955,296

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, 2017

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (9,837,333)
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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	5,614,537
The Village accepted and received capital contributions that are capitalized and depreciated in the statement of activities	4,792,489
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	(7,773,488)
Loss on disposal of capital assets	(462,008)
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	(3,059,729)
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	(5,105,000)
Issuance of capital leases	(32,515)
Premium on issuance of refunding bonds	(77,165)
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	23,370,606
Notes payable	-
Capital leases	195,548
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	73,512
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	961,137
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	(417,726)
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	(275,690)
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	(91,155)
Changes in compensated absences are reported only in the statement of activities	48,541
Changes in net postemployment benefit assets are reported only in the statement of activities	(178,576)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 7,745,985
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See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND

April 30, 2017

	Business-Type Activities Water and Sewer
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,569,053
Investments	6,848,771
Receivables (net where applicable, of allowances for uncollectibles)	<u>1,647,640</u>
Total current assets	<u>11,065,464</u>
NONCURRENT ASSETS	
Capital assets not being depreciated	1,302,747
Capital assets being depreciated, net	<u>98,455,024</u>
Total noncurrent assets	<u>99,757,771</u>
Total assets	<u>110,823,235</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension items - IMRF	<u>627,689</u>
Total deferred outflows of resources	<u>627,689</u>
Total assets and deferred outflows of resources	<u>111,450,924</u>
CURRENT LIABILITIES	
Accounts payable	933,232
Accrued liabilities	121,018
Accrued interest payable	219,082
Deposits payable	180,331
General obligation bonds payable	2,260,994
Note payable	1,302,440
Compensated absences payable	<u>203,599</u>
Total current liabilities	<u>5,220,696</u>
LONG-TERM LIABILITIES	
General obligation bonds payable	1,291,529
Note payable	14,969,536
Net pension liability - IMRF	2,211,362
Compensated absences payable	<u>172,521</u>
Total long-term liabilities	<u>18,644,948</u>
Total liabilities	<u>23,865,644</u>
DEFERRED INFLOWS OF RESOURCES	
Pension items - IMRF	<u>51,689</u>
Total deferred inflows of resources	<u>51,689</u>
Total liabilities and deferred inflows of resources	<u>23,917,333</u>
NET POSITION	
Net investment in capital assets	79,933,272
Unrestricted	<u>7,600,319</u>
TOTAL NET POSITION	<u><u>\$ 87,533,591</u></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, 2017

	Business-Type Activities Water and Sewer
OPERATING REVENUES	
Charges for services	\$ 16,230,915
Fines and fees	1,381,269
Reimbursements	108,695
Miscellaneous	296
Total operating revenues	17,721,175
OPERATING EXPENSES EXCLUDING DEPRECIATION	
Operations	12,916,505
OPERATING INCOME BEFORE DEPRECIATION	4,804,670
Depreciation	3,866,171
OPERATING INCOME	938,499
NON-OPERATING REVENUES (EXPENSES)	
Property tax rebate	(115,424)
Gain on the sale of fixed assets	8,720
Investment income	20,957
Interest expense	(592,194)
Total non-operating revenues (expenses)	(677,941)
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	260,558
Transfers (out)	(385,072)
Contributions	1,749,245
CHANGE IN NET POSITION	1,624,731
NET POSITION, MAY 1	97,385,494
Change in accounting principle	(11,476,634)
NET POSITION, MAY 1, RESTATED	85,908,860
NET POSITION, APRIL 30	\$ 87,533,591

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND**

For the Year Ended April 30, 2017

	Business-Type Activities Water and Sewer
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 17,689,690
Other receipts	-
Payments to suppliers	(6,354,333)
Payments to employees	(3,676,195)
Payments to other funds	(3,183,000)
Net cash from operating activities	4,476,162
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers (out)	(385,072)
Net cash from noncapital financing activities	(385,072)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital assets purchased	(552,670)
Capital contributions	628,968
Proceeds from the sale of capital assets	8,720
Principal payments - general obligation bonds	(2,174,393)
Principal payments - note payable	(1,270,481)
Interest paid	(664,744)
Net cash from capital and related financing activities	(4,024,600)
CASH FLOWS FROM INVESTING ACTIVITIES	
Sale of investments	31,430
Interest received	20,957
Net cash from investing activities	52,387
NET INCREASE IN CASH AND CASH EQUIVALENTS	118,877
CASH AND CASH EQUIVALENTS, MAY 1	2,450,176
CASH AND CASH EQUIVALENTS, APRIL 30	<u><u>\$ 2,569,053</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, 2017

	Business-Type Activities
	Water and Sewer
RECONCILIATION OF OPERATING INCOME	
TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 938,499
Adjustments to reconcile operating income to net cash from operating activities	
Depreciation	3,866,171
Property Tax Rebate	(115,424)
Other expense	-
(Increase) decrease in Receivables	(29,950)
Increase (decrease) in Accounts payable	(341,291)
Accrued liabilities	(115,794)
Deposits payable	(1,535)
Pension items - IMRF	213,267
Compensated absences payable	62,219
NET CASH FROM OPERATING ACTIVITIES	\$ 4,476,162
NONCASH TRANSACTIONS	
Contributions of capital assets	\$ 1,120,277

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

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

April 30, 2017

ASSETS

Cash and cash equivalents	\$ 286,459
Investments	
U.S. Treasury and agency securities	16,644,379
Municipal bonds	745,583
Money market mutual funds	416,299
Equity mutual funds	29,313,588
Accrued interest receivable	87,162
Due from other funds	<u>-</u>
Total assets	<u>47,493,470</u>

LIABILITIES

Accounts payable	630
Due to other funds	<u>1,140</u>
Total liabilities	<u>1,770</u>

**NET POSITION RESTRICTED
FOR PENSIONS**

\$ 47,491,700

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, 2017

ADDITIONS

Contributions	
Employer	\$ 2,348,207
Employee	<u>764,717</u>
Total contributions	<u>3,112,924</u>
Investment income	
Net depreciation in fair value of investments	3,110,274
Interest and dividends	<u>1,698,288</u>
Total investment income	4,808,562
Less investment expense	<u>(381,609)</u>
Net investment income	<u>4,426,953</u>
Total additions	<u>7,539,877</u>

DEDUCTIONS

Administration	25,602
Benefits and refunds	
Benefits	<u>2,241,856</u>
Total deductions	<u>2,267,458</u>

NET INCREASE	5,272,419
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**NET POSITION RESTRICTED
FOR PENSIONS**

May 1	<u>42,219,281</u>
April 30	<u><u>\$ 47,491,700</u></u>

See accompanying notes to financial statements.

VILLAGE OF ROMEOVILLE, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2017

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 of Trustees 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 25 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.

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

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.

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

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 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.”

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 acquisition 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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

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

Assets	Years
Buildings and improvements	10-40
Equipment	5-30
Infrastructure	15-50

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 of Trustees, 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 of Trustees. 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

o. Accounting Estimates

The preparation of financial statements in conformity with GAAP 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

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

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.

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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Certificate of deposit - negotiable	\$ 175,068	\$ 175,068	\$ -	\$ -	\$ -
U.S. Treasury notes	1,507,559	102,747	749,978	654,834	-
U.S. agencies - FFCB	2,245,408	-	2,245,408	-	-
U.S. agencies - FHLB	1,375,766	-	1,375,766	-	-
U.S. agencies - FHLMC	1,898,386	179,804	648,239	-	1,070,343
U.S. agencies - FNMA	2,878,638	-	653,522	166,856	2,058,260
U.S. agencies - GNMA	59,540	-	-	-	59,540
Bond mutual funds	1,082,063	-	1,082,063	-	-
IMET	9,974,991	-	9,974,991	-	-
TOTAL	\$ 21,197,419	\$ 457,619	\$ 16,729,967	\$ 821,690	\$ 3,188,143

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

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 AAA. The bond mutual fund and negotiable certificates of deposit are not rated.

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.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Investments (Continued)

The Village has the following recurring fair value measurements as of April 30, 2017. The U.S. Treasury notes, agency obligations, and negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs). The bond mutual funds are valued using quoted prices (Level 1 inputs). The IMET 1 to 3 Year Fund, a mutual fund, is measured based on the net asset value of the shares in IMET, which is based on the fair value of the underlying investments in the mutual fund (Level 3 input).

3. RECEIVABLES

a. Property Taxes

Property taxes for 2016 attach as an enforceable lien on January 1, 2016, 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, 2017, and are payable in two installments, on or about June 1, 2017 and September 1, 2017. 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 2016 tax levy is intended to fund expenditures for the 2017-2018 fiscal year, these taxes are deferred as of April 30, 2017.

The 2017 tax levy, which attached as an enforceable lien on property as of January 1, 2017, has not been recorded as a receivable as of April 30, 2017 as the tax has not yet been levied by the Village and will not be levied until December 2017 and, therefore, the levy is not measurable at April 30, 2017.

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, 2017:

Description	General	Recreation	Debt Service	Local Gas Tax	Total
Water utility	\$ 24,554	\$ -	\$ -	\$ -	\$ 24,554
Franchise fees	133,299	-	-	-	133,299
Utility taxes	754,122	-	-	-	754,122
Home rule gas tax	126,982	-	-	126,982	253,964
Food and beverage tax	143,514	-	-	-	143,514
NSF checks	-	450	-	-	450
Hotel/motel tax	-	79,778	-	-	79,778
	<u>\$ 1,182,471</u>	<u>\$ 80,228</u>	<u>\$ -</u>	<u>\$ 126,982</u>	<u>\$ 1,389,681</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2017 was as follows:

	Restated Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 190,132,684	\$ 2,939,863	\$ -	\$ 193,072,547
Construction in progress	3,500,363	2,493,248	4,804,111	1,189,500
Total capital assets not being depreciated	<u>193,633,047</u>	<u>5,433,111</u>	<u>4,804,111</u>	<u>194,262,047</u>
Capital assets being depreciated				
Buildings and improvements	79,483,328	5,249,957	1,155,334	83,577,951
Machinery and equipment	12,618,812	1,345,342	313,200	13,650,954
Infrastructure	157,985,439	3,182,727	6,510	161,161,656
Total capital assets being depreciated	<u>250,087,579</u>	<u>9,778,026</u>	<u>1,475,044</u>	<u>258,390,561</u>

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

4. CAPITAL ASSETS (Continued)

	Restated Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings and improvements	\$ 15,301,907	\$ 2,494,364	\$ 704,923	\$ 17,091,348
Machinery and equipment	7,444,583	635,874	301,603	7,778,854
Infrastructure	89,139,873	4,643,250	6,510	93,776,613
Total accumulated depreciation	111,886,363	7,773,488	1,013,036	118,646,815
Total capital assets being depreciated, net	138,201,216	2,004,538	462,008	139,743,746
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET				
	\$ 331,834,263	\$ 7,437,649	\$ 5,266,119	\$ 334,005,793

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

GOVERNMENTAL ACTIVITIES		
General government		\$ 487,985
Public safety		1,013,286
Public works		5,115,479
Culture and recreation		1,156,738
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES		\$ 7,773,488

	Restated Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,276,150	\$ -	\$ -	\$ 1,276,150
Construction in progress	293,710	110,308	377,421	26,597
Total capital assets not being depreciated	1,569,860	110,308	377,421	1,302,747
Capital assets being depreciated				
Buildings and improvements	1,068,601	-	-	1,068,601
Machinery and equipment	1,752,964	108,380	-	1,861,344
Infrastructure	156,516,088	1,831,681	-	158,347,769
Total capital assets being depreciated	159,337,653	1,940,061	-	161,277,714

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

4. CAPITAL ASSETS (Continued)

	Restated Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
(Continued)				
Less accumulated depreciation for				
Buildings and improvements	\$ 379,432	\$ 43,623	\$ -	\$ 423,055
Machinery and equipment	1,048,735	89,195	-	1,137,930
Infrastructure	57,528,352	3,733,353	-	61,261,705
Total accumulated depreciation	58,956,519	3,866,171	-	62,822,690
 Total capital assets being depreciated, net	 100,381,134	 (1,926,110)	 -	 98,455,024
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 101,950,994	\$ (1,815,802)	\$ 377,421	\$ 99,757,771

The Village restated capital assets during the year ended April 30, 2017. See footnote 13 for further detail.

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.

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, 2017:

	Balances May 1, Restated	Additions	Reductions	Balances April 30	Due Within One Year
General obligation bonds	\$ 56,519,612	\$ 5,105,000	\$ 23,370,606	\$ 38,254,006	\$ 6,189,006
General obligation capital appreciation bonds	54,661,576	3,059,729	-	57,721,305	-
Unamortized bond premiums	2,310,079	77,165	436,494	1,950,750	-
Capital leases	1,148,998	32,515	195,548	985,965	196,584
Note payable	1,619,790	-	-	1,619,790	75,000
Compensated absences*	4,086,254	1,265,590	1,314,131	4,037,713	1,115,905
Net other postemployment benefit obligation	8,101	178,576	-	186,677	-
Net pension liability - IMRF*	7,115,701	-	113,053	7,002,648	-
Net pension liability - Police*	21,496,873	-	1,781,529	19,715,344	-
Net pension liability - Fire*	402,317	284,151	-	686,468	-
TOTAL	\$ 149,369,301	\$ 10,002,726	\$ 27,211,361	\$ 132,160,666	\$ 7,576,495

*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, 2017:

	Balances May 1, Restated	Additions	Reductions	Balances April 30	Due Within One Year
General obligation bonds	\$ 5,680,388	\$ -	\$ 2,174,394	\$ 3,505,994	\$ 2,260,994
Note payable	17,542,457	-	1,270,480	16,271,977	1,302,440
Unamortized bond premiums	77,726	-	31,198	46,528	-
Net pension liability - IMRF	2,125,470	85,892	-	2,211,362	-
Compensated absences	313,901	235,723	173,504	376,120	203,599
TOTAL	\$ 25,739,942	\$ 321,615	\$ 3,649,576	\$ 22,411,981	\$ 3,767,033

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 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	\$ 1,315,000	\$ -	\$ 640,000	\$ 675,000	\$ 675,000
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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	-	-
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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 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	\$ 5,350,000	\$ -	\$ 2,050,000	\$ 3,300,000	\$ 700,000
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	2,750,000	-	735,000	2,015,000	770,000
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	5,315,000	-	5,030,000	285,000	285,000
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	380,000	-	210,000	170,000	170,000

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 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	\$ 1,240,000	\$ -	\$ 595,000	\$ 645,000	\$ 645,000
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	10,640,000	-	1,140,000	9,500,000	1,180,000
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	8,185,000	-	2,210,000	5,975,000	2,220,000

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 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	\$ 1,745,000
General Obligation Refunding Bonds, Series 2016A, dated September 12, 2016, provide for the retirement of bonds on December 30, 2016 through December 30, 2029 in amounts between \$35,000 and \$480,000. Interest is due on June 30 and December 30 of each year at a rate of 2.00% to 2.25%.	Debt Service	-	5,105,000	35,000	5,070,000	60,000
Total General Obligation Bonds		62,200,000	5,105,000	25,545,000	41,760,000	8,450,000
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	54,661,576	3,059,729	-	57,721,305	-
Capital leases	General/ Recreation Fund	1,148,998	32,515	195,548	985,965	196,584
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	17,542,457	-	1,270,480	16,271,977	1,302,440

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
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	\$ 1,619,790	\$ -	\$ -	\$ 1,619,790	\$ 75,000
TOTAL		\$ 137,172,821	\$ 8,197,244	\$ 27,011,028	\$ 118,359,037	\$ 10,024,024

e. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending April 30,	Governmental Activities			
	General Obligation Bonds		Note Payable	
	Principal	Interest	Principal	Interest
2018	\$ 6,189,006	\$ 1,429,664	\$ 75,000	\$ -
2019	6,035,000	1,219,940	75,000	-
2020	6,655,000	991,390	75,000	-
2021	6,995,000	708,578	75,000	-
2022	2,090,000	403,578	1,319,790	-
2023	2,150,000	338,178	-	-
2024	2,205,000	264,213	-	-
2025	2,190,000	185,493	-	-
2026	1,885,000	105,688	-	-
2027	445,000	38,988	-	-
2028	465,000	30,088	-	-
2029	470,000	20,788	-	-
2030	480,000	10,800	-	-
TOTAL	\$ 38,254,006	\$ 5,747,386	\$ 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 Ending April 30,	Business-Type Activities			
	General Obligation Bonds		Note Payable	
	Principal	Interest	Principal	Interest
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	\$ 3,505,994	\$ 198,542	\$ 16,271,977	\$ 2,440,672

Fiscal Year Ending April 30,	General Obligation Capital Appreciation Bonds Payable from Governmental Activities	
	Principal	
	Accretion	Repayment
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 Ending April 30,	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	\$ 62,978,695	\$ 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, 2017 are as follows:

Fiscal Year Ending April 30,	Payment
2018	\$ 224,069
2019	185,173
2020	146,282
2021	120,680
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	1,095,259
Less amount representing interest	<u>(109,294)</u>
Present value of future minimum lease payments	985,965
Less current portion	<u>(196,584)</u>
LONG-TERM PORTION	<u><u>\$ 789,381</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.

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.

i. 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 were 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 \$456,000. The refunded bonds will be called and retired on December 30, 2017.

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

7. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transactions

Due from/to other funds at April 30, 2017 consist of the following:

Fund	Due From	Due To
General	\$ 34,574	\$ -
Debt Service	-	33,434
Fiduciary		
Police Pension	-	1,140
TOTAL ALL FUNDS	<u>\$ 34,574</u>	<u>\$ 34,574</u>

b. Transfers

Transfers between funds during the year were as follows:

Fund	Transfers In	Transfers Out
General	\$ -	\$ 9,942,820
Recreation	4,325,000	389,638
Debt service	4,908,762	-
Downtown TIF	2,111,696	-
Facility Construction	925,000	-
Nonmajor Governmental		
Marquette Center TIF	-	1,938,000
Water and Sewer	-	385,072
TOTAL ALL FUNDS	<u>\$ 12,270,458</u>	<u>\$ 12,655,530</u>

The purposes of significant interfund transfers are as follows:

- \$4,325,000 transferred from the General Fund to the Recreation Fund to support recreation department projects and costs.
- \$925,000 transferred from the General Fund to the Facility Construction Fund to support capital and construction projects, including the construction of a new fire station.

7. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Transfers (Continued)

- \$4,692,820 transferred from the General Fund to the Debt Service Fund to lessen the property tax burden on residents.
- \$389,638 transferred from the Recreation Fund to the Debt Service Fund (\$215,942) to lessen the property tax burden on residents and to the Downtown TIF District Fund (\$173,696) to fund specialized sports flooring that is being utilized by the Athletic and Event Center.
- \$1,938,000 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.
- \$385,072 of capital assets transferred from the Water and Sewer Fund to Governmental Activities.

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 state shared sales taxes to the private organizations if certain benchmarks of development are achieved. During the fiscal year ended April 30, 2017, approximately \$929,849 in state shared sales tax rebates were incurred under these agreements. Future contingent rebates of approximately \$14,570,121 in state shared sales taxes may be rebated if certain criteria are met in future years.

9. TAX ABATEMENTS

The Village rebates local home rule sales taxes, food and beverage taxes, certain incremental property taxes generated by a tax increment financing district to encourage economic development in the Village. The terms of these rebate arrangements are specified within written agreements with the business concerned as allowed under the Illinois Compiled Statute Municipal Code (65 ILCS 5/8-11-20). Certain rebates may be recaptured if the subject development ceases to operate as intended for the periods described in the agreements. These agreements are authorized through formal approval by the Village Board of Trustees. The Village rebated \$1,019,549 of home rule sales taxes, food and beverage taxes, and property taxes during the year ended April 30, 2017. Future contingent rebates of approximately \$11,141,551 in home rule sales taxes, food and beverage taxes, and property taxes may be rebated if certain criteria are met in future years.

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

10. 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, 2017, the Village had the following construction contract commitments:

	Total Contract	Paid to Date	Remaining Contract Amount
Forest View Park	\$ 131,120	\$ 61,468	\$ 69,652
O'Hara Woods Pavilion	325,323	232,650	92,673
TOTALS	<u>\$ 456,443</u>	<u>\$ 294,118</u>	<u>\$ 162,325</u>

11. 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 (latest information available), 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)

11. 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 2017 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	\$ 152,866	\$ 156,196	102.18%	\$ (184,747)
2016	428,263	235,415	55.11%	8,101
2017	429,292	250,716	58.40%	186,677

The net OPEB obligation as of April 30, 2017 was calculated as follows:

Annual required contribution	\$ 429,249
Interest on net OPEB obligation (asset)	324
Adjustment to annual required contribution	(281)
Annual OPEB cost	429,292
Contributions made	(250,716)
Increase in net OPEB obligation (asset)	178,576
Net OPEB obligation (asset), beginning of year	8,101
NET OPEB OBLIGATION (ASSET), END OF YEAR	\$ 186,677

Funded Status and Funding Progress: The funded status and funding progress of the Plan as of April 30, 2016 (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)	\$ 16,121,520
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

11. 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, 2017 was 30 years.

12. 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.

12. 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, 2016, membership consisted of:

Inactive employees or their beneficiaries	
currently receiving benefits	88
Inactive employees entitled to but not yet receiving benefits	71
Active employees	<u>168</u>
 TOTAL	 <u><u>327</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.

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Benefits Provided (Continued)

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

Contributions

Participating members are required to contribute 4.5% 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 April 30, 2017 was 11.8% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2016 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, 2016
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%

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. 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 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)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2016	\$ 46,379,288	\$ 37,138,117	\$ 9,241,171
Changes for the period			
Service cost	1,237,003	-	1,237,003
Interest	3,455,568	-	3,455,568
Difference between expected and actual experience	(117,932)	-	(117,932)
Employer contributions	-	1,333,740	(1,333,740)
Assumption changes	(140,990)	-	(140,990)
Employee contributions	-	500,950	(500,950)
Net investment income	-	2,578,886	(2,578,886)
Benefit payments and refunds	(1,600,723)	(1,600,723)	-
Other (net transfer)	-	47,234	(47,234)
Net changes	2,832,926	2,860,087	(27,161)
BALANCES AT DECEMBER 31, 2016	\$ 49,212,214	\$ 39,998,204	\$ 9,214,010

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, 2016, is 7.50%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, was 7.48%.

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

12. 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

For the year ended April 30, 2017, the Village recognized pension expense of \$2,077,275.

At April 30, 2017, 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
Differences between expected and actual experience	\$ 441,099	\$ 98,096
Assumption changes	46,022	117,275
Net difference between projected and actual earnings on pension plan investments	1,725,107	-
Employer contributions after the measurement date	403,142	-
TOTAL	<u>\$ 2,615,370</u>	<u>\$ 215,371</u>

\$403,142 reported as deferred outflows of resources related to pensions resulting from village contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Fiscal Year
Ending
April 30,

2018	\$ 635,427
2019	635,427
2020	635,425
2021	118,260
Thereafter	<u>(27,682)</u>
TOTAL	<u>\$ 1,996,857</u>

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (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 7.5% 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 (6.5%) or 1 percentage point higher (8.5%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Net pension liability	\$ 16,894,749	\$ 9,214,010	\$ 3,011,664

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.

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At April 30, 2017, the Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	30
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>64</u>
 TOTAL	 <u><u>98</u></u>

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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.

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, 2017, the Village's contribution was 34.40% 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).

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police 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 with care, skill, prudence, and diligence, using the “prudent person” standard for managing the overall portfolio.

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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Investment Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.42%. 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)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Description (Continued)

Police Pension Plan (Continued)

Deposits with Financial Institutions

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

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of April 30, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. agencies - FNMA	\$ 1,673,551	\$ -	\$ -	\$ -	\$ 1,673,551
U.S. agencies - FHLMC	323,386	-	-	-	323,386
U.S. agencies - GNMA	10,170,394	-	-	-	10,170,394
TOTAL	\$ 12,167,331	\$ -	\$ -	\$ -	\$ 12,167,331

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 rated AAA.

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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.

Fair Value Measurement

The Fund has the following recurring fair value measurements as of April 30, 2017. The equity mutual funds are valued using quoted prices (Level 1 inputs). The U.S. Treasury and agency obligations are valued using evaluated pricing (Level 2 inputs). The money market mutual funds are valued at amortized cost, which approximates fair value.

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)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police 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, 2016	\$ 55,878,226	\$ 34,381,353	\$ 21,496,873
Changes for the period			
Service cost	1,411,858	-	1,411,858
Interest	3,941,538	-	3,941,538
Difference between expected and actual experience	(722,969)	-	(722,969)
Employer contributions	-	1,991,448	(1,991,448)
Assumption changes	89,374	-	89,374
Employee contributions	-	599,070	(599,070)
Net investment income	-	3,929,399	(3,929,399)
Benefit payments and refunds	(1,964,783)	(1,964,783)	-
Other (net transfer)	-	(18,587)	18,587
Net changes	2,755,018	4,536,547	(1,781,529)
BALANCES AT APRIL 30, 2017	\$ 58,633,244	\$ 38,917,900	\$ 19,715,344

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 with a blue collar adjustment projected to 2017 using scale AA.

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2017 using the following actuarial methods and assumptions:

Actuarial valuation date	April 30, 2017
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 2017 using scale AA. The other non-economic actuarial assumptions used in the April 30, 2017 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:

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity (Continued)

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net pension liability	\$ 28,510,331	\$ 19,715,344	\$ 12,067,530

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

For the year ended April 30, 2017, the Village recognized police pension expense of \$2,267,138.

At April 30, 2017, 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	\$ -	\$ 2,924,773
Changes in assumptions	695,612	-
Net difference between projected and actual earnings on pension plan investments	1,742,363	1,201,163
TOTAL	\$ 2,437,975	\$ 4,125,936

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

12. 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:

<u>Fiscal Year Ending April 30,</u>	
2018	\$ (77,830)
2019	(77,830)
2020	(77,828)
2021	(658,616)
2022	(358,326)
Thereafter	<u>(437,531)</u>
 TOTAL	 <u><u>\$ (1,687,961)</u></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)

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

At April 30, 2017, the Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	6
Inactive plan members entitled to but not yet receiving them	3
Active plan members	19
	<hr/>
TOTAL	28
	<hr/>

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

12. 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., $\frac{1}{2}\%$ 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 $\frac{1}{2}$ 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, 2017, the Village's contribution was 21.08% 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.

12. 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. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

12. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Rate of Return

For the year ended April 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.02%. 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 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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	Greater Than 10
U.S. Treasury notes	\$ 735,463	\$ 25,430	\$ 583,927	\$ 126,106	\$ -
U.S. agencies - GNMA	807	-	596	-	211
U.S. agencies - FFCB	1,475,563	-	484,635	936,852	54,076
U.S. agencies - FHLB	1,867,414	35,161	804,883	1,027,370	-
U.S. agencies - FNMA	158,885	-	85,037	73,848	-
U.S. agencies - FMCC	167,528	-	167,528	-	-
U.S. agencies - Tennessee Valley Authority	71,388	-	-	71,388	-
Municipal bonds	745,583	20,124	432,985	213,230	79,244
TOTAL	\$ 5,222,631	\$ 80,715	\$ 2,559,591	\$ 2,448,794	\$ 133,531

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's 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.

12. 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's investment policy does not specially address credit risk. The U.S. agencies are rated AA+ to AAA 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's investment policy requires an independent third party institution to act as custodian for its securities.

Fair Value Measurement

The Fund has the following recurring fair value measurements as of April 30, 2017. The equity mutual funds are valued using quoted prices (Level 1 inputs). The U.S. Treasury and agency obligations and municipal bonds are valued using quoted matrix pricing models (Level 2 inputs). The money market mutual funds are valued at amortized cost, which approximates fair value.

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)

12. 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, 2016	\$ 8,240,245	\$ 7,837,928	\$ 402,317
Changes for the period			
Service cost	460,019	-	460,019
Interest	599,321	-	599,321
Difference between expected and actual experience	223,440	-	223,440
Employer contributions	-	356,759	(356,759)
Assumption changes	14,316	-	14,316
Employee contributions	-	165,647	(165,647)
Net investment income	-	497,554	(497,554)
Benefit payments and refunds	(277,073)	(277,073)	-
Other (net transfer)	-	(7,015)	7,015
Net changes	1,020,023	735,872	284,151
BALANCES AT APRIL 30, 2017	\$ 9,260,268	\$ 8,573,800	\$ 686,468

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 with a blue collar adjustment, projected to 2017 using scale AA.

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

12. 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, 2017 using the following actuarial methods and assumptions:

Actuarial valuation date	April 30, 2017
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 2017 using scale AA. The other non-economic actuarial assumptions used in the April 30, 2017 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)	\$ 2,075,508	\$ 686,468	\$ (521,393)

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

12. 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, 2017, the Village recognized firefighters' pension expense of \$448,235.

At April 30, 2017, 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	\$ 203,127	\$ 142,973
Changes in assumptions	68,168	-
Net difference between projected and actual earnings on pension plan investments	289,893	-
TOTAL	\$ 561,188	\$ 142,973

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:

Fiscal Year Ending April 30,	
2018	\$ 104,523
2019	104,523
2020	104,525
2021	23,746
2022	11,856
Thereafter	69,042
TOTAL	\$ 418,215

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

13. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended April 30, 2017, the Village reviewed and restated their capital assets and related accumulated depreciation based on recent outside appraisals in order to comply with their authorized capital asset policy.

The Village recorded the following prior period restatement during year ended April 30, 2017:

	<u>Increase (Decrease)</u>
PRIOR PERIOD RESTATEMENT - GOVERNMENTAL ACTIVITIES	
Prior period restatement	
To restate capital assets	\$ (31,536,344)
To restate accumulated depreciation	<u>15,717,945</u>
TOTAL PRIOR PERIOD RESTATEMENT - GOVERNMENTAL ACTIVITIES	<u><u>\$ (15,818,399)</u></u>
PRIOR PERIOD RESTATEMENT - BUSINESS-TYPE ACTIVITIES	
Change in accounting principle	
To restate capital assets	\$ (22,998,444)
To restate accumulated depreciation	<u>11,521,810</u>
TOTAL PRIOR PERIOD RESTATEMENT - BUSINESS-TYPE ACTIVITIES	<u><u>\$ (11,476,634)</u></u>

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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 10,568,000	\$ 10,529,236	\$ (38,764)
Other taxes	13,863,500	15,174,002	1,310,502
Fines and forfeits	643,000	600,115	(42,885)
Licenses and permits	2,458,200	3,530,750	1,072,550
Charges for services	6,243,900	6,615,660	371,760
Intergovernmental	12,224,500	12,227,940	3,440
Investment income	10,000	79,843	69,843
Other	696,600	439,115	(257,485)
Total revenues	46,707,700	49,196,661	2,488,961
EXPENDITURES			
General government	11,665,050	10,768,229	(896,821)
Public safety	19,785,950	18,697,889	(1,088,061)
Public works	8,625,000	8,323,614	(301,386)
Allocation to water and sewer fund	(3,183,000)	(3,183,000)	-
Debt service			
Principal	194,000	182,897	(11,103)
Interest and fiscal charges	30,800	28,389	(2,411)
Capital outlay	3,435,500	3,547,453	111,953
Total expenditures	40,553,300	38,365,471	(2,187,829)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,154,400	10,831,190	4,676,790
OTHER FINANCING SOURCES (USES)			
Transfers in	30,000	-	(30,000)
Transfers (out)	(6,199,400)	(9,942,820)	(3,743,420)
Sale of capital assets	15,000	18,832	3,832
Total other financing sources (uses)	(6,154,400)	(9,923,988)	(3,769,588)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>907,202</u>	<u>\$ 907,202</u>
FUND BALANCE, MAY 1		<u>24,191,557</u>	
FUND BALANCE, APRIL 30		<u>\$ 25,098,759</u>	

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 2,098,600	\$ 2,095,295	\$ (3,305)
Other taxes	796,500	1,232,865	436,365
Charges for services	1,034,000	1,126,442	92,442
Intergovernmental	1,318,400	160,073	(1,158,327)
Investment income	400	1,981	1,581
Other	357,000	4,385	(352,615)
Total revenues	5,604,900	4,621,041	(983,859)
EXPENDITURES			
Culture and recreation			
Operations			
Salaries	450,900	447,891	(3,009)
Contractual	34,500	26,551	(7,949)
Commodities	27,350	29,638	2,288
Other	213,100	212,720	(380)
Recreation programs			
Salaries	1,340,500	1,255,237	(85,263)
Contractual	188,000	144,784	(43,216)
Commodities	387,700	340,509	(47,191)
Park maintenance			
Salaries	762,000	695,396	(66,604)
Contractual	321,000	284,295	(36,705)
Commodities	66,400	63,003	(3,397)
Recreation center			
Salaries	430,600	419,729	(10,871)
Contractual	214,000	171,838	(42,162)
Commodities	41,250	32,547	(8,703)
Debt service			
Principal	14,000	12,651	(1,349)
Capital outlay			
Improvements	2,603,000	687,138	(1,915,862)
Total expenditures	7,094,300	4,823,927	(2,270,373)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,489,400)	(202,886)	1,286,514
OTHER FINANCING SOURCES (USES)			
Transfers in	1,500,600	4,325,000	2,824,400
Transfers (out)	(369,300)	(389,638)	(20,338)
Capital lease issued	-	32,515	32,515
Total other financing sources (uses)	1,131,300	3,967,877	2,836,577
NET CHANGE IN FUND BALANCE	\$ (358,100)	3,764,991	\$ 4,123,091
FUND BALANCE, MAY 1		1,331,587	
FUND BALANCE, APRIL 30		\$ 5,096,578	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

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

Last Six Fiscal Years

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)
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	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	4,849,663	0.00%	4,849,663	16,190,763	29.95%
2017	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, 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 EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Two Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2017	2016
Actuarially determined contribution	\$ 1,333,229	\$ 1,288,895
Contributions in relation to the actuarially determined contribution	1,333,229	1,288,895
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -
Covered-employee payroll	\$ 11,255,847	\$ 11,103,605
Contributions as a percentage of covered-employee payroll	11.84%	11.61%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of December 31, 2013 through December 31, 2015. 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 27 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 20.00% corridor; and the significant actuarial assumptions were wage growth at 3.50%; price inflation at 2.75%; salary increases of 3.75% to 14.50%, including inflation; and an investment rate of return at 7.50% annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2017	2016	2015
Actuarially determined contribution	\$ 1,990,487	\$ 1,634,774	\$ 1,525,992
Contributions in relation to the actuarially determined contribution	1,991,448	1,696,960	1,526,555
CONTRIBUTION DEFICIENCY (Excess)	\$ (961)	\$ (62,186)	\$ (563)
Covered-employee payroll	\$ 5,789,093	\$ 5,567,300	\$ 5,659,915
Contributions as a percentage of covered-employee payroll	34.40%	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 24 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.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

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

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2017	2016	2015
Actuarially determined contribution	\$ 308,304	\$ 281,582	\$ 294,170
Contributions in relation to the actuarially determined contribution	356,759	351,767	320,115
CONTRIBUTION DEFICIENCY (Excess)	\$ (48,455)	\$ (70,185)	\$ (25,945)
Covered-employee payroll	\$ 1,692,697	\$ 1,619,587	\$ 1,559,039
Contributions as a percentage of covered-employee payroll	21.08%	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 24 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.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF ROMEOVILLE, ILLINOIS

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

Last Six Fiscal Years

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
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%
2017	250,716	429,249	58.41%

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**

Last Two Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2016	2015
TOTAL PENSION LIABILITY		
Service cost	\$ 1,237,003	\$ 1,218,649
Interest	3,455,568	3,189,281
Differences between expected and actual experience	(117,932)	655,543
Changes of assumptions	(140,990)	68,396
Benefit payments, including refunds of member contributions	(1,600,723)	(1,447,542)
Net change in total pension liability	2,832,926	3,684,327
Total pension liability - beginning	46,379,288	42,694,961
TOTAL PENSION LIABILITY - ENDING	\$ 49,212,214	\$ 46,379,288
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 1,333,740	\$ 1,380,697
Contributions - member	500,950	503,966
Net investment income	2,578,886	185,894
Benefit payments, including refunds of member contributions	(1,600,723)	(1,447,542)
Administrative expense/other	47,234	(445,117)
Net change in plan fiduciary net position	2,860,087	177,898
Plan fiduciary net position - beginning	37,138,117	36,960,219
PLAN FIDUCIARY NET POSITION - ENDING	\$ 39,998,204	\$ 37,138,117
EMPLOYER'S NET PENSION LIABILITY	\$ 9,214,010	\$ 9,241,171
Plan fiduciary net position as a percentage of the total pension liability	81.28%	80.07%
Covered-employee payroll	\$ 11,125,719	\$ 11,103,605
Employer's net pension liability as a percentage of covered-employee payroll	82.82%	83.23%
Notes to Required Supplementary Information		

There was a change in the actuarial assumptions for 2015 and 2016 for the discount rate.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(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**

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2017	2016	2015
TOTAL PENSION LIABILITY			
Service cost	\$ 1,411,858	\$ 1,447,846	\$ 1,428,441
Interest	3,941,538	3,859,408	3,275,007
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(722,969)	(3,056,233)	738,525
Changes of assumptions	89,374	823,214	3,149,390
Benefit payments, including refunds of member contributions	(1,964,783)	(1,765,114)	(1,616,149)
Net change in total pension liability	2,755,018	1,309,121	6,975,214
Total pension liability - beginning	55,878,226	54,569,105	47,593,891
TOTAL PENSION LIABILITY - ENDING	\$ 58,633,244	\$ 55,878,226	\$ 54,569,105
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 1,991,448	\$ 1,696,960	\$ 1,526,555
Contributions - member	599,070	552,258	559,263
Net investment income	3,929,399	(480,028)	2,361,031
Benefit payments, including refunds of member contributions	(1,964,783)	(1,765,114)	(1,616,149)
Administrative expense	(18,587)	(15,909)	(17,350)
Net change in plan fiduciary net position	4,536,547	(11,833)	2,813,350
Plan fiduciary net position - beginning	34,381,353	34,393,186	31,579,836
PLAN FIDUCIARY NET POSITION - ENDING	\$ 38,917,900	\$ 34,381,353	\$ 34,393,186
EMPLOYER'S NET PENSION LIABILITY	\$ 19,715,344	\$ 21,496,873	\$ 20,175,919
Plan fiduciary net position as a percentage of the total pension liability	66.38%	61.53%	63.03%
Covered-employee payroll	\$ 5,789,093	\$ 5,567,300	\$ 5,659,915
Employer's net pension liability as a percentage of covered-employee payroll	340.56%	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 for 2015, 2016, and 2017.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(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**

Last Three Fiscal Years

MEASUREMENT DATE APRIL 30,	2017	2016	2015
TOTAL PENSION LIABILITY			
Service cost	\$ 460,019	\$ 438,355	\$ 455,750
Interest	599,321	551,987	446,079
Changes of benefit terms	-	-	-
Differences between expected and actual experience	223,440	(174,745)	31,952
Changes of assumptions	14,316	67,409	276,448
Benefit payments, including refunds of member contributions	(277,073)	(179,883)	(91,334)
Net change in total pension liability	1,020,023	703,123	1,118,895
Total pension liability - beginning	8,240,245	7,537,122	6,418,227
TOTAL PENSION LIABILITY - ENDING	\$ 9,260,268	\$ 8,240,245	\$ 7,537,122
PLAN FIDUCIARY NET POSITION			
Contributions - employer	\$ 356,759	\$ 351,767	\$ 320,115
Contributions - member	165,647	155,201	169,091
Net investment income	497,554	124,930	439,579
Benefit payments, including refunds of member contributions	(277,073)	(179,883)	(91,334)
Administrative expense	(7,015)	(10,433)	(10,826)
Net change in plan fiduciary net position	735,872	441,582	826,625
Plan fiduciary net position - beginning	7,837,928	7,396,346	6,569,721
PLAN FIDUCIARY NET POSITION - ENDING	\$ 8,573,800	\$ 7,837,928	\$ 7,396,346
EMPLOYER'S NET PENSION LIABILITY	\$ 686,468	\$ 402,317	\$ 140,776
Plan fiduciary net position as a percentage of the total pension liability	92.59%	95.12%	98.13%
Covered-employee payroll	\$ 1,678,478	\$ 1,619,587	\$ 1,559,039
Employer's net pension liability as a percentage of covered-employee payroll	40.90%	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 for 2015, 2016, and 2017.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	11.42%	(1.40%)	7.52%

Notes to Required Supplementary Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF ROMEOVILLE, ILLINOIS

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

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2017	2016	2015
Annual money-weighted rate of return, net of investment expense	6.02%	1.64%	6.33%

Notes to Required Supplementary Information

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2017

BUDGETS

Annual budgets are adopted for all governmental (except for the 2002A Construction Fund), 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:

	Final Budget	Actual
Local Gas Tax Fund	\$ 1,500,000	\$ 1,875,618
Debt Service Fund	5,752,200	6,078,876
Downtown TIF Fund	3,032,800	3,307,384
2004 Bond Construction Fund	80,000	195,728

**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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes			
Corporate levy	\$ 2,678,900	\$ 2,655,813	\$ (23,087)
Fire protection levy	311,300	310,898	(402)
Police protection levy	570,000	569,027	(973)
Ambulance levy	690,200	689,919	(281)
Audit levy	50,000	49,989	(11)
Social security levy	1,300,000	1,298,658	(1,342)
Street levy	610,000	603,489	(6,511)
Refuse disposal levy	610,000	609,444	(556)
Tort immunity levy	1,400,000	1,397,573	(2,427)
Police pension levy	1,991,000	1,987,871	(3,129)
Fire pension levy	356,600	356,555	(45)
Total property taxes	10,568,000	10,529,236	(38,764)
Other taxes			
Utility			
Electric	3,200,000	3,528,761	328,761
Gas	1,050,000	1,001,318	(48,682)
Telephone	1,070,000	957,144	(112,856)
Water	260,000	263,143	3,143
Automobile	7,000	5,331	(1,669)
Home rule sales	5,720,000	6,306,026	586,026
Home rule gas	730,000	788,467	58,467
Real estate transfer	336,500	681,112	344,612
Food and beverage	1,350,000	1,445,997	95,997
Gaming tax	140,000	196,703	56,703
Total other taxes	13,863,500	15,174,002	1,310,502
Fines			
Court supervision fines - vehicle	35,000	-	(35,000)
Court	225,000	239,862	14,862
Administrative tickets	6,000	4,830	(1,170)
Parking tickets	40,000	49,365	9,365
Dog/animal	7,000	5,736	(1,264)
Forfeiture of Cash P.D.	25,000	-	(25,000)
False alarm	16,500	19,300	2,800
Health Department Fines/Fees	48,200	-	(48,200)
Vehicle impound fees	90,000	101,600	11,600
DUI	8,000	8,000	-
Fire alarm monitoring	142,300	171,422	29,122
Total fines	643,000	600,115	(42,885)
Licenses and permits			
Business licenses	100,000	172,898	72,898
Liquor licenses	90,000	100,350	10,350
Business permits	110,000	109,200	(800)
Solicitor permits	3,500	8,000	4,500
Building permits	1,800,000	2,475,876	675,876
Garage sale permits	4,000	1,990	(2,010)
Inspection permits	350,000	661,600	311,600
Animal tags	700	836	136
Total licenses and permits	2,458,200	3,530,750	1,072,550

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Charges for services			
Vacancy inspection	\$ 10,000	\$ 5,100	\$ (4,900)
Cable TV franchise	540,000	547,745	7,745
Ambulance	515,000	560,133	45,133
NSF check charges	300	430	130
Administration	1,000	2,722	1,722
Zoning board maps/variance	40,000	69,571	29,571
Zoning code material	2,500	3,300	800
Rental inspection	90,000	70,550	(19,450)
Construction reinspection	35,000	53,605	18,605
Sprint rental	74,000	73,002	(998)
Engineering	600,000	976,794	376,794
Fire prevention service	28,000	43,317	15,317
Fire academy	1,132,300	923,807	(208,493)
Fire recovery fees	25,000	38,030	13,030
Sex offender registration act fee	1,000	770	(230)
Violent offender against youth registration fee	100	30	(70)
Rubbish collection	3,110,000	3,131,653	21,653
Portable sign/pennant permit	2,000	1,836	(164)
Fingerprint	1,000	1,722	722
Police special detail	30,000	103,270	73,270
Police accident report	6,000	7,317	1,317
Fire reports	700	956	256
Total charges for services	6,243,900	6,615,660	371,760
Intergovernmental			
State income tax	4,047,300	3,750,745	(296,555)
Sales	5,250,000	5,729,800	479,800
Use	932,400	976,635	44,235
Replacement tax	165,000	182,612	17,612
Auto theft	61,000	5,850	(55,150)
D.A.R.E. program revenue	7,500	7,500	-
Will County grants	38,000	45,128	7,128
Federal grants	440,000	142,742	(297,258)
SWARM Safety Grant	-	46,974	46,974
Lockport fire agreement	1,176,800	1,236,890	60,090
Marquette TIF Distribution	106,500	103,064	(3,436)
Total intergovernmental	12,224,500	12,227,940	3,440
Investment income	10,000	79,843	69,843
Other			
General donations	75,000	51,500	(23,500)
Fire Donation	-	30	30
Training reimbursement	10,000	6,440	(3,560)
Community development reimbursement	15,000	30,968	15,968
Workers' compensation reimbursement	150,000	37,861	(112,139)
Liaison officer reimbursement	38,000	42,657	4,657
Other reimbursements	50,000	70,098	20,098
Insurance reimbursements	20,000	3,362	(16,638)
Reimbursement of legal fees	25,000	27,390	2,390
Health insurance contributions	110,000	95,024	(14,976)
Hazardous material reimbursements	30,000	304	(29,696)
Commemorative veterans brick and plaque	300	1,340	1,040
Cobra retiree contribution	36,000	39,373	3,373
Developer's breakfast	5,000	-	(5,000)

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)			
Other (Continued)			
Village building rent	\$ -	\$ 10,750	\$ 10,750
Miscellaneous income	8,500	12,585	4,085
Advertising	50,800	1,084	(49,716)
Flexible spending	66,000	1,269	(64,731)
Sales tax replacement fees	7,000	7,000	-
Property Tax Rebate	-	80	80
Total other	696,600	439,115	(257,485)
TOTAL REVENUES	\$ 46,707,700	\$ 49,196,661	\$ 2,488,961

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended April 30, 2017

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT			
Mayor			
Salaries	\$ 141,700	\$ 138,391	\$ (3,309)
Contractual services	20,000	11,325	(8,675)
Commodities	8,100	6,071	(2,029)
Total mayor	169,800	155,787	(14,013)
General village board			
Salaries	241,100	223,330	(17,770)
Contractual services	4,500	3,698	(802)
Commodities	91,500	82,182	(9,318)
Total general village board	337,100	309,210	(27,890)
Village administration			
Salaries	542,400	492,471	(49,929)
Contractual services	1,384,000	1,051,211	(332,789)
Commodities	18,000	9,201	(8,799)
Total village administration	1,944,400	1,552,883	(391,517)
Personnel			
Salaries	337,800	260,075	(77,725)
Contractual services	2,261,000	2,251,154	(9,846)
Commodities	3,500	812	(2,688)
Other	70,000	38,896	(31,104)
Total personnel	2,672,300	2,550,937	(121,363)
Community media production			
Salaries	120,100	115,149	(4,951)
Contractual	3,000	772	(2,228)
Commodities	10,000	6,139	(3,861)
Total community media production	133,100	122,060	(11,040)
Operations			
Salaries	61,100	71,382	10,282
Contractual services	121,000	44,965	(76,035)
Commodities	10,800	8,573	(2,227)
Other	2,262,500	1,966,867	(295,633)
Total operations	2,455,400	2,091,787	(363,613)
Commissions and committees			
Salaries	18,200	13,261	(4,939)
Contractual	200	-	(200)
Commodities	12,500	11,491	(1,009)
Total commissions and committees	30,900	24,752	(6,148)

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
GENERAL GOVERNMENT (Continued)			
Village Clerk			
Salaries	\$ 115,900	\$ 115,284	\$ (616)
Contractual services	20,000	16,650	(3,350)
Commodities	400	75	(325)
Total village clerk	136,300	132,009	(4,291)
Finance department			
Administration			
Salaries	963,950	922,373	(41,577)
Contractual services	4,000	3,319	(681)
Commodities	200,500	231,204	30,704
Other expenditures	21,000	17,595	(3,405)
Total administration	1,189,450	1,174,491	(14,959)
General services			
Contractual services	194,000	179,203	(14,797)
Commodities	13,000	10,143	(2,857)
Other expenditures	3,000	320	(2,680)
Total general services	210,000	189,666	(20,334)
Information services			
Salaries	325,300	321,359	(3,941)
Contractual services	710,900	757,383	46,483
Commodities	21,500	19,918	(1,582)
Total information services	1,057,700	1,098,660	40,960
Total finance department	2,457,150	2,462,817	5,667
Community services and development			
Administration			
Salaries	650,400	624,293	(26,107)
Contractual services	117,500	162,669	45,169
Commodities	21,500	14,138	(7,362)
Total administration	789,400	801,100	11,700
Inspectional services			
Salaries	483,100	438,858	(44,242)
Contractual services	39,600	113,185	73,585
Commodities	16,500	12,844	(3,656)
Total inspectional services	539,200	564,887	25,687
Total community services and development	1,328,600	1,365,987	37,387
Total general government	11,665,050	10,768,229	(896,821)

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY			
Police and fire commission			
Salaries	\$ 22,400	\$ 8,941	\$ (13,459)
Contractual services	48,000	22,170	(25,830)
Commodities	2,000	828	(1,172)
Total police and fire commission	72,400	31,939	(40,461)
Police department			
Administration			
Salaries	3,305,200	3,274,272	(30,928)
Contractual services	8,500	7,980	(520)
Commodities	3,000	2,074	(926)
Total administration	3,316,700	3,284,326	(32,374)
Operations			
Salaries	8,580,950	8,234,394	(346,556)
Contractual services	336,800	290,224	(46,576)
Commodities	186,500	174,374	(12,126)
Other expenditures	9,500	8,477	(1,023)
Total operations	9,113,750	8,707,469	(406,281)
Support services			
Salaries	935,000	872,356	(62,644)
Contractual services	12,000	9,162	(2,838)
Commodities	5,000	3,026	(1,974)
Total support services	952,000	884,544	(67,456)
Total police department	13,382,450	12,876,339	(506,111)
Fire and ambulance department			
Administration			
Salaries	4,662,500	4,229,882	(432,618)
Contractual services	355,200	381,878	26,678
Commodities	166,800	157,434	(9,366)
Total administration	5,184,500	4,769,194	(415,306)
Fire academy			
Administration			
Salaries	707,600	628,746	(78,854)
Contractual services	22,500	35,071	12,571
Commodities	311,500	264,417	(47,083)
Total fire academy	1,041,600	928,234	(113,366)
Total fire and ambulance department	6,226,100	5,697,428	(528,672)

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC SAFETY (Continued)			
Romeoville Emergency Management Agency			
Administration			
Salaries	\$ 15,500	\$ 13,130	\$ (2,370)
Contractual services	15,500	11,538	(3,962)
Commodities	11,500	11,087	(413)
Total administration	42,500	35,755	(6,745)
Operations			
Contractual services	35,000	31,980	(3,020)
Commodities	7,500	7,044	(456)
Total operations	42,500	39,024	(3,476)
Communications			
Contractual services	20,000	17,404	(2,596)
Total Romeoville Emergency Management Agency	105,000	92,183	(12,817)
Total public safety	19,785,950	18,697,889	(1,088,061)
PUBLIC WORKS			
Administration			
Salaries	448,200	426,783	(21,417)
Buildings and grounds			
Salaries	918,400	810,715	(107,685)
Contractual services	248,000	151,975	(96,025)
Commodities	69,500	57,429	(12,071)
Total buildings and grounds	1,235,900	1,020,119	(215,781)
Motor pool			
Salaries	114,300	144,082	29,782
Contractual services	132,000	146,992	14,992
Commodities	371,500	264,134	(107,366)
Total motor pool	617,800	555,208	(62,592)
Streets and sanitation			
Salaries	1,175,100	954,015	(221,085)
Contractual services	3,580,000	3,669,252	89,252
Commodities	261,000	194,613	(66,387)
Total streets and sanitation	5,016,100	4,817,880	(198,220)

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
PUBLIC WORKS (Continued)			
Landscape and grounds			
Salaries	\$ 606,500	\$ 617,720	\$ 11,220
Contractual services	672,000	846,935	174,935
Commodities	28,500	38,969	10,469
Total landscape and grounds	1,307,000	1,503,624	196,624
Total public works	8,625,000	8,323,614	(301,386)
ALLOCATIONS TO OTHER FUNDS			
Allocations to water and sewer fund	(3,183,000)	(3,183,000)	-
DEBT SERVICE			
Principal	194,000	182,897	(11,103)
Interest and fiscal charges	30,800	28,389	(2,411)
Total debt service	224,800	211,286	(13,514)
CAPITAL OUTLAY			
General government	224,500	473,206	248,706
Public safety	673,000	968,932	295,932
Public works	2,538,000	2,105,315	(432,685)
Total capital outlay	3,435,500	3,547,453	111,953
TOTAL EXPENDITURES	<u>\$ 40,553,300</u>	<u>\$ 38,365,471</u>	<u>\$ (2,187,829)</u>

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	\$ -	\$ 15,214	\$ 15,214
Total revenues	-	15,214	15,214
EXPENDITURES			
Capital outlay	2,566,000	2,396,501	(169,499)
Total expenditures	2,566,000	2,396,501	(169,499)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,566,000)	(2,381,287)	184,713
OTHER FINANCING SOURCES (USES)			
Transfers in	-	925,000	925,000
Total other financing sources (uses)	-	925,000	925,000
NET CHANGE IN FUND BALANCE	<u>\$ (2,566,000)</u>	(1,456,287)	<u>\$ 1,109,713</u>
FUND BALANCE, MAY 1		<u>3,232,101</u>	
FUND BALANCE, APRIL 30		<u>\$ 1,775,814</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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 200,300	\$ 217,953	\$ 17,653
Investment income	100	85	(15)
Charges for services	62,300	18,260	(44,040)
Other	100,000	151,568	51,568
Total revenues	362,700	387,866	25,166
EXPENDITURES			
General government			
Contractual services	1,153,000	369,614	(783,386)
Debt Service			
Principal	1,140,000	1,140,000	-
Interest and fiscal charges	439,800	439,790	(10)
Capital outlay	300,000	1,357,980	1,057,980
Total expenditures	3,032,800	3,307,384	274,584
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,670,100)	(2,919,518)	(249,418)
OTHER FINANCING SOURCES (USES)			
Transfers in	2,015,700	2,111,696	95,996
Sale of capital assets	-	725,000	725,000
Total other financing sources (uses)	2,015,700	2,836,696	820,996
NET CHANGE IN FUND BALANCE	\$ (654,400)	(82,822)	\$ 571,578
FUND BALANCE, MAY 1		166,795	
FUND BALANCE, APRIL 30		\$ 83,973	

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 837,400	\$ 835,994	\$ (1,406)
Investment income	-	159	159
Total revenues	837,400	836,153	(1,247)
EXPENDITURES			
Debt service			
Principal	4,535,700	4,570,606	34,906
Interest and fiscal charges	1,216,500	1,508,270	291,770
Total expenditures	5,752,200	6,078,876	326,676
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,914,800)	(5,242,723)	(327,923)
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	5,105,000	5,105,000
Premium on bonds issued	-	77,165	77,165
Transfers in	4,914,800	4,908,762	(6,038)
Payment to escrow agent	-	(18,264,202)	(18,264,202)
Total other financing sources (uses)	4,914,800	(8,173,275)	(13,088,075)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(13,415,998)</u>	<u>\$ (13,415,998)</u>
FUND BALANCE, MAY 1		<u>13,415,998</u>	
FUND BALANCE, APRIL 30		<u>\$ -</u>	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

April 30, 2017

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and cash equivalents	\$ 1,338,301	\$ 2,466,309	\$ 3,804,610
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	-	-	-
Other	-	126,982	126,982
Due from other governments	86,878	328,939	415,817
TOTAL ASSETS	\$ 1,425,179	\$ 2,922,230	\$ 4,347,409
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 66,042	\$ 381,195	\$ 447,237
Due to other funds	-	-	-
Total liabilities	66,042	381,195	447,237
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	-	-	-
Total deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	66,042	381,195	447,237
FUND BALANCES			
Restricted			
Maintenance of roadways	1,359,137	-	1,359,137
Economic development	-	1,537,927	1,537,927
Capital projects	-	199,857	199,857
Unrestricted			
Assigned			
Maintenance of roadways	-	237,214	237,214
Capital projects	-	566,037	566,037
Total fund balances	1,359,137	2,541,035	3,900,172
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,425,179	\$ 2,922,230	\$ 4,347,409

(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, 2017

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes			
Property	\$ -	\$ 2,744,373	\$ 2,744,373
Other	-	788,467	788,467
Intergovernmental	1,084,903	421,366	1,506,269
Investment income	7,985	6,144	14,129
Other	9,030	916,737	925,767
Total revenues	1,101,918	4,877,087	5,979,005
EXPENDITURES			
General government	-	817,044	817,044
Public works	686,444	-	686,444
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Capital outlay	-	2,091,936	2,091,936
Total expenditures	686,444	2,908,980	3,595,424
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	415,474	1,968,107	2,383,581
OTHER FINANCING SOURCES (USES)			
Bonds issued	-	-	-
Premium on bonds issued	-	-	-
Transfers in	-	-	-
Transfers (out)	-	(1,938,000)	(1,938,000)
Payment to escrow agent	-	-	-
Total other financing sources (uses)	-	(1,938,000)	(1,938,000)
NET CHANGE IN FUND BALANCES	415,474	30,107	445,581
FUND BALANCES, MAY 1	943,663	2,510,928	3,454,591
FUND BALANCES, APRIL 30	\$ 1,359,137	\$ 2,541,035	\$ 3,900,172

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Intergovernmental	\$ 1,106,200	\$ 1,084,903	\$ (21,297)
Investment income	500	7,985	7,485
Other	-	9,030	9,030
Total revenues	1,106,700	1,101,918	(4,782)
EXPENDITURES			
Public works			
Contractual	665,000	569,780	(95,220)
Commodities	500,000	116,664	(383,336)
Total expenditures	1,165,000	686,444	(478,556)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,300)	415,474	473,774
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(30,000)	-	30,000
Total other financing sources (uses)	(30,000)	-	30,000
NET CHANGE IN FUND BALANCE	\$ (88,300)	415,474	\$ 503,774
FUND BALANCE, MAY 1		943,663	
FUND BALANCE, APRIL 30		\$ 1,359,137	

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS**

April 30, 2017

	Road Improvements	Local Gas Tax	Marquette Center TIF District
ASSETS			
Cash and cash equivalents	\$ 199,857	\$ 162,488	\$ 1,301,995
Receivables			
Other	-	126,982	-
Due from other governments	-	328,939	-
TOTAL ASSETS	\$ 199,857	\$ 618,409	\$ 1,301,995
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 381,195	\$ -
Total liabilities	-	381,195	-
FUND BALANCES			
Restricted			
Economic development	-	-	1,301,995
Capital projects	199,857	-	-
Unrestricted			
Assigned			
Maintenance of roadways	-	237,214	-
Capital projects	-	-	-
Total fund balances	199,857	237,214	1,301,995
TOTAL LIABILITIES AND FUND BALANCES	\$ 199,857	\$ 618,409	\$ 1,301,995

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

For the Year Ended April 30, 2017

	Road Improvements	Local Gas Tax	Marquette Center TIF District
REVENUES			
Property taxes	\$ -	\$ -	\$ 2,711,685
Other taxes	-	788,467	-
Intergovernmental	-	421,366	-
Investment income	282	-	4,985
Other	163,921	75,846	-
Total revenues	164,203	1,285,679	2,716,670
EXPENDITURES			
General government	-	-	817,044
Capital outlay	20,000	1,875,618	590
Total expenditures	20,000	1,875,618	817,634
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	144,203	(589,939)	1,899,036
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	-	(1,938,000)
Total other financing sources (uses)	-	-	(1,938,000)
NET CHANGE IN FUND BALANCES	144,203	(589,939)	(38,964)
FUND BALANCES, MAY 1	55,654	827,153	1,340,959
FUND BALANCES, APRIL 30	\$ 199,857	\$ 237,214	\$ 1,301,995

2004 Construction	2002A Construction	Romeo Road TIF District	Total
\$ -	\$ -	\$ 32,688	\$ 2,744,373
-	-	-	788,467
-	-	-	421,366
42	5	830	6,144
676,970	-	-	916,737
677,012	5	33,518	4,877,087
-	-	-	817,044
195,728	-	-	2,091,936
195,728	-	-	2,908,980
481,284	5	33,518	1,968,107
-	-	-	(1,938,000)
-	-	-	(1,938,000)
481,284	5	33,518	30,107
83,794	954	202,414	2,510,928
\$ 565,078	\$ 959	\$ 235,932	\$ 2,541,035

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	\$ -	\$ 282	\$ 282
Other	-	163,921	163,921
Total revenues	-	164,203	164,203
EXPENDITURES			
Capital outlay	50,000	20,000	(30,000)
Total expenditures	50,000	20,000	(30,000)
NET CHANGE IN FUND BALANCE	<u>\$ (50,000)</u>	144,203	<u>\$ 194,203</u>
FUND BALANCE, MAY 1		<u>55,654</u>	
FUND BALANCE, APRIL 30		<u>\$ 199,857</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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Home rule gas tax	\$ 730,000	\$ 788,467	\$ 58,467
Intergovernmental	40,000	421,366	381,366
Other	6,000	75,846	69,846
Total revenues	<u>776,000</u>	<u>1,285,679</u>	<u>509,679</u>
EXPENDITURES			
Capital outlay	<u>1,500,000</u>	<u>1,875,618</u>	<u>375,618</u>
Total expenditures	<u>1,500,000</u>	<u>1,875,618</u>	<u>375,618</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (724,000)</u></u>	<u>(589,939)</u>	<u><u>\$ 134,061</u></u>
FUND BALANCE, MAY 1		<u>827,153</u>	
FUND BALANCE, APRIL 30		<u><u>\$ 237,214</u></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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 2,720,000	\$ 2,711,685	\$ (8,315)
Investment income	500	4,985	4,485
Total revenues	2,720,500	2,716,670	(3,830)
EXPENDITURES			
General government			
Contractual	818,100	817,044	(1,056)
Capital outlay	40,000	590	(39,410)
Total expenditures	858,100	817,634	(40,466)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,862,400	1,899,036	36,636
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,862,400)	(1,938,000)	(75,600)
Total other financing sources (uses)	(1,862,400)	(1,938,000)	(75,600)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	(38,964)	<u>\$ (38,964)</u>
FUND BALANCE, MAY 1		<u>1,340,959</u>	
FUND BALANCE, APRIL 30		<u>\$ 1,301,995</u>	

(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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Investment income	\$ -	\$ 42	\$ 42
Developer contributions	-	676,970	676,970
Total revenues	-	677,012	677,012
EXPENDITURES			
Capital outlay	80,000	195,728	115,728
Total expenditures	80,000	195,728	115,728
NET CHANGE IN FUND BALANCE	<u>\$ (80,000)</u>	481,284	<u>\$ 561,284</u>
FUND BALANCE, MAY 1		<u>83,794</u>	
FUND BALANCE, APRIL 30		<u>\$ 565,078</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, 2017

	Original and Final Budget	Actual	Variance Over (Under)
REVENUES			
Property taxes	\$ 66,800	\$ 32,688	\$ (34,112)
Investment income	-	830	830
Total revenues	66,800	33,518	(33,282)
EXPENDITURES			
General government			
Contractual	66,800	-	(66,800)
Total expenditures	66,800	-	(66,800)
NET CHANGE IN FUND BALANCE	<u><u>\$ -</u></u>	33,518	<u><u>\$ 33,518</u></u>
FUND BALANCE, MAY 1		<u>202,414</u>	
FUND BALANCE, APRIL 30		<u><u>\$ 235,932</u></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, 2017

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Water sales	\$ 7,350,000	\$ 7,450,054
Sewer sales	8,730,000	8,780,861
Fines and fees		
Late charges	370,000	351,878
Other fees	-	4,440
Tap on fees	400,000	977,296
Recapture fees	-	-
Reconnection fees	55,000	43,700
NSF charges	5,000	3,955
Reimbursements	70,000	108,695
Miscellaneous	-	296
Total operating revenues	16,980,000	17,721,175
OPERATING EXPENSES		
Finance administration		
Salaries	381,000	384,850
Contractual services	148,700	147,204
Commodities	47,000	44,296
Other	4,000	498
Total finance administration	580,700	576,848
Public works administration		
Contractual services	444,500	746,608
Commodities	11,500	9,284
Capital outlay	12,000	14,206
Total public works administration	468,000	770,098
Public works water distribution		
Salaries	1,669,600	1,696,132
Contractual services	1,217,500	1,019,857
Commodities	825,000	895,735
Capital outlay	1,786,000	1,214,378
Total public works water distribution	5,498,100	4,826,102
Public works sewage treatment		
Salaries	1,071,500	1,083,734
Contractual services	1,273,500	1,292,742
Commodities	186,500	183,349
Capital outlay	220,000	23,403
Total public works sewage treatment	2,751,500	2,583,228

(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, 2017

	Original and Final Budget	Actual
OPERATING EXPENSES (Continued)		
Public works sewage collection		
Salaries	\$ 719,400	\$ 585,279
Contractual services	348,000	247,711
Commodities	53,000	24,067
Capital outlay	796,000	459,574
	<hr/>	<hr/>
Total public works sewage collection	1,916,400	1,316,631
	<hr/>	<hr/>
Subtotal	11,214,700	10,072,907
	<hr/>	<hr/>
Administration and other charges	3,183,000	3,183,000
	<hr/>	<hr/>
Total operating expenses	14,397,700	13,255,907
	<hr/>	<hr/>
OPERATING INCOME	2,582,300	4,465,268
	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)		
Property tax rebate	(116,000)	(115,424)
Gain on the sale of fixed assets	-	8,720
Investment income	15,000	20,957
Interest, fiscal charges and principal expense	(4,110,700)	(4,037,068)
	<hr/>	<hr/>
Total non-operating revenues (expenses)	(4,211,700)	(4,122,815)
	<hr/>	<hr/>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(1,629,400)	342,453
	<hr/>	<hr/>
Transfers (out)	-	(385,072)
	<hr/>	<hr/>
CONTRIBUTIONS	-	1,749,245
	<hr/>	<hr/>
CHANGE IN NET POSITION - BUDGETARY BASIS	\$ (1,629,400)	1,706,626
	<hr/>	<hr/>
ADJUSTMENTS TO GAAP BASIS		
Debt principal payments		3,444,874
Pension expense - IMRF		(213,268)
Capitalized assets		552,670
Depreciation expense		(3,866,171)
		<hr/>
Total adjustments to GAAP basis		(81,895)
		<hr/>
CHANGE IN NET POSITION - GAAP BASIS		1,624,731
		<hr/>
NET POSITION, MAY 1		97,385,494
		<hr/>
Change in accounting principle		(11,476,634)
		<hr/>
NET POSITION, MAY 1, RESTATED		85,908,860
		<hr/>
NET POSITION, APRIL 30		\$ 87,533,591
		<hr/>

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF ROMEOVILLE, ILLINOIS**COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS**

April 30, 2017

	Police Pension	Firefighters' Pension	Total
<hr/>			
ASSETS			
Cash and cash equivalents	\$ 286,459	\$ -	\$ 286,459
Investments			
U.S. Treasury and agency securities	12,167,331	4,477,048	16,644,379
Municipal bonds	-	745,583	745,583
Money market mutual funds	381,070	35,229	416,299
Equity mutual funds	26,038,386	3,275,202	29,313,588
Accrued interest receivable	45,794	41,368	87,162
	<hr/>		
Total assets	38,919,040	8,574,430	47,493,470
	<hr/>		
LIABILITIES			
Accounts payable	-	630	630
Due to other funds	1,140	-	1,140
	<hr/>		
Total liabilities	1,140	630	1,770
	<hr/>		
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 38,917,900</u>	<u>\$ 8,573,800</u>	<u>\$ 47,491,700</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, 2017

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	\$ 1,991,448	\$ 356,759	\$ 2,348,207
Employee	599,070	165,647	764,717
Total contributions	2,590,518	522,406	3,112,924
Investment income			
Net appreciation in fair value of investments	2,729,715	380,559	3,110,274
Interest and dividends	1,547,004	151,284	1,698,288
Total investment income	4,276,719	531,843	4,808,562
Less investment expense	(347,320)	(34,289)	(381,609)
Net investment income	3,929,399	497,554	4,426,953
Total additions	6,519,917	1,019,960	7,539,877
DEDUCTIONS			
Administration	18,587	7,015	25,602
Benefits and refunds			
Benefits	1,964,783	277,073	2,241,856
Total deductions	1,983,370	284,088	2,267,458
NET INCREASE	4,536,547	735,872	5,272,419
NET POSITION RESTRICTED FOR PENSIONS			
May 1	34,381,353	7,837,928	42,219,281
April 30	\$ 38,917,900	\$ 8,573,800	\$ 47,491,700

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended April 30, 2017

	Original and Final Budget	Actual
ADDITIONS		
Contributions		
Employer	\$ 1,991,000	\$ 1,991,448
Employee	600,000	599,070
Total contributions	2,591,000	2,590,518
Investment income		
Net appreciation in fair value of investments	900,000	2,729,715
Interest	450,000	1,547,004
Total investment income	1,350,000	4,276,719
Less investment expense	-	(347,320)
Net investment income	1,350,000	3,929,399
Total additions	3,941,000	6,519,917
DEDUCTIONS		
Administration	20,000	18,587
Benefits and refunds		
Benefits	3,921,000	1,964,783
Total deductions	3,941,000	1,983,370
NET INCREASE	\$ -	4,536,547
NET POSITION RESTRICTED FOR PENSIONS		
May 1		34,381,353
April 30		\$ 38,917,900

(See independent auditor's report.)

VILLAGE OF ROMEOVILLE, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND**

For the Year Ended April 30, 2017

	Original and Final Budget	Actual
ADDITIONS		
Contributions		
Employer	\$ 356,600	\$ 356,759
Employee	160,000	165,647
Total contributions	516,600	522,406
Investment income		
Net appreciation in fair value of investments	125,000	380,559
Interest	140,000	151,284
Total investment income	265,000	531,843
Less investment expense	(35,000)	(34,289)
Net investment income	230,000	497,554
Total additions	746,600	1,019,960
DEDUCTIONS		
Administration	16,000	7,015
Benefits and refunds		
Benefits	730,600	277,073
Total deductions	746,600	284,088
NET INCREASE	\$ -	735,872
NET POSITION RESTRICTED FOR PENSIONS		
May 1		7,837,928
April 30		\$ 8,573,800

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS

For the Year Ended April 30, 2017

	Year Ending	Principal	Interest	Total
General Obligation Bonds				
Dated November 15, 2007	2018	\$ 675,000	\$ 35,438	\$ 710,438
Refunding Series 2007A				
Interest due on June 30		\$ 675,000	\$ 35,438	\$ 710,438
and December 30 at rates				
ranging from 3.75% to 5.25%				
General Obligation Bonds				
Dated June 30, 2008	2018	\$ 700,000	\$ 132,563	\$ 832,563
Series 2008A	2019	1,150,000	104,563	1,254,563
Interest due on June 30	2020	1,000,000	58,563	1,058,563
and December 30 at rates	2021	450,000	18,563	468,563
ranging from 3.250% to 4.125%				
		\$ 3,300,000	\$ 314,252	\$ 3,614,252
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	2024	2,675,040	3,324,960	6,000,000
at rates ranging from 5.12%	2025	2,506,740	3,493,260	6,000,000
to 5.85%	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		21,385,421	(21,385,421)	-
		\$ 57,721,305	\$ 62,978,695	\$ 120,700,000

(This schedule is continued on the following pages.)

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DEBT SERVICE REQUIREMENTS (Continued)

For the Year Ended April 30, 2017

	Year Ending	Principal	Interest	Total
General Obligation Refunding Bonds				
Dated November 3, 2008	2018	\$ 770,000	\$ 79,830	\$ 849,830
Refunding Series 2008C	2019	1,245,000	49,800	1,294,800
Interest due on June 30 and December 30 at rates of 3.5% to 4.0%		<u>\$ 2,015,000</u>	<u>\$ 129,630</u>	<u>\$ 2,144,630</u>
General Obligation Bonds				
Dated May 4, 2009				
Series 2009	2018	\$ 285,000	\$ 11,400	\$ 296,400
Interest due on June 30 and December 30 at rates ranging from 3.000% to 4.375%		<u>\$ 285,000</u>	<u>\$ 11,400</u>	<u>\$ 296,400</u>
General Obligation Bonds				
Dated October 10, 2012	2018	\$ 170,000	\$ 3,400	\$ 173,400
Refunding Series 2012A				
Interest due on June 30 and December 30 at rates of 2%		<u>\$ 170,000</u>	<u>\$ 3,400</u>	<u>\$ 173,400</u>
General Obligation Bonds				
Dated October 10, 2012	2018	\$ 645,000	\$ 12,900	\$ 657,900
Refunding Series 2012B				
Interest due on June 30 and December 30 at rates of 2%		<u>\$ 645,000</u>	<u>\$ 12,900</u>	<u>\$ 657,900</u>
General Obligation Bonds				
Dated July 30, 2013	2018	\$ 1,180,000	\$ 323,290	\$ 1,503,290
Series 2013A	2019	1,200,000	290,840	1,490,840
Interest due on June 30	2020	1,225,000	254,840	1,479,840
and December 30 at rates	2021	1,255,000	215,028	1,470,028
ranging from 2.5% to 4.1%	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>\$ 9,500,000</u>	<u>\$ 1,490,058</u>	<u>\$ 10,990,058</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, 2017

	Year Ending	Principal	Interest	Total
General Obligation Bonds				
Dated July 30, 2013	2018	\$ -	\$ 87,000	\$ 87,000
Series 2013B	2019	-	87,000	87,000
Interest due on June 30	2020	-	87,000	87,000
and December 30 at rates	2021	-	87,000	87,000
of 4%	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>\$ 754,000</u>	<u>\$ 2,929,000</u>
General Obligation Refunding Bonds				
Dated November 3, 2014	2018	\$ 2,220,000	\$ 191,900	\$ 2,411,900
Series 2014	2019	1,345,000	125,300	1,470,300
Interest due on June 30	2020	370,000	84,950	454,950
and December 30 at rates	2021	380,000	73,850	453,850
ranging from 3% to 4%	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>\$ 5,975,000</u>	<u>\$ 641,050</u>	<u>\$ 6,616,050</u>
General Obligation Refunding Bonds				
Dated May 3, 2016	2018	\$ 1,745,000	\$ 597,500	\$ 2,342,500
Series 2016	2019	1,980,000	510,250	2,490,250
Interest due on June 30	2020	3,690,000	411,250	4,101,250
and December 30 at a rate of 5%	2021	4,535,000	226,750	4,761,750
		<u>\$ 11,950,000</u>	<u>\$ 1,745,750</u>	<u>\$ 13,695,750</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, 2017

	Year Ending	Principal	Interest	Total
General Obligation Refunding Bonds				
Dated September 12, 2016	2018	\$ 60,000	\$ 103,188	\$ 163,188
Series 2016A	2019	360,000	101,988	461,988
Interest due on June 30	2020	370,000	94,788	464,788
and December 30 at a rates	2021	375,000	87,388	462,388
ranging from 2.00% to 2.25%	2022	385,000	79,888	464,888
	2023	400,000	72,188	472,188
	2024	405,000	64,188	469,188
	2025	420,000	56,088	476,088
	2026	435,000	47,688	482,688
	2027	445,000	38,988	483,988
	2028	465,000	30,088	495,088
	2029	470,000	20,788	490,788
	2030	480,000	10,800	490,800
		<u>\$ 5,070,000</u>	<u>\$ 808,056</u>	<u>\$ 2,017,240</u>
Note Payable				
Dated August 1, 2008	2018	\$ 1,302,440	\$ 398,710	\$ 1,701,150
Illinois Environmental Protection	2019	1,335,205	365,945	1,701,150
Agency Loan	2020	1,368,793	332,356	1,701,149
Interest due on June 1 and	2021	1,403,227	297,923	1,701,150
December 1 at a rate of 2.5%	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>\$ 16,271,977</u>	<u>\$ 2,440,672</u>	<u>\$ 18,712,649</u>
Note Payable				
Dated March 5, 2015	2018	\$ 75,000	\$ -	\$ 75,000
Will County Note Payable	2019	75,000	-	75,000
Principal due on December 31	2020	75,000	-	75,000
at a rate of 0%	2021	75,000	-	75,000
	2022	1,319,790	-	1,319,790
		<u>\$ 1,619,790</u>	<u>\$ -</u>	<u>\$ 1,619,790</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, 2017

	Year Ending	Principal	Interest	Total
Capital Lease				
Dated August 25, 2009	2018	\$ 21,260	\$ 4,342	\$ 25,602
2009 Fire Training Facility	2019	22,619	2,983	25,602
Principal and Interest due on August 25 at rates of 6.39%	2020	24,065	1,538	25,603
		<u>\$ 67,944</u>	<u>\$ 8,863</u>	<u>\$ 76,807</u>
Capital Lease				
Dated August 1, 2012	2018	\$ 42,925	\$ 6,582	\$ 49,507
2012 Pierce Arrow XT Pumper	2019	43,957	5,549	49,506
Principal and Interest due on August 1 at rates of 2.41%	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>\$ 273,548</u>	<u>\$ 23,494</u>	<u>\$ 297,042</u>
Capital Lease				
Dated December 14, 2012	2018	\$ 35,116	\$ 969	\$ 36,085
2012 Elgin Eagle Street Sweeper	2019	35,597	488	36,085
Principal and Interest due on December 14 at rates of 1.37%		<u>\$ 70,713</u>	<u>\$ 1,457</u>	<u>\$ 72,170</u>
Capital Lease				
Dated February 1, 2013	2018	\$ 35,596	\$ 488	\$ 36,084
2013 Medtec Ford F450 Ambulance		<u>\$ 35,596</u>	<u>\$ 488</u>	<u>\$ 36,084</u>
Principal and Interest due on February 1 at rates of 1.37%				
Capital Lease				
Dated January 27, 2014	2018	\$ 5,618	\$ -	\$ 5,618
2014 Five (5) Treadmills	2019	2,804	-	2,804
Principal and Interest due on August 1 and February 1 at rates of 0%		<u>\$ 8,422</u>	<u>\$ -</u>	<u>\$ 8,422</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, 2017

	Year Ending	Principal	Interest	Total
Capital Lease				
Dated September 4, 2015				
2014 Smeal 105" Fire Truck	2018	\$ 50,146	\$ 13,862	\$ 64,008
Principal and Interest due on July 1	2019	51,525	12,484	64,009
at a rate of 2.75%	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>\$ 504,260</u>	<u>\$ 71,814</u>	<u>\$ 576,074</u>
Capital Lease				
Dated July 21, 2016				
Fitness Equipment	2018	\$ 5,923	\$ 13,862	\$ 19,785
Principal and Interest due on October 22	2019	6,212	12,484	18,696
at a rate of 5.33%	2020	6,515	11,067	17,582
	2021	6,832	9,612	16,444
		<u>\$ 25,482</u>	<u>\$ 47,025</u>	<u>\$ 72,507</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.	123-132
Revenue Capacity These schedules contain information to help the reader assess the Village's property tax.	133-136
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.	137-140
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.	141-142
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.	143-147

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

	2017	2016*	2015	2014
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 256,791,259	\$ 264,541,515	\$ 263,931,875	\$ 266,143,014
Restricted	3,180,894	2,709,485	3,288,122	4,815,450
Unrestricted	(21,781,960)	(20,988,393)	4,856,829	1,024,779
TOTAL GOVERNMENTAL ACTIVITIES	\$ 238,190,193	\$ 246,262,607	\$ 272,076,826	\$ 271,983,243
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 79,933,272	\$ 90,127,058	\$ 90,261,491	\$ 90,952,810
Restricted	-	-	-	-
Unrestricted	7,600,319	7,258,436	8,885,135	9,484,421
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 87,533,591	\$ 97,385,494	\$ 99,146,626	\$ 100,437,231
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 336,724,531	\$ 354,668,573	\$ 354,193,366	\$ 357,095,824
Restricted	3,180,894	2,709,485	3,288,122	4,815,450
Unrestricted	(14,181,641)	(13,729,957)	13,741,964	10,509,200
TOTAL PRIMARY GOVERNMENT	\$ 325,723,784	\$ 343,648,101	\$ 371,223,452	\$ 372,420,474

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

2013	2012	2011	2010	2009	2008
\$ 256,950,797	\$ 251,491,187	\$ 250,373,273	\$ 254,221,831	\$ 249,592,572	\$ 247,693,990
2,513,686	7,228,622	12,901,961	164,830	993,014	1,484,645
4,517,245	11,095,994	5,802,877	10,044,146	17,887,749	21,974,302
<u>\$ 263,981,728</u>	<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>
\$ 86,897,837	\$ 85,140,129	\$ 82,814,080	\$ 75,306,997	\$ 74,356,474	\$ 69,796,095
-	-	-	-	-	-
12,410,766	15,350,507	19,521,288	24,898,401	28,761,335	34,869,525
<u>\$ 99,308,603</u>	<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>
\$ 343,848,634	\$ 336,631,316	\$ 333,187,353	\$ 329,528,828	\$ 323,949,046	\$ 317,490,085
2,513,686	7,228,622	12,901,961	164,830	993,014	1,484,645
16,928,011	26,446,501	25,324,165	34,942,547	46,649,084	56,843,827
<u>\$ 363,290,331</u>	<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>

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

	2017	2016*	2015	2014
EXPENSES				
Governmental activities				
General government	\$ 13,145,269	\$ 13,853,144	\$ 16,251,079	\$ 16,119,829
Public safety	20,471,106	21,462,453	19,131,969	19,536,832
Public works	14,345,138	15,020,236	15,310,857	12,093,817
Culture and recreation	5,797,024	5,026,478	4,277,124	4,193,048
Interest and fiscal charges on long-term debt	4,605,731	4,575,340	4,794,913	4,959,369
Total governmental activities expenses	<u>58,364,268</u>	<u>59,937,651</u>	<u>59,765,942</u>	<u>56,902,895</u>
Business-type activities				
Water and sewer	<u>17,490,294</u>	<u>17,759,434</u>	<u>17,496,743</u>	<u>16,763,602</u>
Total business-type activities expenses	<u>17,490,294</u>	<u>17,759,434</u>	<u>17,496,743</u>	<u>16,763,602</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 75,854,562</u>	<u>\$ 77,697,085</u>	<u>\$ 77,262,685</u>	<u>\$ 73,666,497</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ 1,376,943	\$ 1,366,788	\$ 1,268,676	\$ 1,269,554
Public safety	3,573,257	3,248,233	3,274,051	3,093,646
Public works	7,493,409	5,507,244	5,541,431	5,484,531
Culture and recreation	1,126,442	1,040,173	970,556	895,577
Operating grants and contributions	1,234,385	1,162,335	1,248,429	1,364,140
Capital grants and contributions	6,048,334	976,637	2,330,934	7,505,925
Total governmental activities program revenues	<u>20,852,770</u>	<u>13,301,410</u>	<u>14,634,077</u>	<u>19,613,373</u>
Business-type activities				
Charges for services				
Water and sewer	17,721,175	16,579,382	15,524,548	15,411,379
Operating grants and contributions	-	-	136,620	-
Capital grants and contributions	<u>1,749,245</u>	<u>399,658</u>	<u>211,426</u>	<u>2,430,283</u>
Total business-type activities program revenues	<u>19,470,420</u>	<u>16,979,040</u>	<u>15,872,594</u>	<u>17,841,662</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 40,323,190</u>	<u>\$ 30,280,450</u>	<u>\$ 30,506,671</u>	<u>\$ 37,455,035</u>
NET REVENUE (EXPENSE)				
Governmental activities	\$ (37,511,498)	\$ (46,636,241)	\$ (45,131,865)	\$ (37,289,522)
Business-type activities	<u>1,980,126</u>	<u>(780,394)</u>	<u>(1,624,149)</u>	<u>1,078,060</u>
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (35,531,372)</u>	<u>\$ (47,416,635)</u>	<u>\$ (46,756,014)</u>	<u>\$ (36,211,462)</u>

	2013	2012	2011	2010	2009	2008
\$	16,820,623	\$ 12,455,151	\$ 12,632,798	\$ 11,028,906	\$ 11,890,523	\$ 12,924,376
	17,977,351	17,685,337	16,816,092	18,573,007	18,270,997	16,969,357
	11,677,451	13,274,353	10,596,797	11,092,991	11,789,575	11,571,939
	3,934,308	3,844,491	3,469,413	4,345,424	4,296,423	3,845,945
	4,289,449	4,342,536	4,264,055	4,320,124	2,991,639	1,576,678
	54,699,182	51,601,868	47,779,155	49,360,452	49,239,157	46,888,295
	15,935,142	16,468,462	15,623,988	13,072,465	13,145,150	11,782,676
	15,935,142	16,468,462	15,623,988	13,072,465	13,145,150	11,782,676
\$	70,634,324	\$ 68,070,330	\$ 63,403,143	\$ 62,432,917	\$ 62,384,307	\$ 58,670,971
\$	1,407,156	\$ 1,588,325	\$ 1,257,540	\$ 1,998,582	\$ 2,709,581	\$ 3,600,123
	3,186,635	3,095,784	2,976,097	1,463,849	1,341,973	2,457,148
	4,751,868	3,608,476	3,843,912	2,782,267	2,711,254	3,105,538
	792,802	795,660	741,042	860,826	909,796	878,175
	1,287,635	1,238,064	1,461,476	2,244,206	2,696,283	1,813,614
	1,998,465	4,358,514	5,600,719	220,000	147,816	6,201,633
	13,424,561	14,684,823	15,880,786	9,569,730	10,516,703	18,056,231
	14,732,596	13,467,211	12,968,546	12,298,995	13,071,390	13,743,313
	-	-	-	-	-	-
	53,175	744,821	2,342,204	1,235	144,228	3,470,541
	14,785,771	14,212,032	15,310,750	12,300,230	13,215,618	17,213,854
\$	28,210,332	\$ 28,896,855	\$ 31,191,536	\$ 21,869,960	\$ 23,732,321	\$ 35,270,085
\$	(41,274,621)	\$ (36,917,045)	\$ (31,898,369)	\$ (39,790,722)	\$ (38,722,454)	\$ (28,832,064)
	(1,149,371)	(2,256,430)	(313,238)	(772,235)	70,468	5,431,178
\$	(42,423,992)	\$ (39,173,475)	\$ (32,211,607)	\$ (40,562,957)	\$ (38,651,986)	\$ (23,400,886)

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

	2017	2016*	2015	2014
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	\$ 16,422,851	\$ 16,423,304	\$ 15,269,571	\$ 15,546,578
Home rule sales	6,306,026	6,146,634	10,955,120	9,893,380
Telecommunications	957,144	993,552	1,142,883	1,323,373
Utility	6,370,157	5,929,117	6,022,872	5,959,246
Hotel/Motel	551,753	475,098	400,345	290,454
Other	3,010,255	2,405,204	2,210,611	1,425,637
Intergovernmental - unrestricted				
Replacement tax	182,612	109,584	-	-
State sales tax	5,729,800	5,520,622	-	-
Use tax	976,635	920,714	818,410	696,169
Income tax	3,750,745	4,228,795	3,886,045	3,866,664
Investment income	111,411	128,845	64,959	35,369
Miscellaneous	221,198	328,096	165,667	130,520
Sale of capital assets	281,824	-	-	-
Transfers	385,072	-	-	-
Special item	-	-	4,288,965	-
Total governmental activities	<u>45,257,483</u>	<u>43,609,565</u>	<u>45,225,448</u>	<u>39,167,390</u>
Business-type activities				
Investment income	20,957	150,909	300,876	(16,177)
Miscellaneous	8,720	77,500	32,668	66,745
Transfers	(385,072)	-	-	-
Total business-type activities	<u>(355,395)</u>	<u>228,409</u>	<u>333,544</u>	<u>50,568</u>
TOTAL PRIMARY GOVERNMENT	<u><u>\$ 44,902,088</u></u>	<u><u>\$ 43,837,974</u></u>	<u><u>\$ 45,558,992</u></u>	<u><u>\$ 39,217,958</u></u>
CHANGE IN NET POSITION				
Governmental activities	\$ 7,745,985	\$ (3,026,676)	\$ 93,583	\$ 1,877,868
Business-type activities	1,624,731	(551,985)	(1,290,605)	1,128,628
Total primary governmental change in net position	<u>9,370,716</u>	<u>(3,578,661)</u>	<u>(1,197,022)</u>	<u>3,006,496</u>
Prior period adjustment	(27,295,033)	(23,996,690)	-	6,123,647
NET POSITION - BEGINNING OF YEAR	<u>343,648,101</u>	<u>371,223,452</u>	<u>372,420,474</u>	<u>346,059,894</u>
NET POSITION - END OF YEAR	<u><u>\$ 325,723,784</u></u>	<u><u>\$ 343,648,101</u></u>	<u><u>\$ 371,223,452</u></u>	<u><u>\$ 355,190,037</u></u>

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

	2013	2012	2011	2010	2009	2008
\$	15,722,079	\$ 15,279,544	\$ 15,032,052	\$ 14,820,536	\$ 13,707,382	\$ 12,823,603
	9,146,375	9,365,911	9,025,865	7,356,280	7,491,063	7,138,892
	1,298,127	1,492,567	1,443,900	1,460,674	1,487,257	1,589,861
	5,477,963	4,764,214	4,920,460	3,554,178	3,874,144	3,630,110
	247,872	247,557	242,785	252,844	300,235	471,946
	1,183,935	2,077,464	1,677,997	1,919,200	1,910,096	3,255,146
	-	-	-	-	-	-
	-	-	-	-	-	-
	636,785	579,133	537,844	439,689	521,046	408,546
	3,575,982	3,204,848	2,862,078	2,785,961	3,172,690	3,451,028
	40,976	45,020	246,285	367,726	871,853	1,673,281
	80,452	550,066	78,056	191,106	227,086	250,875
	-	-	-	-	-	-
	-	-	-	2,600,000	2,480,000	2,385,000
	-	-	-	-	-	-
	37,410,546	37,606,324	36,067,322	35,748,194	36,042,852	37,078,288
	136,471	405,586	437,201	459,824	846,147	1,229,074
	29,060	6,112	374,684	-	15,574	1,054,233
	-	-	-	(2,600,000)	(2,480,000)	(2,385,000)
	165,531	411,698	811,885	(2,140,176)	(1,618,279)	(101,693)
\$	37,576,077	\$ 38,018,022	\$ 36,879,207	\$ 33,608,018	\$ 34,424,573	\$ 36,976,595
\$	121,024	\$ (3,668,297)	\$ (849,723)	\$ 3,849,825	\$ (3,747,870)	\$ (1,644,166)
	1,243,591	(737,673)	(1,444,545)	(2,453,414)	(2,390,514)	(31,225)
	1,364,615	(4,405,970)	(2,294,268)	1,396,411	(6,138,384)	(1,675,391)
	(2,168,193)	48,413	2,109,674	-	-	-
	346,863,472	351,221,029	351,405,623	350,009,212	356,147,596	357,822,987
\$	346,059,894	\$ 346,863,472	\$ 351,221,029	\$ 351,405,623	\$ 350,009,212	\$ 356,147,596

VILLAGE OF ROMEOVILLE, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2017	2016	2015	2014
GENERAL FUND				
Unassigned	\$ 25,098,759	\$ 24,191,557	\$ 20,675,671	\$ 17,996,239
Reserved	-	-	-	-
Unreserved	-	-	-	-
TOTAL GENERAL FUND	\$ 25,098,759	\$ 24,191,557	\$ 20,675,671	\$ 17,996,239
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	3,180,894	16,125,483	3,288,122	4,815,450
Assigned	7,675,643	5,475,589	6,915,001	1,751,815
Reserved	-	-	-	-
Unreserved, reported in				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital project funds	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 10,856,537	\$ 21,601,072	\$ 10,203,123	\$ 6,567,265

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

Data Source

Audited Financial Statements

2013	2012	2011	2010	2009	2008
\$ 16,406,975	\$ 14,971,672	\$ -	\$ -	\$ -	\$ -
-	-	-	472,853	817,514	220,472
-	-	12,913,655	8,903,411	10,200,416	10,828,117
\$ 16,406,975	\$ 14,971,672	\$ 12,913,655	\$ 9,376,264	\$ 11,017,930	\$ 11,048,589
\$ 499,033	\$ 760,333	\$ -	\$ -	\$ -	\$ -
2,513,686	7,228,622	-	-	-	-
3,040,094	4,436,631	-	-	-	-
-	-	13,923,594	20,553,771	45,624,815	17,573,339
-	-	(20,221)	(419,111)	(763,806)	(167,332)
-	-	-	(2,392)	-	-
-	-	-	(754)	-	-
\$ 6,052,813	\$ 12,425,586	\$ 13,903,373	\$ 20,131,514	\$ 44,861,009	\$ 17,406,007

VILLAGE OF ROMEOVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	2017	2016*	2015	2014
REVENUES				
Property taxes	\$ 16,422,851	\$ 16,423,305	\$ 14,899,310	\$ 15,186,189
Other taxes	17,195,334	15,949,605	21,553,488	19,608,305
Fines and forfeits	600,115	529,171	525,809	652,242
Licenses and permits	3,530,750	1,803,939	2,239,902	2,246,099
Charges for services	7,760,362	7,241,283	6,570,453	6,239,227
Intergovernmental	13,894,282	13,731,160	6,876,406	7,151,987
Investment income	111,411	128,845	64,959	35,369
Other	1,520,835	904,270	2,843,481	2,170,564
Total revenues	61,035,940	56,711,578	55,573,808	53,289,982
EXPENDITURES				
Current				
General government	11,954,887	11,815,013	11,679,424	13,277,239
Public safety	18,697,889	18,034,341	17,878,688	17,657,940
Public works	9,010,058	8,709,845	9,336,352	9,149,870
Recreation	4,124,138	3,964,791	3,964,195	3,600,130
Allocations to water and sewer fund	(3,183,000)	(3,121,000)	(3,060,000)	(3,000,000)
Capital outlay	10,081,008	9,321,709	8,543,839	20,163,557
Debt service				
Principal	5,906,154	5,375,593	5,874,571	3,550,370
Interest and fiscal charges	1,976,449	1,870,307	2,093,303	1,948,524
Bond issuance costs	-	-	125,748	339,669
Total expenditures	58,567,583	55,970,599	56,436,120	66,687,299
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,468,357	740,979	(862,312)	(13,397,317)
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	5,105,000	11,950,000	7,308,233	15,045,000
Premium on bonds issued	77,165	1,465,998	677,639	299,329
Issuance of refunding bonds	-	-	-	-
Premium on refunding bonds	-	-	-	-
Payments to escrow agent	(18,264,202)	-	(7,860,124)	-
Capital leases issued	32,515	-	-	114,828
Notes payable issued	-	555,500	2,747,915	-
Sale of capital assets	743,832	201,358	14,975	41,876
Transfers in	12,270,458	9,423,063	11,673,868	6,630,665
Transfers (out)	(12,270,458)	(9,423,063)	(11,673,868)	(6,630,665)
Total other financing sources (uses)	(12,305,690)	14,172,856	2,888,638	15,501,033
SPECIAL ITEM	-	-	4,288,965	-
NET CHANGE IN FUND BALANCE	\$ (9,837,333)	\$ 14,913,835	\$ 6,315,291	\$ 2,103,716
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	14.9%	14.1%	14.7%	11.3%

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

2013	2012	2011	2010	2009	2008
\$ 15,081,826	\$ 15,135,292	\$ 14,815,103	\$ 14,820,536	\$ 13,707,382	\$ 12,823,603
17,970,958	18,526,587	17,846,841	14,824,767	15,418,734	16,305,127
623,118	853,511	842,300	752,175	645,190	819,899
1,540,449	761,008	901,880	797,229	1,568,431	2,499,650
5,973,911	5,448,356	5,383,469	4,877,269	4,888,901	5,106,576
6,572,704	6,763,999	6,593,745	3,889,790	6,034,080	5,454,016
40,976	45,020	246,285	367,726	871,853	1,673,281
2,842,872	1,718,868	1,032,134	1,089,957	944,984	3,137,965
50,646,814	49,252,641	47,661,757	41,419,449	44,079,555	47,820,117
15,200,174	10,276,541	10,279,604	9,337,741	9,764,037	10,016,681
16,884,123	16,459,782	16,104,041	15,574,310	15,233,202	14,210,531
8,829,149	8,743,358	8,478,126	8,264,865	7,989,078	7,826,204
3,408,063	3,215,119	3,112,875	3,650,743	3,610,345	3,199,821
(2,845,000)	(2,790,000)	(2,710,000)	(2,600,000)	(2,480,000)	(2,385,000)
10,037,710	8,229,834	12,437,256	36,172,185	25,003,027	20,835,085
2,984,621	2,630,149	2,553,378	1,882,280	1,451,205	1,210,033
1,954,015	1,960,867	2,107,777	2,310,980	1,690,968	1,343,505
-	-	-	82,506	1,701,082	186,914
56,452,855	48,725,650	52,363,057	74,675,610	63,962,944	56,443,774
(5,806,041)	526,991	(4,701,300)	(33,256,161)	(19,883,389)	(8,623,657)
-	-	-	6,700,000	47,135,884	12,900,000
-	-	-	-	-	23,147
2,750,000	-	2,460,000	-	-	-
89,846	-	38,946	-	-	-
(2,803,963)	-	(2,391,196)	-	-	-
818,206	-	-	185,000	171,848	-
-	-	-	-	-	-
14,482	4,826	37,691	-	-	1,955,776
8,222,204	7,090,363	5,501,664	4,725,139	4,684,145	11,781,318
(8,222,204)	(7,090,363)	(5,501,664)	(4,725,139)	(4,684,145)	(11,781,318)
868,571	4,826	145,441	6,885,000	47,307,732	14,878,923
-	-	-	-	-	-
\$ (4,937,470)	\$ 531,817	\$ (4,555,859)	\$ (26,371,161)	\$ 27,424,343	\$ 6,255,266
10.6%	11.3%	11.7%	10.9%	8.1%	7.2%

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
2016	\$ 549,333,877	\$ 246,217	\$ 113,450,541	\$ 477,275,927	\$ 351,971	\$ 1,140,658,533	\$ 1.2594	\$ 3,421,975,599	33.33%
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%

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	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Direct										
Corporate	0.2677	0.2497	0.3027	0.3016	0.2723	0.2610	0.2382	0.1871	0.2019	0.2012
Street and bridge	0.0277	0.0296	0.0304	0.0305	0.0288	0.0271	0.0247	0.0208	0.0224	0.0227
Special recreation	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0300	0.0300	0.0300
Police protection	0.0500	0.0535	0.0550	0.0552	0.0521	0.0490	0.0447	0.0431	0.0465	0.0476
Fire protection	0.0411	0.0429	0.0442	0.0442	0.0375	0.0417	0.0391	0.0378	0.0386	0.0390
Ambulance	0.0911	0.0952	0.0980	0.0982	0.0794	0.0883	0.0828	0.0800	0.0818	0.0828
Recreation	0.1840	0.1770	0.1654	0.1601	0.1501	0.1401	0.1168	0.1065	0.0965	0.0865
Audit	0.0044	0.0047	0.0049	0.0049	0.0074	0.0069	0.0063	0.0061	0.0066	0.0067
Garbage disposal	0.0535	0.0573	0.0588	0.0591	0.0558	0.0524	0.0478	0.0460	0.0497	0.0511
Social security	0.1140	0.1221	0.1253	0.1258	0.1188	0.1117	0.1019	0.0982	0.1059	0.1089
Police pension	0.1628	0.1869	0.1635	0.1477	0.1328	0.1173	0.1218	0.1230	0.1019	0.1001
Insurance	0.1228	0.1314	0.1349	0.1355	0.1279	0.1203	0.1097	0.1057	0.1140	0.1174
Bonds and interest	0.0729	0.0786	0.0754	0.0809	0.0858	0.0835	0.0684	0.0917	0.0858	0.0890
Firefighters pension	0.0474	0.0492	0.0493	0.0449	0.0606	0.0400	0.0369	0.0410	0.0384	0.0370
Total direct	1.2594	1.2981	1.3278	1.3086	1.2293	1.1593	1.0591	1.0170	1.0200	1.0200
 Will County	0.6121	0.6140	0.6210	0.5994	0.5696	0.5551	0.5274	0.5024	0.4942	0.4943
Will County Forest Preserve District	0.1944	0.1937	0.1977	0.1970	0.1859	0.1693	0.1567	0.1519	0.1445	0.1424
Will County Building Commission	0.0026	0.0218	0.0223	0.0222	0.0212	0.0200	0.0197	0.0191	0.0191	N/A
Romeoville Mosquito Abatement District	0.0112	0.0114	0.0112	0.0109	0.0102	0.0096	0.0088	0.0107	0.0104	0.0108
DuPage Township	0.0790	0.0823	0.0824	0.0805	0.0769	0.0708	0.0662	0.0655	0.0633	0.0637
White Oak Library District	0.3028	0.3168	0.3236	0.2638	0.2422	0.2214	0.1966	0.1315	0.1283	0.0000
Fountaindale Public Library	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.2838
Unit School District 365-U	7.3246	7.5388	7.6318	7.3668	6.7687	5.9062	5.2276	4.9435	4.5671	4.6476
Community College District 525	0.3099	0.3065	0.3085	0.2955	0.2768	0.2463	0.2270	0.2144	0.1896	0.1901
Total Overlapping*	8.8366	9.0853	9.1985	8.8361	8.1515	7.1987	6.4300	6.0390	5.6165	5.8327
 Total Direct and Overlapping	10.0960	10.3834	10.5263	10.1447	9.3808	8.3580	7.4891	7.0560	6.6365	6.8527

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	2017		Percentage of Total Village Taxable Assessed Valuation	2008		Percentage of Total Village Taxable Assessed Valuation
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
PDV Midwest Refinery Citgo	Refinery-Petroleum Products	\$ 127,018,403	1	11.14%	\$ 50,138,500	1	4.45%
Duke Secured Fin 2009-1ALZ LLC	Real Property	16,745,750	2	1.47%			
Hart I55 Industrial LLC	Real Property	16,208,154	3	1.42%			
PLDAB LLC	Real Property	14,912,963	4	1.31%			
Prologis-Illinois LLC	Owner, Operator and Developer of Industrial Real Estate	14,612,297	5	1.28%	17,394,910	2	1.54%
Romeo Pinnacle 16 LLC	Real Property	13,231,178	6	1.16%			
J&J Romeoville Property	Real Property	9,879,673	7	0.87%	11,006,200	4	0.98%
Pactiv Corp	Food Services: Direct Sales	9,591,571	8	0.84%			
BAEV LaSalle	Real Property	9,584,640	9	0.84%	10,055,705	5	0.89%
JRC Remington/Et Al LLC's	Real Property	8,885,019	10	0.78%			
Prudential Ins. Co. of America	Insurance				14,607,935	3	1.30%
James Campbell Co. LLC	Real Property				9,300,000	6	0.83%
DCT/SPF Pinnacle IX LLC	Real Property				9,203,800	7	0.82%
CRP-IILP KCDC LLC	Real Property				9,089,700	8	0.81%
Hart I55 Industrial LLC	Real Property				8,908,000	9	0.79%
RREEF Amer REIT II Corp	Industrial Properties				8,796,000	10	0.78%
		<u>\$ 240,669,648</u>		<u>21.11%</u>	<u>\$ 148,500,750</u>		<u>13.19%</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 2016 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
2016	\$ 13,675,019	\$ -	0.00%	\$ -	\$ -	0.00%
2015	13,193,894	13,171,863	99.83%	-	13,171,863	99.83%
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%

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			Alternate Revenue Bonds	Capital Lease	Note Payable	General Obligation Bonds	Alternate Revenue Bonds	Note Payable					
	General Obligation Bonds	Obligation Capital Appreciation Bonds*												
2017	\$ 40,204,756	\$ 57,721,305	\$ -	\$ 985,965	\$ 1,619,790	\$ 3,552,522	\$ -	\$ 16,271,977	\$ 120,356,315	\$ 1,140,658,533	10.55%	10.04%	\$ 3,033.17	
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%	3,182.00	
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	

* 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 141 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***
2017	\$ 101,478,583	\$ -	\$ 101,478,583	2.97%	\$ 2,668.01
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

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 133 for property value data.

*** See the schedule of Demographic and Economic Indicators on page 141 for population data.

VILLAGE OF ROMEOVILLE, ILLINOIS

SCHEDULE OF DIRECT AND OVERLAPPING BONDED DEBT

April 30, 2017

	Gross Bonded Debt*	Percentage of Debt Applicable to Government**	Government's Share of Debt
DIRECT DEBT			
Village of Romeoville	\$ 100,531,816	100.00%	\$ 100,531,816
OVERLAPPING DEBT			
<u>Schools:</u>			
School District Number 88-A	23,360,000	18.65%	4,356,640
School District Number 92	6,640,000	18.61%	1,235,704
School District Number 202	272,805,000	9.04%	24,661,572
School District Number 365-U	132,965,165	28.12%	37,389,804
High School District Number 205	13,410,000	7.84%	1,051,344
Community College District Number 525	185,645,000	6.02%	11,175,829
Total Schools	634,825,165		79,870,893
<u>Others:</u>			
Will County***	-	0.00%	-
Will County Forest Preserve District	117,788,575	5.88%	6,925,968
Fountaindale Library District	33,015,000	0.16%	52,824
Bolingbrook Park District	28,855,000	0.05%	14,428
Lemont Park District	11,151,000	0.06%	6,691
Lockport Park District	6,103,000	27.08%	1,652,692
Plainfield Park District	2,583,000	7.33%	189,334
Total Others	199,495,575		8,841,937
Total Overlapping Debt	834,320,740		88,712,830
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 934,852,556		\$ 189,244,646

Notes

* Outstanding principal of general obligation bonds as of April 27, 2017. 100% of the principal of outstanding general obligation bonds of overlapping taxing districts have been displayed in this schedule.

** Overlapping debt percentages based on 2016 EAV, the most current available.

*** Will County debt of \$289,885,000 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, 2017

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*
2017	39,680	\$ 30,199	\$ 1,198,296,320	35.4	14	4.70%
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%

Data Sources

Bureau of Census
 *Will County

Current Year and Nine Years Ago

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VILLAGE OF ROMEOVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

Fiscal Year	2017	2016	2015	2014
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	2.00	2.45	2.45
RPTV	1.00	1.00	1.00	1.00
Marketing	0.73	0.63	0.63	0.63
Information services	3.00	3.00	3.00	3.00
Finance	9.94	9.94	9.94	9.94
Community services and development				
Administration	5.45	6.40	6.00	6.00
Inspectional services	4.84	4.26	4.26	4.26
PUBLIC SAFETY				
Police				
Administration	9.50	9.50	9.50	9.50
Operations	73.40	72.40	74.40	73.38
Support services	13.59	10.28	12.79	12.52
Fire and ambulance	60.30	58.80	57.00	55.80
Fire academy	10.60	11.00	7.00	5.25
Romeoville Emergency Management Agency	0.72	0.72	0.72	0.72
PUBLIC WORKS				
Administration	4.00	4.00	5.00	5.00
Buildings	9.25	9.25	11.86	11.86
Motor pool	1.00	2.42	1.00	1.00
Streets and sanitation	10.73	9.00	9.00	9.00
Landscape and grounds	5.00	6.00	7.00	7.00
RECREATION				
Operations	5.26	5.17	5.17	5.17
Recreation programs	34.84	31.09	31.09	28.92
Park maintenance	9.27	9.43	9.43	9.75
Recreation center	9.27	5.00	5.00	5.00
WATER AND SEWER				
Finance administration	4.00	4.00	4.00	4.00
Public works water distribution	13.00	11.00	12.00	12.00
Public works sewage treatment	9.00	7.00	10.00	10.00
Public works sewage collection	5.00	8.00	8.00	8.00
TOTAL VILLAGE EMPLOYEES	319.69	306.28	312.23	306.14

Data Source

Operating Budget

2013	2012	2011	2010	2009	2008
1.00	1.00	1.00	1.00	-	-
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	3.00	3.00	3.00
2.45	1.38	1.08	1.75	1.75	1.75
1.00	1.00	1.00	1.50	1.00	1.00
1.00	1.00	1.00	1.00	1.00	1.00
3.00	3.00	3.00	4.00	4.50	3.00
9.88	9.25	8.73	8.00	8.42	8.70
6.00	6.50	6.70	8.65	8.65	9.65
4.08	4.07	4.00	7.50	7.00	6.00
10.00	10.52	10.92	7.50	8.50	7.50
72.02	71.52	73.25	80.00	78.58	77.25
15.29	15.29	15.04	20.02	19.79	19.19
49.07	53.80	57.21	63.92	65.72	65.65
5.25	4.25	3.43	3.50	3.50	2.00
0.72	0.87	0.87	0.87	0.87	0.87
5.00	5.00	5.00	5.00	5.00	5.00
11.50	10.00	17.00	14.00	14.00	13.00
1.00	2.00	2.00	3.00	3.00	3.00
9.00	9.00	6.00	10.50	11.00	12.00
7.00	7.00	-	-	1.00	-
5.17	5.17	5.17	5.61	5.52	6.12
28.33	33.41	30.63	30.49	24.96	18.60
9.60	8.20	8.19	9.46	9.07	8.76
5.80	5.80	5.80	8.86	8.80	7.61
4.00	4.00	4.00	6.00	6.00	5.70
12.00	12.00	11.00	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
301.16	307.03	304.02	336.13	331.63	317.35

VILLAGE OF ROMEOVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Fiscal Year	2017	2016	2015	2014
GENERAL GOVERNMENT				
Community Development				
Permits issued*	2,077	2,101	2,195	2,031
Inspections conducted*	6,296	4,666	2,785	2,923
Business licenses issued*	690	731	848	711
PUBLIC SAFETY				
Police				
Personnel - civilian**	34	32	32	34
Personnel - sworn **	64	61	61	63
Traffic accidents	1,573	1,439	1,400	1,330
Calls for service	43,516	41,097	38,886	41,069
Traffic citations	6,263	5,815	6,486	8,446
Parking citations	2,057	1,737	1,161	1,096
Written warnings	2,267	2,025	918	611
Administrative warning tickets	211	137	163	330
Arrests	1,198	875	870	1,292
DUI arrests	133	65	66	90
Written reports	3,575	3,500	3,459	3,687
Domestics	647	513	494	486
False alarms	1,213	1,256	1,311	1,147
Fire				
Calls				
EMS	1,348	1,239	1,917	1,690
Fire	2,045	2,060	1,312	1,267
Total	3,393	3,299	3,229	2,957
PUBLIC WORKS				
Streets (miles)	170	170	170	170
RECREATION				
Program offerings				
Youth	770	733	580	544
Adult	240	238	232	23
Senior citizen	19	15	15	35
WATER AND SEWER				
Number of Active meters	16,924	16,831	16,698	16,604
Gallons of water pumped	1,539,240,400	1,532,814,900	1,478,703,000	1,525,850,300
Gallons of water sold (billed)	1,268,506,000	1,260,283,300	1,216,020,300	1,330,730,900
Utilization	82%	82%	82%	87%

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.

2013	2012	2011	2010	2009	2008
1,376	1,250	2,021	1,168	1,305	1,311
7,076	6,220	6,889	6,521	8,750	9,712
685	692	684	628	613	630
34	33	33	29	34	34
61	63	63	67	68	63
1,245	1,304	1,397	1,332	1,480	1,579
41,754	45,184	46,591	55,297	55,166	55,507
8,330	9,202	7,797	9,593	8,608	9,110
629	1,188	1,572	2,295	2,530	2,066
494	791	989	1,430	1,021	786
181	299	441	810	620	440
1,526	1,616	1,495	1,972	1,807	2,326
115	117	98	113	121	124
4,094	4,409	4,323	5,212	5,458	5,547
519	637	585	649	610	698
1,039	1,121	1,153	1,095	1,379	1,343
1,837	1,890	1,733	1,615	1,693	1,734
1,266	1,246	1,112	1,192	1,307	1,224
3,103	3,136	2,845	2,807	3,000	2,958
170	170	170	170	170	170
530	475	527	436	508	389
42	42	30	52	57	61
38	29	38	41	70	65
16,535	16,570	16,557	16,597	16,566	16,655
1,708,115,500	1,635,515,000	1,480,389,191	1,509,647,875	1,466,014,000	1,621,183,000
1,382,636,900	1,322,254,690	1,334,422,900	1,317,100,300	1,252,073,800	1,304,285,800
81%	81%	90%	87%	85%	80%

VILLAGE OF ROMEOVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
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	8	4-6	4-6	4-6	4-6	4-6	4-6	4-6	4-6	4-6
Patrol units	40	37	37	39	39	39	39	43	44	40
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
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	1	-	-	-	-	-		-
Parks	31	31	31	29	28	27	27	25	24	24
Acres of parks	301	301	301	242	242	241	241	222	221	221
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