

Village of Addison, Illinois

Comprehensive Annual Financial Report

Year Ended April 30, 2018





The Village of Addison is located approximately 25 miles west of downtown Chicago in DuPage County.

The picture on the front is of the Addison Consolidated Dispatch Center. The Center opened in April, 2018 and provides dispatch services for fifteen police, fire, and forest preserve agencies. The Center was designed to withstand an F-4 storm with state of the art technology. It has space for expansion to provide service to additional agencies. In conjunction with the DuPage County Emergency Telephone System Board, the center will also provide back-up space for Du-Comm one of the other consolidated dispatch centers in DuPage County. Consolidation of individual Public Safety Answering Point systems (PSAP) was a State of Illinois initiative to reduce costs and provide consistent service among public safety agencies. The Addison Consolidated Dispatch Center was recently certified by CALEA (Commission on Accreditation for Law Enforcement Agencies). The Addison Police Department has been a CALEA certified agency since 2000.

VILLAGE OF ADDISON, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**For the Year Ended
April 30, 2018**

Prepared by Finance Department

**Roseanne M. Benson
Finance Director/Treasurer**

**Deborah Norman
Assistant Finance Director**

VILLAGE OF ADDISON, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Village Elected Officials	i
Principal Officials	ii
Organizational Chart	iii
Certificate of Achievement for Excellence in Financial Reporting.....	iv
Letter of Transmittal	v-x
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	4-5
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A1-13
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	6-7
Statement of Activities	8-9
Fund Financial Statements	
Governmental Funds	
Balance Sheet.....	10
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position.....	11
Statement of Revenues, Expenditures, and Changes in Fund Balances	12

VILLAGE OF ADDISON, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities	13-14
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------

Proprietary Funds

Statement of Net Position	15-16
Statement of Revenues, Expenses, and Changes in Net Position	17
Statement of Cash Flows	18-19

Fiduciary Funds

Statement of Fiduciary Net Position	20
Statement of Changes in Fiduciary Net Position	21

Notes to Financial Statements	22-63
-------------------------------------	-------

Required Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
General Fund	64
Motor Fuel Tax Fund	65
Schedule of Funding Progress and Employer Contributions	
Other Postemployment Benefits Plan	66
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	67
Police Pension Fund	68
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	
Police Pension Fund	69
Schedule of the Village's Proportionate Share of the Net Pension Liability	
Illinois Municipal Retirement Fund	70
Schedule of Investment Returns	
Police Pension Fund	71
Notes to Required Supplementary Information	72

VILLAGE OF ADDISON, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

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

MAJOR GOVERNMENTAL FUNDS

Schedule of Revenues - Budget and Actual - General Fund	73-74
Schedule of Expenditures - Budget and Actual - General Fund	75
Schedule of Detailed Expenditures - Budget and Actual - General Fund	76-86
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Debt Service Fund	87
ACDC Building Fund	88

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	89
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	90
Nonmajor Special Revenue Funds	
Combining Balance Sheet	91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	92
Nonmajor Capital Projects Funds	
Combining Balance Sheet	93
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	94
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Capital Projects Fund	95
Michael Lane TIF #2 Fund	96
Town Center TIF #3 Fund	97
Public Building Fund	98

MAJOR ENTERPRISE FUND

Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual - Waterworks and Sewerage Fund	99
Schedule of Detailed Expenses by Department - Budget and Actual - Waterworks and Sewerage Fund	100-104

VILLAGE OF ADDISON, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
AND SCHEDULES (Continued)**

INTERNAL SERVICE FUNDS

Combining Statement of Net Position.....	105
Combining Statement of Revenues, Expenses, and Changes in Net Position	106
Combining Statement of Cash Flows.....	107-108
Schedule of Detailed Expenses - Budget and Actual	
Fleet Services Fund	109
Information Systems Fund	110
Equipment Replacement Fund	111

FIDUCIARY FUNDS

Schedule of Changes in Net Position - Budget and Actual	
Police Pension Trust Fund.....	112
Statement of Changes in Assets and Liabilities - Agency Fund	113

SUPPLEMENTAL DATA

Schedule of Long-Term Debt Requirements	
General Obligation Bond Issues.....	114-116

STATISTICAL SECTION

Financial Trends

Net Position by Components	117-118
Change in Net Position.....	119-122
Fund Balances of Governmental Funds	123-124
Changes in Fund Balances of Governmental Funds	125-126

Revenue Capacity

Assessed Value and Actual Value of Taxable Property	127
Property Tax Rates - Direct and Overlapping Governments	128
Principal Property Taxpayers	129
Property Tax Levies and Collections	130
Taxable Sales by Category	131
Direct and Overlapping Sales Tax Rates	132

VILLAGE OF ADDISON, ILLINOIS
TABLE OF CONTENTS (Continued)

	<u>Page(s)</u>
STATISTICAL SECTION (Continued)	
Debt Capacity	
Ratios of Outstanding Debt by Type.....	133
Ratios of General Bonded Debt Outstanding.....	134
Direct and Overlapping Governmental Activities Debt.....	135
Schedule of Legal Debt Margin	136
Demographic and Economic Information	
Demographic and Economic Information.....	137
Principal Employers	138
Operating Information	
Full-Time Equivalent Employees.....	139-140
Operating Indicators	141
Capital Asset Statistics	142

Village of Addison

Elected Officials



Village of Addison Board of Trustees:

Front row left to right:

Trustee Cathy Kluczny, Mayor Richard Veenstra, and Village Clerk Lucille Zucchero

Back row left to right:

Trustee Joseph McDermott, Trustee William Lynch, Trustee Harold Theodore, Deputy Mayor Thomas Hundley, and Trustee Sam Nasti

VILLAGE OF ADDISON, ILLINOIS

PRINCIPAL OFFICIALS

April 30, 2018

Village Manager

Joseph E. Block, Jr.

Assistant Village Manager/Director of Community Development

John Berley

Finance Director/Treasurer

Roseanne M. Benson

Director of Public Works

Rick Federighi

Director of Police

Timothy Hayden

Director of Community Relations

Donald Weiss

Director of Personnel/Risk Management

Donald Pinson

Village Attorney

Robbins Schwarz

Audit Committee Member

Donald McComb

Audit Committee Member

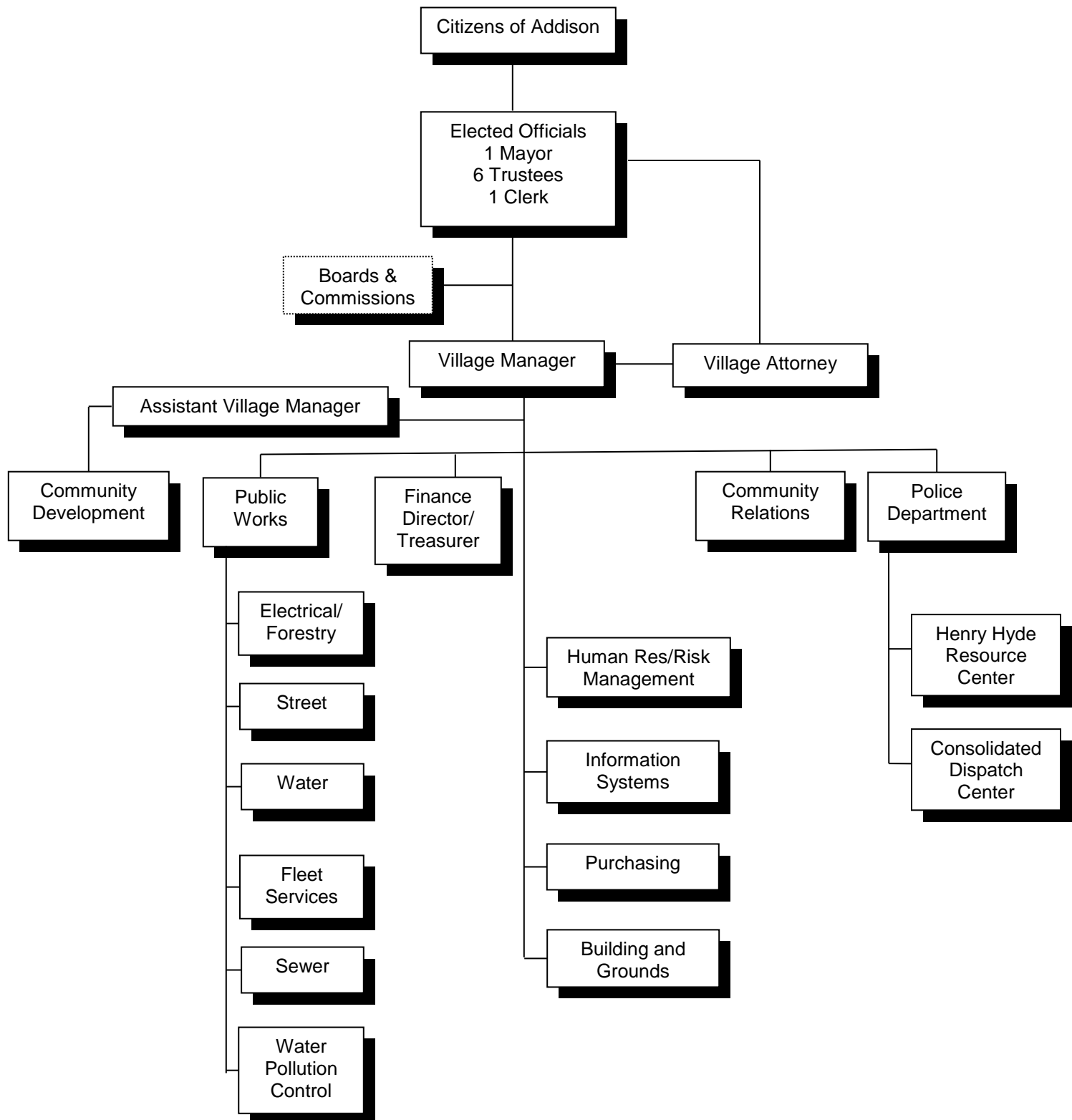
Maria Cesario DeNicolo

Audit Committee Member

Sylvia Layne

VILLAGE OF ADDISON

Organizational Structure



*Fire services are provided by the Addison Fire Protection District, which is a separate taxing body. The Village has no authority over the District.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
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Presented to

**Village of Addison
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

April 30, 2017

Christopher P. Morill

Executive Director/CEO



Village of Addison

Finance Department

October 25, 2018

The Honorable Richard H. Veenstra, Mayor
Members of the Village Board of Trustees
Village Clerk Zuccherro
Citizens of the Village of Addison, Illinois

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the Village of Addison for the fiscal year ended April 30, 2018, is herein submitted as required by State Statute. State Statute requires an audit shall be made by a licensed public accountant, annually, and shall cover the immediately preceding fiscal year and shall be filed with the Comptroller within six months after the close of the fiscal year.

This report consists of management's representations concerning the finances of the Village of Addison. Consequently, management assumes full responsibility for the completeness and reliability of all 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 controls should not outweigh their benefits, the Village of Addison's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. 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 of Addison's basic financial statements have been audited by Sikich, LLP, a firm of licensed Certified Public Accountants. They have issued an unmodified ("clean") opinion on the Village of Addison's basic financial statements for the fiscal year ended April 30, 2018. The independent auditor's report is presented as the first component 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.

Profile of the Government. The Village of Addison is rich in heritage, its history dating back to the years when the territory was inhabited by the Algonquin Indians. The first settlers arrived in 1833 and the community was incorporated on August 18, 1884. Located approximately 20 miles west of Chicago, in the County of DuPage, the Village occupies a land area of approximately 9.0 square miles and had a 2010 population of 35,942. The Village has a variety of housing options from rental units to single family homes. Prior to the housing slump, the average value of a single family home had ranged from \$300,000, to more than \$600,000. However, the housing slump and increase in foreclosed properties has negatively impacted that range. We are continuing to see a rebound in home sales and an increase in home values.

The Village of Addison is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by State Statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council. See Note 3a in the Notes to Financial Statements regarding the property tax levy and corresponding receivable.

The Village of Addison operates under a Mayor-Council, Manager form of government. Addison is a home-rule municipal corporation governed by the Mayor and six trustees, who are elected on a non-partisan basis to serve four-year overlapping terms. The Village Manager is appointed by the Village Board and serves as the Chief Administrative Officer. The Village Board is responsible for establishing Village policy, which, in turn, is implemented on a day-to-day basis by the Village Manager and Village staff.

The Village of Addison provides a full range of governmental services. Specifically, the Village provides police protection, water and sewer utilities, construction and maintenance of roadways and infrastructure, engineering, code enforcement, planning, zoning, finance and general administrative services. In addition, the Village operates a cable television station which televises Village Board meetings, special community events, community information bulletins and free movies as part of their broadcast schedule. Fire protection is provided by the Addison Fire Protection District #1 which is a separate entity and taxing body.

The Village also operates the Addison Consolidated Dispatch Center (ACDC). The center was established in 2012 and provides police dispatch services for the Village of Addison, the Village of Bensenville, the Village of Bloomingdale, the DuPage County Forest Preserve Police, the City of Wood Dale, the Village of Itasca, the Village of Glendale Heights and the Village of Westmont. The Center provides fire dispatching to the Addison Fire Protection District, Tri-State Fire Protection District, Pleasantview Fire Protection District, Itasca Fire, Westmont Fire and Wood Dale Fire. The Center will add the Bensenville Fire Protection District in mid Fiscal 2019. The Center is capable of expanding services to other communities.

The Emergency Telephone System Board provided funding to update the radio console system and replace radios for sworn personnel to allow for interoperability between many agencies and solve area-wide radio frequency issues. The Village completed the construction of a new state of the art dispatch center on vacant land owned by the Village. The facility is approximately 20,700 square feet and includes additional workstation space for expansion and to provide backup facilities for DU-COMM, the other consolidated dispatch center in DuPage County.

The Village's Park District, School Districts and Public Library, which are separate governmental entities, provide a wealth of services. Addison is served by a highly ranked public school system anchored by Addison Trail High School. Addison is also home to DeVry University. This west suburban location offers B.S. degrees in several categories of technology. DeVry also added an affiliation with the Chamberlain College of Nursing in 2008.

The Addison Park District, in addition to other facilities, operates the Family Aquatic Center, which is a national award winning outdoor water park offering a variety of water-related fun for the whole family. The Park District also manages two community centers, one of which includes a senior leisure center and the other an indoor pool and workout gym in addition to 24 park sites. Links & Tees Golf Facility is honored to be a Top 50 Stand-Alone Range by the Golf Range Association of America. The facility includes a nine-hole golf course, a miniature golf course, an outdoor driving range and putting green and an indoor golf dome, which includes a driving range, and putting and chipping areas.

The Addison Public Library, built in 2008, is a 56,000 s.f. state of the art facility utilizing several aspects of green engineering including a green roof. The Library has seen an increase in the number of circulated items and the number of patrons using the facility. The Library continues to collaborate with High School District #88 to operate Perks and Possibilities Café. The café is a joint venture between the Library and DuPage High School District #88. The café's operators are students from the Transitions Program and their advisors. This program helps cognitively disabled students, ages 19-21, learn life skills, obtain job training in a community setting, and transition to life after District #88. The old library building was remodeled and is occupied by DuPage High School District #88 for use as administrative offices and living classroom space for the Transitions Program.

The Village has evaluated other governmental services to determine whether they should be included in the Village's reporting entity. Excluded from the reporting entity are the various school districts, fire protection district, park district, library and township which fall within the Village's boundaries, but which do not meet the criteria for inclusion as set forth by Generally Accepted Accounting Principles (GAAP).

The annual budget serves as the foundation for the Village of Addison's financial planning and control. The budget process begins in November and culminates with passage by the Board before the end of the current fiscal year, April 30 and takes effect on May 1. The approved budget document serves as the basis of the Appropriations Ordinance which sets the legal spending limits of the Village. In November of each year, the Village Manager and the Finance Director distribute the budget calendar and instructions to Department Heads. Departmental requests are then reviewed at the staff level. The Village Manager and Finance Director will then propose a balanced baseline budget and propose new programs for consideration by the Finance and Policy Committee of the Village Board. The Committee then considers the proposed budget and approves final spending levels. The Committee formally considers the budget in April after holding a public hearing and recommends final approval to the Village Board. The Village Board then approves the budget prior to April 30. The new budget takes effect May 1. The approved budget is prepared by fund, function (e.g. public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department. Transfers of appropriations between funds, however, require the special approval of the Village Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and the Motor Fuel Tax Fund, this comparison is presented as part of the Required Supplementary Information. For governmental funds, with appropriated annual budgets, this comparison is presented in the Combining and Individual Fund Financial Statements and Schedules subsection of this report.

In addition, the Village mandates extensive budgeting controls. The objective of these controls is to ensure compliance with legal provisions embodied in the adoption of the annual appropriations ordinance (budget) by the Village's governing body. The annual budget covers activities of the general, special revenue, debt service, capital projects, enterprise, internal service and pension trust funds. All budget authorizations lapse at year end, and incomplete projects are usually re-budgeted in the subsequent fiscal year. The level of budgetary control (i.e. the level at which expenditures cannot legally exceed the budgeted amount) is at the fund level. As one method of accomplishing budgetary control, the Village reports encumbrances, if any, since they do not constitute expenditures or liabilities. As demonstrated by the statements and schedules included in the financial section of the report, the Village continues to meet its responsibilities for sound financial management.

Local economy. The Village of Addison has a diversified commercial and retail base, as well as a substantial number of small and medium sized manufacturing companies. The Village is home to the largest industrial park in DuPage County and the fourth largest in Illinois, with 1,200 acres of industrial park, 800 acres of which are sheltered (with structures). Recent studies report a 96% occupancy rate in the industrial park. Over the years, the Village has experienced steady growth and is now in an enviable position of maintaining a high level of development due to available land and a desirable location. Long-term revenue trends show steady growth with sales tax and state income tax being the primary revenue sources for the Village. The economic downturn caused a drop to primary revenue sources. However, we are seeing a recovery in our primary revenue sources as the economy gets stronger.

The Village of Addison's strategic location has the advantage of being easily accessible from every direction. Four State highways penetrate and cross its boundaries including Route 20 (Lake Street), Route 53 (Rohlwing Road), Route 64 (North Avenue), and Route 83 (Robert Kingery Highway). Lake Street, the main street through the Village boasts over 30,000 cars traveling on a daily basis. Interstate I-290, the North-South Tollway I-355 and the Tri-State Tollway I-294 provide easy vehicular access to Addison. The Chicago Loop and Midway Airport are 35 minutes away; O'Hare International Airport is a 20 minute drive. Rail commuters can use METRA's Milwaukee District West Line station in Wood Dale, or the Union Pacific West Line in Villa Park, and may expect a 35 to 48 minute trip to the Loop. Two PACE bus routes were added to the Village in the summer of 2008 which now allow residents to go to a local shopping mall, and transfer to other bus routes within the county.

With a central location in the metropolitan area, Addison has attracted several regional distribution facilities, the largest being the United Parcel Service Distribution Center, which employs over 2,900 people. The Village is also the site of the international headquarters and expanded warehouse facilities for The Pampered Chef, a supplier of high-end kitchen utilities. The 43 acre site includes a 600,000 square foot warehouse and a 180,000 square foot office building.

The Lake Street Business and Entertainment Corridor is home to several commercial properties including a membership shopping club, big box retail store, hotel, movie theatre complex, drugstores, and several restaurants ranging from fast food and coffee shops to elegant steakhouse dining. The development of this corridor was accomplished thru the use of various Village incentives and private developers. The addition of a Caputo's grocery store (specializing in Italian,

Mexican, Polish and Middle Eastern items) and Jimenez grocery provide specialty grocery shopping for our ethnically diverse community and surrounding communities.

During Fiscal 2018, the Village saw several major developments, including:

- Construction began on The Enclave, located on the old 3-par golf course at Army Trail Road and Mill Road. Prices for the homes will start in the low \$300,000 range. Phase one will include forty-four one story single family homes, with an option for a second level.
- Woodland Estates will include 14 single family attached homes, complete with full basements. The development is located on western end of the Village on Route 53 and Woodland Avenue. Phase one was near completion in FY 2018 with Phase two starting in FY 2019
- Clarendale of Addison, a senior citizen facility that will include independent living thru memory care options started construction in late FY 18. It is located on the western end of the Village with easy access to the I-355/I-290 highway system.
- The Caputo's grocery store continued an upscale renovation to include an expanded deli and seated eating area.
- A Buckey's Gas Station and Car Wash opened on the southeast corner of Lake Street and Route 53 on the western end of the Village.
- The Addison Bank and Trust, a Wintrust community bank, opened their facility on the eastern end of the Village.
- Construction was completed on the Addison Consolidated Dispatch Center. The building is a 20,700sq ft state of the art facility that will be rated for an F-4 storm. In addition to the dispatch center, the facility also includes an Emergency Operations Center and Village Information Technology infrastructure. The facility is also able to provide back-up space for DuComm, the other dispatch agency in DuPage County.
- The Village selected new Financial software and started implementation in January 2018. The first phase, accounting, purchasing and accounts payable went live May 1.

During the next year, the Village will see major developments including:

- Construction will begin on a hotel complex on the eastern end of the Village.
- A pipe manufacturer in the Village will start an expansion project.
- Clarendale of Addison a senior citizen facility that will include independent living thru memory care options should be completed and occupied by the end of FY 2019.
- The Caputo's grocery store will complete an upscale renovation to include an expanded deli and seated eating area.
- The annexation of properties at the intersection of Rte. 53 and Lake St will move forward.
- An equipment company with a sales, service and parts operations are anticipated to move into the Village.
- The Financial software implementation will continue with the Payroll module followed by the Water Billing Utility module. As part of the Village Wide upgrades, the Police Department will migrate to a new scheduling and time entry software program; Public Works will implement a work order and time tracking program and Community Development will start the implementation of a Permit/Plan/Inspection program.

Several new annexations and development of existing parcels from single-family home sites, commercial parcels, and major industrial buildings ranging in size to over 100,000 square feet have been ongoing in recent years. This trend has slowed in response to the overall economic condition. New home construction in the Village has slowed in conjunction with the national trend. Local builders have built numerous upscale homes in the recent past as a result of in-fills and teardowns, ranging in price from \$500,000 to \$1 million. Townhomes and condos have been constructed in the Village with prices starting at \$250,000 on up. Private land acquisitions for several developments were put on hold until the economy recovered. We are now seeing these developments start ground breaking and construction. We are seeing an increase in the purchase of foreclosed and vacant properties.

The Village government has actively promoted the Village to prospective business owners, and has constructed an extensive streetscape beautification project along the Lake Street Corridor. Other development promotions utilized by the Village include Tax Increment Financing (TIF) incentives, the creation of a business district qualifying this area for various state grants and loans, and sales tax sharing arrangements used as a development incentive.

The Village completed a feasibility study for the establishment of a Town Center in the commercial area located north of Lake Street and west of Addison Road (the eastern section of the Village). The Town Center Plan would redevelop this large and important commercial area of the Village and serve as a community focal point. The Village approved the plan and established it as a TIF district during FY 2007. The Town Center Plan includes mixed-use buildings, with commercial operations on the street level and residential dwellings on the upper floors.

In addition to the commercial and residential growth, the various local governmental units, business community, and service clubs have been active participants in maintaining the vitality of the Village. Through a strong sense of community and a high rate of volunteerism, numerous community activities are hosted each year. Some of these annual events include, The Mayor's Community Charity Ball (25th Anniversary in 2015), the Police/Fire Merit Review Awards, the Holiday Tree Lighting Ceremony, the Tuesday night Concerts in the Park series, the Thursday night Rock'N'Wheels, (live music, car and bike show) and Addison by the Slice held in conjunction with the National Night Out event. The Historical District in Addison, which is just south of the Village Hall complex, holds tours of the two houses and sponsors a craft show during the weekly Rock'N'Wheels events. These events attract a multitude of people from the Village and surrounding communities to downtown Addison. The popularity of these events have made Addison a destination on Thursday nights.

Long-term financial planning. The Village, during the annual budget process, projects general operational expenditures over a three year period and capital expenditures over a five year period. This enables the Village to determine the best use of resources both currently and in future years. In addition, the Village leverages its cash outflow by applying for federal and state grants, and replaces water and sewer related infrastructure in conjunction with county or state road reconstruction projects. Joining other agencies for road construction projects not only gives the Village the ability to accomplish more with less, it also decreases the inconvenience to residents as their street is only torn up once. The Village has utilized General Obligation Bonds to fund some of the larger projects. However, this source is used only upon careful consideration by the board. In addition to judicious issuance of new General Obligation Bonds, the Village has taken advantage of dropping interest rates to refund, or refinance current debt as it becomes available. This process provides cost savings to the Village and its residents over the remaining life of the bond. The Village is proud of its AA+ rating by Fitch and AA rating by Standard and Poors.

Relevant financial policies. The Village's financial policy requires the maintenance of a minimum of three months cash balance in all operating funds. The Village has been successful in maintaining this level of balances. In addition, the maintenance of a scheduled replacement program for rolling stock is achieved by the establishment of an Equipment Replacement Fund, dedicated to providing for the replacement of all vehicles and related capital equipment.

Major initiatives. The coming year will see continued road improvements. The Village will continue the implementation of the various software programs that will bring efficiencies and better data retrieval.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Addison for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2017. This was the thirty-first consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report

must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Village of Addison has also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget. In order to qualify for the Distinguished Budget Presentation Award, the Village's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

Acknowledgments. The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. The dedicated department heads, supervisors and employees of the Village have worked hard to continue to provide services to our residents with limited resources and unique solutions. In addition, I would like to acknowledge and thank the Mayor and the Board of Trustees and the Village Manager for their leadership and support in planning and conducting the financial affairs of the Village in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink that reads "Roseanne M. Benson". The signature is written in a cursive, flowing style.

Roseanne M. Benson, CPA
Finance Director/Treasurer

INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Board of Trustees
Village of Addison, 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 Addison, Illinois (the Village), as of and for the year ended April 30, 2018, which collectively comprise the Village's basic financial statements as listed in the table of contents and the related notes to financial statements. We have also audited each nonmajor governmental fund and each fiduciary fund as of and for the year ended April 30, 2018 presented in the accompanying combining and individual fund 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 and the standards applicable to financial audits in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic 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 as well as each nonmajor governmental fund and each fiduciary fund of the Village of Addison, Illinois, as of April 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended, in conformity 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 other 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 basic financial statements and on each individual nonmajor governmental fund and fiduciary fund taken as a whole. The introductory section, statistical section and financial information listed as schedules in the accompanying table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. The financial information listed as 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2018 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

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 31, 2018

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable President
Members of the Board of Trustees
Village of Addison, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Addison, Illinois (the Village), as of and for the year ended April 30, 2018, and the related notes to financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated October 31, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich LLP

Naperville, Illinois
October 31, 2018

VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2018

This section of the Village of Addison's (the "Village") Comprehensive Annual Financial Report (CAFR) presents Management's Discussion and Analysis (MD&A) of the Village's financial activities during the fiscal year ended April 30, 2018 with comparison to the fiscal year ended April 30, 2017. It 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 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 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 Transmittal Letter which can be found on pages v-ix of this report.

Financial Highlights

- The Village obtained an unmodified opinion from the independent audit firm, Sikich LLP.
- The net position of the Village of Addison at the close of the most recent fiscal year was \$143,663,162. Of this amount, the unrestricted net position posted a deficit \$32,307,888. The deficit unrestricted net position is due to the addition of the pension liability for the Village portion of the Illinois Municipal Retirement Fund (IMRF) which was \$5,521,908 and the Police Pension Liability that totals \$36,072,279. Excluding the addition of the liabilities, the net unrestricted position of \$9,286,299 is available to finance day to day operations.
- The Village's total net position increased by \$4,582,438 or 3.5% during the fiscal year ending April 30, 2018. Governmental net position increased \$6,356,488 or 7.5% while Business-type net position decreased \$1,504,050 or (2.8%).
- Government-wide expenses were \$57,122,708, funded with program revenues of \$27,641,272 and property, sales, telecommunications, and other taxes, interest, and miscellaneous of \$34,333,874; with the difference accounting for the increase in net position during the fiscal year of \$4,852,438.
- As of the close of the current fiscal year, the Village of Addison's governmental funds reported combined ending fund balances of \$17,438,443 a decrease of \$6,867,828 or 28.3% in comparison with the prior year. This decrease is primarily due to decreases in restricted for Debt Service of \$6,769,323, decreases in Unassigned Fund Balance of \$874,529, increases in restricted for Public Safety of \$279,214, increases in Assigned for Subsequent Budget of \$206,700, increases in Assigned for Debt Service of \$58,333 offset by decreases in Assigned for Capital Projects of \$497,244, offset by increases in Restricted for Highways and Streets of \$863,118, and decreases in Restricted for Economic Development, \$176,382. Approximately 57.0% of the total fund balance amount, \$9,946,924, is *available for spending* at the government's discretion (*unrestricted, unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the assigned and unassigned components of the fund balance) for the General Fund was \$11,124,750 or 31.5% of General Fund expenditures. This exceeds the Village's target of 25%.

Overview of the Financial Statements

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

VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Government-Wide Financial Statements

The Government-Wide Financial Statements beginning on page 6 are designed to provide readers with a broad overview of the Village of Addison's finances, in a manner similar to a private-sector business.

The Statement of Net Position (pages 6 to 7) presents information on the Village's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. 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 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. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Addison is improving or deteriorating.

The Statement of Activities (pages 8 to 9) presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave) and is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the Village's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various government services and/or subsidy to various business-type activities.

Both of the government-wide financial statements distinguish functions of the Village of Addison that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village of Addison include general government, public safety (police), community development, highways and streets, and interest. The business-type activities of the Village of Addison include the Waterworks and Sewerage fund.

The Governmental Activities reflect the Village's basic services, including police, public works, highways and streets, community development, and general administration. Property taxes, shared state sales taxes, local telecommunications taxes, shared state income taxes, and home rule sales taxes, finance the majority of these activities. The Business-Type Activities reflect private sector-type operations (Waterworks and Sewerage Fund), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Addison, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental

VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village maintains 15 individual governmental funds; 4 major funds and 11 non-major funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Motor Fuel Tax Fund, ACDC Building Fund and Debt Service Fund, all of which are considered to be major funds. Data from the other eleven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for its general fund. Budgetary comparison schedules have been provided for the general fund and the motor fuel tax fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found beginning on page 10 of this report.

Proprietary Funds. The Village of Addison maintains two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented in Business-Type Activities in the Government-Wide Financial Statements. The Village has only one enterprise fund, the Waterworks and Sewerage Fund. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its central garage operations, management information systems and equipment replacement. All Internal Service Funds serve governmental rather than business-type functions and have been included with Governmental Activities in the Government-Wide Financial Statements.

Proprietary Fund Financial Statements (pages 15 to 19) provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund which is considered a major fund of the Village and is presented in a separate column in the Fund Financial Statements. Conversely, all three Internal Service Funds are combined in a single, aggregate presentation in the Proprietary Fund Financial Statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements presented elsewhere in the report.

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

The basic fiduciary fund financial statements can be found beginning on page 20 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to financial statements can be found immediately following the Basic Financial Statements section of this report beginning on page 22.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including the general fund and motor fuel tax fund budgetary schedules and data concerning the Village's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found immediately following the notes to the financial statements beginning on page 64.

The combining and individual fund financial statements referred to earlier in connection with major governmental funds are presented immediately following the required supplementary information beginning on page 73. The combining and individual fund financial statements for non-major governmental, enterprise, and internal service funds are presented immediately following, beginning on page 89.

VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The net position of the Village of Addison was \$143,663,162 as of April 30, 2018.

By far the largest portion of the Village of Addison's net position, 118.9% reflects its net investment in capital assets. Net investment in capital assets is the investment in capital assets (e.g. land, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The Village of Addison uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village of Addison'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.

Village of Addison's Net Position

	Governmental Activities		Business-Type Activities		Total Primary Governmental	
	2018	2017	2018	2017	2018	2017
Assets						
Current and other assets	\$ 34,281,501	\$ 41,288,722	\$ 10,133,949	\$ 10,800,574	\$ 44,415,450	\$ 52,089,296
Capital Assets	152,947,107	141,934,276	58,771,318	59,572,311	211,718,425	201,506,587
Total Assets	187,228,608	183,222,998	68,905,267	70,372,885	256,133,875	253,595,883
Deferred outflows of Resources						
Unamortized loss on refunding	234,363	126,096	16,983	25,474	251,346	151,570
Pension Items - IMRF	1,354,159	3,879,233	512,269	1,866,209	1,866,428	5,745,442
Pension Items - police pension	3,125,244	1,930,526	0	0	3,125,244	1,930,526
	4,713,766	5,935,855	529,252	1,891,683	5,243,018	7,827,538
Total Assets and Deferred Outflows of Revenues	191,942,374	189,158,853	69,434,519	72,264,568	261,376,893	261,423,421
Liabilities						
Current Liabilities	7,388,700	3,703,347	3,301,015	1,531,330	10,689,715	5,234,677
Non-current Liabilities	71,108,750	79,055,389	12,587,412	17,022,556	83,696,162	96,077,945
Total Liabilities	78,497,450	82,758,736	15,888,427	18,553,886	94,385,877	101,312,622
Deferred inflows of Resources						
Unavailable revenue - property tax	9,085,262	9,340,602	0	0	9,085,262	9,340,602
Pension Items - IMRF	3,928,219	304,304	1,485,856	146,396	5,414,075	450,700
Pension Items - police pension	8,828,517	11,508,773	0	0	8,828,517	11,508,773
	21,841,998	21,153,679	1,485,856	146,396	23,327,854	21,300,075
Net Position:						
Invested in Cap assets, net of debt	122,991,617	116,873,726	47,815,312	48,076,005	170,806,929	164,949,731
Restricted	5,134,121	3,494,341	30,000	30,000	5,164,121	3,524,341
Unrestricted	(36,522,812)	(35,121,629)	4,214,924	5,458,281	(32,307,888)	(29,663,348)
Total Net Position	\$ 91,602,926	\$ 85,246,438	\$ 52,060,236	\$ 53,564,286	\$ 143,663,162	\$ 138,810,724

VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Net Investment In Capital Assets

The following table shows the calculation of Net Investment in Capital Assets.

GOVERNMENTAL ACTIVITIES

Capital Assets		\$ 152,947,107
Less: Outstanding Debt		
GOB Series 2008 Refunding	\$ 2,905,000	
GOB Series 2010 Taxable – Driscoll Property (Village Asset)	305,000	
GOB Series 2012 Refunding (General Fund Portion)	470,073	
GOB Series 2012 Refunding (ERF Portion)	359,276	
GOB Series 2015 Refunding (partial of 2006C & 2007)	8,655,000	
GOB Series 2016 A ACDC Building	9,525,000	
GOB Series 2016B Refunding 2006 A	1,945,000	
GOB Series 2017 ACDC and other Capital	2,468,303	
GOB Series 2017A Refunding 2010	2,450,000	
Net unamortized premium/discount/gain/losses	872,838	
		<u>(29,955,490)</u>
Net Investment in Capital Assets		<u><u>\$ 122,991,617</u></u>

BUSINESS-TYPE ACTIVITIES

Capital Assets		\$ 58,771,318
Less: Outstanding Debt - GOB Series 2012 (Water Portion)		
GOB Series 2012 (Water Portion)	\$ 385,651	
GOB Series 2017 Water/Sewer Portion	2,931,697	
Illinois EPA Loan	7,503,226	
Net unamortized premium/discount/gain/losses	135,432	
Unamortized charge on refunding		
		<u>(10,955,996)</u>
Net Investment in Capital Assets		<u><u>\$ 47,815,312</u></u>

For more detailed information see the Statement of Net Position on pages 6 to 7

An additional portion of the Village of Addison's net position, 3.6%, represents resources that are subject to restrictions on how they may be used. Prior to the addition of the liabilities, the net unrestricted position of \$9,286,299 is available to finance day to day operations.

The Village's total net position increased by \$4,852,438 or 3.5% during the fiscal year ending April 30, 2018. Governmental net position increased \$6,356,488 or 7.5% while Business-type net position decreased \$1,504,050 or (2.8%).

Governmental activities. Governmental activities from operations increased net position of the Village by \$6,356,488 while business-type activities decreased net position by \$1,504,050 for a net increase in the Village of Addison's net position of \$4,852,438. Key elements of these changes are as follows:

VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Village of Addison's Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues						
Charges for Services	\$ 8,397,612	\$ 7,299,900	\$ 15,550,435	\$ 15,977,868	\$ 23,948,047	\$ 23,277,768
Operating Grants	2,297,725	1,596,791	0	0	2,297,725	1,596,791
Capital Grants	1,313,390	494,002	82,110	0	1,395,500	494,002
General Revenues						
Property & Replacement Taxes	9,589,810	9,266,353	0	0	9,589,810	9,266,353
Sales & Home Rule Sales						
Taxes	17,528,212	16,659,461	0	0	17,528,212	16,659,461
Telecommunications Tax	1,029,115	1,136,401	0	0	1,029,115	1,136,401
Other Taxes	5,626,749	5,557,868	0	0	5,626,749	5,557,868
Other Revenue	474,729	359,700	85,259	29,486	559,988	389,186
Total Revenues	46,257,342	42,370,476	15,717,804	16,007,354	61,975,146	58,377,830
Expenses						
General Government	6,478,067	5,220,251	0	0	6,478,067	5,220,251
Public Safety	21,430,757	19,824,104	0	0	21,430,757	19,824,104
Community Development	4,461,440	3,052,693	0	0	4,461,440	3,052,693
Highways and Streets	6,688,849	7,553,846	0	0	6,688,849	7,553,846
Interest & fiscal charges	841,741	1,271,466	0	0	841,741	1,271,466
Waterworks and Sewerage	0	0	17,221,854	17,210,489	17,221,854	17,210,489
Total Expenses	39,900,854	36,922,360	17,221,854	17,210,489	57,122,708	54,132,849
Changes in Net Position before Transfers	6,356,488	5,448,116	(1,504,050)	(1,203,135)	4,852,438	4,244,981
Transfers	0	(333,333)	0	333,333	0	0
Change in Net Position	6,356,488	5,114,783	(1,504,050)	(869,802)	4,760,861	3,376,402
Beginning Net Position	85,246,438	80,131,655	53,564,286	54,434,088	138,810,724	134,565,743
Ending Net Position	\$ 91,602,926	\$ 85,246,438	\$ 52,060,236	\$ 53,564,286	\$ 143,663,162	\$ 138,810,724

Total Governmental Revenues increased \$3,886,866. Charges for Services increased \$1,097,712 primarily due to the increase in ACDC fees, while Property and Replacement taxes increased \$323,457. Additional increases came from Operating and Capital Grants of \$1,520,322; Sales and Home Rule Sales taxes of \$868,751 and Other taxes and revenues of \$183,910. The increases are offset by a decrease in Telecommunications taxes of \$107,286.

Charges for Services increased \$1,097,712 or 15.0% primarily due to increases in Police Dispatch Center related Fees of \$1,126,262 and increases in Review and Inspection fees of \$196,392. The increases are offset by decreases in Red Light Camera Enforcement fees of \$106,447, School Liaison fees of \$91,219 and Police and Parking Fines of \$34,054.

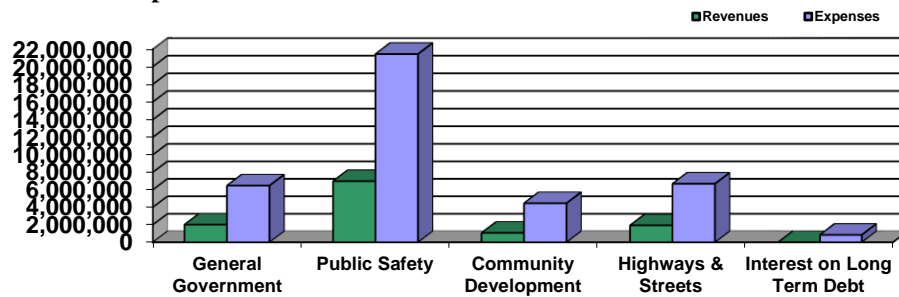
Property and Replacement taxes increased \$323,457 primarily due to an increase in the Corporate property tax levy of \$13,860; the Police Pension tax of \$274,866 along with increases in the TIF 2 and TIF 3 property taxes of \$73,649 offset by a decrease in Replacement tax of \$38,914.

The Capital and Operating Grants increase of \$1,520,322 includes \$1,200,000 in ACDC related grants, increases in Federal Equitable Sharing Programs of \$568,389 and MFT CDBG of \$113,390. The increases are offset by a net reduction in federal and local grants for purchase of flood prone properties of \$335,586 and a reduction in public safety federal grants of \$24,332.

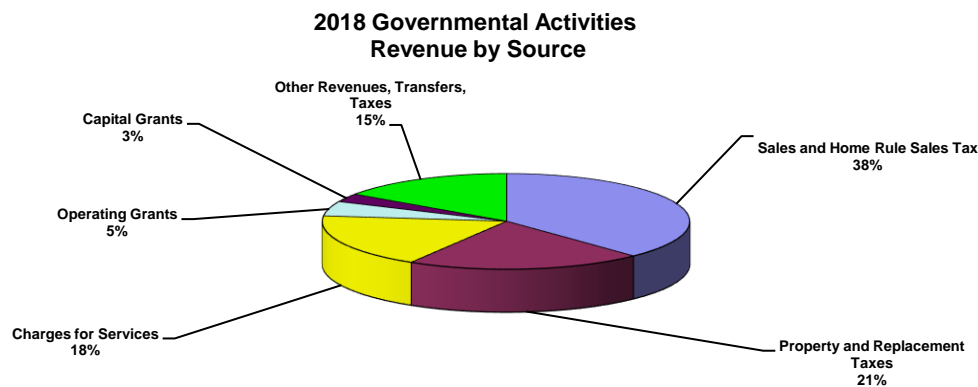
VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Program Revenues and Expenses – Governmental Activities



Revenues by Source – Governmental Activities



For the fiscal year ended April 30, 2018 total revenues from Governmental Activities, excluding transfers, totaled \$46,257,342. Program revenues which include charges for services, capital grants and operating grants provided 26% of total revenues. The remaining 74% is from general revenues. Sales tax and home rule sales tax continue to be the Village's largest revenue source coming in at \$17,528,212 and representing 38% of total Governmental Activity revenue. Property and replacement tax revenues of \$9,589,810 represent 21% while other revenues, transfers and taxes (primarily telecommunications tax, local use tax, and real estate transfer tax) and other revenues total \$7,130,593 which represent 15% of the total Governmental Activity revenue.

The Village increased its property and replacement tax revenues from \$9,266,353 in Fiscal Year 2017 to \$9,589,810 in Fiscal Year 2018, an increase of \$323,457 or 3.5%. Property and Replacement tax increases are primarily due to increases in the Corporate property tax levy of \$12,493; the Police Pension tax levy of \$274,866; the TIF 2 property tax levy of \$63,320 and TIF 3 property tax levy of \$10,329. The increases are offset with decreases in Replacement tax of \$38,916. In addition, the Village experienced a \$75,401,945 increase in its equalized assessed valuation (EAV) from \$980,650,193 in the 2015 property tax year to \$1,056,052,138.

Equalized Assessed Valuation

Levy Year	Fiscal Year	Assessed Valuation	State Equalization Factor	Equalized Assessed Valuation	EAV Growth	% Incr	<u>TOTAL EAV GROWTH</u>	
							New Growth/Annex.	Other Growth **
2007	2009	\$ 1,323,632,286	1.0000	\$ 1,323,632,286	\$ 55,607,278	4.39%	\$ 13,118,850	\$ 42,488,428
2008	2010	1,404,323,987	1.0000	1,404,323,987	80,691,701	6.10%	12,173,610	68,518,091
2009	2011	1,393,968,767	1.0000	1,393,968,767	(10,355,220)	(0.74)%	0	(10,355,220)
2010	2012	1,273,532,892	1.0000	1,273,532,892	(120,435,875)	(8.64)%	2,143,580	(122,579,455)
2011	2013	1,169,485,325	1.0000	1,169,485,325	(104,047,567)	(8.17)%	2,218,430	(106,265,997)
2012	2014	1,031,412,412	1.0000	1,031,412,412	(138,072,913)	(11.81)%	2,106,940	(140,179,853)
2013	2015	960,651,383	1.0000	960,651,383	(70,761,029)	(6.86)%	4,027,640	(74,788,639)
2014	2016	952,983,530	1.0000	952,983,530	(7,667,853)	(0.8)%	10,325,224	(17,993,077)
2015	2017	980,650,193	1.0000	980,650,193	27,666,663	2.9%	1,314,590	26,352,073
2016	2018	\$ 1,056,052,138	1.0000	\$ 1,056,052,138	\$ 75,401,945	7.69%	\$ 900,530	\$ 74,501,415

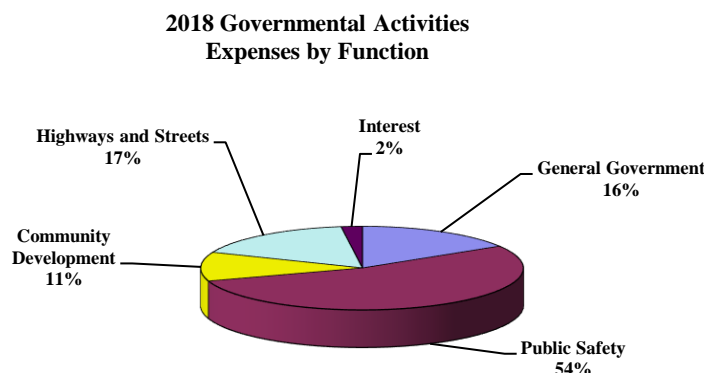
VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**Other Growth includes reassessments (quadrennial/sale of property), remodeling, and increases or decreases in the state multiplier and EAV calculations in general.

Please see Note 3a in the Notes to Financial Statements for discussion of the property tax levy. A 10 year comparison of EAV and Property Tax levies can be found in the Statistical Section of this report.

Expenses:



For the fiscal year ended April 30, 2018, expenses from Governmental Activities totaled \$39,900,854 or an increase from FY 2017 of \$2,978,494 or 8.1%. The increase in expenses is primarily due to increases in Public Safety of \$1,606,653, Community Development of \$1,408,747 and General Government of \$1,257,816. The increases are offset by decreases in Highway and Streets of \$864,997 and Interest Expense of \$429,725. The majority of the Governmental Activities expenses come from the General Fund. A more in-depth discussion of the General Fund results follows on page MD & A- 9.

Business-Type Activities

Business-type activities reduced the Village of Addison's net position by \$1,504,050. This decrease is primarily due to an operating loss of \$1,340,612 and net non-operating expenses of \$163,438.

Revenues:

Charges for services decreased \$427,433 or 2.7% over FY 2017 primarily due to a .39% decrease in water and sewer rates of \$165,554, decrease in consumption of \$59,491, decreases in Insurance Reimbursements of \$219,195, The decreases are offset by increases in Administrative Adjudication of \$17,150. The total of all classes of consumption experienced a .39% decrease in FY 2018, as noted below.

Comparison of Consumption (in 000 gallons)

	<u>FY 2018</u>	<u>FY 2017</u>	<u>% Change</u>
Residential	\$ 414,328	\$ 502,600	(17.56)%
Commercial	131,151	128,822	1.81%
Industrial	202,290	201,342	.47%
Apartments	233,557	152,433	53.22%
	<u>\$ 981,326</u>	<u>\$ 985,197</u>	<u>(.39)%</u>

VILLAGE OF ADDISON, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The Village is a member of the DuPage Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 3 year rate plan in FY 2018. The three year plan is based on projected usage, Village expenses and charges from the DPWC.

Non-operating revenue increased by \$55,773 due to an increase in investment income. Non-operating expenses decreased by \$43,875, due to a decrease in interest expense.

Expenses:

Expenses from all Business-Type Activities decreased \$11,365. This decrease is primarily attributed to decreases in Personnel Costs of \$450,066 (IMRF Pension expense of \$541,159 and Administrative and Part time wages of \$91,381), Supplies and Materials of \$36,187 and Interest and Fiscal Fees of \$78,713. The decreases are offset by increases in Services and Charges of \$8,714, Charge for Internal Services of \$91,396, Net Capital Outlay of \$206,861 and Depreciation expense of \$225,484.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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

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

At April 30, 2018 the Governmental Funds (as presented on page 10) reported a combined ending fund balance of \$17,438,443 which is a decrease of \$6,867,828 or 28% from the beginning of the year balance of \$24,306,271. Of the total fund balance, \$11,124,750 is unrestricted/unassigned fund balance in the general fund indicating availability for continuing Village services. An additional \$214,097 is unrestricted, assigned for capital projects funds and \$6,522 is unrestricted, committed for community events. The unrestricted, assigned for debt service balance is \$1,100,000. Restricted fund balance of \$5,134,121 includes, \$1,265,872 for streets and highways, \$935,566 for public safety and \$2,932,683 for debt service. A total of \$54,349 is non-spendable fund balance and is for notes receivable of \$3,970, and prepaid items of \$50,409.

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The total fund balance of the General Fund decreased by \$125,469 in Fiscal 2018 compared to an increase of \$1,498,048 in Fiscal 2017. This is a \$1,623,517 or 108.38% decrease over Fiscal 2017. Revenues increased by \$2,235,065 or 6.81% from the prior year and expenditures increased by \$3,604,082 or 11.38% as shown below. Net other financing sources decreased \$254,500 from FY 2017.

General Fund Revenue Comparison

	2018	2017	\$ Increase (Decrease)	% Increase (Decrease)
Taxes	\$ 12,266,762	\$ 11,251,536 *	\$ 1,015,226	9.02%
Licenses and Permits	2,591,314	2,402,262	189,052	7.87%
Intergovernmental	14,585,292	14,629,339 *	(44,047)	(.30)%
Charges for Services	3,737,015	2,611,715	1,125,300	43.09%
Fines and Forfeits	921,896	1,054,526	(132,630)	(12.58)%
Investment Income	103,366	44,672	58,694	131.39%
Miscellaneous	858,446	834,976	23,470	2.81%
	\$ 35,064,091	\$ 32,829,026	\$ 2,235,065	6.81%

* FY 2017 Taxes were reduced by \$10,945,365 and Intergovernmental were increased by the same amount due to a reclassification of Sales (Retailers Occupation) Tax, Replacement Tax, and Local Use Tax to compare to FY 2018.

VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The largest increase in revenues came from a \$1,125,300 or 43.09% increase in Charges for Services. The increase is due to the addition of agencies to the Addison Consolidated Dispatch Center and corresponding increase in charges of \$1,126,262.

General Fund Expenditure Comparison

	FY 2018	FY 2017	\$ Increase (Decrease)	% Increase (Decrease)
Personal Services	\$ 26,846,460	\$ 24,416,733	\$ 2,429,727	9.95%
Supplies & Materials	930,062	837,600	92,462	11.04%
Services & Charges	4,256,677	3,863,326	393,351	10.18%
Capital Outlay	131,953	33,685	98,268	291.73%
Transfer to Internal Service Funds	3,119,908	2,529,634	590,274	23.33%
	<u>\$ 35,285,060</u>	<u>\$ 31,680,978</u>	<u>\$ 3,604,082</u>	<u>11.38 %</u>

The largest increase of \$2,429,727 is in Personal Services. The consolidated dispatch center saw increases in personnel costs of \$1,343,706 due to the increase in staffing levels to accommodate an increase in agencies that are dispatched. Police Department increases of \$884,938 are primarily due to returning to full staffing levels and annual wage increases. The increase in Supplies & Materials of \$92,462 is primarily due to increases in the Street Department of \$73,190 and the Consolidated Dispatch Center of \$18,831. Services and Charges posted an increase of \$393,351 which includes increases in Building & Grounds of \$120,990, Consolidated Dispatch Center of \$92,325, Community Relations of \$86,398 due to additional programming, Administration of \$70,259 and Community Development of \$38,965. The increases are offset with decreases in Electrical & Forestry of \$18,748 and Streets of \$16,880.

The increase in Transfer to Internal Service Funds is primarily due to increases in the transfers from Information Systems for replacements, maintenance and improvements to the IS equipment and services.

The Motor Fuel Tax (MFT) fund receives funds from motor fuel taxes collected by the state. The distribution is based upon population. These funds are to be used for the construction and maintenance of roads and highways. In addition, the Village implemented a 0.25% home rule sales tax effective January 1, 2012 to supplement the MFT funds received from the State. Revenues increased \$161,664 from FY 2017 due to an increase in Home Rule Sales Taxes of \$74,040, an increase in Motor Fuel taxes of \$6,891 and the receipt of a Community Development Block Grant (CDBG) of \$113,390 in FY 2018 which did not occur in FY 2017. These increases were offset with a reduction in Miscellaneous Revenues of \$32,727. Total expenditures decreased by \$876,365 over total FY 2017 primarily due to timing and payment of road projects that change from year to year as noted below.

Motor Fuel Tax Fund Projects Comparison

	FY 18	FY 17	Difference
Street Maintenance	\$ 1,531,538	\$ 2,332,745	\$ (801,207)
Street Resurfacing	0	9,684	(9,684)
Ardmore	0	154,932	(154,932)
Kings Point Patching	0	17,329	(17,329)
Swift	69,605	37,748	31,857
Sidewalks	334,585	284,541	50,044
Sidewalk- Trip	99,573	102,686	(3,113)
ADA sidewalk	49,848	50,335	(487)
IDOT LED upgrade	0	94	(94)
Lorraine Gap Improvement	28,580	0	28,580
	<u>\$ 2,113,729</u>	<u>\$ 2,990,094</u>	<u>\$ (876,365)</u>

The TIF 2 Fund had an expenditure decrease of \$40,000 due to minimal expenditures in FY 2018.

VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The TIF 3 Fund had a decrease in expenditures of \$768,927 due to a decrease in the Village Green Improvements of \$824,219 offset by an increase in redevelopment incentives of \$55,305.

The Debt Service fund receives property tax receipts and a 0.25% home rule sales tax in addition to transfers from other funds. The Debt Service Fund also transfers excess sales tax receipts to other funds. The Net Change (increase) in fund balance of \$732,163 in FY 2018 compares to an increase of \$952,118 in FY 2017. The Debt Service Fund posted an increase in revenues of \$93,116 which is primarily due to an increase in Home Rule Sales Tax of \$41,040 and increase in Investment Income of \$34,302 offset by decreases in Replacement Tax of \$10,518 and Property Tax of \$4,708. Expenditure decreases of \$1,769,008 are primarily due to the pay down of the 2006A Refunding bond in FY 2017 of \$2,310,000 offset by increases in Interest and Fiscal Charges \$237,124 and Principal Payments of \$303,868.

Proprietary Funds. The Village of Addison's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewerage Fund at the end of the year amounted to \$4,214,924 whereas unrestricted net position of the Internal Service Funds was \$3,372,277.

At April 30, 2018 the Water and Sewerage Fund (as presented on page 17) total net position decreased by \$1,504,050 or 2.8%. The Internal Service Funds total net position increased by \$284,956 or 4.5%. The increase in the Internal Service Funds is primarily due to the difference between the annual charge to departments for services provided and the expenditures for those services.

GENERAL FUND BUDGETARY HIGHLIGHTS

Due to the economic downturn in Fiscal 2010 the Village took measures to decrease its expenditures as revenues were in a slump. One of the measures taken in FY 2010 was a Voluntary Separation Incentive Plan (VSIP) which allowed employees to leave with an incentive. The Village also repeated the VSIP in FY 2011 and FY 2014. The decrease in staff along with a strong fund balance has allowed the Village to weather the downturn without layoffs or Village determined staffing cuts.

General Fund Budgetary Highlights

	Original Budget	Final Budget	Actual
Revenues	\$ 34,693,800	\$ 34,693,800	\$ 35,064,091
Expenditures	<u>35,566,000</u>	<u>36,235,500</u>	<u>35,285,060</u>
Excess (Deficiency) of Revenues over Expenditures	(872,200)	(1,541,700)	(220,969)
Other Financing Sources (Uses)	<u>96,500</u>	<u>96,500</u>	<u>95,500</u>
Net Changes in Fund Balance	<u>\$ (775,700)</u>	<u>\$ (1,445,200)</u>	<u>\$ (125,469)</u>

VILLAGE OF ADDISON, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

General Fund actual revenues were \$370,291 more than the original, and final budgeted amounts. A comparison of budget to actual is as follows:

General Fund Revenues Comparison

	Original Budget	Final Budget	Actual	Change from Final Budget
Taxes	\$ 22,572,100	\$ 22,572,100	\$ 23,212,127	\$ 640,027
Licenses, Permits & Fees	2,504,600	2,504,600	2,591,314	86,714
Intergovernmental	3,880,000	3,880,000	3,639,927	(240,073)
Charges For Services	3,825,500	3,825,500	3,737,015	(88,485)
Fines & Forfeitures	1,056,800	1,056,800	921,896	(134,904)
Investment Income	10,000	10,000	103,366	93,366
Miscellaneous	844,800	844,800	858,446	13,646
Total Revenues	\$ 34,693,800	\$ 31,742,300	\$ 35,064,091	\$ 370,291

General Fund actual expenditures were \$950,440 less than the final budgeted amount. This includes decreases in Services and Charges of \$729,879 (primarily decreases in repairs and maintenance of \$723,711, technical and consulting of \$93,289, public relations of \$52,986, conferences and training of \$34,649 and economic development incentives of \$25,439, offset by increases in professional services-legal of \$160,383 and professional services – architectural of \$38,478); Supplies and Materials of \$176,138 (primarily street supplies \$122,851, other operating supplies \$12,305, office supplies \$12,877, clothing supplies \$8,540, public grounds materials/supplies \$3,991 and chemicals, \$11,248); and Internal Service Fees of \$200,892, and Capital Outlay of \$51,347 offset by increases in personal services of \$207,816.

CAPITAL ASSETS

The Village's investment in capital assets for its Governmental and Business-Type Activities as of April 30, 2018, amounts to \$211,718,425. The investment in capital assets includes land, buildings and structures, equipment, improvements other than buildings, infrastructure, and construction in progress. This amount represents a net increase (including additions and deductions) of \$10,211,838 from FY 2017. Detailed information regarding the change in capital assets for Governmental and Business-Type Activities can be found in Note 4 of the notes to financial statements.

The Governmental Activities capital assets net of depreciation increased from last year by \$11,012,831. The Business-Type Activities capital assets net of accumulated depreciation decreased by \$800,993.

DEBT OUTSTANDING

The Village currently has eight general obligation bond series and two taxable general obligation series outstanding. \$32,400,000 of general obligation bonds are outstanding at April 30, 2018.

The Village, under its home rule authority, does not have a legal debt limit. The Village is rated AA+ by Fitch Ratings and AA by Standard & Poor's. Additional information of the Village's long-term debt can be found in Note 6 in the notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Village's 2017 Equalized Assessed Valuation (EAV) was comprised of 60% residential, 9% commercial, 31% industrial, and less than 1% of farm and railroad properties. The property tax revenue derived from the residential, commercial, and industrial properties has been stable. However, as the housing market experienced a downturn, we saw the affect that downturn had on our EAV. We are starting to see a comeback with increased EAV results. The 2017 EAV is used to determine the property tax rate for taxes received in FY 2019. Investment income increased due to better interest rates and higher invested balances. Sales tax and home rule sales tax revenues continued to grow. The Village's sales tax base does not have a large number of high end luxury stores and car dealerships that are usually impacted in times of economic downturn. The mix of business types limited the decrease in sales taxes, the last couple years that some other communities have experienced.

The Fiscal Year 2019 budget includes a 4.3% increase in general fund property tax, while the police pension levy remained flat. All tax revenues were budgeted with minimal 3% increases, as the economic downturn is slowly turning. Sales taxes in the first three months of FY 2019 have been encouraging with a 10.5% increase from FY 2018 results. The Village is optimistic this upward trend will continue. Several new food and service businesses have moved into town which should provide some additional sales tax revenue. Income taxes are posting a 5% increase in the first five months of FY 2019.

The Village continues to be cautious with the FY 2019 budget and although signs point to an economic upturn, unknowns such as proposed State Legislation which could negatively impact revenues from the State, require us to continue to keep a close eye on expenditures. It is anticipated that the Village will be able to maintain a 25% minimum fund balance in FY 2019. As the budget process for FY 2020 begins, the Village will have to address changes in health care costs, any changes by the State, and determine to what extent and how fast the economic recovery will impact the Village in both revenue streams and expenditures.

The Village is a member of the DuPage Water Commission (DPWC), which purchases Lake Michigan water from Chicago and distributes it to its members and charges them according to usage. The Village passed a 3 year rate plan in FY 2018. The three year plan is based on projected usage, Village expenses and charges from the DPWC.

The Village Board approved the 2016-2019 Strategic Plan, which includes continued economic development, enhancement of the community image and senior housing. Operational budgeted expenditures included minimal increases for salary adjustments and health and liability insurance costs. The budget includes some capital project programs including various road improvements, and various water main/sewer system replacements. In FY 2005, the Village received a road analysis indicating the overall condition of the Village roadways and a suggested maintenance program. The Fiscal 2019 Motor Fuel Tax budget includes \$1,600,000 in street maintenance projects to maintain a proper condition level.

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 Roseanne M. Benson, Finance Director/Treasurer, Village of Addison, 1 Friendship Plaza, Addison, Illinois 60101 Rbenson@addison-il.org or thru the village website, www.addisonadvantage.org.

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION

April 30, 2018

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS			
Cash and investments	\$ 18,467,508	\$ 6,737,215	\$ 25,204,723
Restricted cash and investments	-	30,000	30,000
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	9,085,262	-	9,085,262
Accounts	834	3,328,361	3,329,195
Other	247,552	-	247,552
Inventory	34,683	17,336	52,019
Notes receivable	3,970	-	3,970
Prepaid items	98,610	1,345	99,955
Due from other funds	331,327	-	331,327
Due from other governments	6,011,755	-	6,011,755
Net other postemployment benefit asset	-	19,692	19,692
Capital assets, not being depreciated	59,879,742	2,343,183	62,222,925
Capital assets, being depreciated (net of accumulated depreciation)	93,067,365	56,428,135	149,495,500
Total assets	187,228,608	68,905,267	256,133,875
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized charge on refunding	234,363	16,983	251,346
Pension items - IMRF	1,354,159	512,269	1,866,428
Pension items - police pension	3,125,244	-	3,125,244
Total deferred outflows of resources	4,713,766	529,252	5,243,018
Total assets and deferred outflows of resources	191,942,374	69,434,519	261,376,893
LIABILITIES			
Accounts payable	1,422,023	1,788,701	3,210,724
Accrued payroll	441,024	104,035	545,059
Accrued interest	357,143	110,076	467,219
Unearned revenues	214,256	-	214,256
Retainage payable	370,346	-	370,346
Other liabilities	705,822	188,295	894,117
Due to other governments	331,327	-	331,327
Noncurrent liabilities			
Due within one year	3,546,759	1,109,908	4,656,667
Due in more than one year	71,108,750	12,587,412	83,696,162
Total liabilities	78,497,450	15,888,427	94,385,877
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	9,085,262	-	9,085,262
Pension items - IMRF	3,928,219	1,485,856	5,414,075
Pension items - police pension	8,828,517	-	8,828,517
Total deferred inflows of resources	21,841,998	1,485,856	23,327,854
Total liabilities and deferred inflows of resources	100,339,448	17,374,283	117,713,731

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

April 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 122,991,617	\$ 47,815,312	\$ 170,806,929
Restricted for			
Special Service Area #1	-	30,000	30,000
Highways and streets	1,265,872	-	1,265,872
Public safety	935,566	-	935,566
Debt service	2,932,683	-	2,932,683
Unrestricted	(36,522,812)	4,214,924	(32,307,888)
TOTAL NET POSITION	\$ 91,602,926	\$ 52,060,236	\$ 143,663,162

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS**STATEMENT OF ACTIVITIES**

For the Year Ended April 30, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 6,478,067	\$ 1,860,364	\$ 156,060	\$ -
Public safety	21,430,757	4,635,760	1,152,674	1,200,000
Community development	4,461,440	1,026,348	45,750	-
Highways and streets	6,688,849	875,140	943,241	113,390
Interest and fiscal charges	841,741	-	-	-
Total governmental activities	39,900,854	8,397,612	2,297,725	1,313,390
Business-Type Activities				
Water and sewerage	17,221,854	15,550,435	-	82,110
Total business-type activities	17,221,854	15,550,435	-	82,110
TOTAL PRIMARY GOVERNMENT	\$ 57,122,708	\$ 23,948,047	\$ 2,297,725	\$ 1,395,500

Net (Expense) Revenue and Change in Net Position			
Primary Government			
Governmental	Business-Type	Total	
Activities	Activities		
\$ (4,461,643)	\$ -	\$ (4,461,643)	
(14,442,323)	-	(14,442,323)	
(3,389,342)	-	(3,389,342)	
(4,757,078)	-	(4,757,078)	
(841,741)	-	(841,741)	
(27,892,127)	-	(27,892,127)	
-	(1,589,309)	(1,589,309)	
-	(1,589,309)	(1,589,309)	
(27,892,127)	(1,589,309)	(29,481,436)	
General Revenues			
Taxes			
Property and replacement	9,589,810	-	9,589,810
Home rule sales	7,685,514	-	7,685,514
Telecommunications	1,029,115	-	1,029,115
Other	2,276,779	-	2,276,779
Shared sale taxes	9,842,698	-	9,842,698
Shared income taxes	3,349,970	-	3,349,970
Investment income	195,134	85,259	280,393
Miscellaneous	279,595	-	279,595
Total	34,248,615	85,259	34,333,874
CHANGE IN NET POSITION	6,356,488	(1,504,050)	4,852,438
NET POSITION, MAY 1	85,246,438	53,564,286	138,810,724
NET POSITION, APRIL 30	\$ 91,602,926	\$ 52,060,236	\$ 143,663,162

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

April 30, 2018

	General	Motor Fuel Tax	ACDC Building	Debt Service	Nonmajor	Total
ASSETS						
Cash and investments	\$ 8,625,881	\$ 758,909	\$ -	\$ 3,573,071	\$ 1,150,547	\$ 14,108,408
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	8,160,337	-	-	883,315	41,610	9,085,262
Accounts	-	-	-	-	834	834
Other	247,552	-	-	-	-	247,552
Notes receivable	3,970	-	-	-	-	3,970
Prepaid items	6,680	-	-	-	43,729	50,409
Due from other funds	324,503	-	-	-	6,824	331,327
Due from other governments	4,548,289	544,182	-	459,612	459,672	6,011,755
TOTAL ASSETS	\$ 21,917,212	\$ 1,303,091	\$ -	\$ 4,915,998	\$ 1,703,216	\$ 29,839,517
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 314,819	\$ -	\$ 393,642	\$ -	\$ 563,592	\$ 1,272,053
Accrued payroll	422,008	-	-	-	-	422,008
Accrued interest payable	-	-	-	-	-	-
Unearned revenues	187,775	-	-	-	26,481	214,256
Retainage payable	-	37,219	317,596	-	15,531	370,346
Other liabilities	705,822	-	-	-	-	705,822
Due to other funds	8,651	-	211,947	-	110,729	331,327
Total liabilities	1,639,075	37,219	923,185	-	716,333	3,315,812
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	8,160,337	-	-	883,315	41,610	9,085,262
FUND BALANCES						
Nonspendable in form						
Notes receivable	3,970	-	-	-	-	3,970
Prepaid items	6,680	-	-	-	43,729	50,409
Restricted for						
Public safety	-	-	-	-	935,566	935,566
Highways and streets	-	1,265,872	-	-	-	1,265,872
Debt service	-	-	-	2,932,683	-	2,932,683
Unrestricted						
Committed for community events	-	-	-	-	6,522	6,522
Assigned for subsequent budget	982,400	-	-	-	-	982,400
Assigned for debt service	-	-	-	1,100,000	-	1,100,000
Assigned for capital projects	-	-	-	-	214,097	214,097
Unassigned (deficit)	11,124,750	-	(923,185)	-	(254,641)	9,946,924
Total fund balances (deficit)	12,117,800	1,265,872	(923,185)	4,032,683	945,273	17,438,443
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 21,917,212	\$ 1,303,091	\$ -	\$ 4,915,998	\$ 1,703,216	\$ 29,839,517

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

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

April 30, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 17,438,443
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	152,947,107
Less internal service funds' capital assets	(3,546,973)
Net other postemployment benefits obligation is not a current financial resource and, therefore, is not reported in the governmental funds	(322,041)
Less internal service funds' portion	16,200
The unamortized charge on refunding is not a current financial resource and, therefore, is not reported in the governmental funds	234,363
Less internal service funds' portion	(15,824)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(29,082,652)
Less internal service funds' portion	359,276
Unamortized premium on general obligation bonds	(1,107,201)
Less internal service funds' portion	19,122
Compensated absences	(4,064,878)
Less internal service funds' portion	265,093
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported in governmental funds	(357,143)
Less internal service funds' portion	3,361
Net pension liability is shown as a liability	
Illinois Municipal Retirement Fund	(4,006,458)
Less internal service funds' portion	375,075
Police Pension	(36,072,279)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position	
Illinois Municipal Retirement Fund	(2,574,060)
Less internal service funds' portion	240,992
Police Pension	(5,703,273)
The net position of the internal service funds are included in the governmental activities in the statement of net position	<u>6,556,676</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 91,602,926</u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	General	Motor Fuel Tax	ACDC Building	Debt Service	Nonmajor	Total
REVENUES						
Taxes	\$ 12,266,762	\$ 1,921,378	\$ -	\$ 2,874,218	\$ 2,416,193	\$ 19,478,551
Licenses and permits	2,591,314	-	-	-	-	2,591,314
Intergovernmental	14,585,292	1,056,631	1,200,000	-	1,028,614	17,870,537
Charges for services	3,737,015	-	-	-	-	3,737,015
Fines and forfeits	921,896	-	-	-	-	921,896
Investment income	103,366	(1,212)	30,436	44,057	18,487	195,134
Miscellaneous	858,446	50	600,000	-	4,399	1,462,895
Total revenues	35,064,091	2,976,847	1,830,436	2,918,275	3,467,693	46,257,342
EXPENDITURES						
Current						
General government	5,125,672	-	123,455	-	2,314	5,251,441
Public safety	22,359,993	-	-	-	608,484	22,968,477
Community development	3,063,030	-	-	-	-	3,063,030
Highways and streets	4,736,365	2,113,729	-	-	-	6,850,094
Capital outlay	-	-	10,073,319	-	1,632,697	11,706,016
Debt service						
Principal retirement	-	-	-	2,219,412	-	2,219,412
Interest and fiscal charges	-	-	-	1,145,571	-	1,145,571
Total expenditures	35,285,060	2,113,729	10,196,774	3,364,983	2,243,495	53,204,041
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(220,969)	863,118	(8,366,338)	(446,708)	1,224,198	(6,946,699)
OTHER FINANCING SOURCES (USES)						
Transfers in	95,500	-	-	1,300,000	851,873	2,247,373
Transfers (out)	-	-	-	(200,000)	(2,047,373)	(2,247,373)
Proceeds from issuance of bonds	-	-	-	2,470,000	-	2,470,000
Payment to escrow agent	-	-	-	(2,391,129)	-	(2,391,129)
Total other financing sources (uses)	95,500	-	-	1,178,871	(1,195,500)	78,871
NET CHANGE IN FUND BALANCES	(125,469)	863,118	(8,366,338)	732,163	28,698	(6,867,828)
FUND BALANCES, MAY 1	12,243,269	402,754	7,443,153	3,300,520	916,575	24,306,271
FUND BALANCES (DEFICIT), APRIL 30	\$ 12,117,800	\$ 1,265,872	\$ (923,185)	\$ 4,032,683	\$ 945,273	\$ 17,438,443

See accompanying notes to financial statements.

VILLAGE OF ADDISON, 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, 2018

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (6,867,828)
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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	14,736,385
Less amount applicable to internal service funds	(1,000,337)

The gain (loss) on disposal of capital assets is reported on the statement of activities as a reduction/increase of expense	(1,485)
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Depreciation is shown as a functional expense in governmental activities on the statement of activities	(3,682,470)
Less amount applicable to internal service funds	666,043

The change in the net other postemployment benefits asset is shown as a functional expense on the statement of activities	(56,891)
Less amount applicable to internal service funds	2,862

The unamortized accounting charge on refunding is shown as an expense on the statement of activities	(26,733)
Less amount applicable to internal service funds	7,912

Long-term liabilities:

The decrease in termination benefits is recorded as long-term liabilities on the government-wide statements	5,288
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The repayment 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	2,390,918
Less amount applicable to internal service funds	(171,506)

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 of resources on the government-wide statements	
Issuance of refunding bonds	(2,470,000)
Payment of refunded bonds	2,335,000
Loss on refunding	135,000

The unamortized premium on bonds is shown as an increase of principal outstanding on the statement of net position and amortized over the life of the bonds	185,769
Less amount applicable to internal service funds	(9,561)

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

Long-term liabilities (Continued):

The unamortized discount on bonds issued in prior years is shown as a decrease of principal outstanding on the statement of net position and amortized over the life of the bonds	\$ (1,741)
The change in accrued interest is shown as a change in the interest expense on the statement of activities	69,313
The (increase) decrease in the compensated absences liability is shown as a functional expense on the statement of activities	(342,498)
Less amount applicable to internal service funds	12,553
The change in the net pension liability is reported only in the statement of activities	
Illinois Municipal Retirement Fund	5,032,099
Less amount applicable to internal service funds	(519,158)
Police Pension	(2,678,064)
The change in deferred inflows and outflows of resources is reported only in the statement of activities	
Illinois Municipal Retirement Fund	(6,148,989)
Less amount applicable to internal service funds	594,677
Police Pension	3,874,974
The change in net position in internal service funds is shown as a governmental activity on the statement of activities	<u>284,956</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 6,356,488</u></u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

April 30, 2018

	Business-Type Activities Waterworks and Sewerage	Governmental Activities Internal Service
CURRENT ASSETS		
Cash and investments	\$ 6,737,215	\$ 4,359,100
Restricted cash and investments - Special Service Area #1	30,000	-
Receivables		
Accounts - billed	1,194,075	-
Accounts - unbilled	2,134,286	-
Prepaid items	1,345	48,201
Inventory	17,336	34,683
Total current assets	10,114,257	4,441,984
NONCURRENT ASSETS		
Net other postemployment benefits asset	19,692	-
Capital assets not being depreciated		
Land	1,129,911	-
Construction in progress	1,213,272	-
Total capital assets not being depreciated	2,343,183	-
Capital assets being depreciated		
Land improvements	98,151,836	-
Equipment and vehicles	4,061,895	8,811,492
Office equipment	8,729	765,104
Subtotal	102,222,460	9,576,596
Less accumulated depreciation	(45,794,325)	(6,029,623)
Net capital assets being depreciated	56,428,135	3,546,973
Total capital assets	58,771,318	3,546,973
Total noncurrent assets	58,791,010	3,546,973
Total assets	68,905,267	7,988,957
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized charge on refunding	16,983	15,824
Pension items - IMRF	512,269	126,758
Total deferred outflows of resources	529,252	142,582
Total assets and deferred outflows of resources	69,434,519	8,131,539

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

April 30, 2018

	Business-Type Activities Waterworks and Sewerage	Governmental Activities Internal Service
CURRENT LIABILITIES		
Accounts payable	\$ 1,788,701	\$ 149,970
Accrued payroll	104,035	19,016
Accrued interest payable	110,076	3,361
Due to other funds	-	-
Compensated absences	241,776	53,019
Illinois EPA revolving loan	351,915	-
General obligation bonds payable	516,217	177,420
Other liabilities	188,295	-
Total current liabilities	<u>3,301,015</u>	<u>402,786</u>
NONCURRENT LIABILITIES		
Compensated absences payable	967,105	212,074
Net other postemployment benefits obligation	-	16,200
IMRF net pension liability	1,515,450	375,075
Illinois EPA revolving loan	7,151,311	-
General obligation bonds payable	<u>2,953,546</u>	<u>200,978</u>
Total noncurrent liabilities	<u>12,587,412</u>	<u>804,327</u>
Total liabilities	<u>15,888,427</u>	<u>1,207,113</u>
DEFERRED INFLOWS OF RESOURCES		
Pension items - IMRF	<u>1,485,856</u>	<u>367,750</u>
Total deferred inflows of resources	<u>1,485,856</u>	<u>367,750</u>
Total liabilities and deferred inflows of resources	<u>17,374,283</u>	<u>1,574,863</u>
NET POSITION		
Net investment in capital assets	47,815,312	3,184,399
Restricted for Special Service Area #1	30,000	-
Unrestricted	<u>4,214,924</u>	<u>3,372,277</u>
TOTAL NET POSITION	<u><u>\$ 52,060,236</u></u>	<u><u>\$ 6,556,676</u></u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS**STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended April 30, 2018

	Business-Type Activities Waterworks and Sewerage	Governmental Activities Internal Service
OPERATING REVENUES		
Charges for services	\$ 15,550,435	\$ 3,782,173
Grants	82,110	-
Other	-	95,713
Total operating revenues	15,632,545	3,877,886
OPERATING EXPENSES		
Operations	-	3,073,237
Water	8,853,234	-
Sewer	2,195,814	-
Water pollution control	3,882,601	-
Depreciation	2,041,508	666,043
Total operating expenses	16,973,157	3,739,280
OPERATING INCOME (LOSS)	(1,340,612)	138,606
NON-OPERATING REVENUES (EXPENSES)		
Investment income	85,259	81,564
Interest expense	(248,697)	(10,527)
Gain (loss) on sale of capital assets	-	75,313
Total non-operating revenues (expenses)	(163,438)	146,350
CHANGE IN NET POSITION	(1,504,050)	284,956
NET POSITION, MAY 1	53,564,286	6,271,720
NET POSITION, APRIL 30	\$ 52,060,236	\$ 6,556,676

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Year Ended April 30, 2018

	Business-Type Activities Waterworks and Sewerage	Governmental Activities Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 15,887,972	\$ -
Receipts from internal services transactions	-	3,782,173
Payments from internal services transactions	(627,826)	-
Receipts from other sources	-	95,713
Payments to suppliers	(7,316,179)	(1,484,102)
Payments to employees	(6,148,258)	(1,469,284)
Net cash from operating activities	1,795,709	924,500
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
None	-	-
Net cash from noncapital financing activities	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(1,240,515)	(853,138)
Proceeds from sale of capital assets	-	76,798
Principal paid on bonds	(184,082)	(171,506)
Principal paid on Illinois EPA Loans	(345,026)	-
Interest paid on bonds	(261,539)	(14,105)
Net cash from capital and related financing activities	(2,031,162)	(961,951)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	85,259	81,564
Net cash from investing activities	85,259	81,564
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(150,194)	44,113
CASH AND CASH EQUIVALENTS, MAY 1	6,917,409	4,314,987
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 6,767,215	\$ 4,359,100

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended April 30, 2018

	Business-Type Activities Waterworks and Sewerage	Governmental Activities Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,340,612)	\$ 138,606
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	2,041,508	666,043
Changes in assets and liabilities		
Inventory	48,601	16,028
Accounts receivable	255,427	-
Prepaid items	(1,345)	-
Deferred outflows of resources - pension items - IMRF	751,311	107,881
Accounts payable	854,092	7,368
Accrued payroll	24,562	5,521
Deferred inflows of resources - pension items - IMRF	1,942,089	486,796
Compensated absences payable	64,315	12,553
Early retirement incentive	(7,932)	-
Net other postemployment benefits obligation	(3,479)	2,862
Net pension liability - IMRF	(2,832,828)	(519,158)
NET CASH FROM OPERATING ACTIVITIES	\$ 1,795,709	\$ 924,500
CASH AND INVESTMENTS		
Cash and cash equivalents	\$ 6,737,215	\$ 4,359,100
Restricted cash and investments	30,000	-
TOTAL CASH AND INVESTMENTS	\$ 6,767,215	\$ 4,359,100

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

April 30, 2018

	Police Pension Trust	Agency
ASSETS		
Cash and cash equivalents	\$ 494,492	\$ 16,386
Investments, at fair value		
U.S. agency securities	6,423,292	-
U.S. Treasuries	5,870,327	-
Corporate bonds	2,548,585	-
Mutual funds	31,266,118	-
Money market mutual funds	1,490,837	-
Receivables		
Accrued interest	56,288	-
Prepaid items	1,280	-
Total assets	<u>48,151,219</u>	<u>\$ 16,386</u>
LIABILITIES		
Accounts payable	11,213	
Funds held for others	-	\$ 16,386
Total liabilities	<u>11,213.00</u>	<u>\$ 16,386</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 48,140,006</u>	

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	<u>Police Pension Trust</u>
ADDITIONS	
Contributions - employer	
Property taxes transferred from General Fund	\$ 3,037,753
Contributions - plan members	<u>809,053</u>
Total contributions	<u>3,846,806</u>
Investment income	
Net appreciation in fair value of investments	2,276,605
Interest earned on investments	<u>1,517,463</u>
Total investment income	3,794,068
Less investment expense	<u>(117,245)</u>
Net investment income	<u>3,676,823</u>
Total additions	<u>7,523,629</u>
DEDUCTIONS	
Benefits and refunds	3,627,958
Administration	61,677
Legal	<u>13,404</u>
Total deductions	<u>3,703,039</u>
NET INCREASE	3,820,590
NET POSITION RESTRICTED FOR PENSIONS	
May 1	<u>44,319,416</u>
April 30	<u><u>\$ 48,140,006</u></u>

See accompanying notes to financial statements.

VILLAGE OF ADDISON, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

April 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Addison, Illinois (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 a seven-member board consisting of six trustees and the mayor. As required by GAAP, these financial statements present the Village and its component units, entities for which the government is considered to be financially accountable.

The Village's financial statements include a pension trust fund.

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 Mayor, one elected pension beneficiary, and two elected active police employees 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. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees, and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 village 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.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of restricted and committed monies (special revenue funds), the acquisition and construction of capital assets (capital projects funds), and the accumulation of restricted, committed, or assigned resources for the payment of principal and interest on general 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).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes pension trust funds and an agency fund which are generally used to account for assets that the Village holds in fiduciary capacity or on behalf of others as their agent.

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, other than interfund services provided and used, has been eliminated from these financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to, a significant extent, on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 Motor Fuel Tax Fund is used to account for maintenance of village owned streets, repavement, and street lights. Financing is provided by the Village's share of state motor fuel allotments and other village financing sources. The Village has elected to report this fund as major.

The Addison Consolidated Dispatch Center (ACDC) Building Fund is used to account for the construction and finishing costs, including furniture for the ACDC.

The Debt Service Fund accounts for the resources for the payment of principal and interest on the Village's general obligation debt.

The Village reports the following major proprietary funds:

The Waterworks and Sewerage 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The Village reports the following internal service funds:

Internal service funds account for operations that provide services to other departments or agencies of the Village, or to other governments, on a cost-reimbursement basis. The Fleet Services Fund accounts for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service. The Information Systems Fund accounts for the costs of running the Village's management information system. The Equipment Replacement Fund accounts for the purchase and replacement of the Village's vehicles.

The Village reports the following fiduciary funds:

Police Pension Trust Fund as a fiduciary fund to account for the Police Pension Fund.

Special Service Area #1 as an agency fund to account for assets held on behalf of third parties for the Armitage/Ardmore water main improvements and that do not involve the measurement of operating results.

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 funds and pension trust 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. For this purpose, the Village considers revenues to be

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunications taxes which use a 90-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.

Sales 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 permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

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 deferred/unavailable revenue and unearned revenue on its financial statements. Deferred/unavailable 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 also arise when resources are received by the government before it has a legal claim to them 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 deferred inflow for deferred/unavailable revenue or the liability from unearned 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 funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments (Continued)

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds 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 Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

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, if any, 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets

Capital assets, which include property, plant, equipment, intangibles (software and easements), and infrastructure assets (e.g., roads, bridges, and storm water), 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 \$5,000 and an estimated useful life in excess of one year. 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.

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 structures	20-50
Equipment, vehicles, and software	4-20
Infrastructure	20-60
Public improvements	50-60

j. Compensated Absences

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

Employees accrue one day sick time per month up to 12 per year. Sick time can be accumulated over the tenure of employment and is “bought back” upon leaving the Village using a percentage scale based on years of service. Vacation time is accumulated annually and is expected to be used the following year. Carryover for three months is allowed pending approval by the Village Manager.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 funds 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. Bond issuance costs are expensed as incurred.

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.

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 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 modified or rescinded by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village's Manager and the Finance Director by the 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 has established a fund balance reserve policy for its General Fund. The policy targets a minimum fund balance to be maintained in the General Fund equivalent to 25% of the budgeted expenditures in the fund. Any fund balance in the General Fund in excess of the 25% can be assigned a specific purpose or to cover projected deficits in the following budget year.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Fund Balances/Net Position (Continued)

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.

None of the restricted net position or restricted fund balance resulted from enabling legislation adopted by the Village.

m. 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.

n. 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.

o. 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

2. DEPOSITS AND INVESTMENTS

The Village and pension funds categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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.

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 Comptroller that maintains a \$1 per share value which is equal to the participants' fair value), and Illinois Metropolitan Investment Fund (IMET), a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold. The Village's investment policy does limit its deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance.

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

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits and Investments (Continued)

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral at 105% for all bank balances in excess of federal depository insurance, with the collateral held by the Village, an independent third party, or the Federal Reserve Bank of Chicago.

Investments

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 short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

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 by primarily investing in external investment pools. The Illinois Funds and IMET are rated AAA.

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. The Village's investment policy does not address this risk. To limit its exposure, the Village 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. The Illinois Funds and IMET 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's investment policy requires diversification of investments to avoid unreasonable risk. No financial institution shall hold more than 50% of the Village's investment portfolio, exclusive of any securities held in The Illinois Funds and IMET.

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

3. RECEIVABLES - TAXES

a. Property Taxes

Property taxes for 2017 attach as an enforceable lien on January 1, 2017, 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, 2018, and are payable in two installments, on or about June 1, 2018 and September 1, 2018. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience. As the 2017 tax levy is intended to fund expenditures for the 2018-2019 fiscal year, these taxes are unavailable as of April 30, 2018.

The 2018 tax levy, which attached as an enforceable lien on property as of January 1, 2018, has not been recorded as a receivable as of April 30, 2018 as the tax has not yet been levied by the Village and will not be levied until December 2018 and, therefore, the levy is not measurable at April 30, 2018.

b. Due from Other Governments

The following receivables are included in due from other governments on the statement of net position:

GOVERNMENTAL ACTIVITIES

Sales tax	\$ 2,389,696
Home rule sales tax	1,838,446
Simplified telecommunications tax	252,605
Local use tax	236,033
Motor fuel tax	84,570
Police dispatch	1,209,220
Other taxes	<u>1,185</u>

TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 6,011,755</u>
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VILLAGE OF ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS

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

	Balances May 1	Increases	Decreases	Balances April 30
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 19,819,110	\$ 196,470	\$ -	\$ 20,015,580
Land rights of way	38,174,273	28,580	-	38,202,853
Construction in progress	6,014,034	263,010	4,615,735	1,661,309
Total capital assets not being depreciated	64,007,417	488,060	4,615,735	59,879,742
Capital assets being depreciated				
Buildings and structures	41,379,119	14,151,634	-	55,530,753
Equipment and vehicles	11,253,528	2,467,333	393,337	13,327,524
Infrastructure	85,640,170	2,205,494	-	87,845,664
Total capital assets being depreciated	138,272,817	18,824,461	393,337	156,703,941
Less accumulated depreciation for				
Buildings and structures	10,991,479	1,108,488	-	12,099,967
Equipment and vehicles	7,755,292	817,404	391,852	8,180,844
Infrastructure	41,599,187	1,756,578	-	43,355,765
Total accumulated depreciation	60,345,958	3,682,470	391,852	63,636,576
Total capital assets being depreciated, net	77,926,859	15,141,991	1,485	93,067,365
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 141,934,276	\$ 15,630,051	\$ 4,617,220	\$ 152,947,107

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 1,247,446
Public safety	381,018
Community development	55,795
Highways and streets, including depreciation of general infrastructure assets	<u>1,998,211</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 3,682,470</u>

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

4. CAPITAL ASSETS (Continued)

	Balances May 1	Increases	Decreases	Balances April 30
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,129,911	\$ -	\$ -	\$ 1,129,911
Construction in progress	661,389	1,213,272	661,389	1,213,272
Total capital assets not being depreciated	1,791,300	1,213,272	661,389	2,343,183
Capital assets being depreciated				
Public improvements	97,668,574	483,262	-	98,151,836
Equipment and vehicles	3,875,254	205,370	10,000	4,070,624
Total capital assets being depreciated	101,543,828	688,632	10,000	102,222,460
Less accumulated depreciation for				
Public improvements	41,283,569	1,875,490	-	43,159,059
Equipment and vehicles	2,479,248	166,018	10,000	2,635,266
Total accumulated depreciation	43,762,817	2,041,508	10,000	45,794,325
Total capital assets being depreciated, net	57,781,011	(1,352,876)	-	56,428,135
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 59,572,311	\$ (139,604)	\$ 661,389	\$ 58,771,318

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; employee health; natural disasters; and injuries to the Village's employees.

The Village has purchased insurance from private insurance companies. Risks covered include medical, dental, and other. Premiums have been displayed as expenditures/expenses in appropriate funds. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

5. RISK MANAGEMENT (Continued)

Intergovernmental Risk Management Agency

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in northeastern Illinois that have formed an association under the Illinois Intergovernmental Cooperations Statute to pool their risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extension risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence and IRMA has a mix of self-insurance and commercial insurance at various amounts above that level.

Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the bylaws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village is aware of no additional contributions due to IRMA as of April 30, 2018.

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 general government activities. In addition, general obligation bonds have been issued to refund general obligation bonds.

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

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
\$6,900,000 General Obligation Bonds, Series 2006C, are due in annual installments (beginning December 15, 2012) ranging from \$280,000 to \$675,000 with interest at 3.85% to 3.95%. The call date is December 15, 2015. The last payment is due December 15, 2018.	Debt Service	\$ 400,000	\$ -	\$ 400,000	\$ -	\$ -
\$6,015,000 General Obligation Refunding Bonds, Series 2008, are due in annual installments (beginning December 15, 2009 through December 15, 2020) ranging from \$265,000 to \$1,010,000 with interest at 3.25% to 5.00%.	Debt Service	3,340,000	-	435,000	2,905,000	920,000
\$3,500,000 Taxable General Obligation Bonds, Series 2010, are due in annual installments (beginning December 15, 2012) ranging from \$60,000 to \$275,000 with interest at 2.05% to 5.30%. The payment is due December 15, 2019.	Debt Service	2,785,000	-	2,480,000	305,000	150,000
\$2,835,000 General Obligation Refunding Bonds, Series 2011, are due in annual installments (beginning December 15, 2012 through December 15, 2017) ranging from \$405,000 to \$510,000 with interest at 2% to 4%.	Debt Service	470,000	-	470,000	-	-

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

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

	Fund Debt Retired by	Balances May 1	Issuances	Reductions	Balances April 30	Due Within One Year
\$8,995,000 General Obligation Refunding Bonds, Series 2015, are due in annual installments (beginning December 15, 2017 through December 15, 2026) ranging from \$170,000 to \$595,000 with interest at 2% to 4%.	Debt Service	\$ 8,995,000	\$ -	\$ 340,000	\$ 8,655,000	\$ 770,000
\$2,130,000 General Obligation Refunding Bonds, Series 2016B, are due in annual installments (beginning December 15, 2017 through December 15, 2026) ranging from \$92,500 to \$122,500 with interest at 2% to 3%.	Debt Service	2,130,000	-	185,000	1,945,000	190,000
\$9,525,000 General Obligation Bonds, Series 2016A, are due in annual installments (beginning December 15, 2021 through December 15, 2037) ranging from \$172,500 to \$475,000 with interest at 2% to 3%.	ACDC	9,525,000	-	-	9,525,000	-
\$3,985,000 General Obligation Refunding Bonds, Series 2012, are due in annual installments (beginning December 15, 2013 through December 15, 2019) ranging from \$530,000 to \$615,000 with interest at 2% to 3%.	Debt Service	694,485	-	224,412	470,073	232,140
	Water	569,733	-	184,082	385,651	190,440
	Equipment Replacement	530,782	-	171,506	359,276	177,420
\$2,470,000 Taxable General Obligation Refunding Bonds, Series 2017A, are due in annual installments (beginning December 15, 2017 through December 15, 2030) ranging from \$20,000 to \$265,000 with interest at 1.10% to 3.65%.	Debt Service	-	2,470,000	20,000	2,450,000	20,000
\$5,400,000 General Obligation Bonds, Series 2017, are due in annual installments (beginning December 15, 2018 through December 15, 2032) ranging from \$150,000 to \$300,000 with interest at 3% to 4%.	ACDC	2,468,303	-	-	2,468,303	274,223
	Water	2,931,697	-	-	2,931,697	325,777
TOTAL GENERAL OBLIGATION BONDS		\$ 34,840,000	\$ 2,470,000	\$ 4,910,000	\$ 32,400,000	\$ 3,250,000

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

6. LONG-TERM DEBT (Continued)

b. Compensated Absences - Governmental Activities

	Funded by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	General	\$ 3,469,840	\$ 1,404,490	\$ 1,074,545	\$ 3,799,785	\$ 759,957
Compensated absences	Internal Service	252,540	102,078	89,525	265,093	53,019
TOTAL COMPENSATED ABSENCES		\$ 3,722,380	\$ 1,506,568	\$ 1,164,070	\$ 4,064,878	\$ 812,976

c. Loan Payable - Business-Type Activities

	Fund Debt Retired by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Illinois EPA loan - up to \$6,677,829 loan due in semiannual installments at 1.93% simple interest due beginning November 11, 2015.	Waterworks and Sewerage	\$ 6,057,321	\$ -	\$ 275,323	\$ 5,781,998	\$ 280,663
Illinois EPA loan - up to \$1,905,743 loan due in semiannual installments at 2.21% simple interest due beginning March 28, 2016.	Waterworks and Sewerage	1,790,931	-	69,703	1,721,228	71,252
TOTAL LOANS PAYABLE		\$ 7,848,252	\$ -	\$ 345,026	\$ 7,503,226	\$ 351,915

d. Compensated Absences - Business-Type Activities

	Funded by	Balances May 1	Increases	Reductions	Balances April 30	Due Within One Year
Compensated absences	Waterworks and Sewerage	\$ 1,144,566	\$ 375,276	\$ 310,961	\$ 1,208,881	\$ 241,776
TOTAL COMPENSATED ABSENCES		\$ 1,144,566	\$ 375,276	\$ 310,961	\$ 1,208,881	\$ 241,776

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

6. LONG-TERM DEBT (Continued)

e. Debt Service Requirements to Maturity

Fiscal Year Ending April 30,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 2,733,783	\$ 944,117	\$ 3,677,900	\$ 516,217	\$ 111,411	\$ 627,628
2020	2,844,059	853,547	3,697,606	520,941	95,926	616,867
2021	2,514,260	754,544	3,268,804	325,740	92,249	417,989
2022	1,777,130	662,766	2,439,896	162,870	72,477	235,347
2023	1,847,130	616,522	2,463,652	162,870	67,591	230,461
2024-2028	9,060,650	2,100,216	11,160,866	814,350	255,707	1,070,057
2029-2033	3,835,650	1,016,931	4,852,581	814,350	97,721	912,071
2034-2038	4,470,000	410,250	4,880,250	-	-	-
TOTAL	\$ 29,082,662	\$ 7,358,893	\$ 36,441,555	\$ 3,317,338	\$ 783,082	\$ 4,100,420

Fiscal Year Ending April 30,	Illinois Environmental Protection Agency (EPA)		
	Business -Type Activities		
	Principal*	Interest	Total
2019	\$ 351,915	\$ 143,092	\$ 495,007
2020	358,941	136,066	495,007
2021	366,107	128,899	495,006
2022	373,418	121,588	495,006
2023	380,876	114,130	495,006
2024-2028	2,021,571	453,464	2,475,035
2029-2033	2,231,733	243,303	2,475,036
2034-2038	1,201,439	36,075	1,237,514
TOTAL	\$ 7,286,000	\$ 1,376,617	\$ 8,662,617

*The Village has not received a revised repayment schedule for an additional disbursement of \$217,226 for the IEPA loan up to \$1,905,743.

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

6. LONG-TERM DEBT (Continued)

f. Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities for the year ended April 30, 2018:

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
GOVERNMENTAL ACTIVITIES					
General obligation bonds payable	\$ 31,338,570	\$ 2,470,000	\$ 4,725,918	\$ 29,082,652	\$ 2,733,783
Unamortized discount on bonds	(1,741)	-	(1,741)	-	-
Unamortized premium on bonds	1,292,970	-	185,769	1,107,201	-
Termination benefits*	5,288	-	5,288	-	-
Compensated absences payable	3,722,380	1,506,568	1,164,070	4,064,878	812,976
Net pension liability - IMRF*	9,038,557	-	5,032,099	4,006,458	-
Net pension liability - Police Pension*	33,394,215	2,678,064	-	36,072,279	-
Net other postemployment benefits obligation*	265,150	56,891	-	322,041	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 79,055,389	\$ 6,711,523	\$ 11,111,403	\$ 74,655,509	\$ 3,546,759

*Termination benefits, net pension liabilities, and net other postemployment benefits obligation are retired by the General Fund and Internal Service Funds.

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

6. LONG-TERM DEBT (Continued)

f. Changes in Long-Term Debt (Continued)

	Balances May 1	Issuances/ Increases	Reductions	Balances April 30	Due Within One Year
BUSINESS-TYPE ACTIVITIES					
General obligation bonds payable	\$ 3,501,430	\$ -	\$ 184,082	\$ 3,317,348	\$ 516,217
Illinois EPA loan payable	7,848,252	-	345,026	7,503,226	351,915
Unamortized premium on bonds	172,098	-	19,683	152,415	-
Termination benefits	7,932	-	7,932	-	-
Compensated absences payable - proprietary funds	1,144,566	375,276	310,961	1,208,881	241,776
Net pension liability - IMRF	4,348,278	-	2,832,828	1,515,450	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 17,022,556	\$ 375,276	\$ 3,700,512	\$ 13,697,320	\$ 1,109,908

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. Other Non-Obligation Type Bonded Debt

Industrial Revenue Bonds

The Village has issued a total of \$53,110,000 of Industrial Revenue Bonds under the terms of its ordinance 0-74-8 dated March 18, 1974. The amount outstanding is undeterminable as of April 30, 2018.

The total amount of bonds issued by any village agency is limited by federal and state statute. Interest paid to institutions lending these funds is considered tax-exempt under current federal law. The Village is not obligated for the payment of principal and interest on the bonds and is not involved in any way with the servicing of the debt instruments. Neither the liability for the bonds or any activity therewith is reflected in the funds of the Village.

i. Illinois EPA Loans Payable

During the year ended April 30, 2014, the Village entered into a wastewater treatment works loan with the Illinois Environmental Protection Agency (EPA) for work related to the Addison North Waste Water Treatment Plant and its tributary pump stations and work at the Addison South AJ Larocca Waste Water Treatment plant and its tributary pump stations. The loan bears interest at 1.93% and is scheduled to mature on May 19, 2035. Simple interest is accrued on each loan disbursement on the day after the date of issuance with construction period interest compounding into the principal of the loan.

During the year ended April 30, 2015, the Village entered into a wastewater treatment works loan with the Illinois EPA to replace an antiquated existing excess flow pumping station. The loan bears interest at 2.21% and is scheduled to mature on September 28, 2035. Simple interest is accrued on each loan disbursement on the day after the date of issuance with construction period interest compounding into the principal of the loan.

j. Advanced Refunding

On June 29, 2017, the Village issued \$2,470,000 to refund \$2,335,000 of the General Obligation Bonds Series, 2010. The proceeds of the bonds were placed in an escrow account to provide all future debt service payments on the refunded bonds, which were called and paid in full on December 15, 2017. As a result of the refunding, the Village achieved cash flow savings of \$190,211 and an economic gain on the refunding of \$234,837.

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

6. LONG-TERM DEBT (Continued)

k. Termination Benefits

The Village offered health care termination benefits to certain personnel during the year ended April 30, 2014. Under the terms of the agreement, the Village is required to pay 100% of the monthly premium costs for medical insurance coverage for eligible employees and their eligible dependents for no less than and no more than 18 months. 12 retirees participated in the early retirement incentive. As of April 30, 2018, the Village had a liability under the termination agreement of \$0. All benefits were paid in September 2017.

7. INDIVIDUAL FUND DISCLOSURES

a. Transfers

Interfund transfers during the year ended April 30, 2018 consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Debt Service	\$ 1,300,000	\$ 200,000
General	95,500	-
Nonmajor Governmental	851,873	2,047,373
TOTAL	<u>\$ 2,247,373</u>	<u>\$ 2,247,373</u>

The purpose of significant transfers is as follows:

- \$1,300,000 transferred from the Public Building Fund, a nonmajor governmental fund, to the Debt Service Fund for the principal and interest payments.
- \$95,500 transferred from the Public Buildings Fund to the General Fund for general expenses.
- \$651,873 transferred from the Michael Lane TIF #2 Fund, a nonmajor governmental fund, to the Town Center TIF #3 Fund, a nonmajor governmental fund, for economic development.
- \$200,000 transferred from the Debt Service Fund to the Town Center TIF #3. This amount was to account for Sales Tax Increment funds for the Village Green Improvements.

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

7. INDIVIDUAL FUND DISCLOSURES (CONTINUED)

b. Due from/to other funds

Due from/to other funds during the year ended April 30, 2018 consisted of the following:

Fund	Due To	Due From
General	\$ 8,651	\$ 324,503
ACDC	211,947	-
Nonmajor Governmental	110,729	6,824
TOTAL	<u>\$ 331,327</u>	<u>\$ 331,327</u>

The purpose of due from/to other funds is as follows:

- \$109,323 transferred from the Nonmajor Governmental Funds to the General Fund for operating expenses. This amount will be paid within one year.
- \$211,947 transferred from the ACDC Fund to the General Fund for operating expenses. This amount will be paid within one year.

8. CONTINGENT LIABILITIES

a. Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

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 that may be disallowed by the grantor cannot be determined at this time although the Village expects such amounts, if any, to be immaterial.

8. CONTINGENT LIABILITIES (CONTINUED)

c. DuPage Water Commission

The Village's water supply agreement with the DuPage Water Commission provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

d. Economic Incentives

The Village has entered into several agreements with local developers to rebate a portion of certain taxes derived from the operation of their businesses over a designated time period based on certain productivity criteria. The Village has a total potential commitment to all developers of \$2,246,959 payable in quarterly, semiannual, or annual payments through 2027. \$5,469,759 has been rebated as of April 30, 2018 and \$43,049 was payable as of April 30, 2018.

9. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, 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 two 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.

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2018, membership consisted of:

Retirees and beneficiaries currently receiving benefits	42
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>240</u>
TOTAL	<u>282</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.

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 the last three years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
2016	\$ 262,848	\$ 216,253	82.27%	\$ 200,477
2017	264,712	216,253	81.69%	248,936
2018	268,803	215,390	80.13%	302,349

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

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

The net OPEB obligation as of April 30, 2018 was calculated as follows:

Annual required contribution	\$ 267,143
Interest on net OPEB obligation	9,958
Adjustment to annual required contribution	<u>(8,298)</u>
Annual OPEB cost	268,803
Contributions made	<u>(215,390)</u>
Increase in net OPEB obligation	53,413
Net OPEB obligation, beginning of year	<u>248,936</u>
NET OPEB OBLIGATION, END OF YEAR	<u>\$ 302,349</u>

Funded Status and Funding Progress: The funded status of the plan as of April 30, 2018 was as follows:

Actuarial accrued liability (AAL)	\$ 4,596,054
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	4,596,054
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 20,496,753
UAAL as a percentage of covered payroll	22.42%

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 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.

9. OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

In the April 30, 2018 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included no investment rate of return and an initial healthcare cost trend rate of 7.50% with an ultimate healthcare inflation rate of 5.50%. Both rates include a 3% inflation assumption and 4% wage 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, 2018 was 30 years.

10. DEFINED BENEFIT PENSION PLANS

The Village contributes to two 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. The benefits, benefit levels, employee contributions, and employer contributions for all plans are governed by Illinois Compiled Statutes 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 from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at <https://www.imrf.org/>. As noted above, IMRF is an agent multiple-employer defined benefit pension plan. The Village and the Addison Public Library (the Library) both participate in the plan and, therefore, the plan is treated as a cost-sharing plan.

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police 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.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2017, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	187
Inactive employees entitled to but not yet receiving benefits	86
Active employees	<u>215</u>
 TOTAL	 <u><u>488</u></u>

The IMRF data included in the table above includes membership of both the Village and the Library.

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the fiscal year ended April 30, 2018 was 12.83% of covered payroll.

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Net Pension Liability

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

Actuarial valuation date	December 31, 2017
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.39% to 14.25%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

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

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the employer 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.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 89,283,937	\$ 74,478,767	\$ 14,805,170
Changes for the period			
Service cost	1,621,579	-	1,621,579
Interest	6,632,823	-	6,632,823
Difference between expected and actual experience	545,927	-	545,927
Changes in assumptions	(2,877,132)	-	(2,877,132)
Employer contributions	-	2,123,154	(2,123,154)
Employee contributions	-	821,708	(821,708)
Net investment income	-	12,770,253	(12,770,253)
Benefit payments and refunds	(3,314,164)	(3,314,164)	-
Other (net transfer)	-	(1,046,122)	1,046,122
Net changes	2,609,033	11,354,829	(8,745,796)
BALANCES AT DECEMBER 31, 2017	\$ 91,892,970	\$ 85,833,596	\$ 6,059,374

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

The table presented above includes amounts for both the Village and the Library. The Village's proportionate share of the net pension liability at January 1, 2017, the employer contributions, and the net pension liability at December 31, 2017 was \$13,386,835, \$1,934,830, and \$5,521,908, respectively. The Library's proportionate share of the net pension liability at January 1, 2017, the employer contributions, and the net pension liability at December 31, 2017 was \$1,418,335, \$188,324, and \$537,466, respectively.

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

For the year ended April 30, 2018, the Village recognized pension expense of \$378,473. At April 30, 2018, 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
Difference between expected and actual experience	\$ 1,103,439	\$ 134,447
Changes in assumption	166,331	2,426,211
Net difference between projected and actual earnings on pension plan investments	-	3,380,386
Contributions subsequent to measurement date	769,583	-
	<hr/>	<hr/>
TOTAL	\$ 2,039,353	\$ 5,941,044

The deferred outflows presented in the table above include amounts for both the Village and the Library. The Village's proportionate share of the deferred outflows of resources at April 30, 2018 was \$1,866,428. The Library's proportionate share of the deferred outflows of resources at April 30, 2018 was \$172,925. The Village's proportionate share of the deferred inflows of resources at April 30, 2018 was \$5,414,073. The Library's proportionate share of the deferred inflows of resources at April 30, 2018 was \$526,971.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

\$769,583 reported as deferred outflows of resources related to pensions resulting from the Village and the Library contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending April 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending April 30,	
2019	\$ (412,109)
2020	(731,251)
2021	(1,803,237)
2022	(1,724,677)
2023	-
Thereafter	-
TOTAL	<u>\$ (4,671,274)</u>

Discount Rate Sensitivity

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset) - Village	\$ 16,400,298	\$ 5,521,908	\$ (3,472,677)
Net pension liability (asset) - Library	1,596,298	537,466	(338,008)
Net pension liability - Total	<u>\$ 17,996,596</u>	<u>\$ 6,059,374</u>	<u>\$ (3,810,685)</u>

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension 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 Police Pension Plan as a pension trust fund. The plan does not issue separate financial statements.

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, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

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

Inactive plan members or beneficiaries currently receiving benefits	51
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	<u>68</u>
TOTAL	<u><u>121</u></u>
 Number of participating employers	 <u><u>1</u></u>

Benefits Provided

The Police Pension 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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

day, whichever is greater. The annual benefit shall be increased by 2.50% 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan, including the costs of administering the plan, as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% the past service cost for the Police Pension Plan. For the year ended April 30, 2018, the Village's contribution was 46.08% of covered payroll.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund can invest in the same securities as the Village, plus the following: certain non-U.S. obligations (corporate debt securities), Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political divisions (rated Aa or better), Illinois insurance company general and separate accounts, equity mutual funds, and equity securities. During the year ended April 30, 2018, no changes to the investment policy were approved by the Board of Trustees.

The Fund's investment manager establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Domestic Equities	42.00%	
Domestic Equity Large-Cap.		3.25%
Domestic Equity Mid-Caps		3.50%
Domestic Small-Caps		3.50%
International Equities	11.00%	
International Developed Foreign		4.00%
Emerging Markets		5.75%
Commodities		1.50%
Aggregate Bonds	42.00%	1.00%
Fixed Income		
Fixed Income Investment Grade Corporate		1.25%
Fixed Income Intermediate U.S. Treasuries		0.75%
Fixed Income High Yield		3.00%
REITS	2.00%	4.00%
Cash	3.00%	(0.25%)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future arithmetic real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. 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, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 8.22%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

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

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities and money market mutual funds as of April 30, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 6,423,292	\$ 2,611,110	\$ 2,885,406	\$ 483,457	\$ 443,319
Corporate bonds	2,548,585	546,632	1,274,152	727,801	-
U.S. Treasury obligations	5,870,327	-	2,498,701	3,371,626	-
TOTAL	\$ 14,842,204	\$ 3,157,742	\$ 6,658,259	\$ 4,582,884	\$ 443,319

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

The Fund has the following recurring fair value measurements as of April 30, 2018: The U.S. Treasury Obligations, money market mutual funds, and equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. agency obligations and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and corporate bonds. The U.S. agency obligations are either not rated or rated from AA- to AAA. The corporate bonds are rated A- to AAA.

10. 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. To limit its exposure, the Fund'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 a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds are not subject to custodial credit risk.

Concentrations

There were no investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represent 5% or more of plan net position for the Police Pension Plan.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. 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 Fund'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 ADDISON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. DEFINED BENEFIT PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT MAY 1, 2017	\$ 77,713,631	\$ 44,319,416	\$ 33,394,215
Changes for the period			
Service cost	1,437,345	-	1,437,345
Interest	5,123,226	-	5,123,226
Difference between expected and actual experience	744,421	-	744,421
Changes in assumptions	\$ 2,821,620	\$ -	\$ 2,821,620
Employer contributions	-	3,037,753	(3,037,753)
Employee contributions	-	635,348	(635,348)
Other contributions	-	173,705	(173,705)
Net investment income	-	3,676,798	(3,676,798)
Benefit payments and refunds	(3,627,958)	(3,627,958)	-
Administrative expense	-	(75,056)	75,056
Net changes	6,498,654	3,820,590	2,678,064
BALANCES AT APRIL 30, 2018	\$ 84,212,285	\$ 48,140,006	\$ 36,072,279

There was a change with respect to actuarial assumptions from the prior year to reflect revised demographic assumptions. The discount rate used in the determination of the total pension liability is 6.75%. In addition, the assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds was changed to 3.97%.

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

10. 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 using the following actuarial methods and assumptions.

Actuarial valuation date	April 30, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.00%
Salary increases	3.50% to 11.26%
Interest rate	6.75%
Cost of living adjustments	3.00%
Asset valuation method	Market

Mortality rates are based on rates developed in the Lauterbach & Amen, LLP 2016 Mortality Table for Illinois Police Officers.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 49,034,497	\$ 36,072,279	\$ 25,624,369

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

10. 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

For the year ended April 30, 2018, the Village recognized police pension expense of \$4,234,663. At April 30, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 652,403	\$ 538,132
Changes in assumption	2,472,841	7,990,542
Net difference between projected and actual earnings on pension plan investments	-	299,843
	<hr/>	<hr/>
TOTAL	\$ 3,125,244	\$ 8,828,517
	<hr/>	<hr/>

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>Year Ending April 30,</u>	
2019	\$ (989,317)
2020	(989,318)
2021	(1,632,825)
2022	(1,285,307)
2023	(1,149,231)
Thereafter	<hr/> 342,725
TOTAL	<hr/> \$ (5,703,273) <hr/>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	\$ 12,007,100	\$ 12,007,100	\$ 12,266,762
Licenses and permits	2,504,600	2,504,600	2,591,314
Intergovernmental	14,445,000	14,445,000	14,585,292
Charges for services	3,825,500	3,825,500	3,737,015
Fines and forfeits	1,056,800	1,056,800	921,896
Investment income	10,000	10,000	103,366
Miscellaneous	844,800	844,800	858,446
Total revenues	34,693,800	34,693,800	35,064,091
EXPENDITURES			
Current			
General government	5,216,400	5,296,200	5,125,672
Public safety	22,164,900	22,240,500	22,359,993
Community development	3,010,400	3,065,200	3,063,030
Highways and streets	5,174,300	5,633,600	4,736,365
Total expenditures	35,566,000	36,235,500	35,285,060
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(872,200)	(1,541,700)	(220,969)
OTHER FINANCING SOURCES (USES)			
Transfers in	96,500	96,500	95,500
Total other financing sources (uses)	96,500	96,500	95,500
NET CHANGE IN FUND BALANCE	<u>\$ (775,700)</u>	<u>\$ (1,445,200)</u>	(125,469)
FUND BALANCE, MAY 1			<u>12,243,269</u>
FUND BALANCE, APRIL 30			<u>\$ 12,117,800</u>

(See independent auditor's report.)

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Sales tax increment	\$ 1,865,000	\$ 1,865,000	\$ 1,921,378
Intergovernmental			
Motor fuel tax allotments	945,800	945,800	943,241
Grants	-	-	113,390
Investment income	-	-	(1,212)
Miscellaneous	-	-	50
Total revenues	2,810,800	2,810,800	2,976,847
EXPENDITURES			
Highways and streets			
Street maintenance program	1,807,000	1,807,000	1,531,538
Mill-Army Trail improvement	138,500	138,500	-
Armitage/Ardmore water	13,000	13,000	-
Swift Road resurfacing	76,100	76,100	69,605
Sidewalks	125,000	125,000	334,585
Sidewalk trip hazard	100,000	100,000	99,573
ADA sidewalk compliance	50,000	50,000	49,848
Byron Ave. improvement	509,700	509,700	-
Lorraine gap improvement	361,000	361,000	28,580
Total expenditures	3,180,300	3,180,300	2,113,729
NET CHANGE IN FUND BALANCE	<u>\$ (369,500)</u>	<u>\$ (369,500)</u>	863,118
FUND BALANCE, MAY 1			<u>402,754</u>
FUND BALANCE, APRIL 30			<u><u>\$ 1,265,872</u></u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFITS PLAN

April 30, 2018

Schedule of Funding Progress

Actuarial Valuation Date April 30,	(1) Actuarial Value of Assets	(2) Actuarial 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)
2013	\$ -	\$ 3,249,144	\$ -	\$ 3,249,144	\$ 17,163,302	18.93%
2014	-	4,538,069	-	4,538,069	18,663,883	24.31%
2015	N/A	N/A	N/A	N/A	N/A	N/A
2016	-	4,416,930	-	4,416,930	18,153,623	24.33%
2017	N/A	N/A	N/A	N/A	N/A	N/A
2018	-	4,596,054	-	4,596,054	20,496,753	22.42%

Schedule of Employer Contributions

Fiscal Year April 30,	Annual Required Contribution (ARC)	Contribution Made	Contribution Made as a Percentage of Annual Required Contribution
2013	\$ 139,997	\$ 229,731	164.10%
2014	167,615	109,809	65.51%
2015	207,903	109,809	52.82%
2016	261,822	216,253	82.60%
2017	261,822	216,253	82.60%
2018	267,143	215,390	80.63%

N/A - Information is not available as no actuarial valuation was performed as of this date. Actuarial valuations are only required on a biennial basis.

GASB No. 61 was implemented for the Village's year ended April 30, 2014 which amended the criteria for reporting component units as part of the primary government; therefore, information for years prior include the Library which was previously reported as a discreetly presented component unit of the Village.

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2016	2017	2018
Actuarially determined contribution	\$ 1,664,394	\$ 1,846,294	\$ 2,000,825
Contributions in relation to the actuarially determined contribution	1,664,394	1,846,294	2,000,825
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 13,374,612	\$ 14,011,409	\$ 15,595,652
Contributions as a percentage of covered-employee payroll	12.44%	13.18%	12.83%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations from December 31, 2013-2016. 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 26 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually, and postretirement benefit increases of 3.00% 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 ADDISON, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 1,120,007	\$ 1,733,443	\$ 1,928,127	\$ 2,256,458	\$ 2,419,427	\$ 2,002,950	\$ 2,257,229	\$ 2,324,782	\$ 2,543,706	\$ 2,752,861
Contributions in relation to the actuarially determined contribution	1,036,233	1,233,451	1,742,209	2,102,086	1,930,081	2,152,219	2,309,850	2,724,449	2,763,130	3,037,753
CONTRIBUTION DEFICIENCY (EXCESS)	\$ 83,774	\$ 499,992	\$ 185,918	\$ 154,372	\$ 489,346	\$ (149,269)	\$ (52,621)	\$ (399,667)	\$ (219,424)	\$ (284,892)
Covered-employee payroll	\$ 4,962,030	\$ 5,195,494	\$ 5,131,828	\$ 5,286,129	\$ 5,274,753	\$ 5,415,328	\$ 5,925,768	\$ 6,100,696	\$ 6,167,455	\$ 6,592,123
Contributions as a percentage of covered-employee payroll	20.88%	23.74%	33.95%	39.77%	36.59%	39.74%	38.98%	44.66%	44.80%	46.08%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of May 1 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 asset valuation method was a Five-Year smoothed market; and the significant actuarial assumptions were an investment rate of return at 6.75% annually, projected salary increases assumption of 3.50% to 11.26% compounded annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

Last Four Fiscal Years

MEASUREMENT DATE APRIL 30,	2015	2016	2017	2018
TOTAL PENSION LIABILITY				
Service cost	\$ 1,644,838	\$ 1,110,567	\$ 1,281,141	\$ 1,437,345
Interest	4,483,519	5,783,289	5,229,874	5,123,226
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(306,186)	(459,313)	744,421
Changes of assumptions	-	(11,049,392)	(1,265,286)	2,821,620
Benefit payments, including refunds of member contributions	(3,257,819)	(3,317,891)	(3,570,537)	(3,627,958)
Net change in total pension liability	2,870,538	(7,779,613)	1,215,879	6,498,654
Total pension liability - beginning	81,406,827	84,277,365	76,497,752	77,713,631
TOTAL PENSION LIABILITY - ENDING	\$ 84,277,365	\$ 76,497,752	\$ 77,713,631	\$ 84,212,285
PLAN FIDUCIARY NET POSITION				
Contributions - employer	\$ 2,309,851	\$ 2,724,449	\$ 2,763,130	\$ 3,037,753
Contributions - member	576,575	620,301	611,609	635,348
Contributions - others	-	-	25	173,705
Net investment income	2,391,265	(316,964)	4,531,056	3,676,798
Benefit payments, including refunds of member contributions	(3,257,819)	(3,317,891)	(3,570,537)	(3,627,958)
Administrative expense	(92,206)	(117,892)	(40,872)	(75,056)
Net change in plan fiduciary net position	1,927,666	(407,997)	4,294,411	3,820,590
Plan fiduciary net position - beginning	38,505,336	40,433,002	40,025,005	44,319,416
PLAN FIDUCIARY NET POSITION - ENDING	\$ 40,433,002	\$ 40,025,005	\$ 44,319,416	\$ 48,140,006
EMPLOYER'S NET PENSION LIABILITY	\$ 43,844,363	\$ 36,472,747	\$ 33,394,215	\$ 36,072,279
Plan fiduciary net position as a percentage of the total pension liability	48.00%	52.30%	57.00%	57.20%
Covered-employee payroll	\$ 5,925,768	\$ 6,100,696	\$ 6,167,455	\$ 6,592,123
Employer's net pension liability as a percentage of covered-employee payroll	739.90%	597.80%	541.50%	547.20%

Year Ended April 30, 2018 - There was a change with respect to actuarial assumptions related to the assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds. The rate was changed to 3.97%. In addition, the discount rate used in the determination of the total pension liability was changed from 7.00% to 6.75%.

Year Ended April 30, 2017 - There was a change with respect to actuarial assumptions related to the assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds. The rate was changed to 3.82%. In addition, the mortality assumption was updated to include mortality improvements as stated in the most recently released MP-2016 table and rates are now being applied on a fully generational basis.

Year Ended April 30, 2016 - Demographic assumptions were changed from the prior year. The discount rate used in the determination of the total pension liability was changed from 5.65% to 7.00%.

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 ADDISON, ILLINOIS

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Three Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017
Employer's proportion of net pension liability	90.42%	90.42%	91.13%
Employer's proportionate share of net pension liability	\$ 12,966,878	\$ 14,011,409	\$ 5,521,908
Employer's covered-employee payroll	13,158,160	13,374,612	15,595,652
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	98.55%	104.76%	35.41%
Plan fiduciary net position as a percentage of the total pension liability	82.87%	83.42%	93.41%

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 ADDISON, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Four Fiscal Years

FISCAL YEAR ENDED APRIL 30,	2015	2016	2017	2018
Annual money-weighted rate of return, net of investment expense	5.99%	(0.94%)	11.45%	8.22%

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 ADDISON, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

April 30, 2018

BUDGETS

Budgets (appropriations) are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General Fund, Waterworks and Sewerage Fund, Motor Fuel Tax Fund, Community Days Fund, Capital Projects Fund, Redevelopment Fund, Public Building Fund, Michael Lane TIF #2 Fund, Town Center TIF #3 Fund, Fleet Services Fund, Information Systems Fund, Equipment Replacement Fund, Police Pension Fund, and Debt Service Fund. Budgets are not adopted for the Community Days and DUI Funds.

The Village follows these procedures in establishing its appropriation ordinance:

The Appropriation Ordinance is prepared in tentative form by the Finance Director and is made available for public inspection at least ten days prior to final Board action. A public hearing is held on the tentative Appropriation Ordinance to obtain taxpayer comments.

The Village Board of Trustees, by a two-thirds vote, may change or modify the Appropriation Ordinance. No revision of the ordinance shall be made increasing total fund expenditures in the event funds are not available to effectuate the purpose of the revision. The Appropriation Ordinance controls the legal spending limits for the Village.

All appropriations lapse at year end. Expenditures may not legally exceed appropriations (including all changes and modifications as discussed above) at the fund level. The financial schedules report appropriation amounts in the columns titled original budget and final budget.

The operational budget is the management control for spending and is less than, or equal to, the amounts appropriated. The Village Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund are done through approval of the Village Board of Trustees and are supported by additional appropriations as needed.

Operational budgets are adopted on a modified accrual basis of accounting for all governmental fund types and on an accrual basis for proprietary and fiduciary funds. Budgets have been adopted for all proprietary fund types, the Police Pension Fund, General, Debt Service, Capital Projects, and certain Special Revenue Funds. Budgets for Enterprise Funds do not provide for depreciation. Capital improvements are budgeted as expenses.

All budgets are prepared based on the annual fiscal year of the Village.

Budget amounts are as originally adopted or as amended by the Village Board of Trustees.

Expenditures exceeded budget in the ACDC Building Fund by \$506,482, the Fleet Services Fund by \$9,311, the Michael Lane TIF #2 by \$19, and the Police Pension fund by \$84,184.

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

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The Chief Operating Fund of the Village which accounts for all activities of the general government except for those accounted for in another fund.

MOTOR FUEL TAX FUND

The fund accounts for the maintenance and improvement of Village-owned streets.

ACDC BUILDING FUND

This fund accounts for the construction and finishing costs, including furniture for the Addison Consolidated Dispatch Center.

DEBT SERVICE FUND

General Debt Service - to accumulate monies for the payment of the Village's, 2008, 2011, 2012, and 2015 Refunding Bonds; the 2006C, 2010, 2016A, 2016B, 2017, and 2017A General Obligation Bonds.

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
TAXES			
Property taxes			
General	\$ 4,507,000	\$ 4,507,000	\$ 4,543,962
Property taxes prior year	1,000	1,000	-
Police pension	3,031,000	3,031,000	3,037,753
Road and bridges	428,100	428,100	434,695
Telecommunications tax	1,000,000	1,000,000	1,029,115
Home rule sales tax increment	1,865,000	1,865,000	1,921,378
Real estate transfer tax	475,000	475,000	639,550
Auto rental tax	5,000	5,000	6,464
Video gaming	280,000	280,000	335,815
Room tax	415,000	415,000	318,030
Total taxes	12,007,100	12,007,100	12,266,762
LICENSES, PERMITS, AND FEES			
Vehicle license	592,000	592,000	554,741
Business license	250,000	250,000	263,220
Liquor-bar licenses	193,000	193,000	210,920
Multiple dwelling license	309,000	309,000	270,295
Building permits	480,000	480,000	394,331
Building and zoning sub fee	5,000	5,000	6,550
Planning development fees	45,000	45,000	39,452
Development review fee	20,000	20,000	31,800
Franchise fee-telephone	-	-	146,975
Cable TV franchise	510,000	510,000	340,027
Annexations/tap-on fees	10,000	10,000	28,790
Alarm permit fee	13,000	13,000	14,840
Solicitor's fees	1,000	1,000	1,680
Charity game fees-state	1,000	1,000	-
Sex offenders registration fee	1,000	1,000	1,260
Business license background fee	10,000	10,000	12,943
Fingerprinting fee	600	600	1,025
Fire plan review	14,000	14,000	17,335
Plumbing inspect fee	-	-	100
Review and inspection fees	50,000	50,000	255,030
Total licenses, permits, and fees	2,504,600	2,504,600	2,591,314
INTERGOVERNMENTAL			
Retailers occupation tax	9,590,000	9,590,000	9,842,698
Local use tax	870,000	870,000	976,920
Replacement taxes general	105,000	105,000	125,747
Illinois state income tax	3,700,000	3,700,000	3,349,970
State of Illinois - grants - police training reimbursement	-	-	6,226
DEA reimbursement	90,000	90,000	177,593
ICE reimbursement	90,000	90,000	106,138
Total intergovernmental	14,445,000	14,445,000	14,585,292

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES			
Refuse collection	\$ 253,000	\$ 253,000	\$ 261,742
Brush pick-up	106,800	106,800	106,563
Bail bonds	7,000	7,000	6,402
Police dispatch center	3,458,700	3,458,700	3,362,308
Total charges for services	3,825,500	3,825,500	3,737,015
FINES AND FORFEITS			
Police fines	220,000	220,000	186,949
Parking fines	353,200	353,200	303,729
Building fines	5,000	5,000	-
Court fee traffic violation	14,500	14,500	13,384
Overweight truck fines	7,000	7,000	5,012
Administrative adjudication	18,500	18,500	28,520
Red light camera enforcement	275,000	275,000	209,328
Animal impounding	100	100	75
Vehicle impound fee	80,000	80,000	72,198
Truck permit fee	28,000	28,000	16,670
FTA warrant fee	-	-	5,811
Other	55,500	55,500	80,220
Total fines and forfeits	1,056,800	1,056,800	921,896
INVESTMENT INCOME			
Investment income	10,000	10,000	103,366
Total investment income	10,000	10,000	103,366
MISCELLANEOUS			
Insurance claims	100,000	100,000	136,325
School liaison program	145,000	145,000	61,289
School security	10,000	10,000	-
Sales of maps and publications	100	100	487
Sales of postage stamps	500	500	533
Police reports	6,000	6,000	7,655
Public safety	25,000	25,000	24,908
Rental and concessions	470,700	470,700	481,529
Contra/donate-prv sources	40,000	40,000	20,000
Cash short/over	-	-	(409)
Other	47,500	47,500	126,129
Total miscellaneous	844,800	844,800	858,446
TOTAL REVENUES	\$ 34,693,800	\$ 34,693,800	\$ 35,064,091

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Administrative department	\$ 2,241,100	\$ 2,302,100	\$ 2,346,985
Board and commissions department	46,900	46,900	38,981
Finance department	721,200	721,200	638,996
Community relations	1,286,600	1,305,400	1,194,412
Building and grounds	920,600	920,600	906,298
Total general government	5,216,400	5,296,200	5,125,672
PUBLIC SAFETY			
Police department	16,887,700	16,887,700	16,595,792
Henry Hyde Resource Center	442,200	442,200	467,019
Consolidated dispatch center	4,835,000	4,910,600	5,297,182
Total public safety	22,164,900	22,240,500	22,359,993
COMMUNITY DEVELOPMENT	3,010,400	3,065,200	3,063,030
HIGHWAYS AND STREETS			
Electrical and forestry	2,379,300	2,446,400	2,182,530
Streets	2,795,000	3,187,200	2,553,835
Total highways and streets	5,174,300	5,633,600	4,736,365
TOTAL EXPENDITURES	<u>\$ 35,566,000</u>	<u>\$ 36,235,500</u>	<u>\$ 35,285,060</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Administrative department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 302,300	\$ 302,300	\$ 303,158
Wages clerical	201,800	201,800	202,736
Overtime	500	500	20
Part-time	49,600	49,600	42,336
Contribution to IMRF	72,600	72,600	75,142
Social Security	47,300	47,300	43,666
Health insurance	121,100	121,100	116,788
Unemployment compensation	15,000	15,000	11,435
Elected officials	50,100	50,100	55,050
Sick pay	12,100	12,100	11,963
Other pay	10,000	10,000	17,078
Total personal services	<u>882,400</u>	<u>882,400</u>	<u>879,372</u>
Services and charges			
Professional services			
Accounting and auditing	1,700	1,700	1,666
Legal	400,000	400,000	565,210
Technical and consulting	53,700	64,700	31,937
Communications, telephone, and postage	20,200	20,200	18,053
Communications, portable device	2,500	2,500	(442)
Copy reproductions	2,500	2,500	4,528
Public relations	69,000	69,000	76,688
Printing and publications	3,500	3,500	2,858
IRMA insurance	8,500	8,500	8,400
Conferences and training	21,800	71,800	27,630
Repairs and maintenance	1,800	1,800	2,020
Dues and subscriptions	51,400	51,400	46,298
Economic development incentive	397,000	397,000	368,591
Other	8,000	8,000	12,751
Total services and charges	<u>1,041,600</u>	<u>1,102,600</u>	<u>1,166,188</u>
Supplies and materials			
Office supplies	3,000	3,000	1,939
Clothing supplies	1,700	1,700	1,988
Other operating supplies	2,000	2,000	3,519
Total supplies and materials	<u>6,700</u>	<u>6,700</u>	<u>7,446</u>
Charges for internal services			
IS services	<u>310,400</u>	<u>310,400</u>	<u>293,979</u>
Total charges for internal services	<u>310,400</u>	<u>310,400</u>	<u>293,979</u>
Total administrative department	<u>2,241,100</u>	<u>2,302,100</u>	<u>2,346,985</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Board and commissions department			
Blood bank commission	\$ 1,500	\$ 1,500	\$ 1,457
Senior citizens commissions	17,200	17,200	17,200
Police commission	28,200	28,200	20,324
Total board and commissions department	46,900	46,900	38,981
Finance department			
Personal services			
Salaries and wages			
Salaries administrative	260,800	260,800	201,544
Wages clerical	90,900	90,900	109,322
Overtime	1,000	1,000	3,991
Part-time	40,000	40,000	22,936
Contribution to IMRF	51,000	51,000	43,776
Social Security	30,700	30,700	25,876
Health insurance	43,500	43,500	34,797
Sick pay	5,300	5,300	5,927
Other pay	6,000	6,000	4,852
Total personal services	529,200	529,200	453,021
Services and charges			
Professional fees			
Accounting and auditing	3,600	3,600	4,457
Data processing	6,400	6,400	1,352
Medical	-	-	680
Technical and consulting	5,500	5,500	3,749
Communications, telephone, portable, and postage	5,500	5,500	4,906
Copy reproductions	2,600	2,600	2,692
Real estate taxes	1,200	1,200	1,106
Printing and publication	7,000	7,000	5,134
IRMA insurance	3,400	3,400	3,400
Conferences and training	3,500	3,500	10,787
Repairs and maintenance	1,700	1,700	70
Rental equipment	700	700	781
Dues and subscriptions	1,600	1,600	750
Bank charges	30,000	30,000	35,193
Other	500	500	2,637
Total services and charges	73,200	73,200	77,694
Supplies and materials			
Office supplies	5,600	5,600	3,215
Clothing supplies	800	800	540
Postage stamps	1,500	1,500	(40)
Other operating supplies	1,000	1,000	373
Total supplies and materials	8,900	8,900	4,088
Capital outlay			
Equipment	800	800	865
Total capital outlay	800	800	865

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Finance department (Continued)			
Charges for internal services			
IS services	\$ 109,100	\$ 109,100	\$ 103,328
Total charges for internal services	109,100	109,100	103,328
Total finance department	721,200	721,200	638,996
Community relations			
Personal services			
Salaries and wages			
Salaries administrative	483,700	483,700	481,790
Contribution to IMRF	63,700	63,700	64,685
Social Security	38,100	38,100	38,452
Health insurance	103,400	103,400	101,239
Sick pay	13,400	13,400	12,503
Other pay	5,600	5,600	4,457
Total personal services	707,900	707,900	703,126
Services and charges			
Professional fees			
Accounting and auditing	1,700	1,700	1,666
Technical and consulting	41,400	50,200	41,166
Communications, telephone, portable device, and postage	5,800	5,800	8,758
Copy reproduction	500	500	658
Public relations	379,300	379,300	309,737
Printing and publications	1,800	1,800	56
IRMA insurance	5,400	5,400	5,300
Conferences and training	2,700	2,700	1,441
Public utilities	1,500	1,500	2,096
Repairs and maintenance	16,000	16,000	10,971
Dues and subscriptions	2,200	2,200	3,384
Other	1,000	1,000	833
Total services and charges	459,300	468,100	386,066
Supplies and materials			
Office supplies	1,500	1,500	2,021
Clothing supplies	1,000	1,000	-
Video, recording, and editing supplies	32,800	32,800	31,463
Total supplies and materials	35,300	35,300	33,484
Capital outlay			
Equipment	31,500	41,500	26,053
Total capital outlay	31,500	41,500	26,053

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Community relations (Continued)			
Charges for internal services			
Fleet services	\$ 3,500	\$ 3,500	\$ 2,810
IS services	46,100	46,100	39,873
Equipment replacement	3,000	3,000	3,000
Total charges for internal services	52,600	52,600	45,683
Total community relations	1,286,600	1,305,400	1,194,412
Building and grounds			
Personal services			
Salaries and wages			
Salaries administrative	107,300	107,300	114,170
Wages operational	140,900	140,900	143,401
Overtime	12,000	12,000	22,415
Contribution to IMRF	34,300	34,300	37,281
Social Security	20,500	20,500	22,345
Health insurance	81,800	81,800	73,050
Sick pay	7,000	7,000	8,144
Other pay	1,000	1,000	3,636
Total personal services	404,800	404,800	424,442
Services and charges			
Professional fees			
Accounting and auditing	1,300	1,300	1,271
Medical	200	200	-
Communications, telephone, portable device, and postage	2,600	2,600	2,812
Conferences	2,000	2,000	-
Training	2,000	2,000	-
IRMA insurance	3,200	3,200	3,200
Public utility gas - heat	22,000	22,000	8,504
Repairs and maintenance	333,300	333,300	315,149
Dues and subscriptions	500	500	15
Other	3,800	3,800	1,998
Total services and charges	370,900	370,900	332,949
Supplies and materials			
Office supplies	500	500	66
Cleaning supplies	700	700	495
Clothing supplies	2,100	2,100	1,855
Public grounds materials and supplies	4,000	4,000	1,760
Building materials and supplies	29,000	29,000	28,024
Other operating supplies	5,000	5,000	4,941
Total supplies and materials	41,300	41,300	37,141
Capital outlay			
Equipment	46,000	46,000	46,422
Total capital outlay	46,000	46,000	46,422

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT (Continued)			
Building and grounds (Continued)			
Charges for internal services			
Fleet services	\$ 5,800	\$ 5,800	\$ 14,877
IS services	25,200	25,200	23,867
Equipment replacement	26,600	26,600	26,600
Total charges for internal services	57,600	57,600	65,344
Total building and grounds	920,600	920,600	906,298
TOTAL GENERAL GOVERNMENT	\$ 5,216,400	\$ 5,296,200	\$ 5,125,672
PUBLIC SAFETY			
Police department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 2,086,100	\$ 2,086,100	\$ 2,089,906
Wages clerical	622,400	622,400	611,576
Wages operational	5,017,600	5,017,600	4,908,881
Overtime	500,000	500,000	634,218
Holiday pay	135,000	135,000	125,992
Part-time	86,300	86,300	98,479
Contribution to IMRF	146,200	146,200	173,853
Social Security	655,200	655,200	669,227
Health insurance	1,706,600	1,706,600	1,667,364
Sick pay	118,600	118,600	150,284
Other pay	86,000	86,000	107,985
Pension benefits	3,013,000	3,013,000	3,037,753
Total personal services	14,173,000	14,173,000	14,275,518
Services and charges			
Professional fees			
Accounting and auditing	7,900	7,900	7,736
Legal	68,100	68,100	63,176
Data processing	47,600	47,600	36,065
Medical	6,200	6,200	4,465
Technical and consulting	62,700	62,700	58,599
Communications, telephone, portable device, and postage	86,500	86,500	52,084
Copy reproduction	10,000	10,000	10,083
Public relations	7,500	7,500	7,364
Investigative	10,000	10,000	15,464
Printing and publications	11,500	11,500	6,564
IRMA insurance	293,000	293,000	302,735
Conferences and training	70,000	70,000	85,077
Public utilities gas - heat	700	700	337
Public utilities electric - equipment	900	900	661
Repairs and maintenance	151,800	151,800	14,656

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Police department (Continued)			
Services and charges (Continued)			
Rental equipment	\$ 500	\$ 500	\$ -
Dues and subscriptions	21,500	21,500	16,432
Other	10,000	10,000	9,783
Total services and charges	866,400	866,400	691,281
Supplies and materials			
Office supplies	15,000	15,000	8,401
Clothing supplies	76,000	76,000	74,320
Other operating supplies	88,200	88,200	87,775
Total supplies and materials	179,200	179,200	170,496
Capital outlay			
Equipment	95,000	95,000	42,018
Total capital outlay	95,000	95,000	42,018
Charges for internal services			
Fleet services	666,200	666,200	544,749
IS services	683,700	683,700	647,530
Equipment replacement	224,200	224,200	224,200
Total charges for internal services	1,574,100	1,574,100	1,416,479
Total police department	16,887,700	16,887,700	16,595,792
Henry Hyde Resource Center			
Personal services			
Salaries and wages			
Salaries administrative	109,700	109,700	110,066
Part-time	60,300	60,300	77,898
Clerical	50,700	50,700	52,195
Contribution to IMRF	20,600	20,600	29,839
Social Security	16,700	16,700	18,956
Health insurance	48,900	48,900	43,030
Sick pay	-	-	3,158
Other pay	-	-	4,112
Total personal services	306,900	306,900	339,254
Services and charges			
Professional fees			
Accounting	700	700	686
Medical	-	-	585
Data processing	1,000	1,000	-
Communications, telephone, portable device, and postage	4,000	4,000	5,113
Copy reproduction	1,000	1,000	1,013

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Henry Hyde Resource Center (Continued)			
Services and charges (Continued)			
Printing and publications	\$ 1,200	\$ 1,200	\$ -
IRMA insurance	6,500	6,500	6,400
Training	3,000	3,000	3,645
Dues and subscriptions	-	-	15
Other	10,000	10,000	7,216
Total services and charges	27,400	27,400	24,673
Supplies and materials			
Office supplies	1,500	1,500	1,307
Clothing supplies	1,100	1,100	240
Other operating supplies	13,000	13,000	14,128
Total supplies and materials	15,600	15,600	15,675
Charges for internal services			
IS services	92,300	92,300	87,417
Total charges for internal services	92,300	92,300	87,417
Total Henry Hyde Resource Center	442,200	442,200	467,019
Consolidated dispatch center			
Personal services			
Salaries and wages			
Salaries administrative	504,200	504,200	504,619
Wages operational	2,408,300	2,459,600	2,369,824
Overtime	150,000	150,000	465,277
Holiday pay	50,000	50,000	73,348
Sick pay	7,000	7,000	9,161
Part-time	76,700	76,700	126,145
Contribution to IMRF	409,500	415,900	460,849
Social Security	244,600	248,600	275,747
Health insurance	739,800	753,700	666,910
Other pay	17,000	17,000	35,353
Total personal services	4,607,100	4,682,700	4,987,233
Services and charges			
Professional fees			
Accounting	300	300	294
Medical	1,000	1,000	4,211
Data processing	4,200	4,200	21,019
Technical consulting	7,400	7,400	698
Communications, telephone, and postage	29,700	29,700	65,757
Copy reproduction	2,500	2,500	1,819
Public relations	-	-	7,968
Printing and publications	900	900	520

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
PUBLIC SAFETY (Continued)			
Consolidated dispatch center (Continued)			
Services and charges (Continued)			
Conferences and training	\$ 30,200	\$ 30,200	\$ 26,836
Public utility gas-heat	-	-	546
Public utility electric-light	-	-	5,787
Public utility electric-heat	-	-	13,934
Repairs and maintenance	9,400	9,400	3,721
Dues and subscriptions	2,700	2,700	2,250
IRMA insurance	39,500	39,500	39,100
Other	1,600	1,600	1,102
Total services and charges	129,400	129,400	195,562
Supplies and materials			
Office supplies	10,000	10,000	8,324
Clothing supplies	11,800	11,800	11,752
Other operating supplies	13,800	13,800	18,144
Total supplies and materials	35,600	35,600	38,220
Capital outlay			
Equipment	-	-	16,595
Total capital outlay	-	-	16,595
Charges for internal services			
IS services	62,900	62,900	59,572
Total charges for internal services	62,900	62,900	59,572
Total consolidated dispatch center	4,835,000	4,910,600	5,297,182
TOTAL PUBLIC SAFETY	\$ 22,164,900	\$ 22,240,500	\$ 22,359,993
COMMUNITY DEVELOPMENT			
Personal services			
Salaries and wages			
Salaries administrative	\$ 562,600	\$ 562,600	\$ 625,818
Wages clerical	271,900	271,900	327,478
Wages operational	896,900	896,900	837,517
Overtime	45,700	45,700	37,267
Contribution to IMRF	230,000	230,000	240,003
Social Security	137,400	137,800	142,435
Health insurance	376,500	376,500	347,882
Sick pay	40,000	40,000	42,210
Other pay	20,000	20,000	10,660
Part-time	-	4,400	3,428
Total personal services	2,581,000	2,585,800	2,614,698
Services and charges			
Professional fees			
Accounting and auditing	3,400	3,400	3,328
Architectural	50,000	50,000	88,478
Legal	3,000	3,000	3,098

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
COMMUNITY DEVELOPMENT (Continued)			
Services and charges (Continued)			
Professional fees (Continued)			
Data processing	\$ -	\$ -	\$ 269
Medical	-	-	565
Technical consulting	70,000	80,000	60,288
Communications, telephone, portable device, and postage	17,000	17,000	20,289
Copy reproduction	4,000	4,000	3,926
Printing and publications	15,000	15,000	14,401
IRMA insurance	16,500	16,500	17,725
Conferences and training	7,500	7,500	8,999
Repairs and maintenance	1,400	1,400	250
Dues and subscriptions	9,000	9,000	9,691
Other	26,500	66,500	16,975
Total services and charges	223,300	273,300	248,282
Supplies and materials			
Office supplies	4,000	4,000	3,406
Clothing supplies	4,000	4,000	3,263
Other operating supplies	2,000	2,000	1,158
Total supplies and materials	10,000	10,000	7,827
Charges for internal services			
Fleet services	46,000	46,000	49,223
IS services	134,200	134,200	127,100
Equipment replacement	15,900	15,900	15,900
Total charges for internal services	196,100	196,100	192,223
TOTAL COMMUNITY DEVELOPMENT	\$ 3,010,400	\$ 3,065,200	\$ 3,063,030
HIGHWAYS AND STREETS			
Electrical and forestry department			
Personal services			
Salaries and wages			
Salaries administrative	\$ 177,500	\$ 177,500	\$ 177,867
Wages clerical	44,100	44,100	44,647
Wages operational	466,400	474,200	358,994
Overtime	16,000	16,000	11,932
Contribution to IMRF	91,300	91,800	78,668
Social Security	54,500	55,700	48,572
Health insurance	157,100	161,000	149,403
Sick pay	6,000	6,000	6,468
Other pay	8,500	8,500	8,983
Part-time	17,000	17,000	21,768
Total personal services	1,038,400	1,051,800	907,302

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
HIGHWAYS AND STREETS (Continued)			
Electrical and forestry department (Continued)			
Services and charges			
Professional fees			
Accounting and auditing	\$ 1,700	\$ 1,700	\$ 1,666
Medical	1,500	1,500	1,831
Technical and consulting	155,000	155,000	129,434
Communications, telephone, and postage	8,800	8,800	6,273
Copy reproduction	500	500	384
Mosquito control	99,900	99,900	114,007
Printing and publications	1,200	1,200	591
IRMA insurance	68,500	68,500	95,534
Conferences and training	7,800	7,800	6,072
Public utilities gas - heat	5,000	5,000	3,115
Public utilities electric - light	120,000	120,000	162,685
Solid waste disposal	3,000	3,000	-
Repairs and maintenance	481,100	530,300	412,989
Rental - equipment	1,200	1,200	-
Dues and subscriptions	1,700	2,900	1,665
Other	700	700	799
Total services and charges	957,600	1,008,000	937,045
Supplies and materials			
Office supplies	1,000	1,000	977
Chemicals	-	-	1,561
Cleaning supplies	1,600	1,600	-
Clothing supplies	9,400	9,400	7,260
Street	77,000	80,300	81,331
Public grounds materials and supplies	38,700	38,700	38,949
Other operating supplies	14,200	14,200	12,699
Total supplies and materials	141,900	145,200	142,777
Charges for internal services			
Fleet services	118,400	118,400	73,073
IS services	12,600	12,600	11,933
Equipment replacement	110,400	110,400	110,400
Total charges for internal services	241,400	241,400	195,406
Total electrical and forestry department	2,379,300	2,446,400	2,182,530
Streets			
Personal services			
Salaries and wages			
Salaries administrative	177,500	177,500	177,867
Wages clerical	44,100	44,100	44,255
Wages operational	601,500	601,500	541,493
Overtime	75,000	75,000	101,023
Contribution to IMRF	118,200	118,200	111,653
Social Security	70,600	70,600	67,793

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
HIGHWAYS AND STREETS (Continued)			
Streets (Continued)			
Personal services			
Health insurance	\$ 179,400	\$ 179,400	\$ 168,099
Sick pay	25,700	25,700	26,734
Other pay	5,000	5,000	7,067
Part-time	17,000	17,000	16,510
Total personal services	1,314,000	1,314,000	1,262,494
Services and charges			
Professional fees			
Accounting and auditing	1,300	1,300	1,271
Data processing	11,000	11,000	10,716
Medical	1,500	1,500	2,608
Tech and consult services	-	-	15,847
Communications, telephone, and postage	11,800	11,800	8,785
Copy reproduction	500	500	531
Printing and publications	5,300	5,300	4,693
IRMA insurance	57,500	57,500	66,182
Conferences and training	5,000	5,000	565
Solid waste disposal	14,000	14,000	-
Repairs and maintenance	67,000	454,200	16,364
Rental equipment	24,300	24,300	12
Dues and subscriptions	300	300	335
Other	29,400	34,400	30,047
Total services and charges	228,900	621,100	157,956
Supplies and materials			
Office supplies	800	800	567
Clothing supplies	7,100	7,100	5,243
Chemicals	30,000	30,000	17,185
Street	546,100	546,100	422,218
Public grounds material and supplies	2,000	2,000	-
Other operating supplies	41,800	41,800	27,695
Total supplies and materials	627,800	627,800	472,908
Charges for internal services			
Fleet services	275,600	275,600	314,438
IS services	50,300	50,300	47,639
Equipment replacement	298,400	298,400	298,400
Total charges for internal services	624,300	624,300	660,477
Total streets	2,795,000	3,187,200	2,553,835
TOTAL HIGHWAYS AND STREETS	\$ 5,174,300	\$ 5,633,600	\$ 4,736,365

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property	\$ 898,600	\$ 898,600	\$ 906,474
Replacement	30,000	30,000	46,366
Home rule sales tax increment	1,865,000	1,865,000	1,921,378
Investment income	1,000	1,000	44,057
Total revenues	2,794,600	2,794,600	2,918,275
EXPENDITURES			
Debt service			
Principal retirement	2,555,000	2,555,000	2,219,412
Interest and fiscal charges	1,222,100	1,222,100	1,145,571
Total expenditures	3,777,100	3,777,100	3,364,983
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(982,500)	(982,500)	(446,708)
OTHER FINANCING SOURCES (USES)			
Transfers in	1,300,000	1,300,000	1,300,000
Transfers (out)	(695,000)	(695,000)	(200,000)
Proceeds from issuance of bonds	-	-	2,470,000
Payment to escrow agent	-	-	(2,391,129)
Total other financing sources (uses)	605,000	605,000	1,178,871
NET CHANGE IN FUND BALANCE	<u>\$ (377,500)</u>	<u>\$ (377,500)</u>	732,163
FUND BALANCE, MAY 1			<u>3,300,520</u>
FUND BALANCE, APRIL 30			<u>\$ 4,032,683</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Investment income	\$ -	\$ -	\$ 30,436
Intergovernmental	1,200,000	1,200,000	1,200,000
Miscellaneous	600,000	600,000	600,000
Total revenues	1,800,000	1,800,000	1,830,436
EXPENDITURES			
General government			
Services and charges	-	-	123,455
Capital outlay	9,466,000	9,817,600	10,073,319
Total expenditures	9,466,000	9,817,600	10,196,774
NET CHANGE IN FUND BALANCE	<u>\$ (7,666,000)</u>	<u>\$ (8,017,600)</u>	<u>(8,366,338)</u>
FUND BALANCE, MAY 1			<u>7,443,153</u>
FUND BALANCE (DEFICIT), APRIL 30			<u><u>\$ (923,185)</u></u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR SPECIAL REVENUE FUNDS

Police Grant Fund - to account for the proceeds related to U.S. Department of Justice grants.

State Controlled Substance Fund - to account for the proceeds related to state seizure activities.

Federal Controlled Substance Fund - to account for the proceeds related to federal seizure activities.

DUI Fund - to account for the proceeds of DUI fines in the Village and related activities funded by these proceeds.

ICE Fund - to account for the proceeds of ICE proceeds and related activities funded by these proceeds.

Community Days Fund - to account for the proceeds from and expenditures related to the operations of the Community Days Festival.

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Fund - to account for the construction costs of various nonwater related capital projects. Financing is provided by developers' contributions, state and federal grants, and transfers from the General Fund.

Redevelopment Fund - to account for the construction costs of various properties in redevelopment projects. Financing is provided chiefly from grants and miscellaneous revenues.

Michael Lane TIF #2 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Town Center TIF #3 Fund - to account for the proceeds of specific tax allocations to finance the redevelopment of these areas.

Public Building Fund - to account for the construction and maintenance of various public buildings and properties. Financing is provided primarily by sales taxes.

VILLAGE OF ADDISON, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

April 30, 2018

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and investments	\$ 1,027,531	\$ 123,016	\$ 1,150,547
Receivables (net, where applicable, of allowances for uncollectibles)			
Accounts	834	-	834
Property taxes	-	41,610	41,610
Due from other funds	6,824	-	6,824
Due from other governments	-	459,672	459,672
Prepaid items	-	43,729	43,729
TOTAL ASSETS	\$ 1,035,189	\$ 668,027	\$ 1,703,216
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 93,101	\$ 470,491	\$ 563,592
Unearned revenue	-	26,481	26,481
Retainage payable	-	15,531	15,531
Due to other funds	-	110,729	110,729
Total liabilities	93,101	623,232	716,333
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	41,610	41,610
FUND BALANCES			
Nonspendable in form			
Prepaid items	-	43,729	43,729
Restricted for public safety	935,566	-	935,566
Unrestricted			
Committed for community events	6,522	-	6,522
Assigned for capital projects	-	214,097	214,097
Unassigned (deficit)	-	(254,641)	(254,641)
Total fund balances	942,088	3,185	945,273
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,035,189	\$ 668,027	\$ 1,703,216

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes	\$ -	\$ 2,416,193	\$ 2,416,193
Intergovernmental	872,554	156,060	1,028,614
Investment income	13,452	5,035	18,487
Miscellaneous	4,399	-	4,399
Total revenues	890,405	2,577,288	3,467,693
EXPENDITURES			
Current			
General government	-	2,314	2,314
Public safety	608,484	-	608,484
Capital outlay	2,632	1,630,065	1,632,697
Total expenditures	611,116	1,632,379	2,243,495
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	279,289	944,909	1,224,198
OTHER FINANCING SOURCES (USES)			
Transfers in	-	851,873	851,873
Transfers (out)	-	(2,047,373)	(2,047,373)
Total other financing sources (uses)	-	(1,195,500)	(1,195,500)
NET CHANGE IN FUND BALANCES	279,289	(250,591)	28,698
FUND BALANCES, MAY 1	662,799	253,776	916,575
FUND BALANCES, APRIL 30	\$ 942,088	\$ 3,185	\$ 945,273

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

April 30, 2018

	Police Grant	State Controlled Substance	Federal Controlled Substance	DUI	ICE	Community Days	Total
ASSETS							
Cash and investments	\$ 39,896	\$ 111,579	\$ 542,279	\$ 69,475	\$ 257,780	\$ 6,522	\$ 1,027,531
Accounts receivable	-	-	-	834	-	-	834
Due from other funds	-	-	6,824	-	-	-	6,824
TOTAL ASSETS	\$ 39,896	\$ 111,579	\$ 549,103	\$ 70,309	\$ 257,780	\$ 6,522	\$ 1,035,189
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ -	\$ 1,474	\$ 91,627	\$ -	\$ -	\$ -	\$ 93,101
Total liabilities	-	1,474	91,627	-	-	-	93,101
FUND BALANCES							
Restricted for public safety	39,896	110,105	457,476	70,309	257,780	-	935,566
Committed for community events	-	-	-	-	-	6,522	6,522
Total fund balances	39,896	110,105	457,476	70,309	257,780	6,522	942,088
TOTAL LIABILITIES AND FUND BALANCES	\$ 39,896	\$ 111,579	\$ 549,103	\$ 70,309	\$ 257,780	\$ 6,522	\$ 1,035,189

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended April 30, 2018

	Police Grant	State Controlled Substance	Federal Controlled Substance	DUI	ICE	Community Days	Total
REVENUES							
Intergovernmental	\$ 43,179	\$ 20,047	\$ 337,107	\$ 22,142	\$ 450,079	\$ -	\$ 872,554
Investment income	479	1,212	5,068	3,571	3,047	75	13,452
Miscellaneous	-	-	4,399	-	-	-	4,399
Total revenues	43,658	21,259	346,574	25,713	453,126	75	890,405
EXPENDITURES							
Current							
Public safety	48,728	62,226	241,526	11,117	244,887	-	608,484
Capital outlay	-	-	1,336	-	1,296	-	2,632
Total expenditures	48,728	62,226	242,862	11,117	246,183	-	611,116
NET CHANGE IN FUND BALANCES	(5,070)	(40,967)	103,712	14,596	206,943	75	279,289
FUND BALANCES, MAY 1	44,966	151,072	353,764	55,713	50,837	6,447	662,799
FUND BALANCES, APRIL 30	\$ 39,896	\$ 110,105	\$ 457,476	\$ 70,309	\$ 257,780	\$ 6,522	\$ 942,088

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS**

April 30, 2018

	Capital Projects	Redevelopment	Michael Lane TIF #2	Town Center TIF #3	Public Building	Total
ASSETS						
Cash and investments	\$ 16,143	\$ 39	\$ -	\$ 106,084	\$ 750	\$ 123,016
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	-	-	-	41,610	-	41,610
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	459,672	459,672
Prepaid items	-	-	-	-	43,729	43,729
TOTAL ASSETS	\$ 16,143	\$ 39	\$ -	\$ 147,694	\$ 504,151	\$ 668,027
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 259	\$ -	\$ 33	\$ 333,158	\$ 137,041	\$ 470,491
Unearned revenue	26,481	-	-	-	-	26,481
Retainage payable	-	-	-	15,531	-	15,531
Due to other funds			1,406		109,323	110,729
Total liabilities	26,740	-	1,439	348,689	246,364	623,232
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	-	-	-	41,610	-	41,610
FUND BALANCES						
Nonspendable in form						
Prepaid items	-	-	-	-	43,729	43,729
Unrestricted						
Assigned for capital projects	-	39	-	-	214,058	214,097
Unassigned (deficit)	(10,597)	-	(1,439)	(242,605)	-	(254,641)
Total fund balances (deficit)	(10,597)	39	(1,439)	(242,605)	257,787	3,185
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 16,143	\$ 39	\$ -	\$ 147,694	\$ 504,151	\$ 668,027

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Capital Projects	Redevelopment	Michael Lane TIF #2	Town Center TIF #3	Public Building	Total
REVENUES						
Taxes						
Property taxes	\$ -	\$ -	\$ 474,361	\$ 20,454	\$ -	\$ 494,815
Home rule sales taxes	-	-	-	-	1,921,378	1,921,378
Intergovernmental	156,060	-	-	-	-	156,060
Investment income	3,152	-	1,710	(1,529)	1,702	5,035
Total revenues	159,212	-	476,071	18,925	1,923,080	2,577,288
EXPENDITURES						
General government						
Services and charges	-	-	2,019	295	-	2,314
Capital outlay	369,500	-	-	479,161	781,404	1,630,065
Total expenditures	369,500	-	2,019	479,456	781,404	1,632,379
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(210,288)	-	474,052	(460,531)	1,141,676	944,909
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	851,873	-	851,873
Transfers (out)	-	-	(651,873)	-	(1,395,500)	(2,047,373)
Total other financing sources (uses)	-	-	(651,873)	851,873	(1,395,500)	(1,195,500)
NET CHANGE IN FUND BALANCES	(210,288)	-	(177,821)	391,342	(253,824)	(250,591)
FUND BALANCES (DEFICIT), MAY 1	199,691	39	176,382	(633,947)	511,611	253,776
FUND BALANCES (DEFICIT), APRIL 30	\$ (10,597)	\$ 39	\$ (1,439)	\$ (242,605)	\$ 257,787	\$ 3,185

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
<hr/>			
REVENUES			
Intergovernmental			
Grants	\$ 692,100	\$ 692,100	\$ 156,060
Investment income	-	-	3,152
	<hr/>		
Total revenues	692,100	692,100	159,212
	<hr/>		
EXPENDITURES			
Capital outlay	749,100	749,100	369,500
	<hr/>		
Total expenditures	749,100	749,100	369,500
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ (57,000)</u>	<u>\$ (57,000)</u>	(210,288)
FUND BALANCE, MAY 1			<u>199,691</u>
FUND BALANCE (DEFICIT), APRIL 30			<u><u>\$ (10,597)</u></u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MICHAEL LANE TIF #2 FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 411,000	\$ 411,000	\$ 474,361
Investment income	-	-	1,710
Total revenues	411,000	411,000	476,071
EXPENDITURES			
General government			
Services and charges	2,000	2,000	2,019
Total expenditures	2,000	2,000	2,019
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	409,000	409,000	474,052
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(584,877)	(654,877)	(651,873)
Total other financing sources (uses)	(584,877)	(654,877)	(651,873)
NET CHANGE IN FUND BALANCE	<u>\$ (175,877)</u>	<u>\$ (245,877)</u>	(177,821)
FUND BALANCE, MAY 1			<u>176,382</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (1,439)</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TOWN CENTER TIF #3 FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Property taxes	\$ 10,100	\$ 10,100	\$ 20,454
Investment income	-	-	(1,529)
Total revenues	10,100	10,100	18,925
EXPENDITURES			
General government			
Services and charges	300	300	295
Capital outlay	942,100	942,100	479,161
Total expenditures	942,400	942,400	479,456
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(932,300)	(932,300)	(460,531)
OTHER FINANCING SOURCES (USES)			
Transfers in	784,877	784,877	851,873
Total other financing sources (uses)	784,877	784,877	851,873
NET CHANGE IN FUND BALANCE	<u>\$ (147,423)</u>	<u>\$ (147,423)</u>	391,342
FUND BALANCE (DEFICIT), MAY 1			<u>(633,947)</u>
FUND BALANCE (DEFICIT), APRIL 30			<u>\$ (242,605)</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

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

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
REVENUES			
Home rule sales tax increment	\$ 1,865,000	\$ 1,865,000	\$ 1,921,378
Investment income	-	-	1,702
Total revenues	1,865,000	1,865,000	1,923,080
EXPENDITURES			
Capital outlay	874,400	938,400	781,404
Total expenditures	874,400	938,400	781,404
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	990,600	926,600	1,141,676
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,396,500)	(1,396,500)	(1,395,500)
Total other financing sources (uses)	(1,396,500)	(1,396,500)	(1,395,500)
NET CHANGE IN FUND BALANCE	\$ (405,900)	\$ (469,900)	(253,824)
FUND BALANCE, MAY 1			511,611
FUND BALANCE, APRIL 30			\$ 257,787

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

Waterworks and Sewerage Fund - to account 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.

VILLAGE OF ADDISON, ILLINOIS**SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water and sewer charges	\$ 15,585,600	\$ 15,585,600	\$ 15,085,632
Water from construction	100	100	1,350
Meter charges	10,000	10,000	30,193
Sewer pollution surcharge	50,000	50,000	156,731
Admin adjudication	-	-	30,500
Storm water exemption	15,000	15,000	7,243
Lab fees	6,000	6,000	4,178
Annexation/tap-on fees	15,000	15,000	163,141
BMP fee	5,000	5,000	5,380
Water turn-on fees	8,000	8,000	7,000
Other charges	25,000	25,000	59,087
Grants	520,000	520,000	82,110
Total operating revenues	16,239,700	16,239,700	15,632,545
OPERATING EXPENSES			
Water	10,096,417	10,408,317	8,853,234
Sewer	2,192,251	2,192,251	2,195,814
Water pollution control	4,302,217	4,666,817	3,882,601
Depreciation	-	-	2,041,508
Total operating expenses	16,590,885	17,267,385	16,973,157
OPERATING INCOME (LOSS)	(351,185)	(1,027,685)	(1,340,612)
NON-OPERATING REVENUES (EXPENSES)			
Investment income	5,000	5,000	85,259
Interest expense	-	-	(248,697)
Total non-operating revenues (expenses)	5,000	5,000	(163,438)
CHANGE IN NET POSITION	<u>\$ (346,185)</u>	<u>\$ (1,022,685)</u>	(1,504,050)
NET POSITION, MAY 1			<u>53,564,286</u>
NET POSITION, APRIL 30			<u>\$ 52,060,236</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
BUDGET AND ACTUAL
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
WATER			
Personal services			
Salaries and wages			
Salaries administrative	\$ 325,800	\$ 325,800	\$ 314,230
Elected officials	6,500	6,500	7,865
Wages - clerical	156,400	156,400	165,072
Wages - operational	690,100	690,100	760,563
Overtime	90,000	90,000	86,482
Part-time	40,700	40,700	18,010
IMRF contributions	168,600	168,600	175,515
IMRF pension expense	-	-	(50,556)
Social Security	102,300	102,300	104,862
Health insurance and OPEB	293,100	293,100	279,342
Sick pay	27,000	27,000	30,738
Holiday pay	500	500	-
Other pay	9,000	9,000	9,793
Total personal services	<u>1,910,000</u>	<u>1,910,000</u>	<u>1,901,916</u>
Services and charges			
Professional fees			
Accounting and audit	6,400	6,400	6,269
Data processing	46,000	46,000	37,926
Medical	2,000	2,000	1,715
Technical and consulting	46,000	53,000	33,868
Communications			
Postage	27,800	27,800	33,668
Telephone	18,900	18,900	15,707
Portable device	-	-	555
Copy reproduction	900	900	293
Printing and publications	11,100	11,100	2,848
IRMA insurance	192,000	192,000	190,355
Conferences and training	8,900	8,900	6,288
Public utilities gas, heat	7,000	7,000	6,069
Public utilities electrical equipment	60,000	60,000	67,577
Public utility services	5,500,000	5,500,000	5,328,535
Waste disposal	18,500	18,500	13,490
Repairs and maintenance	174,700	239,600	130,914
Rental equipment	1,300	1,300	-
Dues and subscriptions	2,300	2,300	2,196
Bank fees	17,000	17,000	18,081
Other	1,000	1,000	475
Total services and charges	<u>6,141,800</u>	<u>6,213,700</u>	<u>5,896,829</u>
Supplies and materials			
Office supplies	1,300	1,300	649
Cleaning supplies	800	800	-
Clothing supplies	9,300	9,300	8,616
Motor fuel lubricants	500	500	-
Chemicals	4,500	4,500	3,380
Public grounds materials/supplies	37,100	37,100	37,201
Water meters/hydrants	8,500	8,500	2,348
Other operating supplies	52,800	52,800	28,166
Total supplies and materials	<u>114,800</u>	<u>114,800</u>	<u>80,360</u>

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
WATER (Continued)			
Capital outlay			
Water meters	\$ 31,700	\$ 31,700	\$ 85,283
Equipment	56,100	56,100	2,009
Watermain replacement	884,600	1,124,600	607,101
North Route 53 watermain	120,000	120,000	8,399
Water tower	1,200,000	1,200,000	610,200
Total capital outlay	2,292,400	2,532,400	1,312,992
Less items capitalized	(595,083)	(595,083)	(595,083)
Charges for internal services			
Fleet services	72,400	72,400	98,781
IS services	50,300	50,300	47,639
Equipment replacement	109,800	109,800	109,800
Total charges for internal services	232,500	232,500	256,220
Total water before depreciation	10,096,417	10,408,317	8,853,234
Depreciation	-	-	1,035,612
Total water	10,096,417	10,408,317	9,888,846
SEWER			
Personal services			
Salaries and wages			
Salaries administrative	346,700	346,700	343,641
Elected officials	6,500	6,500	7,865
Wages - clerical	176,700	176,700	207,916
Wages - operational	437,400	437,400	439,148
Overtime	35,000	35,000	29,338
Part-time temporary	35,800	35,800	23,130
IMRF contributions	129,700	129,700	131,135
IMRF pension expense	-	-	(19,750)
Social Security	80,700	80,700	78,417
Health insurance and OPEB	236,500	236,500	226,067
Sick pay	16,000	16,000	11,688
Other pay	12,900	12,900	10,859
Total personal services	1,513,900	1,513,900	1,489,454
Services and charges			
Professional fees			
Accounting and audit	1,700	1,700	1,666
Medical	-	-	1,598
Technology and consulting services	50,000	50,000	48,505
Communications			
Postage	500	500	-
Telephone	20,700	20,700	16,175
Portable device	-	-	(791)
Copy reproduction	400	400	222

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
SEWER (Continued)			
Services and charges (Continued)			
Printing and publications	\$ 2,600	\$ 2,600	\$ 733
Conferences	-	-	824
IRMA insurance	50,000	50,000	57,773
Public utilities	58,800	58,800	77,112
Waste disposal	15,000	15,000	7,063
Repairs and maintenance	224,000	224,000	223,589
Rental equipment	6,600	6,600	5,134
Training	3,500	3,500	3,017
Other	500	500	1,408
Total services and charges	434,300	434,300	444,028
Supplies and materials			
Office supplies	1,300	1,300	1,300
Cleaning supplies	1,000	1,000	860
Clothing supplies	6,000	6,000	4,342
Motor fuel lubricants	4,400	4,400	3,908
Chemicals	500	500	-
Building materials/supplies	600	600	-
Other operating supplies	46,200	46,200	43,970
Total supplies and materials	60,000	60,000	54,380
Capital outlay			
Equipment	100,000	100,000	138,345
Rebuild motors/pumps daps	45,000	45,000	45,000
Total capital outlay	145,000	145,000	183,345
Less items capitalized	(228,949)	(228,949)	(228,949)
Charges for internal services			
Fleet services	160,100	160,100	147,434
IS services	33,600	33,600	31,822
Equipment replacement	74,300	74,300	74,300
Total charges for internal services	268,000	268,000	253,556
Total sewer before depreciation	2,192,251	2,192,251	2,195,814
Depreciation	-	-	383,281
Total sewer	2,192,251	2,192,251	2,579,095
WATER POLLUTION CONTROL			
Personal services			
Salaries and wages			
Salaries administrative	542,600	542,600	529,410
Elected officials	6,500	6,500	7,865
Wages - clerical	176,700	176,700	189,737
Wages - operational	1,129,700	1,129,700	1,059,344

(This schedule is continued on the following pages.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
WATER POLLUTION CONTROL (Continued)			
Personal services (Continued)			
Salaries and wages (Continued)			
Overtime	\$ 32,000	\$ 32,000	\$ 27,165
Part-time temporary	61,200	61,200	87,181
IMRF contributions	245,800	245,800	242,598
IMRF pension expense	-	-	(69,122)
Social Security	152,000	152,000	148,291
Health insurance and OPEB	426,400	426,400	423,533
Sick pay	41,000	41,000	32,901
Other pay	20,000	20,000	16,023
Total personal services	2,833,900	2,833,900	2,694,926
Services and charges			
Professional fees			
Accounting and audit	2,700	2,700	2,643
Data processing	8,100	8,100	3,470
Medical	1,200	1,200	1,905
Technical and consulting	198,800	205,300	152,844
Communications			
Postage	1,000	1,000	380
Telephone	22,200	22,200	21,156
Portable device	400	400	(187)
Copy reproduction	2,000	2,000	820
Conferences	5,000	5,000	3,792
Training	2,600	12,600	7,802
Printing and publications	2,500	2,500	1,585
IRMA insurance	82,000	82,000	82,634
Public utilities gas, heat	49,500	49,500	37,715
Public utilities electrical equipment	375,000	447,800	438,233
Waste disposal	195,000	195,000	164,546
Repairs and maintenance	256,600	314,600	179,606
Rental equipment	9,000	9,000	787
Dues and subscriptions	500	500	350
Permit fee payments	68,500	68,500	68,500
Other	200	200	1,062
Total services and charges	1,282,800	1,430,100	1,169,643
Supplies and materials			
Office supplies	1,700	1,700	1,550
Cleaning supplies	4,200	4,200	3,945
Clothing supplies	16,400	16,400	11,767
Motor fuel lubricants	5,200	5,200	5,046
Chemicals	91,000	91,000	54,216
Public grounds materials/supplies	1,500	1,500	1,267
Building materials/supplies	5,000	5,000	-
Other operating supplies	125,900	125,900	119,772
Total supplies and materials	250,900	250,900	197,563

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF DETAILED EXPENSES BY DEPARTMENT -
BUDGET AND ACTUAL (Continued)
WATERWORKS AND SEWERAGE FUND

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
WATER POLLUTION CONTROL (Continued)			
Capital outlay			
Equipment	\$ 67,500	\$ 67,500	\$ (65,126)
Excess flow lift station	-	217,300	42,301
Anerobis dig clearing	105,000	105,000	107,990
Aeration system sheath	40,000	40,000	33,737
Total capital outlay	212,500	429,800	118,902
Less items capitalized	(416,483)	(416,483)	(416,483)
Charges for internal services			
Fleet services	40,000	40,000	24,333
IS services	92,300	92,300	87,417
Equipment replacement	6,300	6,300	6,300
Total charges for internal services	138,600	138,600	118,050
Total water pollution control before depreciation	4,302,217	4,666,817	3,882,601
Depreciation	-	-	622,615
Total water pollution control	4,302,217	4,666,817	4,505,216
TOTAL EXPENSES	\$ 16,590,885	\$ 17,267,385	\$ 16,973,157

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

Fleet Services Fund - to account for the costs of operating a maintenance facility for automotive equipment used by other village departments. Actual cost includes depreciation on the machinery and equipment used to provide the service.

Information Systems Fund - to account for the costs of running the Village's information system.

Equipment Replacement Fund - to account for the costs of purchasing and maintaining the Village's vehicles.

VILLAGE OF ADDISON, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

April 30, 2018

	Fleet Services	Information Systems	Equipment Replacement	Total
CURRENT ASSETS				
Cash and investments	\$ 1,825	\$ 203	\$ 4,357,072	\$ 4,359,100
Prepaid items	-	48,201	-	48,201
Inventory	34,683	-	-	34,683
Total current assets	36,508	48,404	4,357,072	4,441,984
NONCURRENT ASSETS				
Capital assets				
Machinery and equipment	116,958	-	8,694,534	8,811,492
Office equipment	-	765,104	-	765,104
Accumulated depreciation	(115,853)	(596,266)	(5,317,504)	(6,029,623)
Net capital assets	1,105	168,838	3,377,030	3,546,973
Total noncurrent assets	1,105	168,838	3,377,030	3,546,973
Total assets	37,613	217,242	7,734,102	7,988,957
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on refunding	-	-	15,824	15,824
Pension items - IMRF	59,576	67,182	-	126,758
Total deferred outflows of resources	59,576	67,182	15,824	142,582
Total assets and deferred outflows of resources	97,189	284,424	7,749,926	8,131,539
CURRENT LIABILITIES				
Accounts payable	19,554	21,331	109,085	149,970
Accrued payroll	11,197	7,819	-	19,016
Accrued interest payable	-	-	3,361	3,361
Compensated absences	36,521	16,498	-	53,019
General obligation bonds payable	-	-	177,420	177,420
Total current liabilities	67,272	45,648	289,866	402,786
LONG-TERM LIABILITIES				
Compensated absences	146,081	65,993	-	212,074
IMRF net pension liability	176,328	198,747	-	375,075
Net other postemployment benefit obligation	9,363	6,837	-	16,200
General obligation bonds payable	-	-	200,978	200,978
Total long-term liabilities	331,772	271,577	200,978	804,327
Total liabilities	399,044	317,225	490,844	1,207,113
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	172,884	194,866	-	367,750
Total deferred inflows of resources	172,884	194,866	-	367,750
Total liabilities and deferred inflows of resources	571,928	512,091	490,844	1,574,863
NET POSITION				
Net investment in capital assets	1,105	168,838	3,014,456	3,184,399
Unrestricted (deficit)	(475,844)	(396,505)	4,244,626	3,372,277
TOTAL NET POSITION (DEFICIT)	\$ (474,739)	\$ (227,667)	\$ 7,259,082	\$ 6,556,676

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS**COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2018

	Fleet Services	Information Systems	Equipment Replacement	Total
OPERATING REVENUES				
Charges for services	\$ 1,272,334	\$ 1,640,939	\$ 868,900	\$ 3,782,173
Other revenue	95,713	-	-	95,713
Total operating revenues	1,368,047	1,640,939	868,900	3,877,886
OPERATING EXPENSES				
Personnel services	724,722	841,017	-	1,565,739
Services and charges	146,169	698,880	56	845,105
Supplies and materials	526,420	27,599	-	554,019
Capital outlay	-	93,206	15,168	108,374
Total operating expenses excluding depreciation	1,397,311	1,660,702	15,224	3,073,237
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(29,264)	(19,763)	853,676	804,649
Depreciation	2,209	53,591	610,243	666,043
OPERATING INCOME (LOSS)	(31,473)	(73,354)	243,433	138,606
NON-OPERATING REVENUES (EXPENSES)				
Investment income	-	-	81,564	81,564
Interest expense	-	-	(10,527)	(10,527)
Gain on sale of capital assets	-	-	75,313	75,313
Total non-operating revenues (expenses)	-	-	146,350	146,350
CHANGE IN NET POSITION	(31,473)	(73,354)	389,783	284,956
NET POSITION (DEFICIT), MAY 1	(443,266)	(154,313)	6,869,299	6,271,720
NET POSITION (DEFICIT), APRIL 30	\$ (474,739)	\$ (227,667)	\$ 7,259,082	\$ 6,556,676

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended April 30, 2018

	Fleet Services	Information Systems	Equipment Replacement	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from internal services transactions	\$ 1,272,334	\$ 1,640,939	\$ 868,900	\$ 3,782,173
Receipts from other sources	95,713	-	-	95,713
Payments to suppliers	(658,331)	(810,547)	(15,224)	(1,484,102)
Payments to employees	(707,891)	(761,393)	-	(1,469,284)
Net cash from operating activities	1,825	68,999	853,676	924,500
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
None	-	-	-	-
Net cash from noncapital financing activities	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	-	(68,796)	(784,342)	(853,138)
Proceeds from disposal of property	-	-	76,798	76,798
Principal paid on bonds	-	-	(171,506)	(171,506)
Interest paid on bonds	-	-	(14,105)	(14,105)
Net cash from capital and related financing activities	-	(68,796)	(893,155)	(961,951)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	-	-	81,564	81,564
Net cash from investing activities	-	-	81,564	81,564
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,825	203	42,085	44,113
CASH AND CASH EQUIVALENTS, MAY 1	-	-	4,314,987	4,314,987
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 1,825	\$ 203	\$ 4,357,072	\$ 4,359,100

(This statement is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS**COMBINING STATEMENT OF CASH FLOWS (Continued)**
INTERNAL SERVICE FUNDS

For the Year Ended April 30, 2018

	Fleet Services	Information Systems	Equipment Replacement	Total
RECONCILIATION OF OPERATING INCOME (LOSS)				
TO NET CASH FLOWS FROM				
OPERATING ACTIVITIES				
Operating income (loss)	\$ (31,473)	\$ (73,354)	\$ 243,433	\$ 138,606
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	2,209	53,591	610,243	666,043
Changes in assets and liabilities				
Inventory	16,028	-	-	16,028
Deferred outflows of resources - pension items - IMRF	73,645	34,236	-	107,881
Accounts payable	(1,770)	9,138	-	7,368
Accrued payroll	1,742	3,779	-	5,521
Deferred inflows of resources - pension items - IMRF	227,052	259,744	-	486,796
Compensated absences payable	10,176	2,377	-	12,553
Net other postemployment benefits obligation	1,654	1,208	-	2,862
Net pension liability - IMRF	(297,438)	(221,720)	-	(519,158)
NET CASH FROM OPERATING ACTIVITIES	\$ 1,825	\$ 68,999	\$ 853,676	\$ 924,500
CASH AND INVESTMENTS				
Cash and cash equivalents	\$ 1,825	\$ 203	\$ 4,357,072	\$ 4,359,100
TOTAL CASH AND INVESTMENTS	\$ 1,825	\$ 203	\$ 4,357,072	\$ 4,359,100

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL
FLEET SERVICES FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personal services			
Salaries and wages			
Salaries administrative	\$ 107,300	\$ 107,300	\$ 106,992
Wages clerical	64,200	64,200	75,151
Wages operational	271,400	271,400	271,933
Overtime	23,000	23,000	29,062
Other pay	7,000	7,000	5,745
IMRF contributions	61,300	61,300	63,855
IMRF pension expense	-	-	3,259
Social Security	36,600	36,600	37,954
Health insurance and OPEB	120,200	120,200	114,845
Sick pay	12,000	12,000	15,926
Total personal services	703,000	703,000	724,722
Services and charges			
Professional fees			
Data processing	2,900	2,900	1,695
Medical	1,000	1,000	307
Technology and consulting services	-	-	-
Legal	-	-	125
Communications			
Telephone and portable device	1,800	1,800	1,938
Postage	200	200	65
Publication of notices	-	-	81
Copy reproduction	400	400	426
Repairs and maintenance	46,200	46,200	64,367
IRMA insurance	28,000	28,000	32,413
Conferences and training	2,200	2,200	2,721
Heat, light, gas, and waste disposal	1,200	1,200	1,067
Dues and subscriptions	4,300	4,300	4,955
Printing and publication	300	300	97
IS services	33,600	33,600	31,822
Tech and consult service	200	200	-
Other services and charges	7,400	7,400	4,090
Total services and charges	129,700	129,700	146,169
Supplies and materials			
Office supplies	800	800	572
Fuel	370,000	370,000	295,793
Clothing supplies	3,400	3,400	2,169
Motor vehicles material and supplies	153,200	153,200	169,732
Other materials and supplies	27,900	27,900	58,154
Total supplies and materials	555,300	555,300	526,420
Capital outlay			
None	-	-	-
Total capital outlay	-	-	-
TOTAL OPERATING EXPENSES	\$ 1,388,000	\$ 1,388,000	\$ 1,397,311

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL
INFORMATION SYSTEMS FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Personal services			
Salaries and wages			
Salaries administrative	\$ 525,700	\$ 525,700	\$ 504,013
Other pay	9,000	9,000	7,752
Part time	-	-	22,119
IMRF contributions	68,300	68,300	71,973
IMRF pension expense	-	-	72,260
Social Security	40,800	40,800	40,932
Health insurance and OPEB	123,300	123,300	111,476
Sick pay	7,000	7,000	10,492
Total personal services	<u>774,100</u>	<u>774,100</u>	<u>841,017</u>
Services and charges			
Professional fees			
Data processing	353,600	353,600	304,793
Medical	-	-	135
Communications			
Telephone	108,100	108,100	127,754
Portable device	12,000	12,000	6,415
Copy reproduction	700	700	599
Repairs and maintenance	85,200	85,200	89,168
Technical and consulting	183,000	190,000	157,799
IRMA insurance	6,000	6,000	5,900
Dues and subscriptions	1,000	1,000	-
Conferences	5,000	5,000	1,219
Training	16,000	16,000	1,437
IS services	-	-	2,615
Other services and charges	-	-	1,046
Total services and charges	<u>770,600</u>	<u>777,600</u>	<u>698,880</u>
Supplies and materials			
Office supplies	-	-	41
Clothing supplies	400	400	428
Other operating supplies	33,500	33,500	27,130
Total supplies and materials	<u>33,900</u>	<u>33,900</u>	<u>27,599</u>
Capital outlay			
Equipment	158,000	158,000	162,002
Total capital outlay	<u>158,000</u>	<u>158,000</u>	<u>162,002</u>
Less items capitalized	<u>(68,796)</u>	<u>(68,796)</u>	<u>(68,796)</u>
Net capital outlay	<u>89,204</u>	<u>89,204</u>	<u>93,206</u>
TOTAL OPERATING EXPENSES	<u>\$ 1,667,804</u>	<u>\$ 1,674,804</u>	<u>\$ 1,660,702</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF DETAILED EXPENSES - BUDGET AND ACTUAL
EQUIPMENT REPLACEMENT FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Services and charges			
Conferences	\$ -	\$ -	\$ 56
Total services and charges	-	-	56
Capital outlay			
Equipment - police	239,000	239,000	344,787
Equipment - com development	48,000	48,000	46,487
Equipment - streets	54,000	54,000	93,468
Equipment - electricity and forestry	268,000	283,000	255,001
Equipment - water	244,000	259,000	80,936
Equipment - sewer	67,000	67,000	66,689
Equipment - fleet services	51,500	56,900	21,227
Total capital outlay	971,500	1,006,900	908,595
Less items capitalized	(893,427)	(893,427)	(893,427)
Net capital outlay	78,073	113,473	15,168
TOTAL OPERATING EXPENSES	\$ 78,073	\$ 113,473	\$ 15,224

(See independent auditor's report.)

FIDUCIARY FUNDS

Police Pension Trust Fund - to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law, by a special tax levy, and by allocation of personal property replacement tax. Total taxes to be levied are determined by annual actuarial study.

Agency Fund - to account for assets held by the Village for the property owner for the Armitage/Ardmore water main improvements.

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF CHANGES IN NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION TRUST FUND**

For the Year Ended April 30, 2018

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions - employer			
Property taxes transferred from General Fund	\$ 3,013,000	\$ 3,013,000	\$ 3,037,753
Contributions - plan members	600,000	600,000	809,053
Total contributions	3,613,000	3,613,000	3,846,806
Investment income			
Net appreciation in fair value of investments	1,000,000	1,000,000	2,276,605
Interest earned on investments	900,000	900,000	1,517,463
Total investment income	1,900,000	1,900,000	3,794,068
Less investment expense	(88,000)	(88,000)	(117,245)
Net investment income	1,812,000	1,812,000	3,676,823
Total additions	5,425,000	5,425,000	7,523,629
DEDUCTIONS			
Benefits and refunds	3,634,000	3,634,000	3,627,958
Administration	11,100	11,100	61,677
Legal	3,000	3,000	13,404
Total deductions	3,648,100	3,648,100	3,703,039
NET INCREASE	<u>\$ 1,776,900</u>	<u>\$ 1,776,900</u>	3,820,590
NET POSITION RESTRICTED FOR PENSIONS			
May 1			<u>44,319,416</u>
April 30			<u>\$ 48,140,006</u>

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND**

For the Year Ended April 30, 2018

	Balances May 1	Additions	Deductions	Balances April 30
Special Service Area #1				
ASSETS				
Cash and investments	\$ 16,197	\$ 189	\$ -	\$ 16,386
LIABILITIES				
Funds held for others	\$ 16,197	\$ 189	\$ -	\$ 16,386

(See independent auditor's report.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND ISSUES**

April 30, 2018

	2008 Refunding Bond Issue	2010 Bond Issue	2012 Refunding Bond Issue
Date of Issue	June 19, 2008	July 30, 2010	September 6, 2011
Issuance Amount	\$6,015,000	\$3,500,000	\$3,985,000
Interest Rate	3.25% to 5.00%	3.05% to 3.40%	2% to 3%
Principal Due	December 15	December 15	December 15
Interest Dates	June 15 and December 15	June 15 and December 15	June 15 and December 15
Date of Maturity	December 15, 2020	December 15, 2019	December 15, 2019

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	2008 Bond Issue		2010 Bond Issue		2012 Refunding Bond Issue	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 920,000	\$ 145,250	\$ 150,000	\$ 9,845	\$ 600,000	\$ 30,300
2020	975,000	99,250	155,000	5,270	615,000	12,300
2021	1,010,000	50,500	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-
2026	-	-	-	-	-	-
2027	-	-	-	-	-	-
2028	-	-	-	-	-	-
2029	-	-	-	-	-	-
2030	-	-	-	-	-	-
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
2034	-	-	-	-	-	-
2035	-	-	-	-	-	-
2036	-	-	-	-	-	-
2037	-	-	-	-	-	-
2038	-	-	-	-	-	-
	<u>\$ 2,905,000</u>	<u>\$ 295,000</u>	<u>\$ 305,000</u>	<u>\$ 15,115</u>	<u>\$ 1,215,000</u>	<u>\$ 42,600</u>

2015 Refunding Bond Issue	2016A Bond Issue	2016B Refunding Bond Issue
December 1, 2015	December 15, 2016	November 15, 2016
\$8,995,000	\$9,525,000	\$2,130,000
2% to 4%	2% to 3%	2% to 3%
December 15	December 15	December 15
June 15 and December 15	June 15 and December 15	June 15 and December 15
December 15, 2026	December 15, 2037	December 15, 2026

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

2015 Refunding Bond Issue		2016A Bond Issue		2016B Refunding Bond Issue	
Principal	Interest	Principal	Interest	Principal	Interest
\$ 770,000	\$ 305,400	\$ -	\$ 253,783	\$ 190,000	\$ 50,300
800,000	290,000	-	253,783	200,000	46,500
845,000	266,000	345,000	253,783	205,000	42,500
895,000	240,650	355,000	253,783	210,000	38,400
945,000	213,800	365,000	246,883	210,000	34,200
1,010,000	176,000	380,000	239,783	220,000	27,900
1,070,000	135,600	390,000	232,483	230,000	21,300
1,130,000	92,800	405,000	224,883	235,000	14,400
1,190,000	47,600	420,000	217,084	245,000	7,350
-	-	440,000	208,578	-	-
-	-	460,000	199,128	-	-
-	-	475,000	188,788	-	-
-	-	500,000	177,288	-	-
-	-	520,000	164,700	-	-
-	-	845,000	149,700	-	-
-	-	865,000	134,100	-	-
-	-	890,000	108,750	-	-
-	-	920,000	82,800	-	-
-	-	950,000	56,100	-	-
-	-		28,500	-	-
\$ 8,655,000	\$ 1,767,850	\$ 9,525,000	\$ 3,674,680	\$ 1,945,000	\$ 282,850

(This schedule is continued on the following page.)

VILLAGE OF ADDISON, ILLINOIS

**SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND ISSUES (Continued)**

April 30, 2018

	2017 Bond Issue		2017A Bond Issue			
Date of Issue	January 4, 2017		June 29, 2017			
Issuance Amount	\$5,400,000		\$2,470,000			
Interest Rate	3% to 4%		1.10% to 3.65%			
Principal Due	December 15		December 15			
Interest Dates	June 15 and December 15		June 15 and December 15			
Date of Maturity	December 15, 2032		December 15, 2030			

Fiscal Year	2017 Bond Issue		2017A Bond Issue		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 600,000	\$ 187,500	\$ 20,000	\$ 73,150	\$ 3,250,000	\$ 1,055,528
2020	600,000	169,500	20,000	72,870	3,365,000	949,473
2021	600,000	151,500	180,000	72,510	3,185,000	836,793
2022	300,000	133,500	190,000	68,910	1,950,000	735,243
2023	300,000	124,500	200,000	64,730	2,020,000	684,113
2024	300,000	115,500	205,000	59,830	2,115,000	619,013
2025	300,000	105,000	205,000	54,398	2,195,000	548,781
2026	300,000	94,500	220,000	48,555	2,290,000	475,138
2027	300,000	84,000	225,000	41,845	2,380,000	397,879
2028	300,000	72,000	230,000	34,533	970,000	315,111
2029	300,000	60,000	240,000	26,828	1,000,000	285,956
2030	300,000	48,000	250,000	18,548	1,025,000	255,336
2031	300,000	36,000	265,000	9,673	1,065,000	222,961
2032	300,000	24,000	-	-	820,000	188,700
2033	300,000	12,000	-	-	1,145,000	161,700
2034	-	-	-	-	865,000	134,100
2035	-	-	-	-	890,000	108,750
2036	-	-	-	-	920,000	82,800
2037	-	-	-	-	950,000	56,100
2038	-	-	-	-	-	28,500
	<u>\$ 5,400,000</u>	<u>\$ 1,417,500</u>	<u>\$ 2,450,000</u>	<u>\$ 646,380</u>	<u>\$ 32,400,000</u>	<u>\$ 8,141,975</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Addison, 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.	117-126
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the sales tax and property tax.	127-132
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.	133-136
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.	137-138
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.	139-142

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

VILLAGE OF ADDISON, ILLINOIS**NET POSITION BY COMPONENTS**

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 88,445,318	\$ 90,552,397	\$ 92,393,790	\$ 95,291,795
Restricted	2,243,060	1,529,784	1,819,969	3,908,191
Unrestricted	9,658,129	9,541,452	11,317,904	9,413,771
TOTAL GOVERNMENTAL ACTIVITIES	\$ 100,346,507	\$ 101,623,633	\$ 105,531,663	\$ 108,613,757
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 57,293,575	\$ 56,799,642	\$ 55,720,105	\$ 54,573,479
Restricted	1,444,834	1,452,430	1,454,610	1,454,790
Unrestricted	3,417,229	3,112,521	2,966,651	3,095,702
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 62,155,638	\$ 61,364,593	\$ 60,141,366	\$ 59,123,971
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 145,738,893	\$ 147,352,039	\$ 148,113,895	\$ 149,865,274
Restricted	3,687,894	2,982,214	3,274,579	5,362,981
Unrestricted	13,075,358	12,653,973	14,284,555	12,509,473
TOTAL PRIMARY GOVERNMENT	\$ 162,502,145	\$ 162,988,226	\$ 165,673,029	\$ 167,737,728

*The Village implemented GASB Statement No. 68 for the fiscal year ended April 30, 2016.

Data Source

Audited Financial Statements

2013	2014	2015	2016*	2017	2018
\$ 97,716,469	\$ 101,630,549	\$ 106,518,924	\$ 112,392,728	\$ 116,873,726	\$ 122,991,617
4,660,660	5,071,785	4,054,508	3,234,609	3,494,341	5,134,121
8,425,127	8,335,022	8,861,037	(35,495,682)	(35,121,629)	(36,522,812)
<u>\$ 110,802,256</u>	<u>\$ 115,037,356</u>	<u>\$ 119,434,469</u>	<u>\$ 80,131,655</u>	<u>\$ 85,246,438</u>	<u>\$ 91,602,926</u>
\$ 54,163,556	\$ 53,415,214	\$ 51,992,888	\$ 51,239,618	\$ 48,076,005	\$ 47,815,312
1,458,126	30,000	30,000	30,000	30,000	30,000
3,637,975	4,909,365	5,166,922	3,164,470	5,458,281	4,214,924
<u>\$ 59,259,657</u>	<u>\$ 58,354,579</u>	<u>\$ 57,189,810</u>	<u>\$ 54,434,088</u>	<u>\$ 53,564,286</u>	<u>\$ 52,060,236</u>
\$ 151,880,025	\$ 155,045,763	\$ 158,511,812	\$ 163,632,346	\$ 164,949,731	\$ 170,806,929
6,118,786	5,101,785	4,084,508	3,264,609	3,524,341	5,164,121
12,063,102	13,244,387	14,027,959	(32,331,212)	(29,663,348)	(32,307,888)
<u>\$ 170,061,913</u>	<u>\$ 173,391,935</u>	<u>\$ 176,624,279</u>	<u>\$ 134,565,743</u>	<u>\$ 138,810,724</u>	<u>\$ 143,663,162</u>

VILLAGE OF ADDISON, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
EXPENSES				
Governmental Activities				
General government	\$ 5,125,037	\$ 4,640,073	\$ 4,385,166	\$ 4,633,830
Public safety	13,892,079	14,071,718	13,990,764	15,906,663
Community development	2,579,381	2,561,749	2,551,924	2,684,987
Highways and streets	5,795,740	5,594,481	5,297,660	5,338,610
Interest and fiscal charges	1,339,726	1,261,761	1,180,854	1,352,565
Total governmental activities expenses	28,731,963	28,129,782	27,406,368	29,916,655
Business-Type Activities				
Water and sewer	11,983,183	11,935,224	12,464,598	13,131,685
Total business-type activities expenses	11,983,183	11,935,224	12,464,598	13,131,685
TOTAL PRIMARY GOVERNMENT EXPENSES	\$ 40,715,146	\$ 40,065,006	\$ 39,870,966	\$ 43,048,340
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 1,266,980	\$ 1,280,491	\$ 1,391,243	\$ 1,438,307
Public safety	1,099,943	1,396,365	1,388,763	1,251,599
Community development	581,175	621,422	418,380	592,805
Highways and streets	670,850	691,821	747,808	699,875
Operating grants and contributions	1,320,313	1,111,016	1,391,543	1,226,672
Capital grants and contributions	468,282	285,253	220,882	357,094
Total governmental activities program revenues	5,407,543	5,386,368	5,558,619	5,566,352
Business-Type Activities				
Charges for services				
Water and sewer	10,271,842	10,310,792	10,942,530	11,731,849
Operating grants and contributions	72,565	1,001	72,890	10,152
Capital grants and contributions	173,228	-	-	-
Total business-type activities program revenues	10,517,635	10,311,793	11,015,420	11,742,001
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	\$ 15,925,178	\$ 15,698,161	\$ 16,574,039	\$ 17,308,353
NET REVENUE (EXPENSE)				
Governmental activities	\$ (23,324,420)	\$ (22,743,414)	\$ (21,847,749)	\$ (24,350,303)
Business-type activities	(1,465,548)	(1,623,431)	(1,449,178)	(1,389,684)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	\$ (24,789,968)	\$ (24,366,845)	\$ (23,296,927)	\$ (25,739,987)

2013	2014	2015	2016	2017	2018
\$ 4,463,370	\$ 4,852,380	\$ 4,829,314	\$ 4,872,160	\$ 5,220,251	\$ 6,478,067
16,267,795	16,861,308	18,000,834	18,833,454	19,824,104	21,430,757
2,671,935	1,741,207	4,840,357	3,012,672	3,052,693	4,461,440
5,822,591	7,439,469	6,518,225	5,825,749	7,553,846	6,688,849
1,019,885	995,325	925,271	1,026,274	1,271,466	841,741
30,245,576	31,889,689	35,114,001	33,570,309	36,922,360	39,900,854
14,175,880	15,205,581	15,930,449	16,061,021	17,210,489	17,221,854
14,175,880	15,205,581	15,930,449	16,061,021	17,210,489	17,221,854
\$ 44,421,456	\$ 47,095,270	\$ 51,044,450	\$ 49,631,330	\$ 54,132,849	\$ 57,122,708
\$ 1,547,815	\$ 1,567,775	\$ 1,713,897	\$ 1,804,155	\$ 1,863,061	\$ 1,860,364
1,447,919	1,449,716	1,391,516	1,827,688	3,712,418	4,635,760
453,184	562,600	688,779	857,571	792,080	1,026,348
752,738	916,662	984,335	984,338	932,341	875,140
1,252,795	1,619,191	3,187,611	1,482,100	1,596,791	2,297,725
109,552	342,016	550,505	1,978,904	494,002	1,313,390
5,564,003	6,457,960	8,516,643	8,934,756	9,390,693	12,008,727
12,859,220	13,460,928	14,558,808	15,084,269	15,977,868	15,550,435
916	-	-	200,000	-	-
-	-	-	-	-	82,110
12,860,136	13,460,928	14,558,808	15,284,269	15,977,868	15,632,545
\$ 18,424,139	\$ 19,918,888	\$ 23,075,451	\$ 24,219,025	\$ 25,368,561	\$ 27,641,272
\$ (24,681,573)	\$ (25,431,729)	\$ (26,597,358)	\$ (24,635,553)	\$ (27,531,667)	\$ (27,892,127)
(1,315,744)	(1,744,653)	(1,371,641)	(776,752)	(1,232,621)	(1,589,309)
\$ (25,997,317)	\$ (27,176,382)	\$ (27,968,999)	\$ (25,412,305)	\$ (28,764,288)	\$ (29,481,436)

VILLAGE OF ADDISON, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 7,349,056	\$ 7,816,366	\$ 8,292,689	\$ 8,675,564
Home rule sales	4,970,300	4,259,065	4,594,396	5,342,585
Telecommunications	1,959,918	1,765,480	1,655,861	1,708,571
Other	1,056,915	940,038	1,028,587	984,240
Shared sales taxes	7,757,823	6,779,198	7,360,627	7,881,310
Shared income taxes	3,366,328	2,934,391	2,880,557	3,009,476
Investment earnings	178,179	50,053	26,075	17,666
Miscellaneous	330,358	289,446	134,717	180,255
Transfers	(1,715,457)	(813,497)	(217,730)	(367,270)
Contributions	-	-	-	-
Total governmental activities	25,253,420	24,020,540	25,755,779	27,432,397
Business-Type Activities				
Investment earnings	57,403	18,889	8,221	5,019
Miscellaneous	-	-	-	-
Contributions	-	-	-	-
Transfers	1,715,457	813,497	217,730	367,270
Total business-type activities	1,772,860	832,386	225,951	372,289
TOTAL PRIMARY GOVERNMENT	\$ 27,026,280	\$ 24,852,926	\$ 25,981,730	\$ 27,804,686
CHANGE IN NET POSITION				
Governmental activities	\$ 1,929,000	\$ 1,277,126	\$ 3,908,030	\$ 3,082,094
Business-type activities	307,312	(791,045)	(1,223,227)	(1,017,395)
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	\$ 2,236,312	\$ 486,081	\$ 2,684,803	\$ 2,064,699

Data Source

Audited Financial Statements

2013	2014	2015	2016	2017	2018
\$ 8,341,466	\$ 8,453,300	\$ 9,025,890	\$ 8,514,382	\$ 9,266,353	\$ 9,589,810
6,236,048	7,071,716	6,924,034	8,006,878	7,389,351	7,685,514
1,500,073	1,395,198	1,301,914	1,227,999	1,136,401	1,029,115
1,252,073	1,332,203	1,569,684	1,831,024	2,065,932	2,276,779
7,675,969	8,382,852	8,503,004	9,788,300	9,270,110	9,842,698
3,329,232	3,599,856	3,617,900	3,936,999	3,491,936	3,349,970
21,300	18,923	16,692	16,910	89,620	195,134
213,809	213,590	235,972	332,743	270,080	279,595
(1,221,600)	(800,809)	(200,619)	(442,442)	(333,333)	-
-	-	-	-	-	-
27,348,370	29,666,829	30,994,471	33,212,793	32,646,450	34,248,615
10,101	9,452	6,253	5,009	29,486	85,259
250,000	29,314	-	-	-	-
-	-	-	-	-	-
1,221,600	800,809	200,619	442,442	333,333	-
1,481,701	839,575	206,872	447,451	362,819	85,259
\$ 28,830,071	\$ 30,506,404	\$ 31,201,343	\$ 33,660,244	\$ 33,009,269	\$ 34,333,874
\$ 2,666,797	\$ 4,235,100	\$ 4,397,113	\$ 8,577,240	\$ 5,114,783	\$ 6,356,488
165,957	(905,078)	(1,164,769)	(329,301)	(869,802)	(1,504,050)
\$ 2,832,754	\$ 3,330,022	\$ 3,232,344	\$ 8,247,939	\$ 4,244,981	\$ 4,852,438

VILLAGE OF ADDISON, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012*
GENERAL FUND				
Reserved	\$ 1,090,020	\$ 969,309	\$ 1,052,005	\$ -
Unreserved	7,499,398	7,108,949	7,682,950	-
Nonspendable in form				
Prepaid items	-	-	-	4,995
Advances to other funds	-	-	-	1,010,705
Notes receivable	-	-	-	54,445
Unrestricted				
Assigned for subsequent budget	-	-	-	-
Unassigned	-	-	-	7,387,902
TOTAL GENERAL FUND	\$ 8,589,418	\$ 8,078,258	\$ 8,734,955	\$ 8,458,047
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 5,501,765	\$ 3,569,732	\$ 3,309,883	\$ -
Unreserved, reported in				
Special Revenue Funds	(1,428)	417	4,465	-
Capital Project Funds	(3,694,723)	(1,611,257)	(786,109)	-
Nonspendable in form				
Prepaid items	-	-	-	-
Advances to other funds	-	-	-	325,476
Restricted for				
Economic development	-	-	-	1,952,671
Public safety	-	-	-	165,971
Highways and streets	-	-	-	469,842
Debt service	-	-	-	1,319,707
Unrestricted				
Committed for community events	-	-	-	-
Assigned for debt service	-	-	-	-
Assigned for capital projects	-	-	-	973,202
Assigned for specific purpose	-	-	-	6,399
Unassigned (deficit)	-	-	-	(1,336,241)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 1,805,614	\$ 1,958,892	\$ 2,528,239	\$ 3,877,027

*The Village implemented GASB Statement No. 54 in fiscal year 2012.

Data Source

Audited Financial Statements

2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	52,596	5,658	6,680
-	-	-	-	-	-
50,195	44,067	10,393	8,572	6,511	3,970
-	262,300	124,900	-	775,700	982,400
8,075,707	7,561,806	8,452,836	10,684,053	11,455,400	11,124,750
\$ 8,125,902	\$ 7,868,173	\$ 8,588,129	\$ 10,745,221	\$ 12,243,269	\$ 12,117,800
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	2,228	-	43,729
-	-	-	-	-	-
1,950,271	1,830,281	488,703	410,585	176,382	-
227,113	390,264	485,362	446,997	656,352	935,566
721,721	1,064,946	1,308,820	577,665	402,754	1,265,872
1,761,555	1,786,294	1,771,623	1,799,362	9,702,006	2,932,683
-	-	-	6,414	6,447	6,522
-	-	-	549,040	1,041,667	1,100,000
144,720	369,805	492,677	1,017,581	711,341	214,097
6,405	6,406	6,407	-	-	-
(8,559)	(5,730)	-	-	(633,947)	(1,177,826)
\$ 4,803,226	\$ 5,442,266	\$ 4,553,592	\$ 4,809,872	\$ 12,063,002	\$ 5,320,643

VILLAGE OF ADDISON, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
REVENUES				
Taxes	\$ 26,460,341	\$ 24,494,538	\$ 25,812,717	\$ 24,592,270
Licenses and permits	1,707,139	1,760,064	1,604,254	1,795,005
Intergovernmental	1,663,175	1,373,959	1,546,257	4,616,969
Charges for services	428,404	357,542	369,759	512,920
Fines and forfeitures	1,132,905	1,450,426	1,521,816	1,120,990
Investment income	178,179	50,053	26,075	17,666
Miscellaneous	806,277	733,823	639,498	710,199
Total revenues	32,376,420	30,220,405	31,520,376	33,366,019
EXPENDITURES				
General government	4,293,793	3,852,310	3,652,333	3,916,087
Public safety	13,542,086	13,334,044	13,658,355	15,371,748
Community development	2,503,725	2,480,479	2,495,592	2,634,368
Highways and streets	7,384,831	6,422,741	5,204,543	6,552,001
Capital outlay	3,719,559	435,591	4,721,303	483,398
Debt service				
Principal	1,626,661	1,766,837	1,830,528	1,994,686
Interest	1,446,852	1,275,354	1,270,913	1,353,654
Total expenditures	34,517,507	29,567,356	32,833,567	32,305,942
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,141,087)	653,049	(1,313,191)	1,060,077
OTHER FINANCING SOURCES (USES)				
Transfers in	2,370,167	1,464,908	1,550,000	2,323,750
Transfers (out)	(4,286,367)	(2,481,203)	(1,970,591)	(2,893,451)
Bonds issued	6,015,000	-	3,500,000	4,376,797
Premium on bonds issued	393,393	-	-	310,434
Discount on bonds issued	-	-	-	-
Payment to escrow	(6,291,761)	-	-	(4,665,177)
Sale of capital assets	6,126	5,364	19,276	-
Total other financing sources (uses)	(1,793,442)	(1,010,931)	3,098,685	(547,647)
NET CHANGE IN FUND BALANCES	\$ (3,934,529)	\$ (357,882)	\$ 1,785,494	\$ 512,430
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	11.20%	11.27%	11.50%	11.49%

Data Source

Audited Financial Statements

2013		2014		2015		2016		2017		2018	
\$	25,005,629	\$	26,635,269	\$	27,324,526	\$	29,368,583	\$	18,794,647	\$	19,478,551
	1,709,276		1,945,775		2,268,860		2,484,384		2,402,262		2,591,314
	4,673,912		5,532,990		7,002,389		7,310,985		15,913,876		17,870,537
	883,624		925,813		943,902		1,330,364		2,611,715		3,737,015
	1,062,801		1,098,524		925,672		1,054,601		1,054,526		921,896
	21,300		18,923		16,692		16,910		89,620		195,134
	777,431		768,304		1,229,692		1,024,164		1,503,830		1,462,895
	34,133,973		36,925,598		39,711,733		42,589,991		42,370,476		46,257,342
	3,790,947		4,242,675		4,144,172		4,204,369		4,586,659		5,251,441
	15,675,525		17,081,460		17,894,416		18,726,097		19,933,924		22,968,477
	2,632,733		2,784,338		3,967,269		2,682,525		2,794,396		3,063,030
	6,714,703		7,251,254		7,577,839		8,972,276		7,659,070		6,850,094
	269,101		1,287,206		2,992,628		2,030,890		7,200,795		11,706,016
	1,919,629		1,825,060		1,898,929		1,987,797		4,225,544		2,219,412
	1,146,483		1,084,390		1,017,661		1,132,306		1,336,165		1,145,571
	32,149,121		35,556,383		39,492,914		39,736,260		47,736,553		53,204,041
	1,984,852		1,369,215		218,819		2,853,731		(5,366,077)		(6,946,699)
	2,454,000		1,750,000		2,088,431		1,781,268		2,063,890		2,247,373
	(3,844,798)		(2,737,904)		(2,475,968)		(2,410,392)		(2,397,223)		(2,247,373)
	-		-		-		8,995,000		14,123,303		2,470,000
	-		-		-		774,500		327,285		(2,391,129)
	-		-		-		-		-		-
	-		-		-		(9,580,735)		-		-
	-		-		-		-		-		-
	(1,390,798)		(987,904)		(387,537)		(440,359)		14,117,255		78,871
\$	594,054	\$	381,311	\$	(168,718)	\$	2,413,372	\$	8,751,178	\$	(6,867,828)
	10.46%		9.27%		6.42%		9.33%		14.49%		8.53%

VILLAGE OF ADDISON, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Farm/Railroad Property	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2008	\$ 873,648,030	\$ 116,535,969	\$ 413,818,599	\$ 321,389	\$ -	\$ 1,404,323,987	0.38	\$ 4,212,971,961	33.333%
2009	873,075,550	113,351,102	407,189,960	352,155	-	1,393,968,767	0.41	4,181,906,301	33.333%
2010	795,743,652	106,188,080	371,249,926	360,234	-	1,273,532,892	0.49	3,821,598,676	33.333%
2011	696,106,974	105,042,046	367,978,240	357,465	-	1,169,484,725	0.51	3,508,454,175	33.333%
2012	609,786,540	95,670,541	325,541,050	414,281	-	1,031,412,412	0.65	3,094,237,236	33.333%
2013	563,562,939	92,776,816	303,834,390	477,238	-	960,651,383	0.75	2,881,954,149	33.333%
2014	559,859,119	91,846,560	300,842,740	441,111	-	952,989,530	0.82	2,858,968,590	33.333%
2015	573,523,649	95,845,100	310,835,050	446,394	-	980,650,193	0.84	2,941,950,579	33.333%
2016	621,466,331	103,020,280	331,034,160	531,367	-	1,056,052,138	0.81	3,168,156,414	33.333%
2017	679,168,341	107,416,880	353,968,860	414,853	-	1,140,968,934	0.76	3,422,906,802	33.333%

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
VILLAGE DIRECT RATES										
Village of Addison										
Corporate	0.24	0.24	0.25	0.30	0.36	0.42	0.43	0.46	0.43	0.41
Bond and Interest	0.05	0.05	0.07	0.08	0.09	0.09	0.10	0.09	0.09	0.08
Police Pension	0.09	0.13	0.17	0.17	0.21	0.24	0.29	0.28	0.29	0.27
TOTAL VILLAGE DIRECT RATES	0.38	0.42	0.49	0.55	0.66	0.75	0.82	0.84	0.81	0.76
OVERLAPPING RATES										
Addison Public Library	0.28	0.28	0.32	0.37	0.43	0.48	0.50	0.51	0.49	0.46
Addison Park District	0.31	0.31	0.34	0.37	0.43	0.47	0.48	0.47	0.44	0.42
Addison Township	0.04	0.04	0.05	0.06	0.07	0.07	0.07	0.07	0.07	0.06
Addison Fire Protection District	0.65	0.66	0.74	0.83	0.96	1.06	1.06	1.12	1.05	1.01
DuPage County	0.16	0.16	0.17	0.18	0.19	0.20	0.21	0.20	0.18	0.17
DuPage County Fore's Preserve	0.12	0.12	0.13	0.14	0.15	0.17	0.17	0.16	0.15	0.13
DuPage Airport Authority	0.02	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Bloomington Township	0.07	0.07	0.08	0.08	0.10	0.11	0.11	0.09	0.08	0.10
Elmhurst Park District	0.27	0.28	0.31	0.34	0.39	0.42	0.42	0.38	0.36	0.35
53 Trails Est Park District	0.03	0.03	0.03	0.03	0.04	0.04	0.04	0.04	0.04	0.04
Itasca Fire Protection District	0.57	0.58	0.65	0.72	0.82	0.90	0.94	0.90	0.86	0.83
Grade School District No. 2	2.71	2.75	3.12	3.54	4.07	4.43	4.57	4.53	4.28	4.09
Grade School District No. 4	1.83	1.84	2.08	2.32	2.70	2.97	3.06	3.02	2.83	2.68
Grade School District No.10	1.58	1.59	1.80	2.05	2.32	2.54	2.66	2.50	2.38	2.26
Grade School District No.13	2.16	2.12	2.35	2.56	2.93	3.28	3.46	3.36	3.16	3.01
Grade School District No.15	3.66	3.78	4.18	4.65	5.37	6.39	6.49	6.51	6.14	5.94
High School District No. 87	1.65	1.67	1.84	2.02	2.29	2.49	2.58	2.52	2.40	2.34
High School District No. 88	1.43	1.48	1.66	1.83	2.20	2.44	2.56	2.55	2.40	2.25
High School District No. 100	1.39	1.40	1.62	1.81	2.06	2.23	2.30	2.29	2.17	2.08
High School District No. 108	1.61	1.64	1.83	2.02	2.33	2.58	2.71	2.62	2.47	2.35
Unit School District No. 205	3.27	3.32	3.73	4.13	4.80	5.28	5.48	5.06	4.78	4.61
Junior College No. 502	0.19	0.21	0.23	0.25	0.27	0.30	0.30	0.28	0.26	0.24
Bloomington Park District	0.28	0.28	0.31	0.33	0.38	0.42	0.43	0.42	0.40	0.46
Bloomington Fire District	0.45	0.45	0.51	0.55	0.65	0.72	0.76	0.75	0.71	0.64
Bensenville Park District	0.33	0.31	0.36	0.41	0.47	0.51	0.52	0.52	0.49	0.48
Wood Dale Park District	0.31	0.30	0.35	0.40	0.45	0.49	0.50	0.50	0.47	0.47
TOTAL OVERLAPPING RATES	25.35	25.68	28.82	32.01	36.89	40.96	42.40	42.25	39.08	37.49

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Pampered Chef	\$ 9,051,500	1	0.79%	\$ 129,935,236	1	9.82%
Brookind Corporation	8,748,520	2	0.77%	29,105,090	7	2.20%
SVF Swift Center LLC	8,006,920	3	0.70%	52,408,632	3	3.96%
Walmart Property Tax Dep	7,435,920	4	0.65%	-		0.00%
Cabot	6,461,070	5	0.57%	-		0.00%
VTH 6 LLC	5,726,290	6	0.50%	-		0.00%
WPI Rohlwing LLC	5,017,870	7	0.44%	-		0.00%
DCT Mitchell Ct/Lombard LI	4,953,890	8	0.43%	-		0.00%
Oxford Bank & Trust	4,772,130	9	0.42%	-	-	0.00%
Prologis	4,617,910	10	0.40%	-		0.00%
Riggs & Company				65,328,792	2	4.94%
Domtar				46,771,950	4	3.53%
Devry				42,157,536	5	3.18%
Unisource Worldwide				32,046,296	6	2.42%
DCT Industrial Value FNDI				28,147,070	8	2.13%
K H GPI L P				27,964,918	9	2.11%
Multi Employer Property Inc				24,807,216	10	1.87%
	<u>\$ 64,792,020</u>		<u>5.67%</u>	<u>\$ 478,672,736</u>		<u>36.16%</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. Information from nine years ago was not available.

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Fiscal Year Collected	Tax Levied as Extended	Collected within the Fiscal Year of the Levy		Noncurrent Distribution	Total Collections To Date	Percentage of Levy Collected To Date
			Amount	Percentage of Levy			
2007	2009	\$ 8,730,679	\$ 8,582,252	98.30%	\$ 2,824	\$ 8,585,076	98.33%
2008	2010	9,196,917	9,049,562	98.40%	597	9,050,159	98.40%
2009	2011	9,716,846	9,676,073	99.58%	122	9,676,195	99.58%
2010	2012	10,385,056	10,361,919	99.78%	840	10,362,759	99.79%
2011	2013	10,700,168	10,634,138	99.38%	1,558	10,635,696	99.40%
2012	2014*	6,748,531	6,686,438	99.08%	348	6,686,786	99.09%
2013	2015*	7,227,941	7,155,662	99.00%	6,208	7,161,870	99.09%
2014	2016*	7,727,743	7,667,974	99.23%	364	7,668,338	99.23%
2015	2017*	8,230,597	7,975,242	96.90%	495	7,975,737	96.90%
2016	2018*	8,504,388	8,488,189	99.81%	-	8,488,189	99.81%

*GASB Statement No. 61 was implemented for the Village's year ended April 30, 2014 which amended the criteria for reporting component units as part of the primary government; therefore, information for years prior include the Library which was previously reported as a discretely presented component unit of the Village.

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Calendar Years

Calendar Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
MUNICIPAL TAXABLE SALES										
General merchandise	\$ 926,956	\$ 913,787	\$ 901,035	\$ 905,943	\$ 1,071,780	\$ 1,182,090	\$ 1,140,620	\$ 1,152,848	\$ 597,193	\$ 574,929
Food	480,122	453,625	443,929	493,144	474,120	476,105	507,098	515,071	1,085,176	1,195,176
Drinking and eating places	641,649	561,903	565,642	579,740	602,477	597,170	620,100	654,386	697,474	750,694
Apparel	49,643	41,129	42,927	178,607	14,544	19,033	17,510	19,242	22,722	29,434
Furniture & H.H. & radio	311,656	261,587	284,997	287,675	231,645	173,565	206,203	216,056	217,685	211,654
Lumber, building hardware	582,111	356,676	314,309	187,752	190,165	202,994	281,738	277,240	367,870	362,896
Automobile and filling stations	910,745	840,558	970,677	1,008,132	1,116,986	1,117,985	1,162,923	1,150,954	1,217,194	1,226,072
Drugs and miscellaneous retail	1,396,471	1,166,771	1,083,233	1,349,771	1,369,452	1,925,922	1,533,192	2,287,793	1,314,593	1,122,798
Agriculture and all others	2,410,835	2,013,621	2,344,066	2,591,093	2,459,770	2,195,150	2,782,712	2,979,727	3,233,601	3,710,890
Manufacturers	346,296	228,668	200,617	198,167	214,500	224,727	290,523	293,794	445,648	434,624
TOTAL	\$ 8,056,484	\$ 6,838,325	\$ 7,151,432	\$ 7,780,024	\$ 7,745,439	\$ 8,114,741	\$ 8,542,618	\$ 9,547,110	\$ 9,199,156	\$ 9,619,167
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
HOME RULE TAXABLE SALES										
General merchandise	\$ 430,302	\$ 425,878	\$ 412,381	\$ 375,998	\$ 597,340	\$ 715,565	\$ 685,643	\$ 671,198	\$ 350,925	\$ 348,609
Food	94,422	84,487	92,297	100,906	125,020	126,288	134,762	133,445	465,288	524,364
Drinking and eating places	478,885	418,465	421,711	431,007	593,716	591,373	613,661	647,653	686,852	736,690
Apparel	37,232	30,848	32,174	92,740	14,543	18,124	17,510	19,241	22,724	29,433
Furniture & H.H. & radio	233,744	196,181	212,857	215,753	229,622	173,703	211,868	215,684	217,674	211,620
Lumber, building hardware	425,301	266,050	234,871	140,605	189,275	201,457	280,379	276,871	367,509	362,525
Automobile and filling stations	556,477	510,003	607,010	635,350	855,450	865,635	794,220	655,507	634,757	671,973
Drugs and miscellaneous retail	903,195	732,121	692,172	867,536	1,136,615	1,684,807	1,276,885	1,965,181	973,808	672,061
Agriculture and all others	1,715,716	1,437,296	1,629,671	1,815,570	2,340,359	2,103,066	2,699,778	2,903,160	3,163,607	3,647,203
Manufacturers	257,307	170,329	149,872	148,161	211,882	223,528	289,200	292,577	445,333	434,143
TOTAL	\$ 5,132,581	\$ 4,271,658	\$ 4,485,016	\$ 4,823,626	\$ 6,293,822	\$ 6,703,546	\$ 7,003,905	\$ 7,780,518	\$ 7,328,477	\$ 7,638,621
Village direct sales tax rate	0.75%	0.75%	0.75%	0.75%	0.75%*	1.00%	1.00%	1.00%	1.00%	1.00%

*1.00% effective January 1, 2013

Note: Information as of a fiscal year basis is not available.

Data Source

Illinois Department of Revenue

VILLAGE OF ADDISON, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	DuPage County	DuPage Water Commission	Regional Transit Authority	State Rate	Total Sales Tax
2009	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2010	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2011	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
2012	1.75%	0.50%	0.25%	0.50%	5.00%	8.00%
Effective 1/1/12	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2013	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2014	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2015	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2016	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
2017	2.00%	0.50%	0.25%	0.50%	5.00%	8.25%
Effective 6/1/16	2.00%	0.50%	0.00%	0.50%	5.00%	8.00%
2018	2.00%	0.50%	0.00%	0.50%	5.00%	8.00%

Data Source

Village and County Records

VILLAGE OF ADDISON, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Loan Payable	General Obligation Bonds	Illinois EPA Loans			
2009	\$ 31,828,623	\$ 1,302,693	\$ 1,896,377	\$ -	\$ 35,027,693	4.60%	\$ 948.08
2010	30,283,033	946,898	1,751,967	-	32,981,898	4.33%	892.80
2011	32,182,204	578,215	1,602,796	-	34,363,215	4.51%	930.19
2012	30,236,527	196,177	1,423,473	-	31,856,177	4.12%	862.33
2013	28,365,220	-	1,264,780	-	29,630,000	3.20%	802.07
2014	26,903,684	-	1,158,136	1,550,935	29,612,755	2.97%	743.87
2015	24,753,765	-	976,486	6,627,263	32,357,514	3.00%	875.90
2016	22,751,408	-	791,663	7,969,299	31,514,386	3.00%	853.08
2017	32,629,799	-	3,673,456	7,848,252	44,151,507	3.00%	1,195.16
2018	29,082,652	-	3,317,338	7,503,226	39,903,216	3.08%	1,080.16

*See the schedule of Demographic and Economic Information on page 137 for personal income and population data.

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

Personal income is the largest sole source income type, usually either property or sales tax. In the case of special districts, it may be fees.

VILLAGE OF ADDISON, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Tax Levy Year	Actual Taxable Value of Property*	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2009	\$ 33,725,000	\$ 892,800	\$ 32,832,200	2007	\$ 3,970,896,858	0.83%	\$ 888.65
2010	32,035,000	841,797	31,193,203	2008	4,212,971,961	0.74%	844.29
2011	33,785,000	1,067,738	32,717,262	2009	4,181,906,301	0.78%	885.64
2012	31,660,000	1,319,707	30,340,293	2010	3,821,598,676	0.79%	821.30
2013	29,630,000	1,761,555	27,868,445	2011	3,508,454,175	0.79%	754.38
2014	28,098,820	1,786,294	26,312,526	2012	3,094,237,236	0.85%	712.27
2015	25,730,251	1,771,623	23,958,628	2013	2,881,954,149	0.83%	648.48
2016	23,543,071	2,348,402	21,194,669	2014	2,858,968,590	0.74%	573.67
2017	36,303,255	3,300,520	33,002,735	2015	2,941,950,579	1.12%	893.27
2018	32,400,000	2,932,683	29,467,317	2016	3,168,156,414	0.93%	767.89

*The EAV and Tax Levy year are two years behind the fiscal year. Taxes levied for 2017 are received in fiscal year 2018 and the calculations are computed accordingly.

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

VILLAGE OF ADDISON, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

April 30, 2018

Governmental unit	(1) Gross Bonded Debt	(2) Percentage Debt Applicable of the Village	(3) The Village's Share of Debt
Village of Addison	\$ 29,082,652	100.00%	\$ 29,082,652
TOTAL DIRECT DEBT	<u>29,082,652</u>		<u>29,082,652</u>
DuPage County	199,600,000	2.99%	5,959,162
Addison Park District	21,295,312	96.40%	20,528,695
Bensenville Park District	7,265,000	0.71%	51,873
Bloomington Park District	12,745,419	1.17%	148,807
Elmhurst Park District	10,605,000	0.59%	62,485
Bloomington Fire District	495,000	0.12%	579
School District No. 2	35,612,713	0.71%	254,280
School District No. 4	11,100,000	85.11%	9,447,349
School District No. 13	2,880,000	1.17%	33,625
School District No. 15	38,395,000	12.39%	4,756,831
School District No. 205	104,440,000	0.62%	645,446
High School District No. 87	72,516,432	12.39%	8,984,202
High School District No. 88	91,830,000	85.11%	78,157,662
High School District No. 100	11,030,000	0.71%	78,756
High School District No. 108	<u>33,330,000</u>	1.17%	<u>389,139</u>
TOTAL OVERLAPPING DEBT	<u>653,139,876</u>		<u>129,498,891</u>
TOTAL DIRECT AND OVERLAPPING DEBT	<u><u>\$ 682,222,528</u></u>		<u><u>\$ 158,581,543</u></u>

(2) - Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

(3) - Amount in column (2) multiplied by amount in column (1).

Data Source

Office of the County Clerk

VILLAGE OF ADDISON, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

April 30, 2018

The Village is a home rule municipality.

Chapter 65. Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal 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 per cent:....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."

VILLAGE OF ADDISON, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population^	Total Personal Income*	Per Capita Personal Income	Unemployment Rate#
2009	36,946	\$ 778,282,329	\$ 21,065	11.40%
2010	36,942	823,826,241	22,301	11.30%
2011	36,942	836,274,572	22,638	9.90%
2012	36,942	864,817,221	23,410	8.80%
2013	36,942	899,558,466	24,351	8.90%
2014	36,942	957,333,582	25,914	7.20%
2015	36,942	1,022,350,605	27,674	5.40%
2016	36,942	-	-	6.00%
2017	36,942	-	-	3.10%
2018	36,942	-	-	4.80%

Data Sources

^ 2000 and 2010 U.S. Census Bureau of population and housing

*Illinois Department of Revenue Tax Statistics - by zip code

The State is two years behind in reporting; therefore, the 2017 and 2018 information is unavailable

Illinois Department of Employment Security - Local Area Unemployment Stats
http://www.ides.illinois.gov/LMI/Pages/Local_Area_Unemployment_Statistics.aspx

These are the unemployment rates as of April 30 of each respective year

Bureau of Labor Statistics
Village Records

VILLAGE OF ADDISON, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2018				2009			
Employer	Rank		% of Total Village Population	Employer	Rank		% of Total Village Population
United Parcel Service	1	2,914	7.89%	United Parcel Service	1	2,914	8.11%
Pampered Chef	2	788	2.13%	Pampered Chef	2	788	2.19%
A-1 Air Compressor Corp	3	700	1.89%	Minuteman International	3	500	1.39%
Dynamac Inc	4	582	1.58%	Unisource	4	250	0.70%
Elmhurst Memorial Hospital	5	504	1.36%	General Binding Corp	5	250	0.70%
AIF Inc	6	477	1.29%	Jewel Food Stores	6	250	0.70%
Parts Town LLC	7	275	0.74%	Family Home Health Serv	7	250	0.70%
Men's Warehouse	8	258	0.70%	Albin Carlson & Co	8	250	0.70%
Veritiv Operating Company	9	250	0.68%	Kraft Foods	9	240	0.67%
Option Care	10	235	0.64%	Devry University Inc	10	230	0.64%

Data Sources

Village Records
Illinois Manufacturers Directory

VILLAGE OF ADDISON, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2009	2010	Authorized 2011	Filled 2011	Authorized 2012	Filled 2012	Authorized 2013	Filled 2013
GENERAL GOVERNMENT								
Administration	9.50	9.00	8.00	7.00	8.00	7.00	8.00	7.00
Board and Commissions	-	-	-	-	-	-	-	-
Finance	10.04	11.00	9.00	9.00	9.00	7.00	9.00	7.00
Community relations	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Building and grounds	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Information services	4.00	4.00	4.00	3.00	4.00	3.00	4.00	3.00
PUBLIC SAFETY								
Police								
Officers	71.00	72.00	72.00	69.00	72.00	66.00	72.00	68.00
Civilians	28.00	30.00	29.00	28.00	15.00	15.00	15.00	15.00
Henry Hyde Resource Center	1.00	-	2.00	1.00	1.00	1.00	1.00	1.00
Consolidated dispatch	-	-	-	-	14.00	14.00	18.00	16.00
Community Development	23.00	23.00	24.00	22.00	24.00	21.00	24.00	21.00
Highways and Streets								
Electrical/forestry	10.25	9.00	9.00	8.00	9.00	8.00	9.00	8.00
Street	13.50	13.00	13.00	11.00	13.00	11.00	13.00	11.00
Fleet services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Water and Sewer								
Water	13.21	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Sewer	13.00	12.00	12.00	9.00	12.00	9.00	12.00	9.00
Water pollution control	20.73	19.00	19.00	18.00	19.00	18.00	19.00	18.00
TOTAL FULL-TIME EQUIVALENT EMPLOYEES	229.73	225.00	224.00	208.00	223.00	203.00	227.00	207.00

Note: Positions shown are authorized.

Data Source

Village budget office

Authorized 2014	Filled 2014	Authorized 2015	Filled 2015	Authorized 2016	Filled 2016	Authorized 2017	Filled 2017	Authorized 2018	Filled 2018
8.00	7.00	12.00	11.00	6.00	6.00	12.50	12.00	12.00	12.00
-	-	-	-	-	-	-	-	-	-
9.00	7.00	12.00	11.00	10.00	9.00	10.50	10.00	10.50	10.00
5.00	5.00	6.00	6.00	5.00	5.00	6.00	6.00	6.00	6.00
2.00	2.00	2.00	2.00	3.00	2.00	3.50	3.00	3.50	3.00
4.00	3.00	4.00	4.00	5.00	4.00	5.00	4.00	6.50	5.50
72.00	68.00	72.00	69.00	69.00	69.00	68.00	68.00	68.00	68.00
15.00	15.00	18.00	17.00	14.00	17.00	18.00	18.00	18.00	18.00
1.00	1.00	3.00	3.00	2.00	2.00	5.50	3.00	5.50	5.50
18.00	16.00	19.00	18.00	21.00	18.00	47.00	38.00	46.50	41.00
24.00	21.00	24.00	21.00	21.00	19.00	21.00	20.00	21.00	20.00
9.00	8.00	9.00	7.00	10.00	9.00	11.00	10.00	11.00	9.00
13.00	11.00	13.00	9.00	10.00	11.00	10.00	9.00	10.00	9.00
5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00
11.00	11.00	15.00	11.00	10.00	10.00	11.00	10.00	11.00	10.00
12.00	9.00	13.00	9.00	14.00	7.00	14.00	11.00	14.00	11.00
19.00	18.00	20.00	19.00	18.00	18.00	19.00	16.00	21.00	18.00
227.00	207.00	247.00	222.00	223.00	211.00	267.00	243.00	269.50	250.00

VILLAGE OF ADDISON, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PUBLIC SAFETY										
Police										
Calls responded to	30,947	28,763	28,141	26,381	25,380	24,684	24,832	28,055	26,302	27,065
Parking violations	9,129	8,045	8,468	5,876	6,767	8,413	10,200	8,166	9,024	4,445
Traffic violations	11,204	8,811	9,051	5,927	7,303	6,252	7,377	5,263	5,499	5,029
PUBLIC WORKS										
Hours of snow plowing	4,637	5,420	2,282	4,000	1,782	2,740	2,740	2,231	2,160	1,477
Sidewalk replaced (squares)	3,081	177	1,096	50	892	1,294	1,294	730	926	879
WATER										
Water main breaks	78	66	69	70	69	110	119	60	65	75
Average day demand (mgd)	3.627	3.400	3.315	3,315	3.470	3.300	3.220	3.180	3.110	3.106
Maximum day demand (mgd)	4.820	4.60	4.60	4.25	4.72	4.60	4.53	4.53	3.87	3.76
WASTEWATER										
Gallons treated (billions)	2.256	2.491	2.139	2.491	2.041	1.779	1.856	1.959	2.165	2.240
COMMUNITY DEVELOPMENT										
Number of permits issued	861	922	922	955	1,056	892	1,046	1,227	1,227	1,826
Code enforcement cases	479	365	393	673	834	878	1,106	1,116	1,116	1,247
Inspections conducted	4,236	4,138	4,138	4,029	4,515	4,204	5,583	4,652	4,652	5,050
FINANCE										
Number of real estate transfer	805	642	708	705	833	871	857	875	862	864
Vehicle stickers issued	20,169	23,075	24,103	24,103	24,336	22,156	26,607	26,224	23,767	22,166
Business licenses issued	1,457	1,430	1,457	1,467	1,434	1,467	1,534	1,492	1,405	1,351
Accounts payable checks issued	5,327	5,111	4,183	3,825	3,796	3,757	3,889	4,020	3,942	3,942

Data Source

Various Village departments

VILLAGE OF ADDISON, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
PUBLIC SAFETY										
Police										
Stations/Municipal Center	1	1	1	1	1	1	1	1	1	1
Patrol units-squad cars	42	43	45	45	46	42	42	42	43	45
Consolidated Dispatch Center	-	-	-	-	-	-	-	-	-	1
Dispatch workstations	-	-	-	-	6	6	6	6	8	37
Microwave tower	-	-	-	-	4	4	4	4	6	4
PUBLIC WORKS										
Residential streets (miles)	96	96	96	96	96	96	105	105	106	96
Storm sewers (miles)	73	73	73	73	73	73	73	73	73	73
WATER AND WASTEWATER										
Water mains (miles)	170	170	170	172	172	172	171	171	180	180
Storage capacity (gallons)	9.10	9.50	9.50	6.80	6.80	6.80	6.80	6.75	6.75	6.75
Sanitary sewers (miles)	120	120	120	120	120	120	120	120	120	120

Data Sources

Various Village departments